

Treasurer's Report 2020 AGM

Introduction

I am pleased to report that the Echunga Golf Club has had a positive financial result for 2019-2020. We recorded an operating surplus of \$44.6k. Our income for 2019-20 was down by 4.5% from last year however our expenses were 18.5% less than the previous year.

The impact since March of COVID has been breathtaking. The support of members and visitors in adjusting to the restrictions to club operations and playing conditions has been a highlight.

Summary of significant events impacting on finances.

- The Corona Virus was declared a pandemic at the end of March and all club activity effectively ceased for members and the public during April. Earlier in the year there had been catastrophic fire conditions resulting in Course Closures. March, April, and May are our most important months financially and coincided with COVID restrictions significantly limiting all aspects of Club routines.
- Government stimulus grants and Job Keeper funding protected the club from severe financial difficulty. Several successful grant applications have also enabled us to achieve improvements that are needed. A committee keen to do the planning and work behind these grants is a genuine asset
- A major expense during that time was the purchase 4 new buggies to replace an ageing fleet.
- Grants for Juniors development and member donations to support volunteers' activities and Juniors provide a sustainable base for those programs.

Income features

- Canteen sales were \$153.5K in 19/2020, 25% less than 2018/19
- Subscriptions were \$194.9k, up by 8.2% on the previous year
- Green fees steady at \$175.2k only \$1.2k less than last year
- Comp fees and Buggy hire were down by 17% and \$15% respectively
- Total income for 19/20 was \$667.8k compared to \$698.9k in 18/19

Expense features

- Canteen expenses were \$122.3k this year, 40% down on last year
- The club replaced 4 older buggies with new ones to meet an increased demand
- Course costs were steady at \$312k compared to \$306k in 18/19
- No major machinery or additional works other than planned work was necessary.
- Total expenses came to \$610.3k or \$150k less than last year.

Budget Process

There are three main sources of income for the club, Green fees, subscriptions, and canteen sales, each contributing roughly 30%. Grants, rent, sponsorship makes up the rest. Staff wages and Course costs make up most of our expenses.

A 20/21 Budget group was established and used a model of average income and expenses over several years to construct a budget with an anticipated surplus of 10% of total income. That surplus enables a discretionary fund for course, machinery and club improvement and allocates 50% as buffer toward future projects. The basis of this model is underpinned by a Strategic Business Plan guided by priorities identified by members and Committee.

COVID 19 has influenced several important decisions by the Committee this year. The first of these is a recommendation that we keep subscriptions for 2021/22 at the same as 2020/21. This is one way we can acknowledge our members' support during the restrictions. Incentives for seniors and concession holders include Green fees being held at \$25 Monday to Friday and \$30 on weekends. Regular green fees will be increased to \$30. Green Fee changes are intended to be in place from early October. Younger players will be encouraged to join through Juniors programmes and through subscription concessions for 18-21year old (\$300) and \$485 for 22-30-year-old members.

In addition to subscription incentives the committee has agreed that the clubhouse needs some attention and we will recarpet and repaint the inside of the clubhouse. Other improvements include the installation of solar panels (Govt Grant) on the clubhouse as a means of reducing power costs. Two defibrillators, obtained through grants, at the clubhouse and Greenkeepers shed will improve the safety for members and visitors.

Other improvements include an upgrade of our bookkeeping system and Cash register.

Conclusion

The Club has been able to meet the challenges of this year well and having no debt, up to date machinery and equipment, capable staff and a loyal membership provide a solid foundation for the future. I acknowledge and thank Secretary, Bill Kidd and Bar Manager, Heather Guy for their support over the year.

Creagh Bedson

Treasurer

Echunga Golf Club Inc

2020