

# **SKI CLUB OF GREAT BRITAIN®**

## **Minute of the Meeting of Council held via Zoom**

**30 May 2023 at 1700**

**In attendance:** Angus Maciver (Chair) (AM), Stu Bevan (SB), Rick Krajewski (RK) (part of meeting), (Martin Jordan (MJ), Jean Lovett (JL), Elizabeth Morrison (Secretariat) (ELM), Evelyn McKinnie (EM), Walter Macharg (Treasurer) (WM), Trevor Campbell Davis (TCD)

**Apologies:** Anthony Harris (TH), Chris Radford (CR)

**Observing:** James Gambrill (General Manager) (JG), Jitendra Shetty (Finance) (JtS), Katy Ellis (Head of Holidays) (KE), Owen Chapman (OC)

## **AGENDA**

### **1 Chairman's welcome and introductions**

AM welcomed everyone to the meeting.

AM briefly described some of the recent work he had been involved.

- Member's Zoom event – circa 100 members participated.
- Reps debrief – generally very positive, more details to be provided at the next Council meeting.
- Very successful member event at the white Haus.
- Development of further plans for the 120<sup>th</sup> celebrations (noted higher than expected drop-out rate for the gala dinner).
- Excellent event on snow at Hemel Hempstead.
- Participated in budget meetings, FAC and HRAG.
- Heritage Advisory Group – two members (Peter Slee and Nic Oatridge) both very keen to be involved and will bring a creative historical perspective.

### **2 Minutes of meeting held on 27 April 2023**

The minutes of the Council held on 27 April 2023 were approved and subject to appropriate

redactions would be uploaded to the website. It was noted that while the minutes were an accurate reflection of the meeting, it may be more appropriate to present a revised marketing plan after the strategy day in June.

### **3 Matters arising and agreed actions from previous meeting**

Please see the Action Tracker for more information.

Minutes of recent Membership Advisory Group meeting should be shared asap with Council.

Council had requested that an IT finance paper detailing spend against budgets should become a standing item for Council meetings, this was not available. It should be prepared for future meetings of Council. It was noted that there had not been any further infringements on the contingency budget.

The HRAG had been convened and discussed both proposed salary increases and proposed bonus allocations. Council agreed in principle that bonuses should be paid for 2022/2023, and that the HRAG should meet again (once further information is provided) to complete discussions. Council also asked that consideration is given to setting funds aside for bonus payments in 2023/2024. It was also agreed that any future bonus payments could be based on individual performance, or it could be based on team performance against objectives. HRAG was asked to consider and make a recommendation. Council expects that all staff will have objectives set for 2023/2024.

## **OPERATIONAL MATTERS AND REPORTS**

### **4 Finance**

#### **Management Accounts to April 2023**

WM reported the management accounts for April 2023 to Council. The final month of the year has completed, with results in line with the forecast tabled in April 2023. An initial meeting has been held with the auditors and audit work is commencing.

The Club's total revenue for April was down. As in previous months, membership revenue is close to budget, with a shortfall in numbers being compensated by the higher mix of platinum members. The revenue net shortfall is due to the continuing trend of lower income from partnerships and insurance.

Overall, revenue from the Holidays operation was above budget. While revenue from Fresh-tracks and Chalet Flaine were above budget, revenue from Mountain Tracks was down against budget.

Following a further review with the French accountants, a lower French VAT liability was determined.

The net value of investments increased over April 2023.

WM also reported the year-to-date financial results to Council. The consolidated annual revenue is below budget. Overall operating profit is £42k.

Key factors behind the shortfall compared to budget operating profit are:

- Reduced passenger numbers for Fresh Tracks and reduced holidays margin percentage.
- Membership revenue shortfall due to higher attrition rate.
- Reduced non-platinum insurance commission due to substitution by platinum memberships.
- Partnership income below budget.
- Higher than budget costs of producing Ski & Board.
- Reps cost higher than the increase allowed in the budget.
- The decision to invest more in marketing
- The unplanned VAT expense in France

These negative factors are compensated by:

- Reduced net cost of the ILG service for the year.

