

Minutes of the Club Annual General Meeting of the Irene Country Club held on 25.04.2018

Item	Subject	For Action
1	<p><u>Attendance:</u> Dean Ashmore, Louis Biccard, Jakes Boshoff, Michael Bradfield, Sandy Carr, James Clark, Lesley Clark, Andre Cloete, Pierre Coetzer, Kevin Coley, Craig Collins, Charles Crosbie, Paul Davel, Wayne Grace, Kelso Hannay, Craig Herbst, Janis Jenkins, Neil Jolly, Andre Joubert, Kevin Lawless, Rosemary Leonard, Ken Male, Jack Mcclinton, Martin Lamprecht, Richard Reynolds, Adele Rizzo, Pete Sanderson, Dave Smith, Claude Ulyate, Wally van Heerden, Michael Ward, Dave Williams, Philip Malan, Steve Peddie</p>	
2	<p><u>Welcome:</u> WG welcomed all the members to the meeting.</p>	
3	<p><u>Apologies:</u> Alison Loxton, Denzil Atkins, Ray Paola, Karen Ireland, Adrian van der Byl, Ken Smith, Pam Smith, Jason Smith, Lynn Marie Smith.</p>	
4	<p><u>Moment of silence:</u> A moment was taken to honor Members who have passed on and left their families and friends for a better place. Please see the names in the Chairman's report attached.</p>	
5	<p><u>Confirmation of previous minutes</u> Previous minutes were accepted Proposer: Dave Smith Secunder: Paul Davel</p>	
6	<p><u>Matter arising from previous minutes</u> No matters arising from the previous minutes</p>	
7	<p><u>Audited Financials</u></p> <ul style="list-style-type: none"> - WG asked Wally van Heerden to go through the financial reports. - WvH welcomed everyone - Unqualified audit report. 5th year in a row as an unqualified audit but with a matter of emphasis on page of a material uncertainty. The going concern does not relate to the loan but in fact it relates to the cashflow. - Loan has a serious impact on the cashflow. - Liabilities exceed the assets. - Highlighted issue from the FINCOM, the club needs to generate more income and there will be no relief in terms of the capital improvement. - Capital improvements needs to be considered to be able to increase the revenue. 	

	<ul style="list-style-type: none"> - WvH reported back on a few slides in terms of the income statement. - Item in balance sheet touched on. The loan is repayable in full in 2020. It has been agreed by the Board that the loan will not be able to be repaid by 2020 and thus it must be considered to renegotiate on the loan. <p>Questions:</p> <ul style="list-style-type: none"> - Charles Crosbie asked about the loan. The Club is using the cashflow for 2018 for the 2017 expenses. His view is that Club needs to put together a plan and go back to IE for renegotiation. - WvH agrees with CC and it has been noted. - WvH says its clear that the income has to increase with new initiatives. - JJ asked if there is a chance that ICC will default on the loan. WvH said that IE has always been accommodating in terms of the loan and it's a very favorable loan. - WvH said that this needs to be noted by the membership. - Creditors is at R1,2 mil. - KC is asking about the efficiency of the labor costs. WvH said that there was a series of exercises and cost cutting exercises done with a Section 189 and the Golf Course maintenance crew was the first project which has been met with and dealt with. - WG & CH mentoned that the Management function is under pressure to ensure that everything is running with the little resources at their disposal. <p>Audited financials accepted Proposer: Sandy Carr Seconder: Pierre Coetzer</p>	
8	<p><u>Chairman's report</u></p> <p>The Chairman highlighted some items in his report but said that the full report has been provided and will be emailed through.</p> <p>WG highlighted some of the items on the membership and mentioned that surveys are done with all resigned members and most of the feedback is due to the financial situations and current times.</p> <p>WG also highlighted the new Business Model of the Club which is highlighted in the Chairman's report.</p>	

