

Club House and Registered Office:
4 Abbey Terrace
Ramsey, Huntingdon
Cambs., PE26 1DD
E Mail: admin@ramseyclub.co.uk

Judith Bailey
Office Manager
Telephone: (01487) 812600
Telephone: (01487) 812622
Fax: (01487) 815746

**MINUTES of the 96th ANNUAL GENERAL MEETING
Held on Friday 26th July 2019 at the Clubhouse
4 Abbey Terrace, Ramsey, Cambridgeshire, PE26 1DD**

Present: Mr B McCormick, Mr T Cripps, Mr R Bryant, Mr M Jarman, Mr J Brooks, Mr M Arthur, Mr L Griffiths, Mr M Schuetz, Mr S Bradley, Mr R Spence, Mr M Stimpson, Mr P Welham, Mr P Topham, Mrs D Clitheroe, Mrs F Clyne, Mrs S Bentham, Mrs N Smith, Mr G Smith, Mr W Fleming, Mrs A Rose, Mr P Weir, Mrs J Francis, Mr M Francis, Mr V Robson, Mrs D Pitts, Mrs I Hartley, Mr G Hartley, Mr P Constable, Mrs E Constable, Mr A Mawhinney, Mr N Lunniss, Mr C Grace, Mr J Else, Mr M Fortune, Mrs L Fraser, Mr N Fraser, Mr G Willis, Mrs G Willis, Mr P Levi, Mrs L Levi, Mr I Cornthwaite, Mr S Whittome, Mr R Hastie, Mrs S Bryant, Mrs B Brooks, Mr G Cripps, Mrs P Coles, Mr P Ackers, Mr P Yeoman, Mr R Coles.

1. Apologies:

Mrs M Fielding, Mr T Sparling, Mr A Daly, Mr M Pettitt, Mr D Winder, Mr F Bibby, Mrs F Bibby, Mrs M Chapman, Mr R Chapman, Mr D Youles, Mr J Prestage, Mr T Close, Mr P Judge, Mrs M Judge, Mr P Geary, Mrs R Singleton, Mrs J Freeman, Mr G Rose, Mr K Arthur, Mrs P Simpson, Mrs L Mills Cripps, Mr C Edwards, Mr D Stewart, Mr J Watts, Mr P Robson.

The Chairman welcomed members to the 96th AGM of the club and thanked them for their attendance.

A minute's silence was held for those members no longer with us.

2 Minutes of the previous meeting

The Chairman requested those present to receive and confirm the Minutes of the 95th AGM.

Proposed by Mr J Brooks
Seconded by Mr T Cripps
The minutes were duly signed.

3 Matters Arising

There were none

4 To Receive and Adopt the Statement of Accounts Ending 31st December 2018

OVERVIEW FOR THE YEAR

Despite real concerns early in 2018 that the club was likely to incur a financial deficit over the year, the outcome was markedly better for the club to the point that the outcome represented the best annual results over the last few years once extraordinary items were excluded. However these improved results were largely the result of :

- : the club's reliance on volunteers, mainly behind the bar, demonstrating the benefit that the "volunteer culture" brings to the club
- : other cost saving measures implemented in 2018
- : the revenue benefit for four new life memberships and,
- : higher, than expected, society income.

The main club accounts (P&L) for 2018 will be reviewed later, show a surplus for the year of £8,460.

Given the anticipated trading shortfall in 2017 the Management Board took the decision to increase membership fees for 2018 and then in early 2018, when it was clear that the club was heading for a significant financial deficit in 2018 (in excess of £40,000), to implement a series of cost saving initiatives to improve the club's financial performance and these were presented and discussed at a member's meeting in March 2018. These initiatives included :

- cancelling the cleaning contract and allocating the work out to various sections within the club, specifically the gentlemen's golf section, the ladies golf section, the bowls club and restaurant/bar teams
- to introduce a volunteer workforce behind the bar to support Martin and Bex thus avoiding the need for additional casual paid staff and,
- re-organising the club contract with our professional.

Altogether these initiatives were targeted to save the club over £20,000 in 2018 which the board believed to be in the best interests of the club to better ensure that the club's operational revenues in 2018 exceeded its expenditures.

Without question these cost saving measures made a significant difference and the management board believe that continued reliance on volunteers is crucial to the club's ongoing success and I will return to this topic later.

