

Members and Proprietary Golf Clubs Survey

2021/22 Report



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Our golf club team	74	38-41	70-73

I would firstly like to express my gratitude to our partners and contributors who have helped increase the volume of data we are able to use for comparisons. Without your time and effort to respond to our questionnaire, the survey would not be possible.

I think we all hoped when looking at last year's survey that by the time this year's survey came around, we would be talking about Covid 19 as more of a past event. But alas, it is still around and impacting the world. Thus, the themes impacting golf clubs are much the same this year.

The good news for golf clubs is that golf appears to have sustained the popularity that it felt the boost of early on in the pandemic.

It has been a strong year for the sector with 79% of members clubs and 88% of proprietary clubs reporting growth in the year.

Membership numbers have remained strong with 60% of clubs now having a waiting list, a proportion that has increased drastically since before the pandemic with only 22% of clubs having one in 2019. 34% of clubs have either increased or reintroduced joining fees in the year.

So, the concern amongst some clubs that membership numbers would fall again once people could go back to their normal leisure pursuits post pandemic has thankfully not come to light.

This is due to the popularity of golf generally but also 87% of members clubs and 92% of proprietary clubs were willing to change their rules and regulations to modernise highlighting the recognition that clubs need to look to the future and maintain their strong memberships.

40% of clubs are now offering a flexible membership which has helped attract members in a time where ongoing economic uncertainty making a financing facility attractive to existing and prospective members.

One of the challenges for clubs with a full membership and waiting list is to optimise their member categories. Clearly maximising the number of full, highest subscription members would maximise the clubs' income, but does that lead to issues with course capacity and difficulty

looking further to the future by limiting younger members on lower subscriptions? The age profile of membership remains a concern, attracting and retaining younger members is key for the long-term success of clubs.

Many courses have seen benefit from reduced traffic while the courses were closed which has left courses in good condition for existing and new members. Managing members expectations and maintaining the quality of the course will be key going forward.

This appears to have been identified by most clubs as we have seen a significant increase in spending on course and clubhouse special projects.

We appear to have seen the end of significant government support in the form of furlough and other grants, but also hopefully seen the back of any further course closures. Many clubs decided to compensate their members for the closure periods where they could not pay, this was mostly in the form of bar credit, but some clubs offered refunds and other non-cash benefits.

Bar and catering income has suffered due to Covid-19, but there have been improvements since the lockdowns have ended with staff numbers going back up to deal with demand. There has been more focus on opening hours to balance cost control and member satisfaction. Hopefully, without further disruption, clubs can look forward to a positive year for their clubhouse income. Rising staff costs and staff retention issues are key concerns for clubs, but also whether the clubhouses are seen as social hubs for the members.

The challenge again for 2022 is maintaining the success that many clubs have seen, keeping members happy and looking ahead at ways to improve their facilities whilst exercising caution over the financial implications of this with the short-term future still relatively uncertain.

Hopefully the year to come will continue to see success in the sector and the results of next year's survey will be positive with far less reference to Covid-19.

Matt Bailey
Senior Manager

A word from our survey partners

Jeremy Ellwood, Editor of The Golf Club Secretary newsletter

We at The Golf Club Secretary (GCS) had certainly hoped that Covid 19 might have been more a thing of the past by now than something that continues to dominate the news headlines nearly 24 months since we, and our golf clubs, were first locked down.

There does, of course, appear to be some hope on the horizon, but this year's Hillier Hopkins annual golf club benchmarking survey makes for interesting and enlightening reading after another pandemic-dominated year. The GCS is proud to have been associated with this invaluable survey and report for over a decade now and it continues to provide a powerful and handy snapshot of where things are currently at in the golf club world.

It helps to better inform our subscribers and readers so they in turn can make the best decisions for their golf clubs and members. The good news is that golf's post-lockdown boom appears to have been enduring rather than short-lived and the vast majority of the very nearly 100 golf clubs who completed the survey have reported impressive growth throughout 2021.

Of course, it's an ever-changing landscape and clubs have had to adapt rapidly and sometimes radically to meet the needs of members and visitors, and indeed, comply with the regulations and restrictions brought about by the pandemic. The GCS still firmly believes that information is king, and that our annual subscription of £265 can pay for itself many times over courtesy of the topics addressed by experts in their fields within our pages, whether legal issues, agronomy, insurance, employment law, health and safety and much more.

