

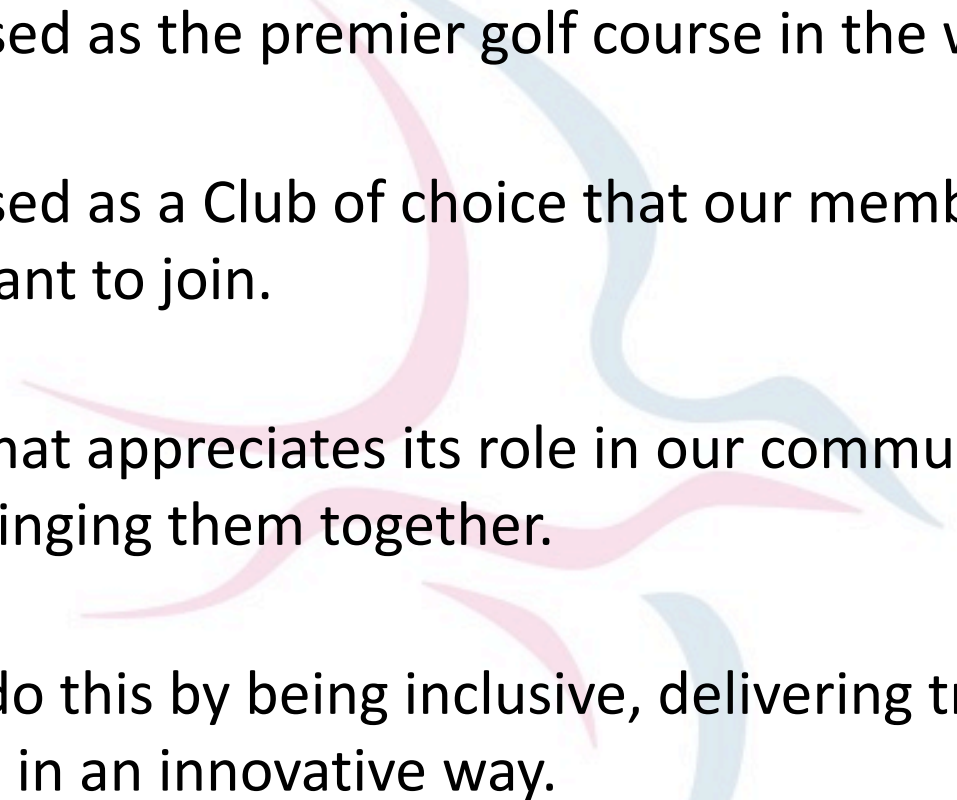
# 2018 AGM Chairman's Address



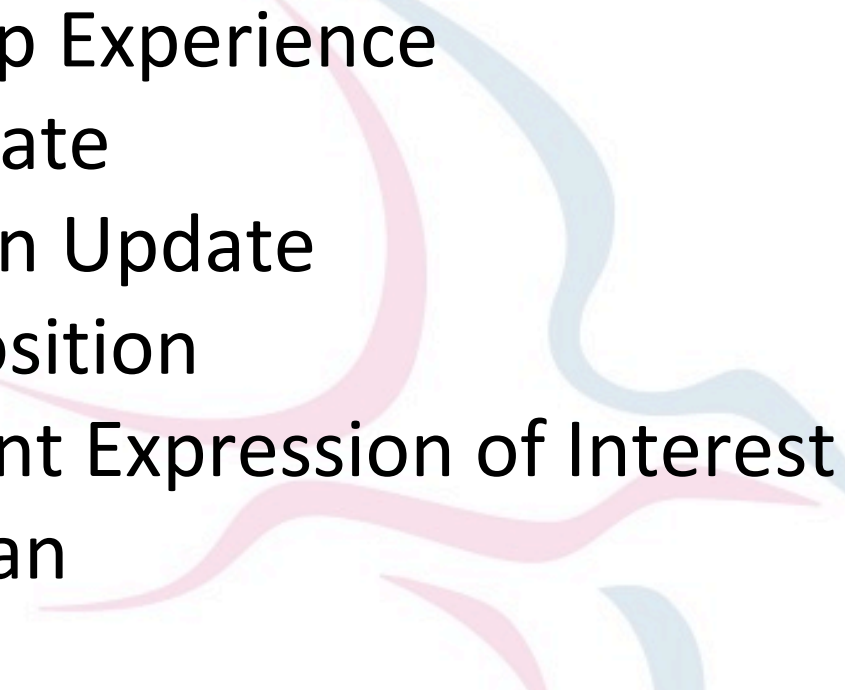
Sanctuary Lakes Club is a premier golf and leisure club that is inclusive and committed to delivering ongoing value to its members, in an innovative way.

## Our Purpose



- 
- To be recognised as the premier golf course in the west
  - To be recognised as a Club of choice that our members are proud of and visitors want to join.
  - To be a Club that appreciates its role in our communities, playing a lead role in bringing them together.
  - We aspire to do this by being inclusive, delivering true value for all our members, in an innovative way.