PROSPECTS FOR 2018

Current indications remain positive with the cost saving measures in place coupled with our continuing success in attracting new members we are confident that as long as the "volunteer culture" is sustained and we maintain our momentum on membership recruitment and continue to achieve the targets on cost savings, society usage etc we will achieve a revenue surplus this year.

Without doubt, the club will continue to face a tough financial challenge to meet our revenue objectives but with perseverance I am sure that we will succeed.

Members will continue to play an extremely important role in the ongoing success of the club by engaging with the club on ANY of the following points :

- : acting as ambassadors to promote the club and attract new members
- : be welcoming to visitors, remember a visitor today may be a member tomorrow.
- : supporting the club in its endeavours and events

- : volunteering in various areas
- : using the club and its facilities

OUR PEOPLE

I would like to take the opportunity to thank all of our people for their efforts in running the club on member's behalf, specifically your board members, Judith in the office, Bex and the team working the bar and, especially, delivering another successful beer festival, together with the live band events. Continuing the thanks, Neil and his crew for their magnificent achievements, especially given their limited resources, in delivering the course in such an excellent condition, during 2018, Rowena and her team for the culinary delights we all enjoy and, following Rowena's departure, Sarah and, finally our pro, Stuart and the boys. Also I would like to make a special mention of the work that the entertainments committee undertake for our amusement, and to Ina Hartley for all of her work with the club website.

VOLUNTEERS

I would also like to make special mention of those members who have volunteered their time on the bowls green, golf course, bar, cleaning and works within and around the club house. The volunteers have being extremely beneficial for the club in that we are able to bring about a range of targeted improvements with only the material costs and I want to express the Board's appreciation to all of those members who have so readily given up their time for the benefit of the club.

The cleaning, especially of the toilet areas, continues to be a challenge at times and, being directly involved with this activity, I have to express my shock at how the gents toilets are left – toilet brushes have been provided and should be used if needed. There needs to be a change in attitude amongst members here – firstly do not leave the toilets in a foul state and, if you find that they have been, either deal with it or report it but certainly do not leave it for others, especially visitors and, bear in mind, that if you decide just to report it, you may be reporting it to another member, just like you.

Whilst the volunteering has made a material difference over the last 16 months we need to consider whether the current strategy of depending on volunteers is sustainable in its current format, whether it has the full support of the membership and whether it needs to be expanded or replaced with an alternative strategy and this matter will be one of the main topics tonight so if members have points to air on this please take the opportunity when I come back to this subject later.

As covered earlier the club produced an accounting surplus in the year, as per the accounts of £8,460 which I will be going into in more detail shortly when I cover the accounts.

MEMBERSHIP FEES FOR 2018

For 2018 the board decided to implement a 5% fee increase across all membership categories and to pass the responsibility for paying the obligatory CAGU fees to members. These changes were made for to three main reasons :

- : to maintain the club's membership fee structure at a competitive position compared with other local golf clubs.
- : to better enable the club to attract new members to achieve the membership growth that the club needs to achieve.
- : to increase membership fee income for the club's benefit to narrow the gap between its revenue and expenditure needs

It should be clear to all that club revenues need to increase but to achieve the targeted increase to meet the club's expenditure needs, purely from membership fees it would need an increase in fees of well in excess of 30% which, the board considered, would not have been well received and would have led to resignations and significantly increased difficulty in attracting new members. After much debate the decision was to adopt a lower effective fee increase and to continue with the strategy of growing the membership. From the board's perspective, this strategy is achieving positive results but it is falling short of where our membership needs to be so we need to maintain the momentum going forward.

At the beginning of this year (2019) we decided to raise the fees again by 3%, in line with inflation.

MEMBERSHIP NUMBERS

Since last year's AGM membership numbers have changed as follows :

	April 2015	April 2016	April 2017	April 2018	July 2019
7 day golf members	224	202	180	174	189
5 day golf member	80	68	65	46	45
Other golf members	15	27	40	50	57
Sub-total	319	297	313	270	291
Bowls members	64	63	72	72	76
Social members	83	81	68	86	91

Note that the 2018 membership numbers now exclude those members in abeyance, which explains the apparent drop in numbers.

These figures show that membership numbers have increased marginally and this reflects a common story from golf clubs generally that membership is, generally, in decline so, in context, we have bucked the trend by achieving a small increase year on year.