The Hillier Hopkins survey is another vital tool to keep clubs and their managers as informed as possible in what remains a competitive market, for people always have a choice. We would recommend they invest time in studying the findings of this latest survey to keep abreast of trends and see how their income, costs and modus operandi compare to industry averages.

Our ever-popular Golf Club Secretary - Open Championship is now in its 25th year and we will shortly be celebrating in style with a spring tour taking in Sillloth, Southernness, Royal Troon and Dumbarrie before a visit to Roehampton Club and then our finals at Royal St George's in May. Our events continue to provide golf club secretaries and managers with an ideal opportunity to network at some of the UK's very finest courses. Let's hope that in the weeks and months ahead the main topic of conversation finally turns away from Covid and normality returns.



Doug Poole, Chief Executive Officer of the UK Golf Federation

It is so important to have the latest accurate information on how our golf industry as performed over the last year, even more so since we have all battled through changes in operation and closedowns due to important government laws and restrictions in operation. Therefore, the Hillier Hopkins Members and Proprietary Golf Clubs Survey and Report 2021/22 is perfectly timed with our business season getting ready to open up and will provide you with some really good insights into costing levels and changes, staffing numbers and operational matters.

The UK Golf Federation have supported the Hillier Hopkins Survey for some years as it is unique opportunity for proprietary and commercially operated golf facilities to see how they perform alongside private golf clubs. The 2021/22 is no different and shows variations in catering income which is interesting but overall both have performed well with membership being strong and waiting lists for membership returning to our industry.

I would recommend taking time to read through the survey and comparing how these numbers fit within your business. Also a huge thanks to everyone who took part in this survey, information is king in ensuring a business is maximising on service and bottom line income.



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Members clubs

Members clubs key highlights

72 clubs

This year we bring you data from 72 members clubs across 10 regions, with 28% from London and the South East (outside of the M25). Clubs are predominantly 18-hole clubs.

49%

An increasing proportion of members clubs have 600+ members. A substantial proportion of members (almost 70%) are aged 50+.

60%

There has been a continuing increase in the percentage of clubs who have a waiting list – rising for the second successive year to 60%. This has also been accompanied by more people on waiting lists and fewer members leaving.

44%

The most typical standard playing member subscription is in the £1,000-£1,612 range, as indicated by 38% of members clubs. 80% of clubs are planning to increase their subscription charge in the next year.

48%

Almost half of all members clubs now have a turnover of £1 million+. This percentage has dropped slightly since last year when it was 50%.

79%

Of members clubs reported growth in the last year – the highest level in the last 6 years.

83%

Of members clubs continue to have a dress code – fewer than the 92% last year.

87%

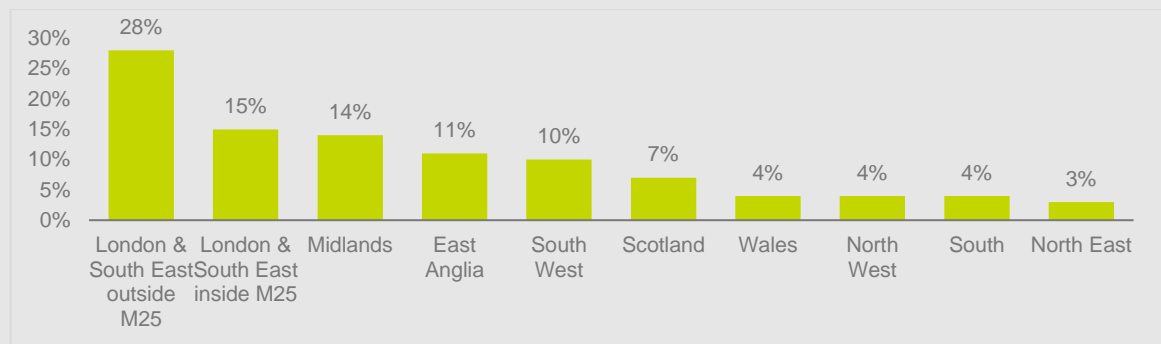
Of members clubs were prepared to change their rules and regulations to modernise.

Members clubs' results 2021/22

72 clubs, typically with 18-hole courses

This year we bring you data from 72 members clubs from across ten regions of the UK, with 28% from London and the South East (outside of the M25). As in 2020, these were predominantly 18-hole clubs (76%), with 10% 9-hole, 8% 27-hole and 6% 36-hole clubs.