## 5 IT Implementation programme

SB reported to Council the good progress being made with implementation. He noted that it had recently been agreed by the IT steering group that the sale of holidays would not be linked with go-live dates for the new website, but that the existing website would be used and migration to the new site would take place later. The new website will be a significant improvement on the existing one.

The finance team are continuing to work with the IT implementation project team and will review the business case for changing to accounting software which interfaces more easily with Salesforce. Proposals with the existing finance systems provider, Sage, are being reviewed and will be compared to those from Xero. Proposals will be brought to the IT Steering Group, FAC and Council for approval.

Council requested that a plan tracking progress against milestones and recent minutes of meetings of the IT steering group were shared with Council members.

### Actions

IT implementation plan tracking progress against targets to be shared with Council	JG	SB	Jun-23
IT steering group minutes to be shared with Council	JG	SB	Jun-23

## 6 Membership and Marketing Update

OC reported to Council that membership had declined In April 2023.

He also reported that while overall joins were better this year, overall losses were worse. The Club membership had decreased by circa 600 members over the year, this was due to higher leaving rates rather than join rates which were positive. Some of the attrition rate is due to members who joined via SnowZone not continuing with membership.

The average age of members decreased, and the data suggests there is a shift from families to individual membership.

Paid advertising ceased at the end of March, therefore a fall in joins might have been anticipated. Council noted that reductions in membership have implications for the budget.

A Netherlands trip, in partnership with a company, to ski at an indoor slope had been offered to members as part of a membership initiative.

Please see Annex A for more details.

## 7 Holiday and Chalet Update

KE provided an end-of-year update on holidays, including information about revenue, age of members skiing with Freshtracks and level of skier. She noted that revenue for Freshtracks and Mountain Tracks was lower than target but still significantly higher than last year.

KE reported to Council that Fresh Tracks holidays on target to launch towards the end of July. Most contracts are in place, including the possibility of a third chalet. Other new trips have been added, including more single occupancy and solo traveller and Villar added as a resort. Draft brochure has been received and is now being proof-read carefully. Initially sales will be via phone.

Mountain Tracks summer season underway, although some holiday cancellation due to lack of hut availability.

### Actions

Meeting of the Holiday and Chalet Advisory Group to discuss possibility of third chalet	KE	AM	Jul-23
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Please see Annex B for more details.

## 8 Risk Register

WM advised Council that the Risk Register had been further refined. Following debate, at which Council discussed if risks were independent or additive, it was agreed that risks should be split into holiday and membership. Thereafter the Risk Committee should review the risks and assess cumulative nature of concurrent risks and where significant impacts are likely to be. It was agreed that the Risk Register should be reviewed more frequently.

Following discussions, Council agreed that at the Strategy Day at the end of June a three-year plan should be created. WM committed to scoping a three-year financial outlook with scenarios for high, medium and low outcomes for holidays and membership numbers.

### Actions

Split risk register between holidays and membership and ask Risk Committee to consider likelihood and impact of potential concurrent risks.	JG	WM	Aug-23
Add presumption re income growth to risk register	JG	WM	Aug-23

## 9 Draft Budget Proposals 2023/24

AM introduced the draft budget proposals. AM reported that the outline budget had been approved, subject to the provision of greater detail, by FAC. He noted that not everyone on Council attends FAC and that the need to build membership numbers was paramount.

He outlined three options for Council:

- Agree with budget proposals and accept risks;
- ask for proposals to be revised and risk lowered; or
- agree that budget proposals should be accepted, with increased frequency and depth of review.

WM intimated to Council that the budget while having inherent risks had been developed to invest in areas to grow the membership, such as new smart membership cards, public liability insurance added to membership and increased number of resorts.

