



Knighton Heath Golf Club Ltd

Annual Report & Financial Statements

Year Ended 30th June, 2009



Knighton Heath Golf Club Limited

NOTICE IS HEREBY GIVEN that the 33rd Annual General Meeting of Knighton Heath Golf Club Ltd will be held on Thursday 15th October, 2009 at the Club House, Knighton Heath Golf Club, Francis Avenue, Bournemouth, BH11 8NX at 7.30p.m. Only those who are current playing or country members on the Register of Members will be entitled to vote.

AGENDA

1. Apologies.
2. In Memoriam
3. To confirm and approve the minutes of the 32nd Annual General Meeting of Knighton Heath Golf Club Ltd held on the 30th October, 2008.
4. To receive the Chairman of the Board of Management Committee Report.
5. To receive the Financial Directors' Report for the year ended 30th June 2009.
6. To receive the Captain's Report.
7. To appoint the Auditors for 2009/2010.
8. To elect the Captain.
9. To elect the Vice-Captain
10. To elect the President.
11. To elect three Directors to include Financial Director.
12. Any member's proposals.
13. Any other business of which notice must be given in writing to the Secretary at least seven days prior to the date of the Meeting.

NOMINATIONS

The following nominations are required:

1. Captain
2. Vice-Captain
3. President
4. Three Directors to include Financial Director

Forms of proposal will be available in the Secretary's Office. **ALL** nominations must be received by the Secretary in writing at least 10 days prior to the A.G.M. in accordance with Rule 21.

Votes by Proxy Any registered members who are unable to attend this meeting may appoint a Proxy to vote on his or her behalf. A letter of application must be made to the Secretary for a proxy nomination form and must be returned to the office forty-eight hours before the time of the meeting. The Proxy will then be required to sign the register at the meeting.

Board of Directors (The Committee) - the retiring and resigning members of the Committee are:- Messrs C. Chard and A. Goulding but M. Hobson resigned during the year. Mrs. Debbie Lennon was co-opted on to the Committee during the year but now retires in accordance with rule 10. d. and is available for election.

The remaining Committee Members are:- Messrs B. Fincham, D. Jackson and K. Way.

11th September, 2009

G. Davis, Club Manager and Company
Secretary



Minutes of the 32nd Annual General Meeting of Knighton Heath Golf Club Ltd held on Thursday October 30th, 2008 at the Clubhouse, Francis Avenue, Bournemouth, BH11 8NX.

117 members were present and there were 24 apologies.

All those present stood in silence in memory of all long-standing and well-respected members who had passed away since the last meeting.

The President Bill Kennedy then opened the meeting by welcoming the Captain, Ladies Captain, Chairman of the Management Committee, members and Mark Magrath of Harrisons, our auditors. He also welcomed the new Club Manager Guy Davis and golf professional David Miles. Bill then talked about the many improvements that had been made at the club and said many more were planned. He said how important our members were and that visitors should be welcomed too.

Dennis Gritt then proposed acceptance of the previous AGM minutes dated October 24th, 2007 and this was seconded by Ron Williams and carried. There were no matters arising.

Captain's Report

David referred to his written report as submitted. He said it was nice to see so many members attending. Although he had a full-time job which made things more difficult, he said it had been an honour to be captain. He had addressed slow play, although this was still a problem. He too welcomed Guy and David who had been a great help to him and he also praised Trish for her efforts and Jill in the office. We have a great golf course and so Roger and his team also deserve a lot of credit. He appreciated the support he received for his Captain's Day and the Opens had all been a success too. Peter Frampton's team won Division 1 of the Hardy "B" league and Doug Procter's Interbrew team had beaten Broadstone 5-0 in the final to win the event; congratulations to all who were involved in these triumphs. The Ladies had won the Beales Bronze trophy and should be credited too. David had found it interesting to be captain and to see the workings of a golf club. He had no idea what went on before but he does now! He asked members to repair divots and pitch-marks, take scorecards to the changing rooms if there are none, complain if necessary but also suggest what to do about the problem. He had received no calls in his year about suggested social events but he asked the members to please help the incoming captain. He thanked all those who had contributed to the Captain's and Management Committees and he said it had been an honour and a privilege to serve as Captain and he would look back on the experience with honour and pride. He also thanked his Vice-Captain Dennis Gritt and wished him well. Chris Knight proposed acceptance of the captain's report, Boo Doidge seconded this and it was accepted unanimously.

Finance Director's Report

Mel Hobson said his report was as presented and he outlined the salient points. Turnover was 13% up on last year at £643k with costs at £621k, which represents £1700 each day.



