

# **SKI CLUB OF GREAT BRITAIN®**

## **Minute of the Meeting of Council**

**27 April 2022 at 17.00**

**In attendance:** Trevor Campbell Davis (Chair), Anthony Harris (TH), Martin Jordan (MJ), Ed Killwick (EK), Walter Macharg (Treasurer) (WM), Angus Maciver (AM), Elizabeth Morrison (Secretariat) (ELM), John Simpson (JS), Alison Wareham (AW).

**Apologies:** Stu Bevan (SB), Jean Lovett (JL), Amanda Pirie (AP)

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

Meeting held online using Zoom

### **1 Chairman's introduction (TCD)**

TCD opened the Council meeting by welcoming everyone to the online meeting.

### **2 Minutes of meeting held on 29 March 2022**

The minutes of the meeting held on 29<sup>th</sup> March 2022 were approved and should be uploaded to the website.

### **3 Matters arising from previous meeting**

Covered under agreed actions and agenda items.

### **4 Agreed actions from previous meeting**

Council members reviewed the Action Tracker. It was agreed that several items were complete and could now be closed. It was noted that due to technical issues, the Action Tracker is no longer being published online with the Minutes of meetings. The Action Tracker would be made available should any member request it (subject to normal redactions).

Further details are available if required from the Action Tracker.

## **5 Management accounts to 31 March 2022**

WM introduced the Management Accounts to 31 March 2022. It was recorded by Council that the Finance and Audit Committee (FAC) had met and reviewed the Management Accounts. The approved minutes of the FAC meeting from 17<sup>th</sup> March 2022 were shared for information with Council members. It was further noted that at their most recent meeting in April 2022 the FAC had reviewed the draft budget 2022/23.

Overall, a strong trading month for the Holiday business, although margins are below last month, and budget. Membership business still below budget profit as significant partnership income is still to be invoiced, this is awaiting further advice from partners.

The gross margin from holidays was 22.2% in the month (26% YTD) as against the budgeted margin of 23% (23% YTD).

Specific issues impacting the membership operation:

- Partnership income remains below budget to date; an adjustment has been made in next month's budget to add the shortfall in billing amount. Forecast has been reviewed and we continue to expect to earn at least up to budget for the full year.
- Membership income and stand-alone insurance commission continue at a good level.
- Cost of sales is high in the month compared to budget, due to mid-season cost of reps, net of the reversal of last month's over-accrual for Instructor Led Guiding costs.
- Net unrealised gain of £104k on investment this month following recovery in values of some equity investments. There remains a net gain for the year to date.

Specific issues impacting the Holiday operation:

- Revenue and profits continue to be positive, higher than February as planned due to the reduction over half term.
- The ATOL and ABTOT licences have been extended to 30 Sept 2022, based on lower revenue. A new renewal application for annual trading licenses will be submitted in September 2022 for the period from 1 October 2022 to 30 September 2023 with a more realistic revenue projection.
- The projected holiday revenue for the full year is expected to increase by £73k above the budget of £2.74m. We have confirmed bookings worth £202K for April 2022.

## **Investments**

- The net value of investments as of 31 March showed a gain of £111k in March. The YTD net realised gain was £65k, plus dividend income of £54k and unrealised gain of £83k.

#### **Cashflow**

- The consolidated bank balance on 31 March 2022 was £1.293m.

<b>ACTION</b>	Council members were asked to review accruals and inform JtS if they were aware of any outstanding areas.	All Council members/JtS	May 2022
<b>ACTION</b>	Draft audited accounts to be presented to July 2022 Council meeting.	WM	July 2022

## **6 Draft Budget 2022/23**

WM presented proposals for the draft budget 2022/23.

The draft budget shows a modest profit in the two main businesses of Membership and Holidays. Currently this reflects the statutory companies, SCGB and SCWA.

The draft budget shows a modest profit in both businesses. The net projected profit is £255k for the year. This is 13% above the projection for the current year (although this year's profit may be higher than the current projection). It is also after absorbing the "one-off" costs of IT development, at £74k.

WM noted that this first draft budget has been developed as an overall financial envelope, and further review is continuing.

Several further workstreams are required. Several Council members were asked to note their involvement in these.

Critically: the main income categories of subscriptions and holidays have been developed "top down". A list of fully costed holidays is under currently development. The challenge of costing holidays while contracts are negotiated and agreed was noted.

Membership income should be supported by forecasts of member headcount by category.

The draft budget shows an increase compared to current year forecast of 23% in income and 24% in gross profit. Overheads are predicted to increase by 32% but adjusting for one off items (IT upgrade cost next year and Covid-19 support this year) the increase is 14%.