	Full chairman's report attached.	
9	<p><u>Board member elected</u></p> <ul style="list-style-type: none"> - Kevin Lawless withdrew from the nominations. <p>The three nominees left was voted onto the Board.</p> <p>Congratulations to the new board.</p> <ul style="list-style-type: none"> - Andre Cloete - Richard Reynolds - Michael Ward 	
10	<p><u>General</u></p> <ul style="list-style-type: none"> - JJ raised the point she sent through some questions in terms of a development on the right hand side of the 9th Hole. - This is a concern to her as this was not put into the public domain. - WG replied that the exclusivity agreement is given to the developer to give them time to put forward a proposal to the Board. No decisions will be made before an SGM with the members is held to discuss the proposal when and if this is put forward. - CH said that there is costs involved to the investor for this proposal and is normal business procedure to do so. The developer approached ICC and ICC did not initiate the discussion. - DW mentioned that the labour costs needs to be looked at and benchmarking of other clubs and revenue to be done. - DU mentioned that there are percentages related to that and ICC is fairly similar to the benchmarking. - DW mentioned that ICC needs to also look at the land expropriation without compensation. - WG said that honestly that this has not yet even been thought of and will be noted. - Mike Bradfield mentioned that there is a positive in that the F&B is increasing. - WG said that the strategy for FINCOM is that the F&B should be the profits for the Clubs and not to cover costs of the operation. - Dave Smith mentioned that the area needs to change, and the environment needs to improve to be inviting to people and that will mean a capital investment. 	

	<ul style="list-style-type: none"> - DS mentioned that the Committees has to move in the same directions. - WG said that the section heads have been asked to sit on the Board meetings with no vote. - PM mentioned that he does get around and golf clubs are struggling in general at the present time. Taking advantage of our situation in the area has not been exploited ie. Southdowns, Midstream, ILA etc. 	
11	<p><u>Thanks:</u> Members, Staff, Board & van der Byl Family (Irene Estates)</p>	

Irene Country Club
Board Report for the year ended 31 December 2017

In accordance with our clubs constitution the Chairman presents his annual report.

Introduction

The year 2017 was a very eventful year with many positive and negative movements in the life of ICC. As seen in our financials 2017 has been a tough year. The biggest impact was the golf section where it is evident that the number of rounds are very similar but the individual spend and membership numbers has impacted their budget. I believe that the club achieved its objectives in this three year plan with the help of Fincom and our management team. The efforts of our management team assisted the club in resolving many challenges this year.

The positives are:-

- Unqualified Audit Fourth year in a row.
- The condition of our golf course and the rest of our sporting facilities and equipment in trying weather conditions. That the golf course has been placed in the top 50 in SA.
- The Davis Cup events proved that ICC is capable of handling major events.
- A stable and competent management team.
- The success of the cashless system.
- Communication to members through the weekly newsletter, Facebook and updated web page.

The negatives are:-

- Macro-economic outlook.
- The river condition and slow progress on the approval for the new bridges.
- The frustration with SAGA and our union in supporting virtual clubs without a plan of incorporating these members into memberships at traditional clubs.

Membership

The membership numbers have dropped which is what the numbers indicate.

Categories	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 YTD
Full Golf	505	444	443	320	368	359	273	244	226	187
Weekday Golf	36	43	34	48	47	43	41	34	41	39
Junior/Student Golf	103	98	72	64	57	74	53	47	43	46
Pensioner	59	46	21	65	94	83	91	135	132	137
Ladies Golf	69	63	55	49	54	70	66	59	57	60
Young Town			23	101	106	92	78	79	58	41
Corporate			20	39	91	77	70	68	71	68
Cricket	61	66	57	170	135	152	144	142	142	151
Bowls	106	105	107	107	106	98	98	112	101	99
Table Tennis						10	0	0	0	0
Tennis	89	97	63	70	89	116	104	130	125	118
Squash	37	44	23	42	47	51	45	60	58	57
Social	152	146	544	533	543	540	542	22	18	17

Community Members								521	523	525
Other	82	81	91	61	37	32	37	34	30	34
Total	1299	1233	1553	1669	1774	1797	1642	1687	1625	1573

*Community membership includes 505 from Southdowns and 20 10th Lane. These numbers are still short of the number of members we can accommodate. The debit order system has assisted many members to spread the expense and the club in collecting the subscriptions. It is very difficult to collect outstanding subscriptions after the fact. The number of debit orders is 51 and value is R37195.05 monthly. Thanks must be said to Michelle Pauls for the splendid work and thoroughness.

