



ANNUAL REPORT

**Year Ended
30th November 2023**

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Key schedules from the Annual Accounts to 30th November 2023

1. Captain's Report

As the final year of my Club Captaincy draws to a close, I look back at what has been an enjoyable but at times challenging two years. Having joined the Board of Directors as Gavin's Vice-Captain at the height of the Covid lockdown in 2020, I had hoped my term as Captain would be smoother sailing. However, following a relatively straightforward first year in office in 2022 (but for the ongoing catering issues), 2023 proved to be much more challenging and time consuming for the Board of Directors. It would not be appropriate to go into the details here but suffice to say that we have had some testing situations to deal with and accordingly I have been very grateful to have been supported by such a knowledgeable, professional and committed group of people on the Board and Committee during my time in office.

As we tackled the various situations that presented themselves, I would like to reiterate that the Board have always kept the best interests of the club at the forefront of our minds and have made what we considered to be the best decisions for the club at all times. Despite the various goings on and changes of personnel within the club during the past season, I think it's testament to the outstanding work of the Board of Directors that members have been largely unaffected by events.

Although there have been a few bumps in the road during the past year, there has also been much I'm very proud of during my Captaincy and I'd like to expand upon a few personal highlights.

Following the pandemic, the game of golf generally appears to have maintained its popularity, and this has benefited Peebles Golf Club in several ways. Our membership numbers have remained relatively strong and although our visitor numbers dipped from their 2022 peak last year, they remained healthy. We have a very strong staff team across all areas of the club and I believe that we are very well placed to build on this success over the next few years.

Starting with our most important asset, the golf course was once again in excellent condition over the past 12 months. It's hard to believe at times how varied the conditions can be throughout the year on Peebles Golf Course and so it is testament to the hard work and talent of our greenkeeping team that it remains so playable in all seasons. We really do have a fantastic golf course set in a beautiful location and the investment we have made in our course over recent years is really paying off with all year-round playability. My thanks go to Steven Borthwick and his team for all their efforts, as well as the volunteer gardeners who do such a fine job in creating that all-important first impression. The work of the greenkeepers and gardeners is also complimented by that of the Biodiversity and Ecology Group whose positive impact is becoming more apparent around the periphery of the course year on year.

The Board of Directors continued to support our greenkeepers throughout 2023 with ongoing investment in several items of new machinery critical to the maintenance of the golf course. An initial commitment at the start of the year to procure a new multi-use buggy was followed by the purchase of a new rough mower and blower. Towards the end of the summer, it became apparent that our aging verti-drain machine needed to be replaced and having carefully managed our finances in recent years we found ourselves in the fortunate position to be able to take advantage of an excellent deal that Stevie Borthwick was able to secure on a new machine.

We've received many positive comments from visitors regarding the condition of the course and I would encourage each of you to continue to spread the word to friends, colleagues and golfing acquaintances that Peebles really is a great place to enjoy playing golf. Attracting more members and visitors is vital to the ongoing success of our club and everyone has a part to play in this. We have a limited marketing budget, but word of mouth, and these days reviews on social media, can make a great difference when it comes to promoting our great golf course and clubhouse. Despite the increased profile of the club, we remain a relatively hidden gem, even within the south of Scotland, and I can't stress enough that members need to be positive ambassadors for the club if we are to ensure our long-term sustainability.

On the playing front, we had another full year of competitions with excellent levels of participation from our membership. We are a very competitive club and I am very grateful to the Competitions and Handicap Committee for the excellent work they do.

We once again witnessed a terrific week of golf during the Club Championship, and I thoroughly enjoyed the opportunity to mix with so many of our members across all the categories within the club. During my four years refereeing the final of the Club Championship I've witnessed some outstanding golf from four very worthy winners in Darren Howie, Alan Turnbull, Jamie Morris and our reigning champion, Kris Hopkirk.

The 2023 season was the first since we brought the running of the golf shop back in-house. Initially under the management of Bob Allan with support from Brian Smith and Nigel Furness, we were delighted when PGA Teaching Professional, Ailsa Murphy, accepted an offer to take over the reins during the summer allowing Bob more time to spend with his family. Supporting the shop staff in the administration of the business has taken up a considerable amount of the office team's time this year but we are learning all the time and are confident that the shop will become an important additional source of income for the club going forward as well as providing members and visitors with a warm welcome upon arrival at the club.

Following three and a half years at the helm in the office, Alan Frain retired at the end of April. Alan made a significant contribution to the golf club during his time as Secretary Manager and undoubtedly played a key role in our recent change of fortunes. Alan's knowledge and professionalism, with support from Sarah and Paula, was instrumental in the smooth and efficient running of the club. Having not received any applications from members for the vacancy, the Board appointed Brian Boyter as Alan's replacement. Brian brought some fresh ideas and energy to the club but unfortunately his appointment didn't work out as planned and he resigned from the position in August. Once again, the Board of Directors acted swiftly to address the situation and I'm delighted that we have now had Stuart Pender in the role of Secretary Manager for over three months.