# Our Vision

- 
- Membership Experience
  - Course Update
  - Construction Update
  - Financial Position
  - Development Expression of Interest
  - Strategic Plan
  - Q&A

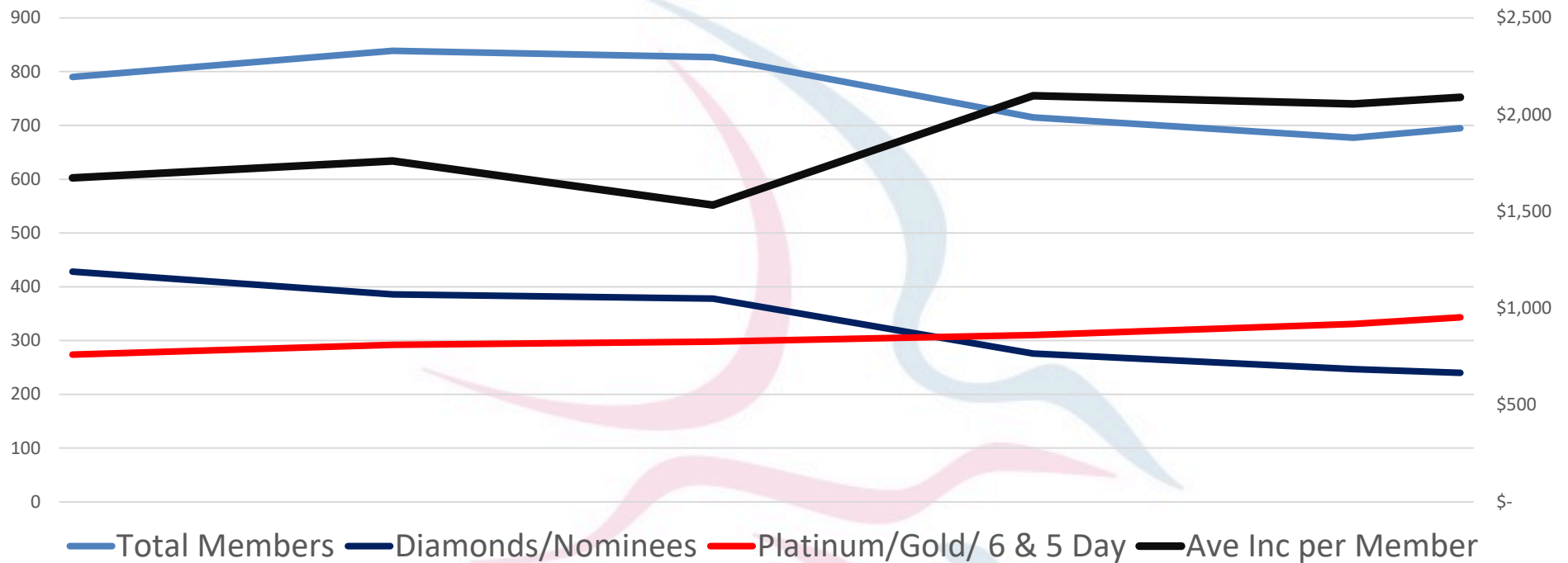
# Key Updates

# Membership Update

	28/11/2018
Diamond	111
Nominees	129
Platinum	44
Gold (7)	140
6 Day	77
Silver (5)	82
Intermediate	40
Junior	34
Corporate	13
Total Playing	670

- Memberships across industry are a challenge
- In line with global trends
- Membership base moving to higher value memberships

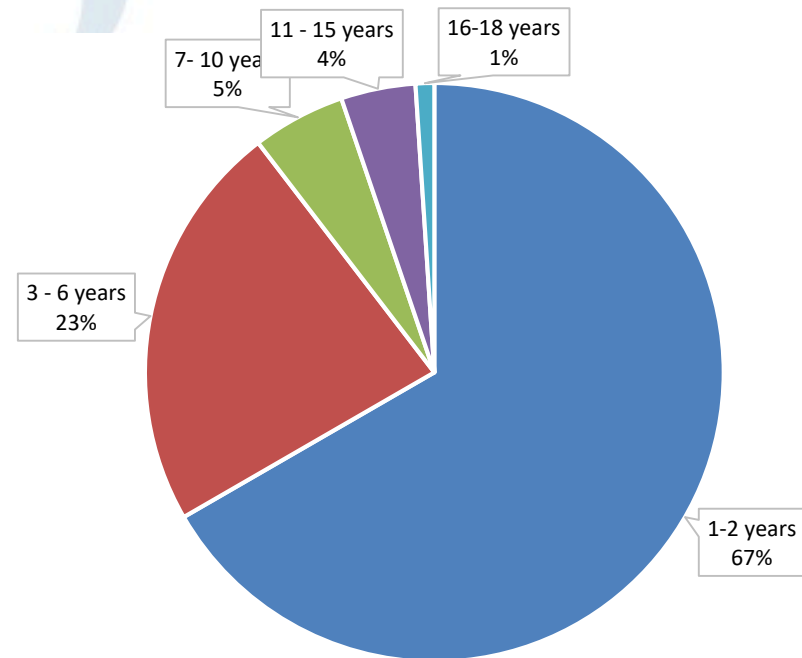
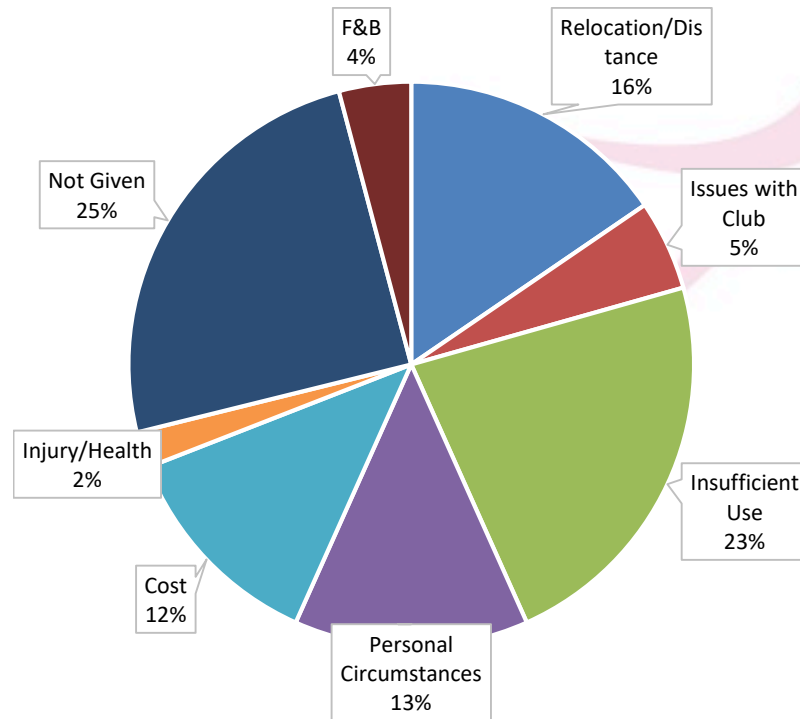
# Membership Base



While we are seeing total membership numbers decline slightly we are seeing more members taking higher value membership offers. This is highlighted by our average income per member.