Corporate Membership List:

- CalvClean (Pty) Ltd – Since 2017
- eSTUDY & BEE Analyst – Since 2018
- Halewood Wines & Spirits – Since 2018
- Harith General Partners – Since 2012
- Keyhealth Medical Scheme – Since 2012
- Liberty – Since 2015
- Moyo Business Advisory – Since 2015
- Nashua Tshwane – Since 2017
- Ooojah (Hollard Travel) – Since 2018
- Playmore Golf – Since 2013
- PSG Insure – Since 2018
- Professional Provident Society Healthcare Administrators (Pty) Ltd – Since 2012
- Redseptember – Since 2017
- SA Post Office – Since 2016
- Sizwe Asset Finance – Since 2018
- SFC Engineers (Pty) Ltd – Since 2012
- Southdowns Residential Estate
- Toyota South Africa – Since 2013

Enclosed is table showing the number of rounds played by members versus visitors, which includes corporate sponsored days.

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Members	20518	16404	16022	12534	18564	23339	25710	22710	24071.5	24189	20749
Visitors	22910	26308	24034	22991	20895	23383	21220	21220	19591	19607	21188
Total	43428	42712	40056	35525	39459	46722	46930	43930	43662.5	43796	41937

Herewith a comparison this 2017 YTD golf rounds versus the same period in the last year.

Month	Members 2016	Members 2017	Variance	Visitors 2016	Visitors 2017	Variance	Actual Rds 2016	Actual Rds 2017	Variance
Jan	2 075	1 842	-233	2 240	1 960	-280	4 315	3 802	-513
Feb	1 688	1 184	-505	1 316	1 115	-201	3 004	2 299	-706
Mar	1 910	2 032	122	1 567	2 061	494	3 477	4 093	616
Apr	1 850	2 033	183	1 550	1 400	-151	3 400	3 432	33
May	1 837	1 523	-315	1 165	1 770	605	3 002	3 292	290
Jun	1 986	1 508	-479	1 469	1 553	84	3 455	3 061	-395
Jul	2 068	1 996	-72	1 983	1 421	-562	4 050	3 417	-633
Aug	1 982	1 624	-358	1 358	1 806	448	3 340	3 430	90
Sep	2 011	1 836	-175	1 780	1 819	39	3 791	3 655	-136
Oct	2 320	1 450	-870	1 242	2 201	959	3 562	3 651	90
Nov	1 960	1 540	-420	2 137	1 949	-188	4 096	3 489	-607
Dec	2 505	2 184	-321	1 801	2 135	334	4 306	4 319	13
Total	24 189	20 749	-3 440	19 607	21 188	1 581	43 796	41 937	-1 859

	2014	2015	2016	2017
Total Defaulter Amount (2014, 2015, 2016, 2017)	R 1275084.99	R 279484.85	R94027.03	R135058.70
Total Income Received (Eft, Cash, Credit Card)	R 1032842.43	R 2403042.89	R4800000.00	R4900000.00

Members who have passed on and left their families and friends for a better place.

- Eric Broekhuysen
- Tracey-Lee Hawkes
- Avril Stevens

Fincom

In 2012 Fincom was established that will concentrate solely on cleaning up our financials and instituting financial and administrative rules. The team for 2017 was:-

Chairman – Wally van Heerden

Tommy Truscott

Peter Candiotes
 Wessel du Plessis
 Dietrich Uys

The 2017 strategy was:

- Stock Control and to manage the Gross profit margins
- Unqualified Audit
- Management and implementation of cashless trading procedures.
- On time financial reporting
- Weekly cash flow reporting and management thereof.
- Capital spend plan required to improve and upgrade our facilities.