It costs around £1060 per. member to run the club. We received £6k interest, (£3k last year), and we ended up with a £22k surplus over the year, (we lost £20k the previous year). In fact we have lost money in 5 of the last 6 years! We need a surplus to be able to re-invest in the club. The balance sheet shows cash balances of £202k, (£12k the previous year). Our overdraft was not used last year and the bank is pleased with the results. Subscriptions are £35k up and green fees are £20k up. The bar lost £5k this year and catering £7k, (£5k last year). The quality of the food is better and more consistent although the volume is not yet there. We are getting there but we need the members to help.

On the cost side, the course costs are below plan and the clubhouse expenditure is on target. On maintenance, he said we had to spend £6k to upgrade the alarm system and we have also spent on the electrics as a result of a risk assessment. Administration costs include a new professional manager and advertising for the position. Professional fees are £1.5k as we now use a company who can give staff employment advice. We have also made around £8k in savings due to getting alternative quotes and changing suppliers in many areas.

On membership, he reported we are 20 members down on plan at 539, (last year the number was 587), and so we need to work on this. Around 300 of our members spend less than £2 a week! We are £15k behind plan year to date and we need to make this loss up and achieve our financial objectives. It is our club and we need to do our best for it. Mel closed by thanking Guy and Jill for all their help.

Ian Dibblin proposed acceptance of Mel's report and this was seconded by Rod Baggott and was accepted unanimously.

Mark Magrath said Mel had "stolen his thunder!" He said the future did not look good economically and in that situation it was generally the leisure industry that suffered first. He really hoped that the club could go from strength to strength.

A few questions then followed from the floor concerning the financial report and these related to match meals, catering availability after 6 pm, method of calculations of the bar and catering profit, discount on food and usage of bar cards. These were all answered by those responsible.

Chairman's Report

Colin Chard referred to the report he had submitted. In addition he wished to thank those willing to stand for the directors' vacancies and also Keith Harris and John Graham for their work as directors of House and Greens respectively. He said a third vacancy was offered in order to maintain a succession plan but unfortunately that position remains unfilled.



He referred to the committee's commitment to transparency and keeping the members informed wherever possible. We have held two open forums with professional presentations. At one there was discussion about the flat and we can confirm it has been let successfully, (after taking legal advice), and a monthly rental is now being received. We have met with our bankers and they are pleased with the results to date and we have achieved year 1 of our 5 year plan.

Colin then referred to the additional use of the course and he explained the reasons behind the advertising for new members, which proved to be very successful. He also referred to society and visitor bookings and he said that if the number of members was divided into the total costs, each member should be paying around £1000. On that basis, the difference between what members are paying now and the £1000 is down to the visitors and societies bookings. He also explained that Twilight green fees have averaged just 1.5 golfers per. day since July but that the total from Twilight fees stands at £11,000. If that revenue is lost we would have to look elsewhere to replace it.

Mel has reported on finance and we have produced a small surplus, which will be reinvested in the club. Colin then listed all the improvements that have been made in the last year. He also advised of the large savings that had been made on accounting and auditing fees, thanks to Mel's hard work.

Colin also referred to the appointment of the new Club Manager, Guy Davis and he detailed many of the changes and cost savings that have been made. He also welcomed the appointment of the new golf professional David Miles and he said David has already made a good impression. Finally, he referred to the continuing investment in machinery for the course and he said the course had looked good all year.

Colin closed by thanking the committee for their support and commitment. He has one year left and he will continue to give his time and effort to ensure the club is well placed for the challenges ahead. He commended his report to the meeting.

Dennis Gritt proposed acceptance, this was seconded by Ken Doidge and was accepted unanimously.

Appointment of Auditors

Mel Hobson proposed that Harrisons be appointed as our auditors for the coming year and this was seconded by Ian Dibblin and the motion was carried unanimously.

Election of Captain

Dennis Gritt was proposed for the position of Club Captain by David Clayton and this was seconded by Peter Samuel and this was carried unanimously.

Dennis said he accepted the appointment with great humility and honour. He announced the various captains for the teams and he said they all deserved our thanks for the work



they do. He asked all members to support the competitions as he said some were only half full at times. He announced his charity for the year would be the local Dementia society in support of Alzheimer's Disease.

Election of Vice-Captain

Peter Keeping was proposed for the position of Vice-Captain and this was seconded by Peter Langsmead and carried unanimously. Peter said he was honoured and privileged to be elected and he wished Dennis Gritt all the best.