# Membership Trends over time

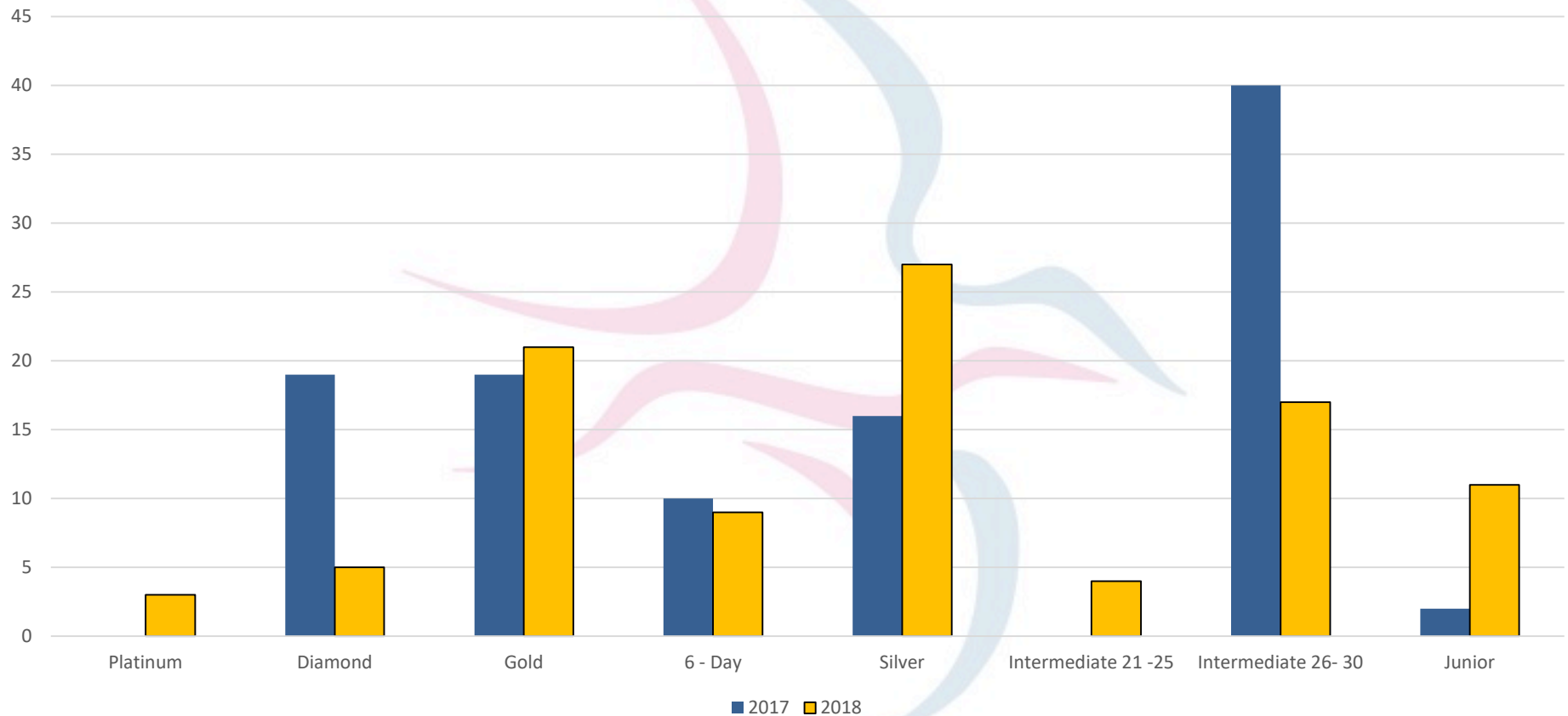
- 97 members resigned this year
- 67% of resignations were members less than 2 years
- 21 intermediate members (17 in 26 – 30 bracket)