An area of the club which we are continuing to work on ahead of the new season is the Clubhouse Catering. Following the open member's forum to discuss the catering in December 2022 and the subsequent formation of a Catering Working Group the Wunderlin family came to us with a proposition to take over the running of the restaurant from the start of March last year. Their new business, From Scratch, was an instant success and the clubhouse greatly benefitted from the increased buzz, not to mention the excellent food. However, as to be expected with any new business, some further tweaking is still required and so we continue to work with From Scratch

to get our catering offering right for both the Club and our caterers, as we head towards the start of the 2024 season.

Members will appreciate that we have been without a bar manager since Nikki Cassidy's departure at the start of December. However, the club is delighted to announce that Calum Chisholm will be returning to take up the role again from the beginning of March. Please join me in welcoming Calum back to the club and supporting him and the rest of the bar team throughout the coming season.

In summary, with the Greens Staff, Office, Shop, and Bar all under competent and stable management and our Catering Partners gearing up for their second season at the club I am content that I will be handing over the Club Captaincy with everything in good order and providing an excellent platform to build from moving forward.

Sadly, during the course of 2023, the club lost some very prominent and much-loved members. Jim McAuslin was one of the club's oldest members. A founding member of the TAMS, he played golf well into his 90s. Donald Jamie was a former member of the Competitions and Handicap Committee and regularly refereed on Championship Finals Day. Phil Schofield was Club Captain on two occasions including during the centenary year in 1992, and Gary French was one of the club's great characters, a terrific competitor, great company on and off the golf course and an avid supporter of Peebles Golf Club. All will be sorely missed.

To conclude this report, I'd like to thank all of our Committee Members, Volunteers and Sponsors without whom the club would be in a much less positive position. Your ongoing support of the club is greatly appreciated. Although performing the role of Club Captain has taken a considerable amount of time and effort over the past year in particular, one of the plus points for me has been working with the other Board Members. Peebles Golf Club is truly fortunate to have such talented and dedicated volunteers and so I'd like to offer a very personal thank you to Andy, Gavin, James and Craig and also to Ross, Grant and David who were Board Members during the first year of my Captaincy in 2022. Your support and friendship has been very much appreciated.

And now, as I prepare to hand over the Captaincy to my Vice-Captain, Andy Pretswell, I would urge all of our members to get behind Andy and his team, support the club, and above all, enjoy your golf.

Thank you for giving me the opportunity to be your Captain these past two years. It has been a great honour that I am deeply proud of and will always cherish.

Chris Patterson
Captain

1.1 Major Club Competition Winners 2023

Men's Champion – Kris Hopkirk	Ladies Champion – June-Anne Clark
Junior Champion – Ross Wolfenden	Ladies B Champion – Mandy Douglas
Men's B Champion – David Duthie	Ladies Centenary Trophy – Susan Brown
Men's C Champion – Les Shortreed	Capt's/Vice Capt's Trophy – Allen Clark
Seniors Champion – Gordon Beveridge	Summer Singles – Alan Aiken
Thorburn Cup – John Sterricks	Eugene Turnbull Trophy – Michael Adams
Centenary Trophy – Graeme Paterson	Stewart Shield – R.G. Leeson
Kenny Allan Trophy – Kris Hopkirk	Captain's Putter – Steve Brown
Ford Trophy – George Rankin	AT Kyle Trophy – Adrian Swanston
Tweeddale Motors Trophy – David Brotherstone	Scotsdale Medal Final – Neil MacIntyre
Balfour Beatty – David Hay/Robert Hay	

1.2 Notable Player & Team Achievements

Craig Howie:

Having lost his full playing rights on the DP World Tour the previous season, Craig was back on Challenge Tour duty in 2023. He made a promising start to the campaign and had bagged four top-15 finishes by the end of May, including a T3rd at the UAE Challenge at the Saadiyat Beach Golf Club in Abu Dhabi, 6th place at the Duncan Taylor Black Bull Challenge in India and 9th place in the Copenhagen Challenge which elevated him to 13th place in the Race to Mallorca rankings. His form dipped in the summer however and having fallen outside the all-important top 20, it was a battle to regain promotion to the top circuit. Needing to finish in the top 2 of the final event in Mallorca, he gave himself a great chance having put himself in contention after impressive scores in rounds two and three, but had to settle for finishing 11th to end the season at No.39 in the rankings. He agonisingly missed out on a place in the final two rounds of Tour School Final Qualifying by one shot, but with an expanded Challenge Tour in 2024, he'll be looking to hit the ground running when the season starts in South Africa in February, having enjoyed some warm weather preparation at his newly affiliated sponsor club Al Ain Equestrian, Shooting & Golf Club in Abu Dhabi.