Residence of members clubs



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Members clubs

Staffing

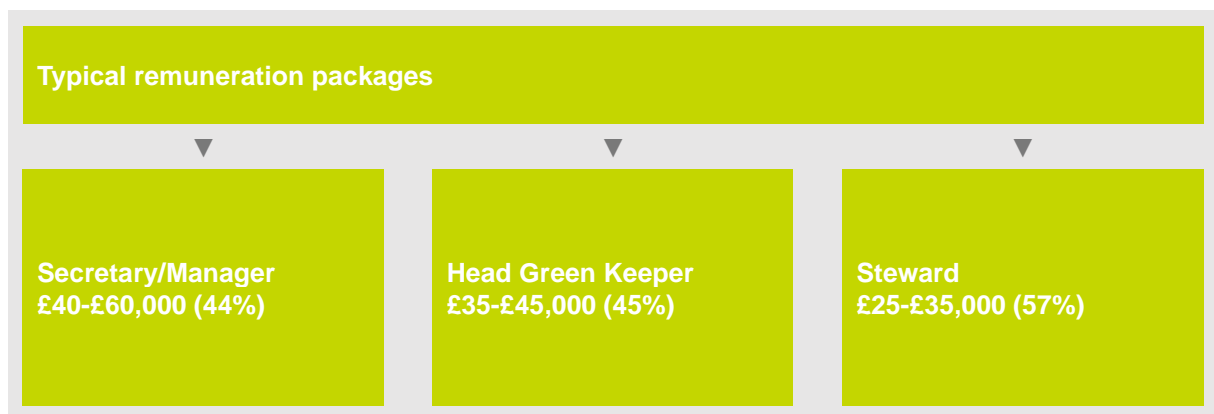
Staffing

Changing remuneration packages

Typical respondent remuneration packages were higher this year, with 68% earning in excess of £40,000, compared to 59% last year.

Head Green Keeper remuneration packages fell for the second successive year – with the proportion earning in excess of £50,000 reducing from 29% in 2019 to 24% last year, then again to just 21% in 2021.

39% of members clubs do not have a steward, but among those who do, over half earn between £25,000-£35,000.



PGA professionals with lower retainers

The majority (94%) of members clubs have a PGA professional and these are typically (95%) paid a retainer. However, the level of retainer has fallen this year, with only 64% now earning in excess of £2,000 per month, compared to 71% in 2020.

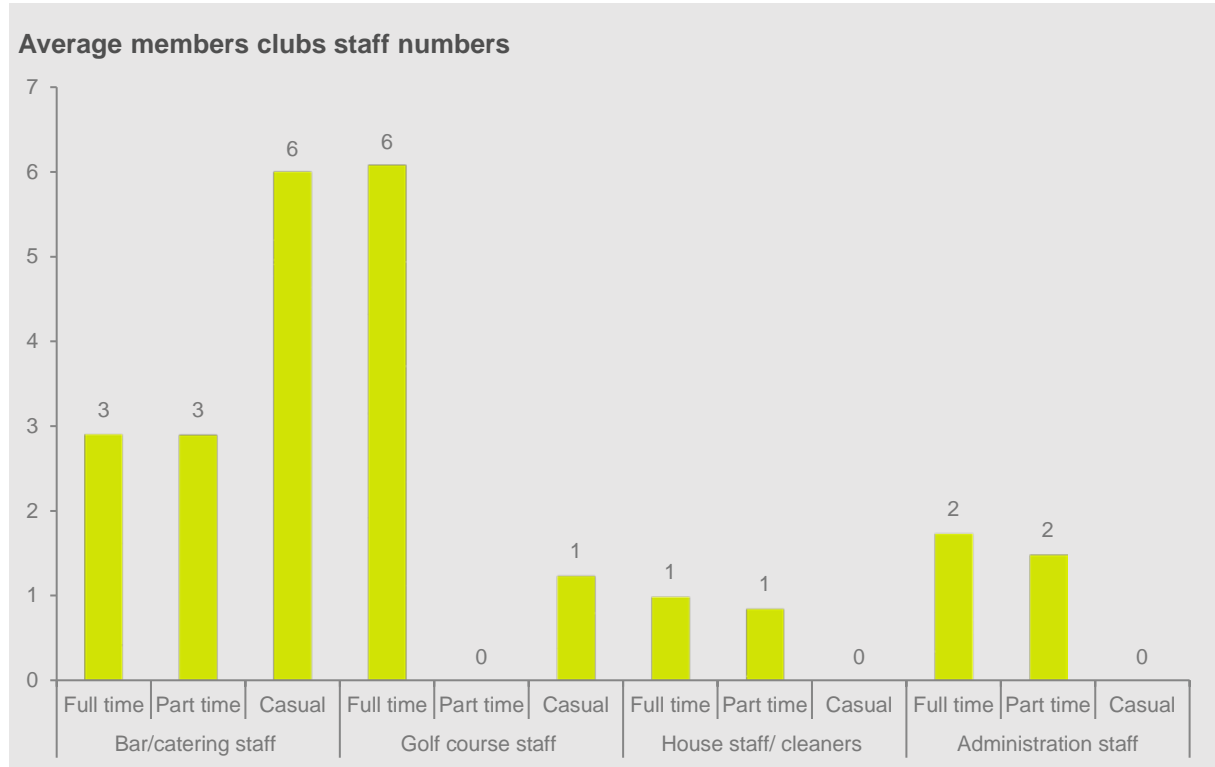
Members clubs pay a typical PGA professional monthly retainer of £1,500–£2,500