# 2018 Membership Renewal

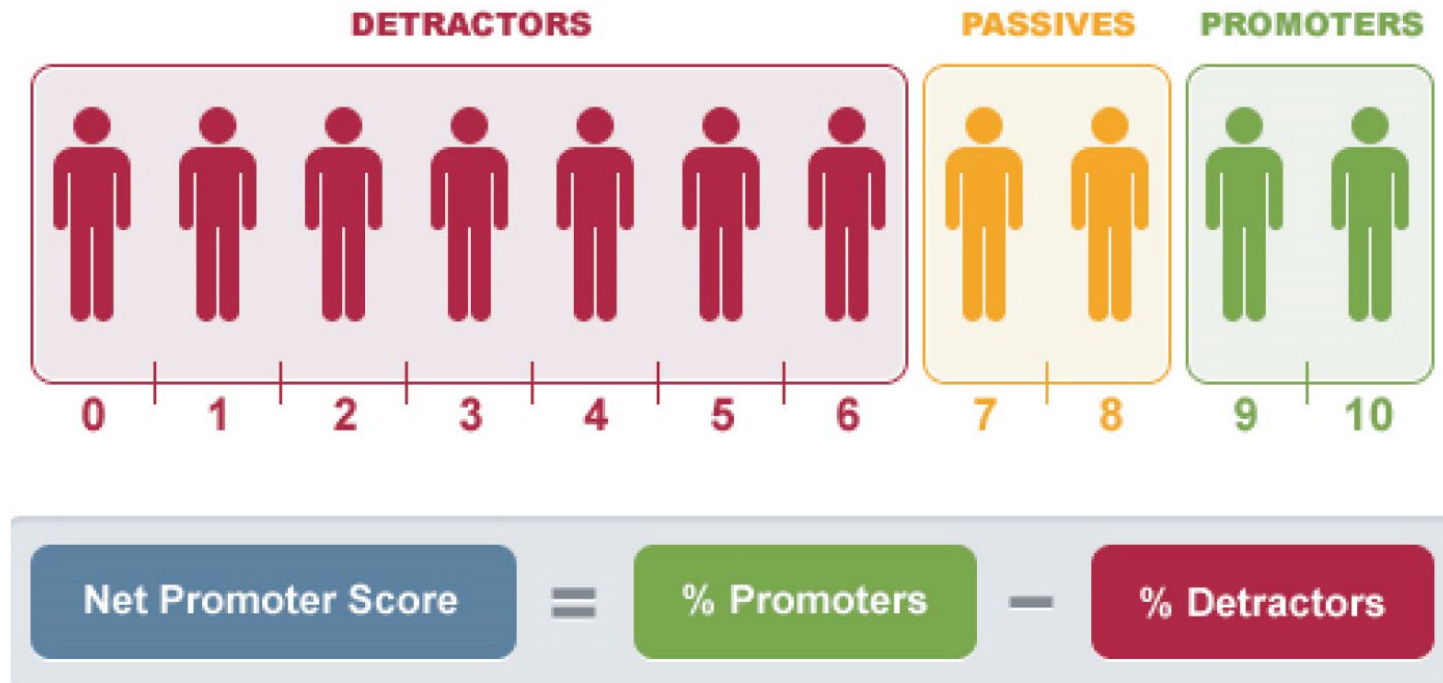


Resignation by Category

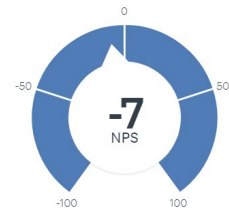
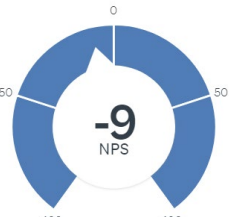
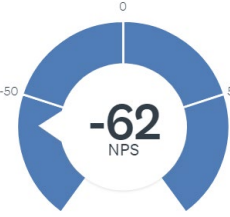
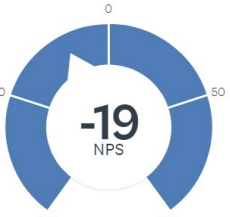
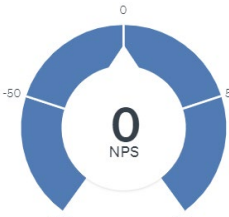


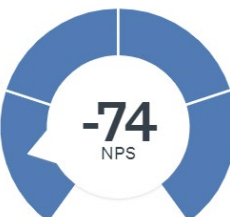

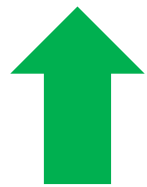
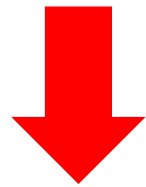



# Resignations 2018

Sanctuary Lakes Club is committed to using Net Promotor score as best practice to measure experience and loyalty. Our survey in 2017 provided us a benchmark to track progress in each area of the total membership experience

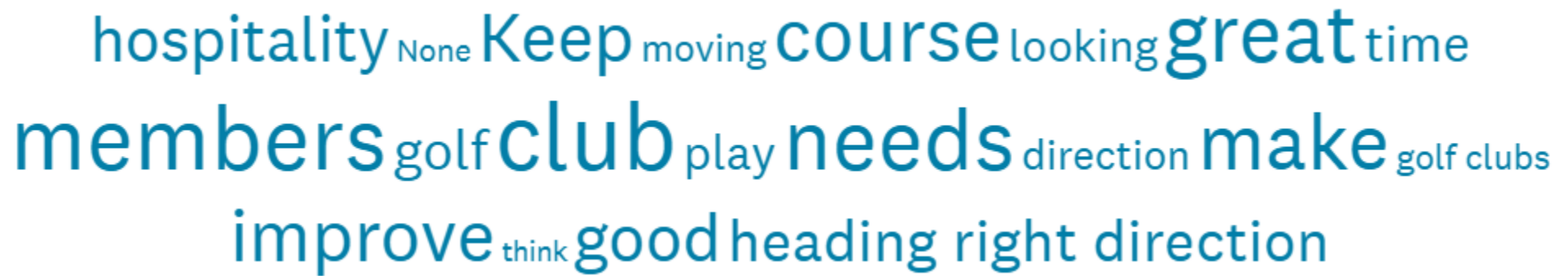


# Using Net Promotor Score

	Overall	Course	Team	Hospitality	Membership
2017	 <p>-7 NPS</p>	 <p>-6 NPS</p>	 <p>-9 NPS</p>	 <p>-62 NPS</p>	 <p>-19 NPS</p>
2018	 <p>0 NPS</p>	 <p>8 NPS</p>	 <p>-3 NPS</p>	 <p>-74 NPS</p>	 <p>-11 NPS</p>
					

# Our Report Card






A word cloud of feedback comments in blue text. The words are arranged in three lines. The first line contains 'hospitality', 'None', 'Keep', 'moving', 'course', 'looking', 'great', and 'time'. The second line contains 'members', 'golf', 'club', 'play', 'needs', 'direction', 'make', and 'golf clubs'. The third line contains 'improve', 'think', 'good', 'heading', 'right', and 'direction'. The words vary in size, with 'great', 'club', 'needs', and 'make' being the largest.

hospitality None Keep moving course looking great time  
members golf club play needs direction make golf clubs  
improve think good heading right direction

When we look at the feedback comments through a word cloud we see a huge change in the language used from last year to this year. This years results show more positive terms showing that we are heading in the right direction.