Darren Howie:

In his second season as a professional, Darren posted an excellent maiden win in February at the Serena Classic in Murcia on the European Pro Golf Tour. He spent the bulk of the season on the Tartan Pro Tour, with some additional events on the Clutch Pro Tour, where he posted a top 5 and a top 10 finish. Having enjoyed some good results throughout the season in Scotland with three top-10s and he finished 15th in the Tartan Pro Tour Order of Merit, heading to the DP World Tour School qualifying in good form. Some impressive golf saw him ease through stage 1 but having played himself into contention with a superb third round 66, he just missed out on a place at final stage. He'll have some excellent venues on the Tartan Pro Tour to look forward to this season and will be hoping to earn a place on next season's Challenge Tour with promotion places up for grabs for the leading players on the Order of Merit.

Borders Golf

Allan Turnbull, Jamie Morris and Kris Hopkirk all represented the Borders last season, with the team just missing out on a place in the Scottish Area Team Championship finals.

Tinto League Success for the Ladies Team

This year's Tinto League was the customary closely contested event between the ladies of Carnwath, West Linton and Peebles golf clubs. The home and away matches were played in great spirit and in a few cases great heat! It came down to just a few points separating the teams which could have gone either way. Peebles, as defending champions, managed to emerge victorious and retain the Tinto League Fox.

Congratulations to our ladies team members: Sheila Cuthbertson, Marny Waddell, Eve Hunter, Carol Mott, Sheila Horsburgh, Mary MacIntyre, Denise Richards, Iris French, Judy Cairns, Mandi Bain, June-Anne Clark, Val McKean, Angie Martin, Sheila Robertson and Mandy Douglas.

Denise and Susan Reach the Daily Mail Foursomes Finals

Denise Richards and Susan Welsh enjoyed a fabulous run in this year's national Daily Mail Foursomes tournament, making it all the way through several knock-out rounds, including victory at North Berwick, en route to qualifying for the UK Finals at St. Pierre in Chepstow. Having then won through to the semi-finals, they defeated Brora GC at the 23rd hole before agonisingly losing the final at the 19th hole to the pairing from Lexdon Wood. A fantastic effort from Denise and Susan - congratulations to you both and well done on flying the flag so well for Peebles!

2. Convenor Summaries

2.1 Greens Report

I am delighted to report that the course has again been consistently maintained and presented in excellent condition throughout the season. This view has been validated by the large volume of positive feedback from members and visitors alike.

Achieving this is not an easy challenge, as there is a balance between ensuring the course is playable in great condition as often as possible, whilst at the same time maintaining the good health of the fairways, tees and greens etc. If we overdo maintenance, we reduce the opportunity for our members to enjoy the course but if we get the balance wrong, there is a risk the long-term health of the course could suffer. That we have successfully achieved this careful balance is testament to the approach that Stevie and his team take. He is very aware of member expectations and takes a pragmatic approach to course downtime and is always looking for new and better products and methods which will enhance the course.

The climate at Peebles also brings challenges as we always face extremely cold ground temperatures in Spring, but this is quickly followed by extremely strong grass growth as we enter the summer. The team were flat out keeping on top of the heavy

growth for much of the summer, however we benefited from a new rough gang mower which improved the quality of cut. At times the rough may have felt more penal than in previous years, however the height was only 50mm which is a standard cut. However, the new rotary cutters didn't roll over and flatten the rough which resulted in the grass standing more vertical and this meant more challenging escape shots for those of us who were guilty of missing fairways.

As the climate continues to evolve, we are now exposed to sustained periods of dry weather and this has put a strain on our available watering capability. With this in mind, we have made a significant investment by installing two further water tanks which will triple our water capacity. We have also invested in a new pump which will speed up and strengthen the flow of water from the system. The additional water capacity will be in place for the coming season and will significantly reduce the risk of us running out of water.

We also invested in several other pieces of machinery, namely a heavy-duty blower, a new verti drain machine and a new on-course utility vehicle. Whilst the latter two machines replaced older ones, the blower was an excellent addition to our range of equipment and enables the team to move loose debris rapidly, resulting in a much smarter appearance of the golf course.

I'd like to call out that for our premier events, Club Championship, Thorburn Cup and various Opens, the presentation of the course and beautiful smooth greens made for exceptional player experience and ensured high quality golf was played.

The winter programme has been very busy and there has been a significant amount of work completed (and more to finish running into the new season). Greens, Tees, Bunkers have all been worked on as well as various drainage and aeration of fairways. Tree & hedge maintenance, machinery maintenance, painting of signage and benches have also been included. This work will stand us in good stead for the start of the season and we are confident that we will have another year of exceptional course conditions.

I would like to thank the many volunteers that have continued to support the greenkeeping team in managing a variety of time-consuming tasks. The collection of range balls is a massive help to the team and is much appreciated.

In closing, I would like to thank Stevie, Lewis, Jacob and Jack for their hard work and dedication throughout the year and have one final plea for all our members – PLEASE REPAIR YOUR PITCH MARKS and if you notice your playing partner forgetting to repair theirs, please politely point this out to them.

2.2 Junior Report

The junior membership category covers children from aged 5 up to 17, and the club strives to provide opportunities for all junior members to experience and enjoy golf.