As commented earlier, the key to the club's financial success is growing our membership and we need to continue attracting new members and to this end I, again, re-iterate the need for all members to embrace the role of ambassador and to take every opportunity to promote the club and its facilities and to be welcoming to visitors and to encourage new members such as family, friends and work colleagues to the club.

SOCIETIES AND VISITORS

We continue to be a member's club but our membership numbers no longer enable us to function solely as a member's club and without the financial benefits that accrue from societies and visitors we could be forced to substantially increase our membership fees.

Income from societies and visitors continues to represent a very important revenue stream for the club and, therefore, its members. To illustrate the importance of this revenue source our green fees income was £60280 in 2018 compared to £ 39247 in 2017 and £39,802 during 2016.

GOLF SOCIETY INCOME PER MEMBER

Based on golf membership numbers as at July 2019 of 238, expressed as equivalent 7 day members, this equated to £253 per member or, in another way, the visitor revenue equates to the equivalent of 73, 7 day members.

The club will continue to monitor society and visitor usage and, as always Stuart will continue to manage tee bookings with the objective of minimizing any impact on member's enjoyment of the course but I would ask all members to be flexible and welcoming given the importance of this revenue stream to both the club and its members.

Finally, if there are any occasions where members' enjoyment of the course is impacted by a society or visitor please raise your concerns with Stuart and NOT, either, with the visitor or within earshot of a visitor.

LAND DEVELOPMENT

As reported to members at the last three AGMs the Board has been investigating the viability of selling two separate plots of land for development, specifically the old practice ground at Meadow Lane and the ground's team yard.

Regarding the Meadow Lane ground, the county planning department did not support our proposals and the club entered into a contract with a land development company who, at their cost and risk, are endeavoring to obtain planning approval and a sale and, if successful, will receive part of the sale proceeds. This exercise is now progressing but it is likely that will take some time to reach a conclusion.

COURSE IMPROVEMENTS

Upgrading our course machinery has continued to be an objective with a banks mower purchased during 2018 and now looking to upgrade our rough cutter which represents a significant investment but is wholly necessary.

VANDALISM

There is a continuing problem with trespass and vandalism on the course, mainly with children and young adults and there have been a number of incidents where members have been verbally abused. Wherever possible and safe to do so evidence is being collected and passed to the police and, recently, we have been fortunate enough to discover individual names and understand from the police that this will enable them to take more effective action. If members witness any vandalism or trespass please report it to Stuart in the pro shop.

ACCOUNTS OVERVIEW

Traditionally the accounting documents presented to club members for the AGM comprise a profit and loss account and balance sheet. There are inherent complexities in fully and properly interpreting a profit and loss account and while this document will continue to form a central element of the information distributed to members, the board decided in 2016 to expand the documentation to also include a modified income and expenditure statement in the belief that members will find this document far easier to interpret as this form of document will show the true, and normal, operational income and expenditure in the period which better presents how the club is managing its financial performance.

P&L ACCOUNTS SUMMARY

The summary profit and loss figures for 2014 to 2018 are detailed on the screen

	2014	2015	2016	2017	2018
		£	£	£	£
Sales	361,153	355,482	403,448	361,012	399,371
Cost of sales	(84,924)	(102,917)	(87,374)	(93,228)	(85,416)
Gross Profit	276,229	252,565	316,074	267,784	313,955
Admin expenses	(311,657)	(304,282)	(299,765)	157,353	323,823
Other income	6,889	10,472	9,643	12,379	19,217
Operating profit/(loss)	(28,539)	(41,245)	25,952	122,810	9,349
Interest receivable	146	602	13,695	641	691
Interest payable	(3,049)	(2,865)	(3,117)	(2,163)	(1,580)
Profit/(Loss) pre tax	(31,442)	(43,508)	36,530	121,288	8,460

From the profit and loss (P&L) statement it will be evident that the club is reporting a surplus over the year of £8,460. This is correct in accounting terms but this reflects various elements that are not truly income or expenditure in the year or what I would regard as normal operational transactions. In an effort to present figures that better represent the club's operational income and expenditure we have

prepared a modified income and expenditure report which better reflects the actual income and expenditure by year.