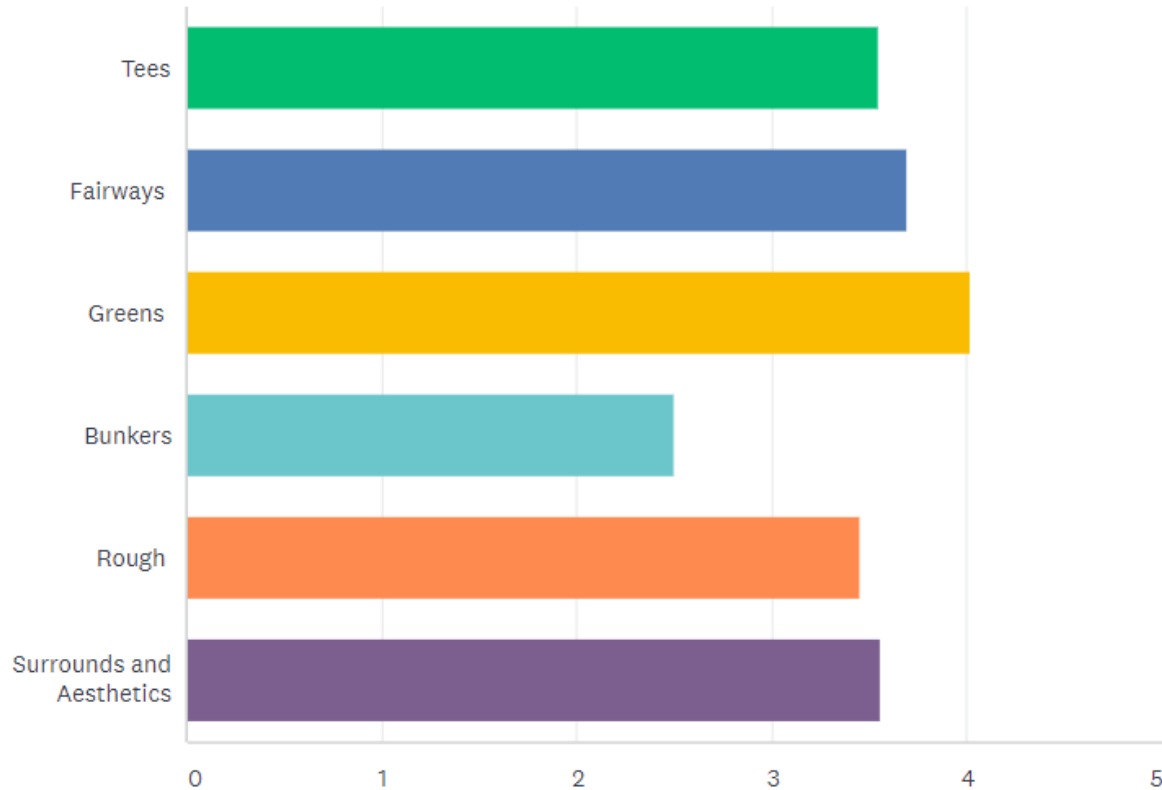
# Overall



tee quality water surrounds consistent improvement fairways  
Making greens condition bunkers Keeping course  
members improving back rough sand consistency good

When we look at the feedback comments through a word cloud we see a huge change in the language used from last year to this year. This years results show more positive terms showing that we are heading in the right direction.

# Course



- The course is still the main driver for experience for most members
- Although improved, Bunkers an area for improvement

# The Course is key



- Recently met with their team
- We are still a Greg Norman Course
- They are keen to help us lift our rankings
- We will be updating to their new marketing brand
- They will be coming back out in February to present recommendations
- They will be involved in EOI discussions to assist





# Club Captian's Course Update



- Fantastic turn around in course conditioning
- Focus now shifts to consistency and improved playability:
  - Green surrounds
  - Fairways
  - Bunkers
  - Vegetation management
- Victorian Open Qualifying (European Tour Event) Feb 4
- Implement new rules of golf changes
- Member experience and respectful behaviour

# Focus for 2019

- Strategic Course Review by GNGD – we've asked them to look at:
  - Course design – where can it be improved:
    - Bunker evolution, playability and strategic review
    - Green complexes – slopes and surrounds
    - Greater tee options on certain holes – angles and length
    - Holes 17 and 18
    - Options 6<sup>th</sup> and 8<sup>th</sup>