Our youngest members of primary school age and S1 were able to take advantage of the Ailsa Murphy Junior Golf Academy which has been a success since its introduction and the new approach to junior coaching. The number of juniors attending the Academy has been encouraging and exceeded expectations this is due to the hard work and dedication of Ailsa and the volunteers. Whilst we have a good and valued

volunteer group supporting the coaching, we would encourage members and parents/guardians to join the team to further support the academy going forward.

Steve Johnston continued to deliver the 18 Steps programme for those youngsters at the stage in between introductory coaching and competitions/teams and with good progress being made we will hopefully see a number of these players making the step up to gaining a handicap and playing in their first competitions.

The junior competitions unfortunately were not very well attended throughout the season with limited trophies being competed for and awarded at the end of the season. A new approach is being developed for the upcoming season and will be communicated to the junior membership.

A new Junior sub-committee (Ailsa Murphy, Neil Anderson, Mike Griggs, and Larry Hobson) has been formed to support the junior section through the new season. The intention is to support the success of the Academy and improving junior involvement across all ages in competitions.

Junior team captain Ross Wolfenden was this year's Junior champion, in a fiercely contested match against Gregor Wells. There was an excellent display of golf in a match played in excellent spirit drawing a good crowd.

Junior Team

The Junior Team competing in the Edinburgh Junior Golf League, playing in home matches against Murrayfield, Liberton, Royal Burgess, Dalmahoy and Turnhouse. The team won one match, drew two and lost two, with the final match against eventual winners Turnhouse going to the wire but unfortunately, we ended up just missing out on a place in the semi-finals as a result. Highlight of the campaign was an away win against Royal Burgess, with the boys fighting back to take victory after four of the six matches went to the final hole.

Having lost a few players who turned 18 the previous season, we are in the positive position of being able to retain all our squad players for the 2024 season, and hopefully we'll see a few younger ones coming through to compete for a place in the team.

Junior Squad: Ross Wolfenden, Oliver Furness, Gregor Wells, Josh Duncan, Sam Wardlaw, Callum McRobert, Reece Dobie and Paddy Thomson. Team Manager: Ross Duncan.

Thanks to Evolution Bottling and Packaging Solutions, the OddShapedBall, TAMS, Peebles Rotary Club and other individuals for their continued sponsorship of our junior programme, competitions, team matches and coaching activities.

2.3 Competition and Handicap Convenor's Report

We had a very successful season with a full fixture list that was well supported by the members.

Marny Waddell took over as Fixture and Handicap convener on the main committee, but unfortunately, due to unforeseen circumstances, she had to resign. We have been

actively looking for a replacement for this position for most of the season and are pleased to report that Tony Farndon has agreed to taking on this position for the 2024 season. Marny has remained on the Fixtures and Handicaps subcommittee where she has taken overall responsibility for the Opens. The Opens have been well supported throughout the season and we have had a great response from members who have given up their time as volunteers to assist in the smooth running of these events.

The subcommittee were short of members at the beginning of the season, due to people moving on and not being able to commit their time anymore. Marny Waddell, Brian Robson, Graham Mackie, Stevie Matthews, and Eve Hunter have managed to share the workload and we have been delighted to recruit two new volunteers, Tony Farndon and Ryan Forsyth.

The knockouts were well supported; however, we would like to remind players that once the draws are published, they must be played within the stated time frame. Each player is responsible for organising their matches. Any matches not played, or any queries will be investigated by the Fixtures and Handicaps committee alone and changes will only be made under extenuating circumstances.

The committee will be discussing the ongoing trial around not handing in scorecards and any practices the club may wish to take forward. We will update members on this via a future club newsletter.

There will be changes to the World Handicap System (WHS) which come into effect in April 2024, and we will update members on these changes in the club newsletter in March.

2.4 Marketing Report

Marketing and communication is now a key part of the club's business, with the key objectives of engaging with our members, attracting new members, raising the profile of the club locally and nationally, increasing visitor income, increasing clubhouse footfall and adding value to our sponsors. Our aim is to position Peebles Golf Club as an attractive destination for visitors, through high quality and professional marketing content, while keeping members informed of the club's activities throughout the year.

We were successful in applying for Scottish Golf's club marketing fund of £500 and this was invested in new promotional video content which will be used in our 2024 marketing campaigns. You can see the full video via the link below:

<https://youtu.be/J3NVHiKThi0?si=r60R-vNJ95EDX4hn>

Social media is a key marketing channel for us and we continue to post regularly on our Facebook and Instagram channels, reaching members and visitors alike with a range of content around events and competitions, course photography and other relevant content. We now have 2,700 followers on Facebook (an increase of 12.5% vs last year) and 1410 followers on Instagram (an increase of 10.1%). We had 33,400 unique visitors to our website, which was a 3.4% increase on the previous year and 106,000 page views, up 2.2%. Website content is updated on a regular basis; however the site is looking slightly dated and may require a refresh this year.