Fewer members clubs pay commission to their professionals

The percentage of members clubs paying commission to their professional fell this year from 46% to 33%, with actual commission rates typically in the same range (of 5-10%).

Staff numbers at members clubs

Always highly variable and dependent on the size and needs of each club in question, total staffing figures range from 4 to 50 across members clubs, with an average of 25 total staff. Average numbers across each function are broken down as follows.



Most figures are within 1 person of the numbers recorded in 2020, with the exception of bar/catering staff. Whilst the combined figure for part time and casual staff is similar, the balance has changed such that this year the average of 6 casual bar staff has doubled from 3 in 2020 (part time bar staff correspondingly falling from 5 in 2020 to 3 this year). The average number of casual bar staff this year is closer to the figure reported in 2019, probably explained by clubs employing fewer staff in 2020 due to the impact of COVID-19.

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Members clubs

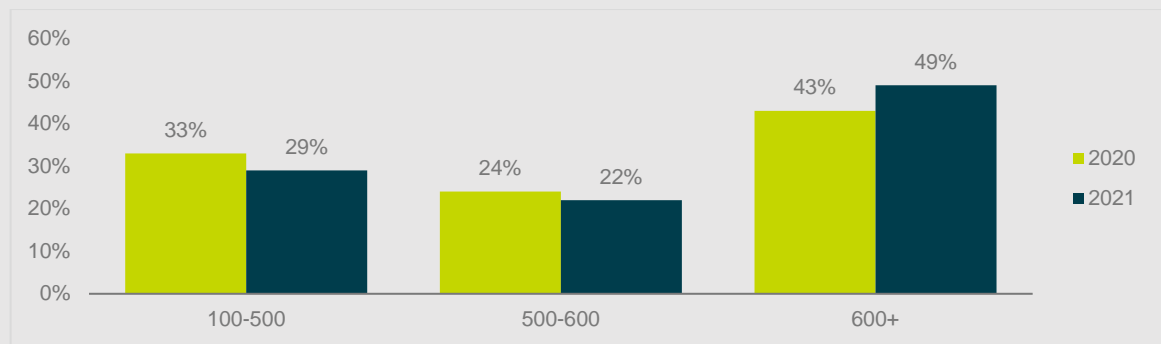
Members

Members

Member numbers increasing

For the second successive year, the proportion of members clubs with more than 600 playing members has increased. The 2021 rise to 49% from 43% in 2020, follows on from a figure of 38% in 2019.

Playing members at members clubs



Flexible membership

The number of members clubs who offer flexible membership has also increased for a second successive year, rising from 27% of members clubs in 2019 to 36% last year and 40% in 2021.

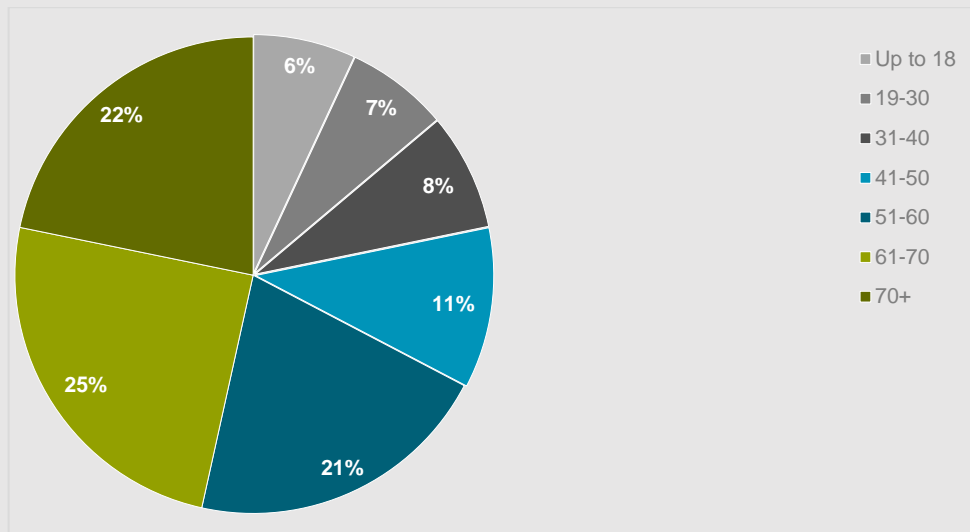
Deals included:

- Points based schemes
- Fees from £130 per year with reduced green fees
- Credit based systems
- Schemes related to times, days of the week and seasons.

A consistent age profile of members

As in previous years, the age distribution of members clubs shows fewer younger members and more older members. The profile split is very similar to last year, with negligible differences in the number of members aged 31-40 (rising from 7% to 8%) and aged 41-50 (dropping from 12% to 11%).

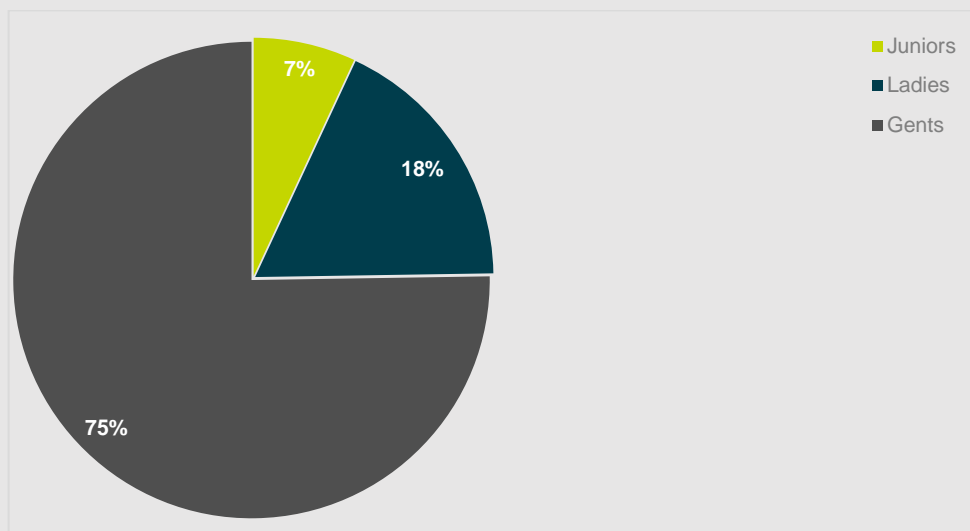
The age of members club members



A steady majority of gentleman members

As shown in the following chart, the gender distribution of members club playing members shows fewer female and junior members, and more gentlemen members. This year is again very similar to the results in 2020, with all categories changing by just 1%.

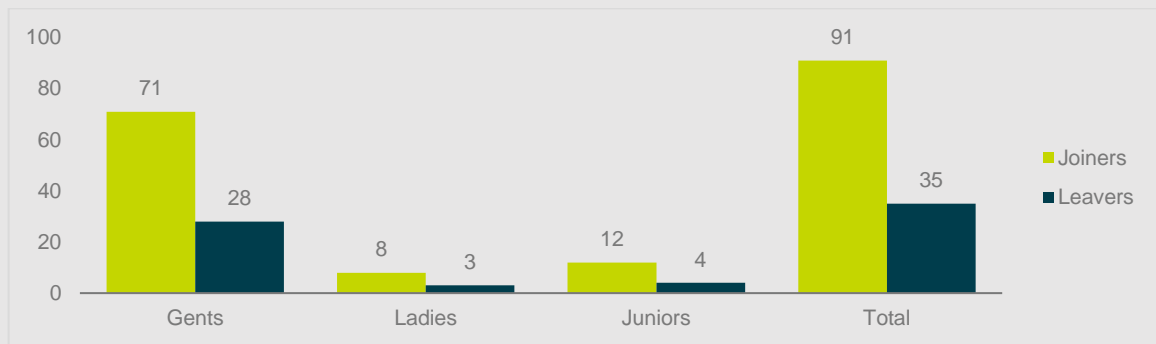
The profile of playing members at members clubs



Joiners and leavers

The numbers of new members in 2021 were very similar to the figures reported in 2020 (average per club of 91 compared to 93). However, this year there were fewer leavers (35 compared to 43) and all members clubs (100%) had more joiners than leavers (compared to 88% in 2020).