The fincom has added huge value to the financial wellbeing of the club. This is thanks to the combined effort of all concerned with FINCOM.Thanks.

Staff

We must thank all staff in the positive way they assisted in tackling the past couple of years through the financial strain. The staff have ensured that the facilities and service levels have improved and for this we must say Thank –You. Special thanks to Dietrich Uys and Wessel du Plessis for their efforts in building this team.

Sections

It takes many hours of valuable family time that is invested by each of the section committees to make their members social time enjoyable. Thanks to each of the section leaders:

- Tennis – Chairman Adele Rizzo
- Squash – Chairman Peter Mclachlan
- Bowls – President Sandy Carr
- Cricket – Chairman Wally van Heerden
- Golf – Captain Raymond Paolo
- Golf Ladies – Priscilla Seaton

New Business Model Committee

The Board decided that a review must be taken to how we operate ICC into the future with the purpose of establishing a viable going concern.

The committee established is:-

- Chairman – Wayne Grace
- Secretary – Dietrich Uys
- Wally van Heerden
- Andre Cloete
- Richard Reynolds

A number of meetings were held with other successful sporting code bodies,

<u>Strategy 1</u>	administrators to establish	<u>Strategy 2</u>
Re- Structure of the Business to review the responsibilities of Staff versus Committees	es. We then submitted a	Find a solution to settle the IE Loan
1. Review sections by-laws		1. Find a suitable partner.
2. Review Staff members contracts and conduct performance evaluation.		2. Look at naming rights sponsors.
3.Determine the various commercial opportunities and how to approach them.		3. Look at outright sale value of shares.
4. Invest in a skills development plan		Action
		1.Richard Reynolds with Fincom will evaluate the value of the business

Strategy 3

How to increase membership

- 1. Adopt a plan to compete with virtual clubs.**
- 2. Review a category that allows members to join that do not pay affiliation fees.**
- 3. Review a family membership rate.**
- 4. Review a plan to attract Black Diamonds.**
- 5. Review membership packages to make golf more affordable.**

Action

- 1.NBCM will set-up brainstorm meeting with all the clubs sports committees to present our proposal of increasing members and reducing subs.**
- 2. Dietrich Uys and Wayne Grace to do proposal.**

Strategy 4

Review all Communication platforms

- 1. To target all body corporates in our area to grow membership.**
- 2. To communicate all our events to attract more participation.**
- 3. To keep all stakeholders informed of the clubs status and strategies in a transparent manner.**

Action

Andre Cloete will drive this process and develop a detailed plan to cover all the opportunities for communication.

Long Term Strategy- 12 Months

Strategy

Review Master Plan

- 1.Create a priority list with budgets.**
- 2. Adapt a funding model with short term strategies.**
- 3. Adopt a maintenance improvement plan to maintain our status of our facilities to compete with the best.**

Action

This process will be started when 1-4 strategies are in place.

Board

I wish to thank all our members of the Board for the many hours of debate and analysis of our club and can assure you that all these members are dedicated to improving all facets that make up our unique club.

The Board consisted of:

Chairman – Wayne Grace

Vice Chairman – Wally van Heerden (Finance)

Raymond Paolo

Steve Peddie

Craig Herbst

Karen Ireland

Maggie Linnington

In Conclusion

I wish to thank the Van der Byl family for the support and cordial discussions of the last year.

It is reassuring to have feedback and guidance from the family. For this the club is truly indebted. I thank all our members who have supported us in 2016.

The nominations are next and I would appeal to all nominees appointed to the Board or within a section portfolio to honour the vote the members have placed in you.

Thanking You

Wayne Grace