# Greg Norman Golf Design

# Construction Update



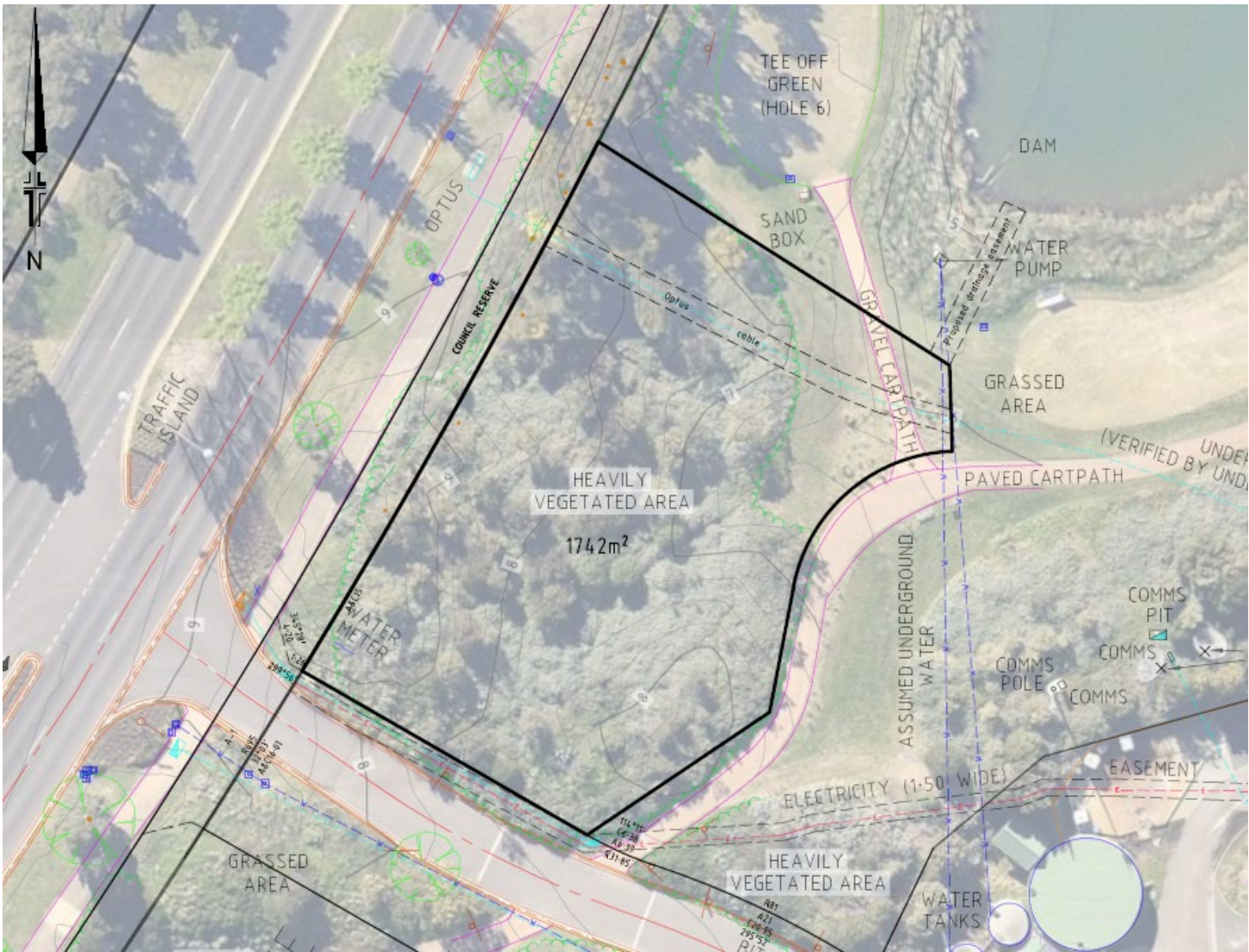
The developments on the 12<sup>th</sup> hole are premium townhouses with rooftop terraces looking over the gold course.

<https://stantonresidences.com.au/>

12<sup>th</sup> Hole

  
sanctuary  
LAKES CLUB





Path will need to be relocated. Builder working with team to minimise disruption, no work on weekends

6<sup>th</sup> Tee







# Childcare Centre – 6<sup>th</sup> Hole



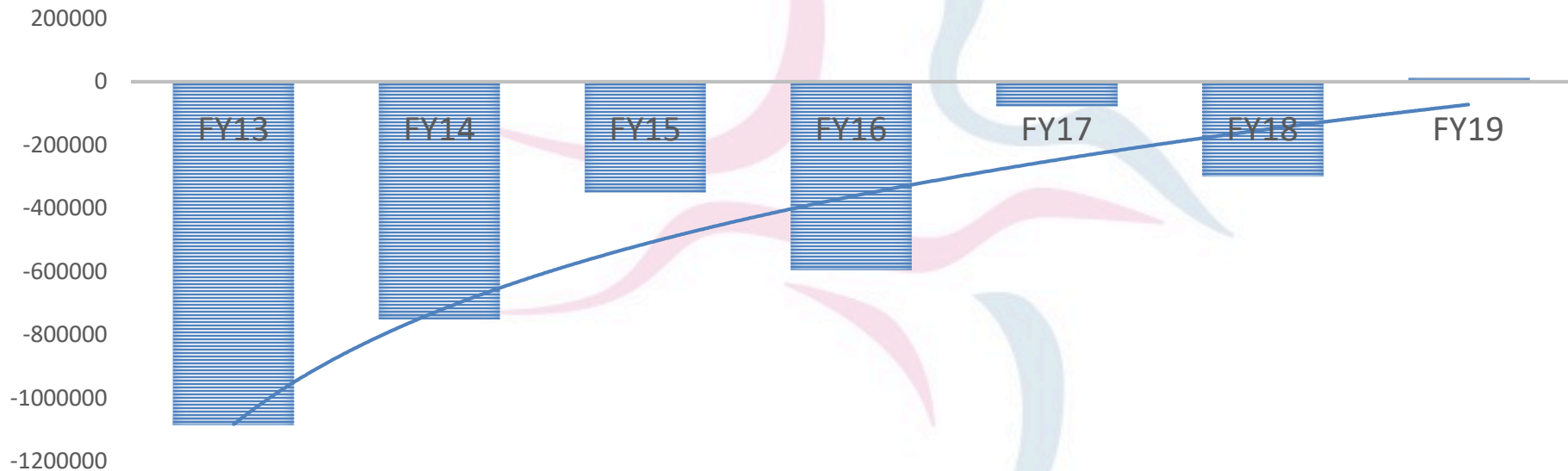


Need to consider options for back tee. GNGD reviewing

# Financial Update



- Reduction of losses over time and expecting a profit in FY 2019



# Financial Results

- FY 2018 did not deliver to expectations
  - Membership Revenue down \$103k
  - Water Expense increased \$103k
  - Employment Expense increased \$97k
  - Investment in change over to in house curating
- Major step changes in our operating model
  - Saving of in excess of \$100k in bringing curating in house
  - Expected saving of \$90k in water through course irrigation audit and gained irrigation efficiencies
  - Saving in staff wages