Council noted a risk that further cost increases may take place, but income increases will not. This should be added to the risk register. Careful monitoring by the FAC throughout will be required.

The additional workstreams are intended to provide more security over the income forecasts. It will be vital to continue to manage costs closely. Most costs will be incurred over time, rather than upfront, and the Club will need to ensure that costs are cut if income increases are not being achieved.

Council considered the risks of the pandemic continuing and the plans that should be put in place to mitigate such a risk. Council also considered the possible impact of falling sales and agreed that decisions should be made in October about the profitability of individual holidays.

This led to a discussion about the price of holidays and affordability. It was suggested that we should consider cheaper ways of providing holidays for our members, such as offering the option of coach travel or alternative accommodation.

AM raised a question around the timing of potential salary increases for staff. In response, it was noted that several staff had received increases last October, however it was recognised by Council that the previous norm was for increases to be agreed before the summer. It was agreed that increases above any inflationary increase should be better linked to performance appraisal.

ACTION	Holidays		
	Full list of budget holidays with costing and pricing, including FX costs	KE / AW	May 2022
	Review and approve detailed budget.	Holiday Advisory Group / WM / TCD	June 2022

	<b>Membership</b>  Budget by headcount by category of member. Establish KPIs and control reports.  Review on Snow Cost and establish e.g. rep budgets by resort.  Cost of sales: line by line comparison to current year. Review cost of sales in detail.	JG / OBC / AM  EK / OBC / JtS  JG / OBC /AM /JtS /WM	May 2022  May 2022  May 2022
	<b>Staff costs</b>  Full review of proposed salary changes, agree with TCD, WM & FAC, before Council approval.	JG / WM	May 2022
	<b>Marketing</b>  Marketing plan including benefits of each spend and how each of strand can be measured effectively.	JG	June 2022

	Risk to be added to risk register	ELM	May 2022
	IT infrastructure spend to be monitored and phased over twelve months.	SB/WM	May 2023
	Develop scenario planning eg what if there is no skiing next year?	WM/JG/JtS	May 2022
	Final decisions on holiday profitability	KE	October 2022

TCD, on behalf of Council and members, recorded his thanks for the considerable work which had been completed to create the draft budget and for the increased quality of the information provided. Council commended the work, under WM's leadership to pull all of this together in such a comprehensive manner.

<b>ACTION</b>	Agree bonus pot and inflationary salary increases for staff.	WM	May 2022
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## 7 IT Infrastructure Update

Overall, the project is going well, and staff have participated in helpful wireframe sessions. It was also noted that there might be a suitable replace for [redacted] available which would only require minor adaptations. A steering group is now being pulled together by SB.

## 8 Ski Club of Great Britain ®

Council formally recorded the granting of a Trademark to the Ski Club of Great Britain®. Council agreed that as far as possible the Trademark should be officially always recognised by use of ®.

TCD, on behalf of Council and members commended AH for all his work to achieve this recognition for the Ski Club of Great Britain ®. Council agreed that the cost of registering the Trademark was good value.

<b>ACTION</b>	Add Ski Club of Great Britain ® to the SCGB website and all future documentation.	JG	May 2022
	Consider other social media areas where the Trademark is not currently being used.	AH	June 2022

## 9 Membership

Membership numbers continue to increase slowly. Platinum memberships continue to recover more. Further details are available in Appendix 1.

The Membership Advisory Group (MAG) met on the 27<sup>th</sup> April 2022. During

the meeting, they considered a new draft position statement, benefits, and needs. The MAG also considered proposals for tiered membership. Council agreed that further work on these is required.

Council noted that while membership was now increasing slowly, there had been a ten-year trend of declining membership. Council discussed if an increase of 5% per annum was an ambitious enough target or was too conservative.

<b>ACTION</b>	MAG minutes to be shared with Council members.	AM	May 2022
	New draft position statement to be shared with Council members.	AM	May 2022
	Develop proposals for tiered membership.	AM	June 2022

## **10 On-Snow Advisory Group**

EK advised Council that a meeting of the On-snow Advisory Group had been held on 19<sup>th</sup> April 2022, and that two new experienced reps have been co-opted as members.

At the meeting, the group reviewed the season, including what went well and what could be improved. The group agreed that the social skiing was a strength and should if possible be expanded. Six new areas are under active consideration, these are in Andorra, Austria, and Italy. A budget case will be required before this is agreed by Council. Requests for the rep service to be resumed in France is still considered to be too high a risk for the reputation of the Club.