Our advertising campaigns at the start of the year (on Facebook and Instagram) focused on new members, while we also promoted visitor golf through different campaigns and group offers during the season, contributing to another year of good visitor numbers in what is a very competitive space. The new campaigns will go live early this year as we build towards the new season.

Marketing is also required in activating the club's major sponsors to ensure good value for their investment, aiming to deliver high visibility among our members and the local community. We continue to receive very positive feedback from the likes of Evolution Bottling & Packaging, Scotsdale Finance, Cullen Kilshaw, Graham McGrath, Blackwood & Smith, Calton Wealth Management and JBM Estate Agents for ensuring we meet their sponsorship requirements.

Throughout the season, we have also promoted our junior golf activities, including the Ailsa Murphy Junior Academy, Junior Team matches and competitions. The Club Championship Week was also featured extensively, with photography on each day of the week featuring all categories, and a Championship Finals Day gallery. There were also regular updates on our two Tour professionals, Craig Howie and Darren Howie, highlighting their results and performances on the Challenge Tour and Tartan Pro Tour.

Finally, since taking over the role of Golf Shop Manager, Ailsa Murphy has been supporting our marketing activity with regular coverage of special offers, new products and various retail campaigns.

2.5 House Convenor Report

The main jobs completed this year were:

- Tarmac approach to the putting green
- Replace red whin chips with pebbles at front of clubhouse.
- Removed handrail in poor condition.
- Replace Greenkeepers guttering.
- Paint external woodwork of greenkeepers shed.
- Fix Greenkeepers roof
- Small repairs to driving range.
- Install additional shelving in kitchen

The clubhouse is generally in good condition and is subject to a planned programme of small maintenance and upgrades.

3. Membership Information

Regrettably, the Club must report the passing of the following members and past members:

Jim McAuslin
Donald Jamie
Phil Schofield
Gary French
Alan Kelso
Kenny Howitt

All will be sadly missed.

3.1 Current Membership and Historic Trends

As of 30th November 2023, the membership of the Club was as follows:

Playing Members	2023	2022	2021	2020	2019	2018
Gentlemen	261	256	276	251	281	303
Gentlemen (OAP)	87	90	86	87	75	76
Ladies	44	42	38	45	58	52
Ladies (OAP)	15	15	16	16	14	14
Get Into Golf	8	10	14	12	10	12
Gent 5 Day	6	8	8	9	10	12
Young Adults / Intermediate	20	38	44	56	52	65
Youth / Students	19	14	25	23	2	2
Flexible Membership	16	31	23	30	N/A	N/A
Country	24	25	25	18	19	17
Junior	133	116	114	93	122	132
Sub Total	633	645	669	640	643	685
Other Categories						
Non-Playing/Social	30	29	23	28	75	153
Complimentary	8	10	9	6	8	7
Honorary	7	7	7	7	7	7
Sub Total	45	46	39	41	90	167
Full Total	678	691	708	681	733	852

4. Finance Report

4.1 Overview

A summary of our financial results for the last 5 years is set out in the table below:

Year ended November 30 (£,000)	2023	2022	2021	2020	2019
<u>Summary Income Statement</u>					
Member subscriptions	292	287	288	249	254
Visitor and buggy income	90	101	108	45	64
Sponsorship	18	13	13	17	9
Grants and donations	-	6	29	41	-
Other income (e.g., flat rental, range)	32	20	30	16	16
Bar profit (1)	19	10	18	13	17
Golf shop profit / (loss) (2)	(14)	4	-	-	-
Wages (greens and office)	(168)	(150)	(132)	(107)	(119)
Overheads	(290)	(293)	(303)	(215)	(261)
Surplus \ (Deficit)	(21)	(2)	51	59	(20)
<u>Summary Balance Sheet</u>					
Fixed assets	553	468	531	534	598
Cash balances	252	303	282	230	148
Net Current Assets	216	265	214	150	57

(1) Bar profit includes bar sales less wages and bar purchases, as well as any commission received from our catering partners.

(2) Golf shop profit / (loss) includes shop sales less shop wages and shop purchases.

Refer to pages 20 to 22 for a more detailed break-down of the Income Statement and Balance Sheet. N.B. there are small differences in income and cost headings between the management and statutory accounts.

4.2 Membership Income

Membership income stood up better than expected with no net attrition of full adult members. As a result of the relatively small subscription increase last year, this resulted in income from membership subscriptions of £292,000, which was £5,000 higher than last year's income of £287,000 and £12,000 better than budget.

4.3 Other Income

Visitor income of £69,000 was £11,000 lower than budget. Factors affecting income included reduced Golf Now bookings that were linked to Cardrona Hotel and attrition to some of our long-standing visiting clients.

Due to there being only restricted catering last Winter, the bar did not get on a normal footing until March. However, activity picked up quickly when the From Scratch team started in March and sales were well ahead of budget during the peak summer months. Overall, the bar delivered a net profit of £19,000 which was £8,000 above

budget. Given the lack of a full-time bar manager for most of the year, this was considered a creditable performance.

