

EXETER GOLF & COUNTRY CLUB

MINUTES OF THE ANNUAL GENERAL MEETING OF THE COMPANY HELD AT WEAR HOUSE, COUNTRESS WEAR, EXETER ON SATURDAY 9TH NOVEMBER 2019 AT 12.00 NOON

Present: Directors W Gannon Chairman
 C J Nightingale Finance Director
 M Goodison
 Mrs D Stevenson
 P Lacey
 M Davey

 General Manager C Jones

Plus 45 Company Shareholders

The Chairman welcomed and thanked all those present for attending, including Chloe Vernon-Shore, from Michelmores

He also thanked his fellow directors for all their support during the year along with the President, Chris Jones, Management Team and Staff.

This was the first Company AGM to be held in the Topsham Room and this venue was chosen to enable those members, who find it difficult to climb the stairs, the opportunity to attend.

The Chairman started the meeting by expressing his sadness at the passing away of Paul Dukes earlier in the year and advised the meeting that Matt Davey had joined the Board as a new Director.

The Chairman reminded everyone that the first part of the meeting would deal with the formal business of the company, as detailed in the Statutory Notice; the second part would be open for shareholders to ask the Board or General Manager any questions about the Company or Club.

Ordinary Business

1. **Apologies**

Eleven shareholders had tendered their apologies for absence.

2. **Approval of Minutes of the AGM held on 10th November 2018**

The Minutes of last year's meeting had been circulated. The Chairman asked if there were any objections to the Minutes, and as there were none the Minutes were approved and signed by the Chairman.

3. To transact, if any, any other ordinary business notified six weeks before the meeting in accordance with the Companies Act.

There was no other ordinary business to transact.

4. To receive and adopt the accounts for the year ended 31 March 2019 and the Reports of the Directors and Auditors thereon

The Finance Director gave a short introduction to the Financial Statements, which have been published on the members section of the website and circulated to those shareholders who required paper copies.

The company's turnover is slightly up in all areas over last year, in respect of food and beverage sales the gross margin has also held up and therefore our total contribution is positive.

Unfortunately, overhead is also slightly up on last year, and expectations, and that means that our net profit is less than last year. However, our strategic aim is to generate £500,000 each year to fund capital expenditure and maintain and improve the fabric of the club. In that context we have generated £165,427 in profit and suffered £305,505 depreciation, a total of £470,752, so we are fairly close to our target.

It is clear that overhead costs are going to be above expectations for the current year. There are a number of reasons for this, unplanned repair costs such as the outdoor swimming pool and protecting our boundaries are the main causes.

Our largest cost is payroll, the development of the city centre restaurant culture means that there is great competition for staff, and we need to compete in order to provide the services we require. We do pay slightly above the living wage but we cannot provide the additional income generated by gratuities, this is therefore extremely challenging for Chris and his team and means that it is not easy to contain the increases in cost.

At the moment our best estimate is that the current year's outcome will not be as good as the last few years.

The Board have maintained subscription increases at very modest levels in recent years. Our income is supported by the profit made on the sale of food and beverage. We have achieved a level of sales to non-members at roughly the same value this year. Unfortunately, the value of sales to members has remained the same despite the pricing benefit of the 20% discount. The average member spend is £125 per annum, this is the equivalent of one cup of coffee per week. We rely on this income to subsidise subscription increases, if it remains stagnant, we can only support increased costs by raising subscriptions. I therefore wish to encourage members to use our facilities, enjoying an average of two cups of coffee per week (a very small increase) would have a significant impact on our

profit and therefore our subscriptions.

It was proposed by Alan Wilson and seconded by Dave Robertson, that the accounts for the period ended 31 March 2019 and the reports of the Directors and Auditors thereon be adopted. Approved by the meeting and proxy votes.

5. It was proposed by Geoff Bush and seconded by Robert Cross, that Will Gannon be re-elected a Director of the Company. Approved by the meeting and proxy votes.
6. It was proposed by Charles Kislingbury and seconded by Carol Horgan that Peter Lacey be re-elected a Director of the Company. Approved by the meeting and proxy votes.
7. The Chairman introduced Matt Davey to the meeting. Matt is a Senior Manager at Exeter University and had attended Board meetings for the last few months. The Directors had agreed that his background, business planning and organisational skills would be a great asset to the Board. Rather than ask for a formal proposer the Chairman asked for a show of hands. The meeting was unanimously in favour of Matt Davey being elected to the Board of Directors.