- YTD 2019
  - Revenue flat compared to YTD 2018
  - Membership Revenue lower, due to lower base.
    - Introduction of 2 month Summer Membership to stimulate growth (removal of daylight savings pass)
    - Introduction of \$33 after 3 green fee initiative
  - Expenses lower
    - Expected water savings on track
    - Course savings being realized

Even trading out of losses is not enough



11 November 2018

## THE NATIONAL GOLF CLUB AND HUNTINGDALE GOLF CLUB DISCUSSIONS ON A POTENTIAL MERGER



**Horsham Golf Club**

Yesterday at 1:54 PM · 🌐

### VERY IMPORTANT NOTICE

Dear all,

Horsham Golf Club is struggling financially and even though the current Board have reduced our debt, the road is too steep and we need assistance.

Without sounding desperate, if we don't raise \$300k in the next 9-days (\$100k already raised), we have no other option, but to loose control of the Club and our future then becomes uncertain.

By you, family, colleagues and/or friends either donating, sponsoring and/or joining the Club would go enormously towards saving our best community asset in Horsham and one of Australia's best golf courses.

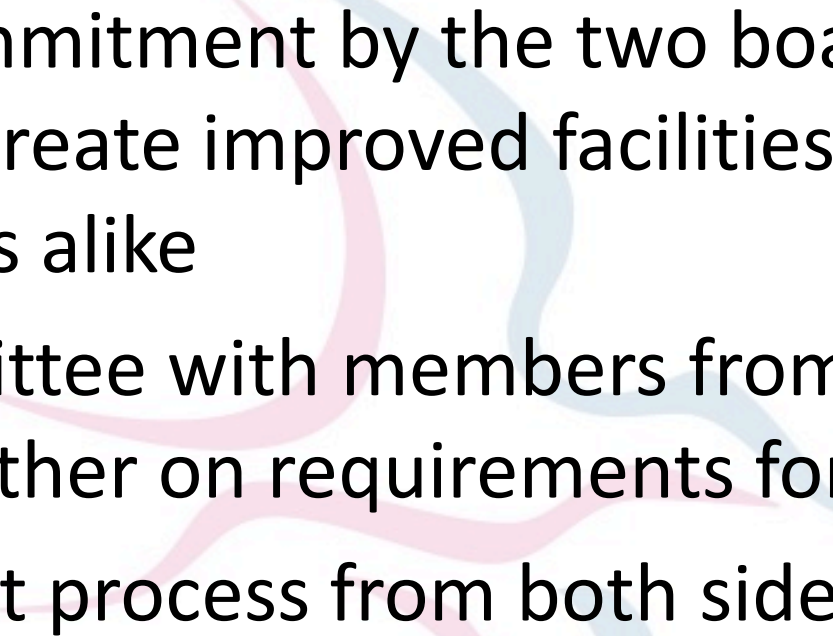
Please note, if you decide to use the option of donating and the \$300k is not raised, your donation will be returned 100%, as this is the set figure needed to keep the Club going forward and allows us to execute our long-term strategic plan.