Several areas for improvement were identified. EK was asked to prepare a list of these with suggestions to address the areas identified for improvement. These are provided at Appendix 3.

Council discussed the appropriateness of having reps in resorts which also provided Ski Ambassadors to show clients round the mountain. It was agreed that the rep service offered something different.

Council also discussed the level required to ski with a rep. It was agreed that this should be clarified further on the website.

<b>ACTION</b>	To do list with suggestions to address identified areas for improvement.	EK	April 2022
	Develop budget case for new resorts with a rep service.	OBC	June 2022
	Clarify level required to ski with a rep on the website.	OBC	June 2022
	Clarify expectations required of reps and share with Council.	OBC	June 2022

## 11 Holidays and Chalet

Overall, despite initial challenges with countries closing, it had been a good season. An additional trip to Tignes in April 2022 had sold very well.

More details are available in Appendix 2.

KE advised Council that feedback from members participating in holidays was being collated and would be used to support our publicity. The Ski Survey which was recently issued should also assist.

## 12 ATOL and ABTOT Licenses

AW introduced this item. Following, a brief discussion it was agreed that JG should action and ensure that the appropriate licenses are applied for at the appropriate time.

<b>ACTION</b>	Coordinate applications for ATOL and ABTOT licences to ensure compliance with regulatory functions.	JG	Aug 2022
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## 13 Recognising Outstanding Contribution to the Club and Snowsports



AM presented suggestions from the Membership Advisory Group for the Club to recognise outstanding contributions annually and over a long period of time.

Long term: There was a view that it less about financial reward, and more about public recognition. Council discussed what could be offered, including presentation of a plaque, article in Ski + Board, award ceremony hosted by Chemmy Alcott etc. Two members who had each made outstanding contributions were agreed award winners and Council members asked to nominate others.

Annual/short term: The recipient of the Pery Medal 2022 was previously agreed by Council. Other awards were to be considered further, including checking any financial implications (for example, it was thought that the Thomas Lang Schools Bursary Award had an associated legacy).

<b>ACTION</b>	All Council members to consider nominations for outstanding contribution awards and pass to AM.	All/AM	May 2022
	Members to be emailed and asked to nominate others.	JG	May 2022

#### **14 Staff-Council Social Event**

Plans well underway for event at the White Haus – drinks and nibbles ordered.

## 15 Planning for May 2022 member event

Council discussed the most appropriate platform for the event and the need for a seamless back-up should the technology fail at any point in the proceedings. Members to be asked to submit questions in advance.

The format was agreed:

- Brief update from season
- Potential for new reports for rep service
- Questions from members.

<b>ACTION</b>	Email members with details and request questions.	JG	May 2022
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## 16 General Manager's summary

**JG** reported that the Ski Survey was providing some interesting feedback, with more members highlighting concerns over skiing ability and fitness after not skiing due to the pandemic. Members are also reporting the need for high-quality accommodation.

## 17 AOCB

TCD closed the meeting by offering thanks to all Staff and Council members for their inputs.

The next meeting to be held on 26<sup>th</sup> May 2022, will be face-to-face in the Club Offices.

The meeting closed at 20.05.

*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.*

## Appendix 1 Membership

### March Membership Review

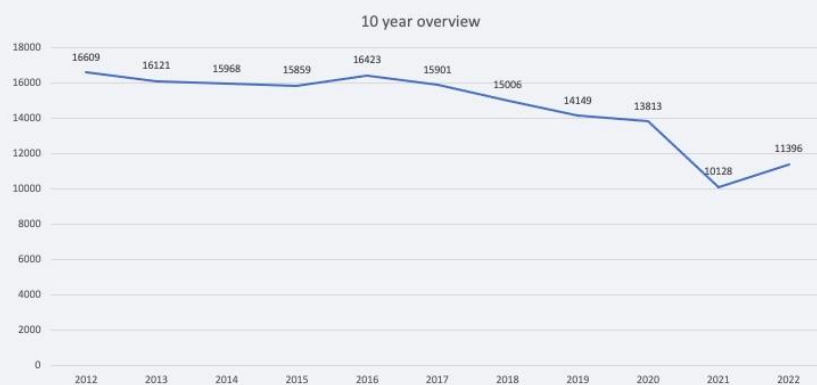
Membership Type	Membership Households (Mar 2022)	Membership Households (Mar 2021)	% Variance
Standard	9176	9363	-2%
Platinum	2220	819	171%
TOTAL	11396	10182	12%