ADJUSTMENTS TO ARRIVE AT THE MODIFIED ACCOUNTS

: a proportion of any lifetime or 5 year memberships taken in 2018 (£45,137) are deferred to later years in the statutory P&L but are included in the year received as income in the modified income and expenditure report.

: the income on the statutory P&L includes an allocation to 2018 of any lifetime or 5 year memberships that were taken up by members in prior years. This amount (£17,920) has been removed as income in the modified income and expenditure

: the income in the statutory P&L excludes £11,066 that equates to subscriptions paid part way through 2018 that relate to a membership period running into 2019

: the income in the statutory P&L includes £5,976 that equates to subscriptions paid part way through 2017 that relate to a membership period running into 2018

: the depreciation charge of £15,449 is removed as an expense item as it does not represent a true cost in the year.

: the capital repayment element of the loan payable in 2018 (£8486) has been included as an expenditure item.

: £2529 was a capital payment element of an HP agreement to be added in as expenditure in the year

: Irrecoverable VAT in respect of the new grounds building amounting to £10,720 has been excluded.

: The costs incurred during the year in relation to the new grounds building (£1034) have been excluded from the modified income and expenditure report as they do not relate to normal operational expenditure.

MODIFIED ACCOUNTS SUMMARY

A summary of the Modified Income and Expenditure report is set out below and this reflects the actual income and expenditure transactions pertaining to 2014, - 2018.

	2014	2015	2016	2017	2018
	£	£	£	£	£
Sales	397,909	376,666	366,248	363,958	431,678
Cost of sales	84,924	102,917	87,374	93,228	85,416
Admin expenses	144,885	142,044	142,392	147,598	146,713

Establishment costs	91,727	95,689	81,788	109,555	96,239
General admin exp	43,378	40,805	40,337	44,407	49,849
Legal and prof costs	6,854	4,135	5,483	4,163	4,179
Total admin exp	286,844	282,673	270,000	305,723	296,840
Other income	6,889	10,472	9,643	12,379	19,217
Interest received	146	602	347	641	691
Interest paid	3,049	2,865	3,117	2,163	1,580
Capital repaid	6,827	7,208	11,828	10,409	11,015
Surplus over year	23,300	-7,923	3,919	-34,545	56,955

From this analysis it will be evident that the club achieved a surplus of £56,955 in 2018 against a trading deficit of £34,545 in 2017. This represented a monumental turnaround compared to the very real likelihood of a significant deficit that was forecast only 16 months ago in respect of 2018 and should be well and truly celebrated. HURRAH !!!!!!!!

The surplus in 2014 was achieved principally through the introduction of the new 5 year and lifetime membership categories (£ 36,756 over and above what would have been received in respect of 2014 fees had the new categories not been introduced) and increased society/green fee revenues.

SUSTAINABILITY OR NOT OF THE VOLUNTEER CULTURE MODIFIED ACCOUNTS SUMMARY

In an effort to provide some context with our accounts over the last five years I should explain that in 2014 the club ran out of money around July of that year and with the apparent on-going annual situation whereby its expenditures exceeded its annual revenues, measures were implemented to raise urgently needed funds – in the short term this was principally the introduction of five year and lifetime memberships which were known to be not in the club's interests long term but essential short term. In the following years we benefited from additional revenue from our brewery contract with Greene King, a substantial rebate from customs & excise, an agreement with a solar farm company and the sale of the grounds building land.

The base strategy has been to make the club more attractive to new members and while this has been successful we still do not have sufficient members to cover the club's financial needs.

In March 2018 a special members meeting was convened to report to members the club's financial position and the expectation of a significant financial deficit for the year of between £40,000 and £50,000 and what was planned to reverse the situation. It was clear that despite our successes with growing the club's membership we were not achieving the growth necessary and, as a consequence, we needed to urgently look at other ways to both increase our revenue and reduce our costs in order to reduce the forecast deficit and, ideally, achieve a revenue surplus which required effective action.

We decided that relying on increasing membership numbers and fees, broadly in line with inflation, could only be part of the overall strategy and we needed to combine these actions with other measures. To the management board it was clear that an obvious solution was to implement a series of cost cutting measures and to expand the already successful volunteer program to carry out work that would otherwise have to be paid for.