The club took over the running of the golf shop in October 2022 and last year's budget was prepared on the basis that (i) the shop would break even (ii) we would save £20,000 by not paying Steve Johnston a retainer. The actual figures show the shop had a loss of £14,773 due to sales and gross margin being less than expected together with staff costs being higher than budget. Ailsa Murphy was appointed Golf Shop manager in August and is in the process of implementing the changes required to improve the product for all members.

Other Income in 2023 from the range, flat and sponsorship was relatively steady year on year.

4.4 Wages (Greens and Office) and Overheads

Wages and overheads were in line with budget.

5. Budget – Year to 30th November 2024

5.1 Summary Budget

The table below provides a summarised breakdown of the 2024 budget relative to the comparative budget and actuals for the prior year. Please refer to page 19 for a more detailed breakdown of the budget. The budget is subject to the approval of members at the AGM in February 2024:

Year ended November 30 (£'000)	2024	2023	
	Budget	Budget	Actual
Member subscriptions	292	280	293
Visitor and buggy income	97	102	90
Sponsorship	16	12	18
Other income (e.g., flat rental, range)	27	21	27
Bar profit (1)	23	13	19
Golf Shop loss (2)	(5)	-	(14)
Wages (greens and office)	(180)	(163)	(165)
Overheads	(294)	(282)	(289)
Surplus \ (Deficit)	(24)	(17)	(21)

(1) Bar profit includes bar sales less wages and bar purchases.

(2) Golf Shop profit/(loss) includes shop sales less wages and shop purchases.

5.2 Overview

From a balance sheet perspective, the club emerged from the pandemic in good shape and, in what was a more normalised trading year in 2023, it was pleasing to see the club consolidate its financial position. For 2023, we achieved a £4,000 adverse variance to budget as described in section 4 of this report. For 2024, our budget deficit of £24,000 is closely aligned to our actual result for 2023. We are continuing to face the challenge of an inflationary environment and a cost-of-living crisis. Although the inflation rate has been reducing there is a degree of uncertainty around how discretionary spending will be impacted in 2024 and whilst the budget reflects the continuation of a normalised income and expenditure model, we have pared back some of our sales targets compared to 2023.

Like all businesses, we are continuing to face off to an inflationary environment. General inflation is running at close to 5% and wage inflation, in the form of the National Living Wage, is close to 10%. Whilst overheads will remain under close review, the Board is keen to retain and reward its employees appropriately and therefore we have incorporated wage increases in the budget.

The budget deficit of £24,000 is similar to the budget deficit proposed in 2023. This reflects the Board's aim to keep membership fees as affordable as possible whilst maintaining appropriate investment across all aspects of the club. With a large depreciation charge of £47,000 p.a., there is scope for the club to absorb a small deficit and it is important to note that we expect *to only have a net cash deficit of £7,000* over the course of the full year. This is after budgeted capital expenditure of £30,000 on new greenkeeping equipment that will be funded via a combination of cash and finance lease.

5.3 Membership Fees

As outlined in section 6, the Board is proposing a modest fee increase in 2024 which is below the average increase being levied across the golfing industry. The aim is to generate £292,000 of subscription income, including the various add-ons (e.g., locker, battery, and caddy storage). The target level of membership income is higher than 2023 reflecting a lower rate of net attrition.

The proposed fees take into consideration, among other things:

- The forecast annual attrition of members across our full adult membership (e.g., due to age, ill health).
- Our annual peer review of fees in comparable local golf clubs; and
- Other forecast revenue and costs

5.4 Visitor income

Visitor and buggy income for 2024 is forecast to be marginally higher than that achieved in 2023. We took delivery of a new fleet of 10 x EZGO electric buggies in May 2023 and the price will remain at £30 per buggy for a non-member. Members will continue to enjoy a 50% discount with buggies required for medical conditions costing £10/£5 for 18/9 holes. Peebles remains a popular course for visiting parties and we plan to focus our marketing effort on this target market. However, unlike more prestigious golf clubs, we continue to face off to a mainly domestic visiting market that is highly cost conscious and therefore we must be realistic about our ability to push up visitor green fees. The members' guest fee will increase to £15 with no restriction on the number of guests that a member can introduce. The only restriction pertaining to members' guests is that the guest can only play once per month.

5.5 Bar Profit

(Bar sales less purchases and bar staff wages)

Given the inflationary costs to be absorbed (e.g., wages and a rise in alcohol duty) and pressure on discretionary spending, we are forecasting a similar profit in 2024 compared to 2023.

5.6 Golf Shop

The Golf Shop model is something that we are continuing to promote for the 2023/24 season. The first year of the model has been a learning curve. The initial plans were to break-even, however once staffing costs were included it became apparent that we were not achieving the sales through the shop to cover all costs. Analysis has been carried out on the areas to be targeted and we hope to bring a revamped Golf Shop to all members for the upcoming season. The forecast for this year is to reduce the loss to £5,000 which, in effect is the cost of providing staff to welcome members and visitors. The shop's success is directly linked to the support of our members, so please continue to support the facility.