SPECIAL BUSINESS

The Finance Director gave a brief explanation of the document that outlined the proposed changes to the Articles which was accompanied by an explanatory paper when made available to the shareholders.

Peter Bennett asked if the maximum amount that individual shareholders were entitled to hold would be increased. The Finance Director replied that the maximum number would remain the same.

Geoff Bush asked if there could ever be a situation where non-members could have a majority. The Finance Director replied that there is presently 40% of shares held by non-members, but they are not entitled to vote or attend an AGM. We are now taking steps to control this position to protect the Club, so this is a very important issue.

Alan Eveleigh asked about the position with exempt shareholders. The Finance Director replied that out of the 122 exempt shareholders there are a number who are deceased, but the majority are within our orbit of control and are aware, and accept the fact that they cannot transfer shares to anyone who is not a member.

Dave Robertson enquired about the value of shares as the financial statements quote an asset value of £5.94. The Finance Director explained that the figure in the financial statements was a calculation based on dividing the net assets by the number of issued shares. There is however a market in shares which determines the value at which shares changed hands. The current value is about 50p.

Alison Crooks asked whether priority would be given to existing members who wished to buy additional shares. This was confirmed by the Finance Director.

Les Phillips explained the history of the exemption from VAT on our subscription and queried whether this would remain the same. He also asked about the situation with members' loans as nothing had been returned in the last period. The Finance Director confirmed that this would be looked into.

This exercise is to ensure that we safeguard the future of the Club for our members.

WG asked for a show of hands to accept the special resolution to adopt the new articles of association in substitution for the existing articles. The meeting was unanimous in their approval of the new articles.

There being no further formal business to discuss the meeting finished at 12.43 pm.

Chairman **Dated**

Informal Business

Maurice Salzmann asked for details on the new development and the changes which had taken place since the presentation to Club Committee. The Chairman answered that there had been no fundamental changes. Mr Salzmann asked whether there would be an opportunity to comment on the plans when they were presented to the whole membership. The Chairman replied that there is always the option of tweaking the plans once planning approval has been received. Peter Lacey said that the plans may be viewed on the Exeter City Council planning portal.

Alan Wilson asked what would be happening to the existing Duckworth. The Chairman replied that this would be turned into an open courtyard and will enhance our social areas and catering facilities.

Colin Follett asked that when moving the family bar that consideration be given to children and security re access to the golf course. The Chairman replied that this will give the children a much nicer space and the safety issue will be taken into consideration.

Chris Brightman asked about the boundary around the driving range and asked what was planned for this area. The Chairman replied that we own the freehold and would deal with any problems that arise.

Janet Milford asked what was happening on the land adjacent to the 11th tee. This is a Bloor Homes development and presently does not affect the golf course. Further phases are being monitored by Charles Kislingbury, who is employed as our agent, to regularly

check how things are progressing and whether any future work will affect the playability of the golf course.

Jan Hunter, on behalf of Kevin Butler, asked that consideration be given to improving the disabled changing areas. The Chairman sent his best wishes to Kevin and confirmed that his request would be given serious consideration.

Alan Quantick asked that consideration be given to those young golfers who have left the Club to go to university etc, should be allowed back into the golf section without going to the end of the waiting list. The Chairman replied that this should go before the Golf Committee. This request had already been denied by the Golf Committee who are of the opinion that the list should be transparent without favouritism. However, the Golf Captain confirmed that he would take the matter back to Committee.

Gael Salzman asked that consideration be given to the membership being involved in the voting process when seeking a new Board member. The Chairman reminded the meeting that Members had the opportunity to vote by attending the AGM.

Gael Salzmann thanked the directors for all their hard work throughout the year.

Alan Eveleigh asked the meeting to show their appreciation to the Chairman and Directors for their commitment to the Club during the year.

There being no further questions the Chairman invited those present to join him for a drink in Wear Park.

The Informal meeting ended at 1.05 pm.

Chairman **Dated**