The measures that were implemented were :

- Replacing the many part time paid bar staff with volunteers which reduced the pay bill, year on year, by approximately £11,600

- Cancelling the annual cleaning contract and allocating the work out to the various groups within the club, specifically the bowls club, the lady golfers, the gentlemen golfers, the bar team and the restaurant team. This reduced the cleaning costs by approximately £10,000 year on year.

Regrettably the male golf section did not engage with this strategy as I had hoped but have recently committed to setting up a rota using volunteers that, if supported, will ensure that the changing rooms, toilet and showers are presented as we would want them to be.

I am very thankful to ladies section, bowls section, restaurant and bar teams for their on-going efforts in keeping their areas of responsibility clean and tidy.

- Revising the contract with our professional.

These measures were in addition to continuing to focus on growing the club's membership and society usage without impacting on member's enjoyment of the course and facilities.

Later in the year our resident bar steward, Martin, decided to move on to new employment opportunities which enabled the club to increase the use of volunteers behind the bar and to refurbish and rent out the stewards flat which has added annual revenue in the region of £6,000.

Over the remainder of the year from March 2018, as a direct result of the cost saving initiatives together with the club's successes with new members and visitor volumes to the course, our anticipated revenue deficit of £40 - £50,000 was turned into a surplus of £56,955, in modified account terms, – a fantastic achievement and one worthy of celebration.

I am fully aware that the cancelation of the cleaning contract was not well supported by the membership and many of our members do not agree that it should be expected that they carry out cleaning activities and/or be asked to volunteer their time on top of paying their membership fees.

THE REALITIES

I understand this view but the stark realities are as follows :

- we do not have sufficient members to generate the revenues necessary to run the club as it should be on our current fees.
- despite our best efforts, and successes in growing the membership, we need in the region of 80 additional 7 day golf members and, in all reality, this type of growth is not going to happen in the foreseeable future.
- To generate the revenue to meet the club's needs principally through membership fees, based on our current membership, would require an increase in membership fees of 30-40% which would take membership fees to well over £1000 – however much we love our club we are not a £1000 a year club so this is not tenable.
- We need to increase the size of our grounds team and this is planned for 2019 but will further increase the pressures on our finances and is dependent on our volunteer strategy being supported and working successfully.
- We need to continue with the upgrading of our course equipment and, again, this is taking place in the full knowledge that it will increase the pressure on our finances. Proceeding with this is dependent on the club continuing to generate a sufficient revenue surplus which, we believe, can only be achieved with members directly helping the club through volunteering.

- We need to spend money on the clubhouse electrical and heating systems as well as keeping pace with maintenance issues. This continues to apply pressure on our finances.

To reduce our expenditures by the margin necessary to meet our objectives is impossible without, in the management board's opinion, looking to volunteers to carry out the works that would otherwise still need to be carried out.

If we are successful with getting planning permission for the Meadow Lane site the monies generated will enable the club to reduce some on-going liabilities. It would allow us :

- to upgrade course machinery which would reduce the on-going maintenance costs,
- to pay off, if we decided to, the club loans which would remove the capital and interest payments and to effect other improvements which would reduce our maintenance and operating costs.

Without finding some magical solution to this situation the answer to me is to look to volunteers from within the club to carry out what they can for the club's benefit in order to ensure the club's on-going success. However, if this strategy is not supported, graciously, by the club membership or insufficient members actually put themselves forward to make it work then, as some members already consider, the strategy will not be sustainable, and the management board will need to consider alternatives.

From these details it should be clear that without these measures in place the club would still be incurring an annual revenue shortfall, in which case it would be questionable whether it was in a position to consider expanding the grounds team and/or upgrading the course equipment and/or the many other areas where improvement would be desirable.

As such without these measures in place the club would have ended the year with a financial deficit which, in all likelihood, could only be counteracted by increasing membership fees by a significant margin which the management board contend would not be well received by a material proportion of our members and would have a severe impact on our ability to attract new members.

Given this situation I remain convinced that continuing with the volunteer culture is the correct strategy for the club until such time that we achieve the development permission on the old practice ground at Meadow Lane and/or we achieve the membership growth necessary to properly the club's financial needs.