Membership Type	Members (Mar 2022)	Members (Mar 2021)	% Variance
Standard	14222*	14981	-5%
Platinum	4051	1310	209%
TOTAL	18273	16291	12%

Average Household Membership – 1.6 pax

\*Decline in standard due to members upgrading to platinum

### Membership 10 year overview



Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Households	16609	16121	15968	15859	16423	15901	15006	14149	13813	10128	11396
Yr-on-yr loss	-173	-488	-153	-109	564	-522	-895	-857	-336	-3685	1268
Decrease yr-on-yr %	-1%	-3%	-1%	-1%	4%	-3%	-6%	-6%	-2%	-27%	9%

## Appendix 2

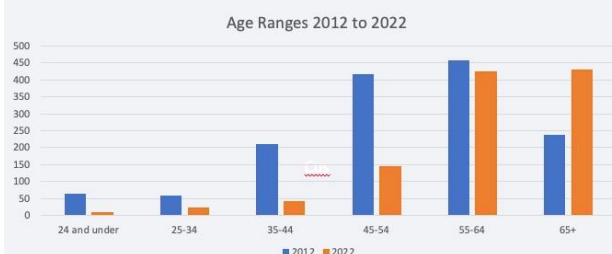
### Holidays

#### Freshtracks

Overall Target Pax by April 23	Overall Current Pax	Overall Target Revenue by April 23 2022	Overall Current Revenue
1353	1444	£2,182,389	£2,513,377

- Spring Ski week added 16-23 April & sold out (15 pax)
- Final holidays returning 23 April
- 1444 includes 45 bookings on the reps courses previously not counted in FT figures
- 1075 unique bookers (excluding reps)
- Contracting and planning started for 2022-23
- Review of feedback and review of customer base ongoing

#### Freshtracks



Customer review – we will look at the current customer profiles – ages/standards etc to help plan the programme and will also compare to previous seasons to see changes and plan accordingly. For example, we can see here how the average customer has aged over the past decade – though need to bear in mind how exceptional this season was so might not be the true picture.

#### Mountain Tracks

Overall Target Pax by April 23	Overall Current Pax	Overall Target Revenue by April 23 2022	Overall Current Revenue
296	207	£280,826	£308,411

##### Winter 2021/2022 Program Summary

- Total of 55 winter holidays
- Total of 207 clients for 2021/2022 year (7 clients for summer)
- Total of £308k revenue for 2021/2022 year (13K for summer)
- Total of around 14 destinations

##### Testimonials:

"It was good value for money, we skied a lot and certainly mastered the fundamentals of ski touring"  
 "I love Mountaintracks and will book again! I always need a bit of help to understand the technical level for the trips..."  
 "A really excellent course with lots of learning and fun"  
 "Natural beauty excitement volcano eruption. Exhilarating surroundings felt secure and confident in the guide."  
 "A good group, a realistic itinerary and made the best of the relatively poor snow conditions."

### Appendix 3

1. It would be worth contacting ski tour operators especially the ones who have given up ski hosting and seeing if they could sell Ski Club membership either as an add on like ski hire etc and/or in resort offering a 50 % commission on first year membership.

2. What could be improved?

Resort Reps should be required to do following which should be mandatory.

A. Post on social media at least once a day. Use the App.

B. Meet and thank Resort VIPs especially the ones where we get benefits.

C. Try and sign up new members

D. Post Snow reports and weekly returns etc as it's very important to have a record of how many members we ski with as it helps to get more benefits from resorts.

E. Put a profile and picture onto the ski club website.

3. We need to put more Reps in other resorts. This is crucial to help increase membership and membership benefits. We need to put together a short list obviously resorts where lots of Brits go to. We will need to add this to next season's budget.

4. How can we make Reps and the Repping service more visible? It would be great if we could produce posters (with a QR code with a link to join the club) advertising the club and the social ski program with meeting points and times.

A business card Reps could give out to prospective members with QR card to join and meeting times and places for social skiing and the social evening venue/bar. Reps should wear ski club merchandise at social hour (maybe we could get a small budget to provide Reps with one or two items a gilet and polo shirt and/or a buff). We would only need to give merchandise to the Reps who are actually doing slots in that season.

5. For social skiing it would be much better to have a fixed meeting time and place for each resort. TBC is not good. For each resort we need to ask experienced Reps the best location and time to suit. We can then advertise on the ski club website etc times and places for each resort which would be fixed throughout the season.

6. We discussed that it would be a good idea to have longer slots so some slots would be 3 weeks and some would be 2 weeks which would cut travelling expenses and be better for continuation.