**Carlisle Golf Club Revenue and Expenditure Budget Summary, Season 2023/24**

***Introduction***

Following a number of meetings, with input from Management Committee (MC) members, staff and volunteers, a final proposed Revenue & Expenditure budget was presented to the August MC meeting.

This budget was accepted and it was agreed that it should be put to members for their approval.

This summary contains the main elements of the budget so that you can see where the revenues are generated and where that money is budgeted to be spent.

Consequently, it helps to inform your decision in the upcoming ballot. If you have any questions, then please direct them to finance@carlislegolfclub.org

***Assumptions***

As ever when compiling a budget, you have to make a number of planning assumptions, specifically around future price movements, trading activity etc. The key assumptions can be summarised as follows;

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| Area | Assumptions |
| Wage and general price inflation | In general, circa 5% with known price changes reflected if different e.g. course inputs & energy |
| Subscriptions  | Increase of 5.195% (Full Membership @ £810 (23/24) vs £770 (22/23) |
| Bar & Catering sales activity  | @ 2022/23 levels adjusted for 5% inflation assumption |
| Bar & Catering margins  | As per 2022/23 |
| Sponsorship  | 2022/23 levels plus additional range ball & CCTV sponsorship |
| Visitors/Guests/Opens | Access to the course will not be increased. Budget assumes a 5% increase in green fees and lower visitor numbers |
| Shop / Retail offer  | Reflects the later 2023 performance |
| Staffing & Opening Hours | Staffing & opening hours as per the 2022/23 season. |

The Budget reflects a continuing focus on developing the golf course whilst at the same time controlling the operating costs of the Club. This will help to ensure that adequate funds will be available to continue the investment in the course.

The 2023/24 course budget includes an increase of £31k for specific course development projects.

***Revenue & Expenditure Account***

The summarised Revenue & Expenditure account shows that the club will generate a surplus this year and a slightly lower surplus in the next budget year.

The budget aims to maintain the investment in the club and course and ensure the facilities support a quality golf and social experience.



Other Income is made up of a number of items, the main ones being bank interest £17k, Range Balls £13k, Buggy hires £8k and flat rental £4k.

Our 3 year fixed price gas contract comes to an end in April 2024. Based on advice, we are budgeting for a significant increase over our 2021 contract price with the impact estimated at £12k in the next financial year.

The club has fixed its electricity contract price for the budget year and estimate the costs will be in line with the out-turn in the current year.

The club are looking at various options to manage future energy costs focusing in the first instance on the opportunities available by reducing usage.

***Capital Investment***

Capital investment is summarised below.

The budgeted CAPEX spend commitment is the highest in recent years and is underpinned by the financial strength of the club. We are able to continue to invest funds in improving both the course and the clubhouse.

The level of investment on course equipment continues with the goal of ensuring that the course continues to improve. Working with John Deere, we have established an outline plan to provide the kit and equipment we need over the years to come. We intend to ensure that the club has all the equipment it needs to continue the improvement to the course.

In addition, based on the key matter vote of last November, we can budget to address the changes members voted for regarding the club shop. The recent performance of the shop, supported by members, has demonstrated that we can run a successful retail operation that will generate a positive contribution to the club. The investment to relocate the shop provides a further enhancement to the progress made to date.

In terms of bar and catering there are a number of items of kit required to replace aged items.

We are also proposing to invest in LED lighting which provides the quickest payback in terms of energy efficiency.

CCTV improvements are proposed so that in addition to enhancing security, we can also see who is using the facilities of our club. Recent incidences of non-members playing our course in quiet times without paying further underpinned the need for this investment.



***Cashflow Summary***

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The summary shows cashflows arising from this budget. Over the last couple of years, the club has reduced its external debt significantly whilst growing the cash reserves of the club. This has provided the opportunity in this next financial year to maintain a high level of ongoing investment in the kit and equipment the club needs.

The Club will always maintain a strong cash position and this budget sets out a maximum new financing of £75K for the 2023/24 year. Any commitment to lease financing or otherwise on the new items of equipment will be made at the time the items are procured.

Overall, the budget sets out a plan that ensures the continuing investment in the course, maintains the environs of the club and maintains our existing ability to withstand any surprises, financial or otherwise.