As mentioned earlier in this report, in addition to meeting our current financial needs, we have to be mindful of other upcoming financial pressures which the club has been very aware of for many years but have not had the finances to address them properly but with the improvements in the clubs finances bought about through the efforts of our volunteers we can now better plan for these matters, namely :

Additional grounds staffing – Neil and his team do a sterling job for our members and visitors but for the size of the course we need to be looking to increase the team size but the consequence will be to see an increase in our pay bill.

Course machinery – all members should be well aware that there has been a growing need to invest more in our machinery and over the last couple of years we have updated a number of machines but we need to continue on this path which, again, places a burden on our finances.

Club house electrical system – our electrical system needs to be updated and improved and, to this end, we commissioned a survey this year which, as expected, has identified what works need to be done and over the next year or two these works will be prioritised and carried out.

Club house heating system – as with the electrical system there are urgent works needed but the cost of replacing the current system is prohibitive in the short term.

CCTV – with the grounds team moving to the new building we have located the buggy ranch at the bottom of the putting green and with this move and the need to improve our security we have decided to install a cctv system.

In summary, having explained why I believe there is need to maintain the volunteer principles I am very aware that there continues to be resistance to the idea that club members undertake cleaning and/or volunteering duties and this is especially true with the male golf section who have not taken on their share of, particularly, the cleaning work. The consequence is that the bar team have had to, largely, take on this additional work and undertake the toilet cleaning on a daily basis but the carpet hoovering happens only rarely which attracts negative comment on the apparent state of the clubhouse which is embarrassing especially where visitors are involved.

I had hoped that in the 16 months since the special members meeting in March 2018 that members would have seen the huge amount of effort that volunteers were expending for the benefit of the club, the consequential improvement in the state of the club's finances and the ever improving atmosphere in and around the club and would have engaged with the strategy and have taken more pride in the club but it is becoming increasingly clear to me that whilst members wholly support the positive results of the strategy there is still resistance to specific aspects, principally the cleaning.

I believe that this issue needs to be addressed because the current state of affairs is not sustainable in that it places too much of a burden on the bar team and either :

- all sections need to take on their fair share of the cleaning or,
- we accept that the volunteer principle is not wholly supported, therefore not sustainable in its entirety and we need to review the whole strategy moving forward

Some positive news is that the golf committee have recently committed to ensure that a rota is established whereby a number of members will carry out the necessary cleaning in the male changing room and toilet – in reality if around 10% of the male golf membership were each willing to provide 45 minutes once a month the male changing rooms would be presented as they should for members and visitors alike. Arising from this I hope that sufficient members will put their names forward to ensure that all areas are maintained as they should be.

As a club we need to confirm, or not, whether our membership is behind the volunteer principle and that sufficient members will engage with it or that our membership is not willing to support it, in which case the board will review our future strategy and find a strategy that membership will support.

This is a good time to pause and take comment on whether, or not, the necessary support is available.

With regard to paying for your membership fees, bank charges are continuing to be a burden on the club. We are moving to a new debit/credit card machine supplier which should deliver savings against our current arrangements but with cash deposits costing the club £0.90 per £100 banked, cheques costing £0.65 each and bank transfers £0.35 each it would be appreciated if members could pay by bank transfer or by cheque. Further to this it would be appreciated if bar cards could be credited using debit cards rather than cash.

The accounts were proposed by Mr J Brooks and Seconded by Mr S Bradley

5 Election of Directors

The Chairman drew to the attention of those members present to article 76 of the Companies Act table A to F of 1985 which was laid out in the agenda.

6 Appointment of Accountants

The Chairman proposed that Fisher Accounting and Taxation Services Ltd be appointed as the club auditors for the next twelve months.

7 Any Other Business

Mr S Bradley said that the changing rooms are being left in a state, he will be putting up a rota asking for volunteers to help with the cleaning.

Mr N Lunniss asked how much a cleaner would cost, R Coles said that it was approximately £12,000.

Mrs P Simpson said that she has been a member of the Club for over 30 years and she takes pride in being a member. Her only concern was to visitors coming to play to find out the cleaning is carried out by the members.

Mr I Cornthwaite said that there is an impression that the male golf members do not give their time volunteering. Mr R Coles said that has never been suggested.

Mr A Mawhinney asked if there was an update on the buggy ranch. Mr R Coles said that this should be completed within the next month.

Mr R Coles said that the Club is about to sign a contract for a new fleet of buggies.

The Chairman thanked members for attending the AGM and the meeting closed at 10.20pm.