5.7 Wages (Greens and Office Staff)

Forecast salary costs for Greens and Office staff are 5% higher than 2023. This reflects additional salary, NI, and pension contributions. Both teams performed

exceptionally well in 2023 with positive feedback from members and visitors alike. Ongoing investment in our staff is key to growing our future golfing revenue.

5.8 Other Overheads

Total overheads in 2024 are projected to remain relatively flat compared to prior year. This masks the underlying inflation that we are seeing across much of our supplier base, but we have been able to offset this increased cost via targeted reductions in other areas.

5.9 Cash Flow Budget Summary

Year ended November 30 (£'000)	2024	2023
Budgeted cash inflow (before investment)	23	27
Budgeted investments	(30)	(20)
Budget cash inflow (after investment)	(7)	7
Actual net cash inflow	N/A	(24)

The reason that a net cash outflow arose in 2023 was the unbudgeted expenditure of £32,000 on a new Verti Drain machine – the previous one was bought in 2000! The forecast operating deficit for the year ended November 2024 is £24,000 which includes a depreciation charge of £47,000. Adding this non-cash item back, the projected net cash inflow for the year (before investments) is £23,000.

We are forecasting capital expenditure of £30,000 in 2024. £4,000 relates to annual HP payments for the digger (purchased 2021) with the remainder allocated to cash payments for the new Irrigation Tanks and Pump and a deposit for a new range ball dispenser. The remaining cost of this new equipment will be funded by finance lease with repayments accounted for in the budget profit and loss.

The quality and range of greenkeeping equipment are reviewed regularly with Steve Borthwick and we have a rolling replacement programme in place. We benefit significantly from Steve Borthwick's ability to source excellent value "nearly new" equipment and his ability to minimise repair costs by maintaining equipment on site.

5.10 Summary / Key Takeaways

- We are facing 2024 from a position of balance sheet strength but we must continue to operate the club on a sustainable basis from year to year.
- Fees will increase in line with inflation in order to achieve that sustainable budget, but we believe our fees remain highly competitive when benchmarked against comparable clubs.
- We will maintain close control over costs whilst maintaining an appropriate level of investment in the course, clubhouse, and staff. The rolling investment in greenkeeping equipment is proving its worth and reflects our strategy of investing in our core asset to help retain and attract members and visitors alike.

James Young
Finance Director

Stuart Pender
Secretary

6. Proposed Subscriptions: 2023-24

The proposed subscriptions are tabled below (increases are in red). Please note that all adult playing member fees include the Scottish Golf affiliation fee of £14.50 and the Border Golfers Association fee of £2.50:

Full Adult	£630 £660	Country	£260 £300
Full Pension	£545 £585	Non-Playing	£30 £35
5 Day	£460 £500	Social	£30 £35
Flexible Membership	£367.50 £380		
Young Adult (22-29)	£410 £420		
Youth/Student (18-21)	£210 £215	Lockers Adult	£22
Junior (16-17)	£100	Lockers Junior	£6
Junior (12-15)	£70	Buggy Store	£25
Junior <12	£50	Battery Box	£50

New Member Initiative

Category	New Member Deal	Introducer Bonus (10%)
Adult Membership	£600	£60
Young Adult	£380	£38

We need to continue to attract new members and therefore encourage existing members to introduce family members and friends to our club. To incentivise these efforts, we are refreshing our introductory offer.

From 1st March 2024, a new Full Adult playing member or Young Adult member introduced by an existing member will pay a fee of £600 (£60 discount) or £380 (£40 discount) respectively.

The introducing member will also get 10% of the fee (i.e., £60 for a full adult member) credited to their club card. Note, the new member cannot have been a playing member of PGC at any stage during 2021 - 2022. Please encourage your family and friends to join – we all benefit from membership of a vibrant growing club.