Election of Directors

There were 3 vacancies for Directors and Kevin Way was proposed by Tony Goulding and seconded by Colin Chard, and Dave Jackson was proposed by Rod Baggott and seconded by Bill Kennedy and both were elected unanimously. There were no candidates for the third vacancy and the committee may co-opt if they wish.

Honorary Membership

A proposal has been received via the Captain's Committee to grant honorary membership to former golf professional Paul Brown for services to the club. Peter Samuel proposed the motion and he spoke on behalf of Paul. The proposal was seconded by Dennis Gritt and all were in favour except for 4 members and so Paul is to be offered honorary membership.

Any Members Proposals

There were none.

Any Other Business

There was none.

The meeting closed at 21:05 hrs.

Guy Davis
Club Manager
October 30th, 2008



Chairman's Report AGM 2009

It is hoped that in future the Annual Report and Financial Statements will be sent via e-mail although those members not connected will continue to receive them through the usual channels. This in itself will be a big step forward as we have worked hard to collect as much data as possible. You will appreciate this is also a cost saving to the Club and ultimately its members.

The Annual accounts show a surplus. Profit is not a dirty word; the Club is operating within a deep financial recession and this is proof of how the Club has controlled costs and maintained its main revenue streams. Any business, if it is to survive, must in this climate conserve cash as we do not know what is around the corner. Hindsight is a marvelous gift.

We have a golf course that is in a first class condition and the envy of many other clubs. Roger Myatt and the greens staff have done a wonderful job. Their efforts have been backed up by the Committee's decision to continue funding a rolling 5 year machinery replacement programme and to increase the green staff numbers. An objective for the incoming committee is to devise a plan to cover the next 10 years to cover course improvements. We operate in a competitive environment and cannot afford to stand still.

The club house has been redecorated, and again, this in itself attracts new members.

The trolley shed is new and gives members an added facility.

In last years report I stated that bar and catering was one of our biggest challenges. Both Managers have worked together to improve this operation and have received the needed guidance from Guy Davis. If you cannot measure it you cannot improve it. For the first time in many years we have shown a profit in this area which I can assure you is the envy again of many other clubs. A loss drains club resources and stops us using monies elsewhere.

Guy has settled into his role of Club Manager. Please bear in mind that he is not only Secretary but Manager and must therefore assume control for all aspects of the Club's operations. This is a steep learning curve and mistakes will occur, but all decisions are made with the Club's and members interests at heart.

Finally, I come to the end of my 3 year spell of duty. It was the committee's intention to be transparent and to place the club in a position where it can compete with the overcrowded market place. This I believe has been achieved. I would like to thank all committee members for their support and hard work especially the Club's President for his advice and commitment to our Club.

Colin Chard
Chairman



Financial Report AGM 2009
To the Members of Knighton Heath Golf Club

The Club is now two years into its current five year financial plan and continues to achieve the objectives set. This is a tremendous achievement when you consider the turmoil in the world around us and its impact on the Leisure Industry in particular

Resume of the Past Year

The year ended 30th June 2009 has proved to be tumultuous for our Country, the World and has also had a major impact on the Club, we started the year with 538 full fee paying members, which was a dropout of some 49 in line with previous years. We anticipate finishing this year with around 570. When times are hard one of the first cutbacks any individual can make is on Leisure and Pleasure, it is not surprising therefore that we have lost some Members mid year and anticipate around 65 not renewing. The Management team took action during the year to maximise on those areas going well and to minimise the impact of those doing less well, and are pleased to have exceeded the overall plan for this current year, also managing Cash flow to keep well within plan without any use of the Overdraft facility

There have been several areas of improvement to our facilities during the year, namely:-

- Improvement to the Members practice facilities
- Resurfacing of certain paths
- Creation of Winter tee mats to prevent damage to the grass tees
- Installation of new signage
- Investment in new Greens machinery
- Changing of the Bar supplier to improve margins and reduce prices to our Members
- White lining of the Car park
- Decoration of the inside and outside of the Clubhouse
- Creation of a better Trolley Shed

With regard to the financial results, it gives me great pleasure to report that the Club made a Surplus of income over expenditure of £53k compared to a plan of £17k and last years result of £22k. We have also released £20k provision for Corporation Tax that is no longer considered necessary

There has been a shortfall in Subscription income of some £40k which has been compensated for by a welcome turnaround in Bar and Catering, general tight control over expenses and an increase in Green fee income. The Board are aware of the pressure put on tee times by this increase but considered that the financial benefit was necessary to protect the club in a difficult year. This area of income will be monitored closely in the future because of the potential conflict with the interests of our Members