# Golf Clubs are in distress

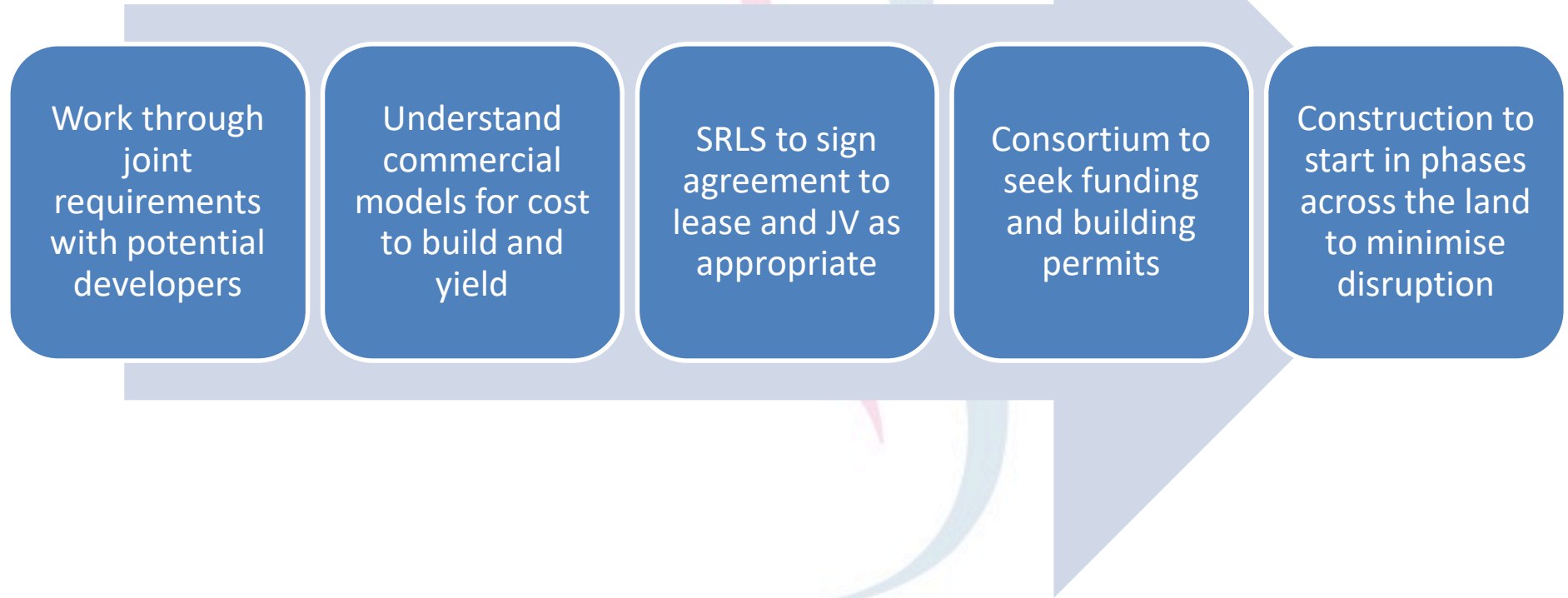




Signed Heads of  
Agreement to  
explore development

- 
- A formal commitment by the two boards to work together to create improved facilities for members and residents alike
  - A sub-committee with members from each board to work together on requirements for the site
  - A transparent process from both sides

# What does this mean?

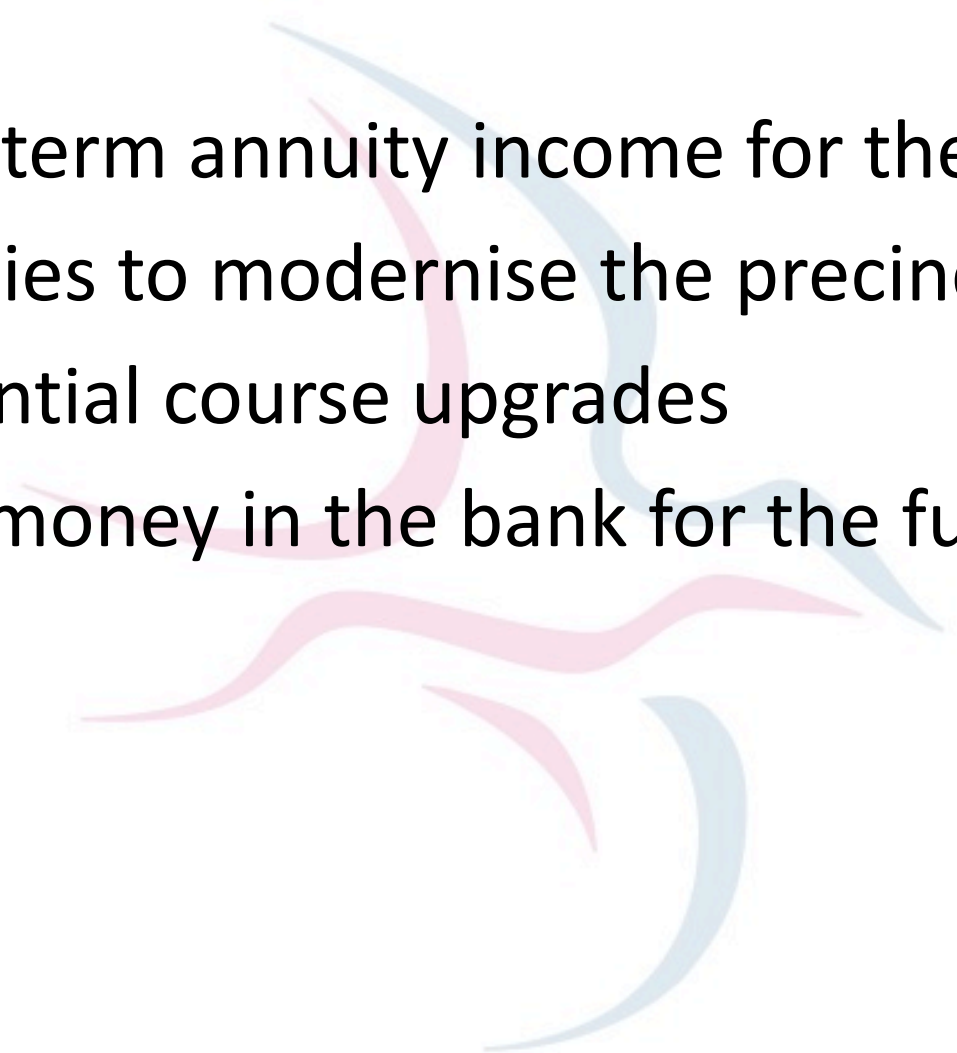


# Process from here

- Improved residential services such as a bigger pool gym
  - Residential facilities for parties, lessons etc
  - New Offices for SLRS
  - New club house
  - New pro shop, starters facilities and Offices for SLC
  - Limited premium residential offering
- 
- Members and Residents will have input.
  - First step is that we will issue a survey seeking feedback on what is important to us.
  - Phased approach over a number of years – won't all happen at once.

Do we have any idea what to build



- 
- Build long term annuity income for the club
  - New facilities to modernise the precinct
  - Fund potential course upgrades
  - Put some money in the bank for the future

Our goal

# Strategic Planning



- Develop a 1-3-5 year strategic plan
- Provides a long term strategy with yearly execution sprints
- Build governance beyond current board to protect members interests
- Position club to be able to host a PGA Tour event in the future
- Strategic Plan to be presented to members early next year

# Summary



- We continue to deliver on the bigger items
- We have a positive working relationship with Greg Norman Design
- Our course and Curating is stronger than ever
- Our membership experience continues to improve
- We have a way forward with the EOI with a partner
- We have a view of our strategic future

In ten years.....

We want to be capable of hosting a PGA style event  
at our club..