	2024 Budget to 2023 Actual		
	2024 Budget	2023 Actual	Variance
Income			
Subscriptions	292,000	292,207	(207)
Visitors fees	70,000	68,768	1,232
Buggy Rental (net of costs)	9,646	11,407	(1,761)
Bar profit (<i>Footnote 1</i>)	23,000	18,640	4,360
Shop profit / (loss) (<i>Footnote 2</i>)	(5,360)	(14,773)	9,413
Range income (net of costs)	11,220	11,723	(503)
Competition income	4,200	4,328	(128)
Sponsorship (net of costs)	10,800	9,317	1,483
Flat rental income	10,092	8,765	1,327
Grant income	0	250	(250)
Social events / Other income	4,000	5,408	(1,408)
Profit on sale of asset	0	4,793	(4,793)
Total Income	429,598	420,835	8,763
Expenditure			
Course:			
Greenkeeper wages	124,560	117,731	6,829
Course Maintenance & Repairs	21,600	20,570	1,030
Vehicle Running & Maintenance	17,844	16,987	857
Course Leasing	9,270	7,740	1,530
Clubhouse:			
Rent & Rates	17,800	16,960	840
Utilities	24,000	20,512	3,488
Contract Maintenance & Cleaning	27,650	30,915	(3,265)
Repairs & Renewals	14,100	18,622	(4,522)
Satellite TV / Equipment Hire	6,720	7,636	(916)
Administration:			
Office wages	55,212	50,534	4,678
Admin (telephone, printing etc)	16,558	16,047	511
Computer Equipment / Services	6,650	6,351	299
Training & Courses	1,500	1,020	480
Marketing & Promotion	5,400	5,315	85
Subscriptions, Licences, etc	2,700	2,585	115
Insurances	10,130	6,525	3,606
Entertainment / Hospitality	5,000	5,354	(354)
Professional Fees & Dues:			
Accountant / Legal / HR	9,400	11,082	(1,682)
Golf Union Levies	9,000	9,147	(147)
Financing & Other Charges:			
Bank & Finance Charges (net of interest received)	2,100	4,397	(2,297)
Depreciation on owned assets	46,788	47,226	(438)
Unreclaimable VAT	20,000	18,464	1,536
Corporation tax	0	0	0
Total Expenditure	453,982	441,719	12,263
Surplus / (Deficit)	(24,385)	(20,884)	(3,501)
Footnote 1			
Bar sales	184,000	184,052	(52)
Less: Bar purchases	(89,300)	(93,884)	4,584
Less: Bar wages	(71,700)	(71,528)	(172)
Bar Profit	23,000	18,640	4,360
Footnote 2			
Shop sales	100,000	72,460	27,540
Less: Shop purchases	(60,000)	(50,480)	(9,520)
Less: Shop wages	(45,360)	(36,752)	(8,608)
Shop Profit / (Loss)	(5,360)	(14,773)	9,413

Key Schedules from the Annual Accounts to 30th November 2023

	2023		2022	
	£	£	£	£
INCOME				
Members subscriptions	292,207		287,435	
Visitors green fees	68,767		83,412	
Range income	13,376		7,566	
Other direct income	71,336		64,388	
		445,686		442,801
Cost of sales				
Greens				
Greens / course expenditure	37,558		35,555	
Other direct expenditure	54,097		52,997	
Greens wages	117,731		106,884	
		209,385		197,236
		236,301		239,799
Shop				
Shop sales	74,924			
Less: Shop purchases	52,233			
Less: Shop wages	36,752			
Shop Profit / (Loss)		(14,061)		
Bar				
Bar Sales	184,052		147,820	
Less: Bar purchases	93,783		72,920	
Less: Bar wages	71,528		67,567	
Bar Gross Profit		18,741		7,333
GROSS SURPLUS		240,981		314,699
Other income				
Deposit account interest	5,518		1,093	
Flat rental income	8,765		9,099	
Sundry receipts	5,408		2,526	
Government grants	250		6,200	
		19,941		26,484
		260,922		341,183
Expenditure				
Secretarial Admin Gross wages	50,534		40,822	
Rent	15,490		15,490	
Rates	1,470		7,938	
Insurances	6,525		6,457	
Heat, light and power	20,512		20,158	
Office equipment maintenance	12,719		10,602	
Repairs and renewals	16,545		12,268	
Professionals retainer	0		13,696	
Hire of equipment & service contracts	15,376		23,516	
Posst, Stationery & Marketing	8,095		6,592	
Telephone	3,059		4,520	
Household and cleaning	24,547		18,784	
Training and courses	1,020		1,099	
Sundry expenses	7,046		1,514	
Clothing and Uniform	2,355			

Subscriptions and Golf Union levies	9,147	9,031
Irrecoverable VAT	18,464	20,567
Accountancy	4,738	4,800
Legal / HR and professional fees	6,344	639
Licences	2,685	2,587
Flat rental costs	2,077	324
Donations	200	0
	<u>228,948</u>	<u>288,971</u>
OPERATING SURPLUS \ (DEFICIT)	31,974	52,212
Finance costs	(10,425)	(7,047)
Depreciation	(47,226)	(44,151)
Profit on disposal of assets	4,793	0
Corporation tax	0	(2,947)
TOTAL SURPLUS \ (DEFICIT)	(20,884)	(1,933)

Balance Sheet

	2023	2022
	£	£
Fixed Assets		
Property, plant and equipment	552,857	468,249
Current Assets		
Inventories	31,868	22,011
Trade and other receivables	21,101	10,990
Cash and cash equivalents	251,945	303,166
	304,914	336,167
Trade and other payables:		
Amounts falling due within one year	(88,587)	(71,226)
Net Current Assets	216,327	264,941
Total Assets less Current Liabilities	769,184	733,190
Trade and other payables:		
Amounts falling due after more than one year	(79,985)	(23,107)
Net Assets	689,199	710,083
Reserves		
Other reserves	158,696	158,696
Retained earnings	530,503	551,387
	689,199	710,083