The Bank facility has been renewed for a further year and I would like to place on record my thanks to Lloyds for their continuing support and also the "Knighton Team" for their invaluable help this year. I have now resigned from the Board on a matter of Principle, but that being said, leave the club in a healthy financial position with robust accounting procedures and in the capable hands of your Management Committee with the sincere wish that they can continue to achieve the results necessary to achieve the five year plan which will result in long term Financial stability for the Club

Melvyn Hobson FCA



Captains Report AGM 2009

First of all, much major work has been completed at the club and off the course:

- 1) The complete club rules and bye-laws have been revised, involving massive work by both committees. We will present them as a user friendly booklet with member's contact details included.
- 2) Equality Certificate granted by the EGU.
- 3) Charity library up and running
- 4) New rules agreed for the ball-chute system, which should suit everyone.
- 5) The junior section is now thriving and these youngsters are the future of our club.
- 6) Voluntary course Marshals established.

The above forms just a small portion of the work done by the various committees working for your benefit.

It would be remiss of me if I did not mention people both voluntary and professional who make our course one of the best in Dorset. I will leave the names out of it but you all know who I mean. The exiting Management Committee is owed a huge debt of gratitude by the Club for turning round an ailing club to a thriving one, even in the depths of the recession. The Greens staff also deserves special thanks for the consistency and improvement achieved year by year, and now as we have an apprentice, things can only get better. The Pro shop is also vibrant and busy. When we finally sort out the computer and competitions input and entry, I will be able to rest easy at night! Whenever I thank the bar and catering staff at a post match presentation, there is always genuine applause and appreciation; enough said! The office is permanently busy and it is often difficult to make instant decisions with all that is going on at any time. They do a great job on our behalf, and I am sure the majority agree.

Phew! That's a lot of work in a year! My thanks to the captains of the Ladies, Juniors and Senior sections together with all their members who bring great credit to the club both home and away. Also, thanks to all for supporting me and my charity at social functions throughout the year. I also have to mention a hardcore of volunteers who turn out without fail as starters, spotters, marshals and receptionists to make things run smoothly and without them, chaos would result! Once again, you know who you are and so I thank you. I just wish a few other members would volunteer an hour or so to lighten the load of the hardcore volunteers. Our previous captain touched on the issue of "detractors in our midst," and I have to say I too have encountered a tiny but voracious element who assume that the committees are there to frustrate the members and look after their own interests. Nothing could be further from the truth! All officers are elected democratically at the AGM and put in an amazing amount of unpaid work for the sole benefit of the membership for 2 or 3 years. If you think you can do a better job than the incumbents, then please put your names forward at the AGM or constructively suggest answers to problems that we all share.

Finally, I hope to leave you in the safe hands of Peter Keeping, your incoming captain, (and lately known as Rasta!) I would ask all members to help Peter in his year and continue with the huge progress the club has made recently

Dennis Gritt
Club Captain



Greens Report AGM 2009

You will no doubt remember the hard frosts and snowfall in January which made the course look so picturesque. Following the thaw the improvement work continued and during January and February we saw the extension of the tarmac path past the putting green leading to the course, extra drainage being laid to the practice chipping area and the complete refurbishment of the practice nets.

Year on year our greens continue to improve and remain in play throughout the year. The programme of continued aeration, appropriate use of feed and water combined with the over seeding of bent and fescue grasses has produced a much smoother putting surface. The acquisition of new machinery in March allows the “top dressing” of our greens to be completed in half the time and this important work will ultimately result in better greens. The fairways have improved with aeration and although the weather forecast was for a “barbeque” summer, the rain came just in time to save the grass from being burnt. During June and July the 150 yard markers were replaced and the old sewer on the 11th hole was filled in. Later this year 100 yard disc markers will be installed in the fairways.

A large portion of our current improvement budget is spent on necessary tree work. We have many large Monterey pines, which require considerable work and it will be another two years before the current level of thinning and pruning work is complete.

Winter tees have been installed where most required and this will allow the course to be played at its normal length during the winter months. The reduced footfall on the main tees will allow them to recover more quickly and weather permitting they will be ready at the start of the main playing season.

Looking forward to 2009/10 we plan to improve the path leading from the men’s 4th tee past the right hand side of the ladies tee. A hand rail will also be installed on the right hand side of the tarmac path leading down to the 4th fairway.

Whilst there is still much to do particularly in terms of path work, the overall condition and appearance of the golf course continues to improve and throughout the year we received many compliments regarding the excellent condition of our course, both written and verbal.

In closing the committee would like to thank all of our green staff for their continued hard work throughout the year and to also remind members to look after our course by repairing their pitch marks, replacing divots and raking bunkers.

Tony Goulding
Chairman of Greens