Council members discussed the draft proposals. Noting that the detail around the numbers provided was commendable. Council focussed much of their discussion around trigger points for further intervention and what actions would look like. The need for more frequent and as far as possible

accurate budget and membership forecasts was deemed essential. Aspects such as membership numbers and holiday sales can act as early indicators of success.

Council members, while agreeing with the investment in member growth, noted reservations about projections and quantum of investment in members. Members noted that there is little evidence that interventions tried over the past year have made any demonstrable impact. Members also noted that several assumptions are being made. They also noted that the Club had significant reserves, should they be required.

Following extensive discussions, Council agreed to proceed with reviews built into finance updates at each Council meeting. A three-year finance plan should support this further. The development of a strategy to increase membership numbers over a longer period should also support this. The new IT system once fully implemented should also support the interrogation of data.

### **Action**

Build reviews into finance at each Council meeting. Identify early warning indicators and possible interventions for further action.	WM	JtS	Apr-24
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## **10 120<sup>th</sup> Celebration**

Council discussed the good progress being made organising events for the 120<sup>th</sup> celebration.

## **11 General Manager's Report**

JG emphasised the work being completed to increase member benefit and attract new members. This work had been successful in attracting new members. It had been less successful in retaining members.

All other items were covered through the agenda.

## **12 Proposal for Ski + Board**

JG presented a proposal for changes to creation of Ski + Board. Following discussion Council approved the proposal.

## **13 Any other business**

None

There being no other business the meeting closed at 1945.

*Where the minutes contain commercially sensitive or personal information, the relevant extract will not be included in the published online record and will be marked as redacted.*

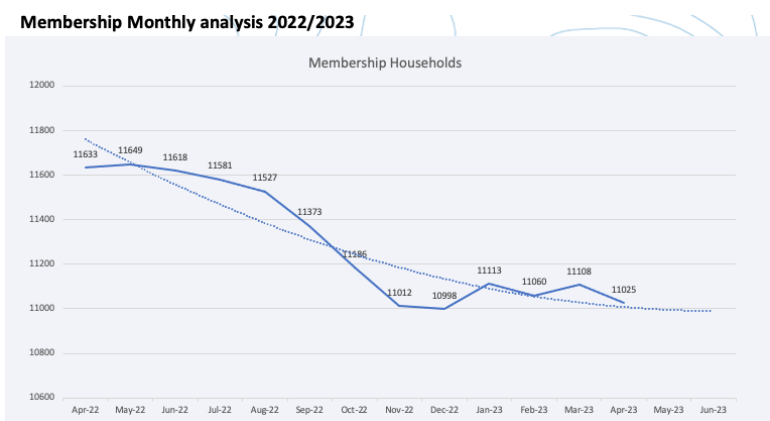
Annex A

April 2023 Membership Review			
Membership Type	Membership Households (Apr 2023)	Membership Households (Apr 2022)	% Variance
Standard	8079	9193	-12%
Platinum	2946	2441	21%
TOTAL	11025	11633	-5%

Membership Type	Members (Apr 2023)	Members Apr 2022)	% Variance
Standard	11680	14337	-19%
Platinum	4888	4168	17%
TOTAL	16568	18505	-10%

Average Household Membership – 1.5 pax    Average Age –56



Net Gain /Loss	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Totals
20/21	8	-60	-59	-142	-396	-546	-612	-737	-677	-429	-193	-76	-3919
21/22	87	74	46	57	144	213	72	108	156	245	164	236	1602
Target 22/23	32	27	17	21	52	77	26	39	57	89	60	86	582
Stretch 22/23	100	85	53	66	166	245	83	124	179	282	189	272	1843
Actual 22/23	16	-31	-37	-54	-154	-187	-174	-14	115	-53	48	-83	-608
Total Memberships	11649	11618	11581	11527	11373	11186	11012	10998	11113	11060	11108	11025	
Forecast	11649	11618	11581	11527	11373	11186	11012	10998	11113	11060	11108	11025	



Annex B

