



Member Update

Gordon Golf Club Limited

Since 1936

THE CLUB'S FINANCES

The Board has completed a comprehensive review of the Club's current financial position. A detailed cashflow forecast has been prepared to the end of September (the end of our current subscription year), and this has shown that our financial position could best be described as "very tight". Based on this cashflow forecast the Board has concluded the Club has sufficient capacity to trade through to October when membership fee renewals will be received and our cash position improves. Any member wishing more details should approach any of the Directors on the Finance Committee (Geoff White, Gerry Taylor & Graeme Inglis).

The Board has already identified some areas of administration expenditure where savings will be made which will improve our short and longer term cash position. Every effort will also be made to avoid accessing our overdraft facility. All expenditure will be critically reviewed to ensure value for money is being obtained for the Club and its members.

The external Audit Report has once again identified some control issues in the Club's accounting and banking processes. Many of these issues have been identified in previous audits with apparently no action taken to improve controls. The Board has already addressed some of the issues and will be engaging an external accountant to help bring the accounting processes up to an acceptable level of governance.

Following our review, the Board better understands the Club's financial position and the finances whilst tight are manageable. We are now looking to generate plans to increase the Club's income streams.

CLUB OPERATIONS

The Board intends appointing a new Secretary Manager but also believes the current vacancy creates a very valuable opportunity to review the Club's administration requirements and how best to meet these requirements in a more cost effective manner. In addition the Board wants to improve the quality of the administration services provided to the Club and its members.

The Board is undertaking an independent review of the Club House operations with the objective of identifying opportunities to provide better service and improved value for money for members. This review should be completed in early June.

While this review process is underway Barbara Churcher has volunteered to manage the Office. Other Directors will also be assisting with key tasks to ensure little if any disruption to the Club's normal office operations. The Board will also be appointing an appropriately skilled person to undertake and manage the accounting function.

The Bar, Gaming and Catering services are unaffected and will continue to operate as normal.

Graeme Inglis
President
For and on behalf of the Board

13 May 2010