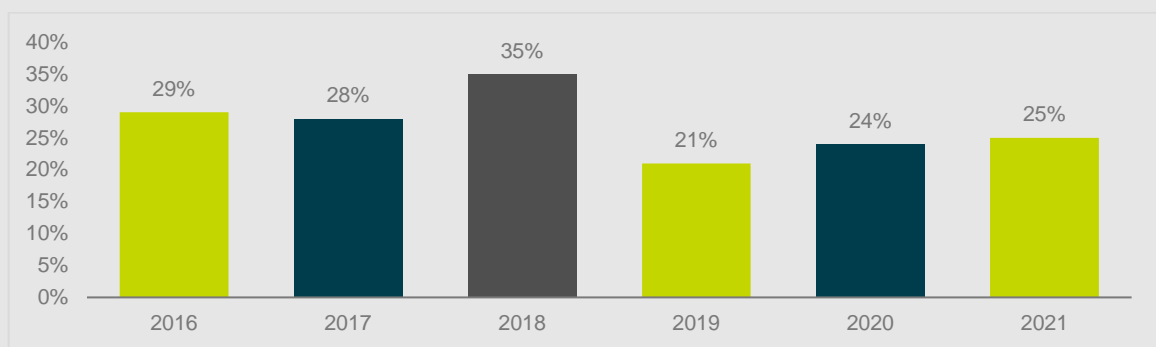
The profile of joiners and leavers at members clubs



Similar numbers of social members

The proportion of members clubs with a social membership exceeding 100 (25%) is very close to the figure reported in 2020.

Members clubs with over 100 social members



Rounds of golf delivered annually

Asked for the first time this year, members clubs were delivering between 600 and 150,000 rounds of golf to MEMBERS each year – with an average of 29,200.

The equivalent figures for VISITORS ranged from 200 to 40,000 with an average of 6,300.

Society rounds

Rounds played by societies range from 0 to 15,000. However, the average number of rounds played annually has increased substantially since 2020, standing at 1,440, compared to 780.

Welcoming new members

A variety of activities are offered by members clubs to welcome new members. The most popular, as in 2020, being an introduction to the club professional. However, this was provided by fewer members clubs to their new members – 67% compared to 74% in 2020. This year it was matched in popularity by 67% of members clubs also providing an induction programme for new members (up from 55% in 2020). Other popular activities include social events (52%), a complimentary round of golf (27%), free coaching sessions (21%) and a new members questionnaire (15%).

Member social activities

Members clubs often ran member social events during 2021, with the number of activities at each club ranging from 0 to 40. However, the average number of events provided has continued to steadily decline – falling from 14 in 2019, to 12 in 2020, to 10 in 2021.

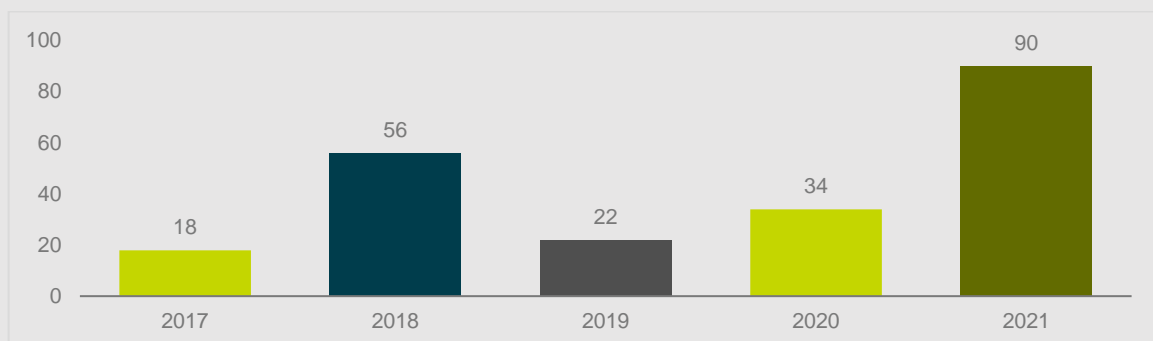
Member competitions

Members clubs surveyed in 2021 also ran member competitions during the year, with the number of competitions at each club ranging from 14 to 260, and an average of 85 – lower than the 110 played in 2020.

More members clubs with waiting lists

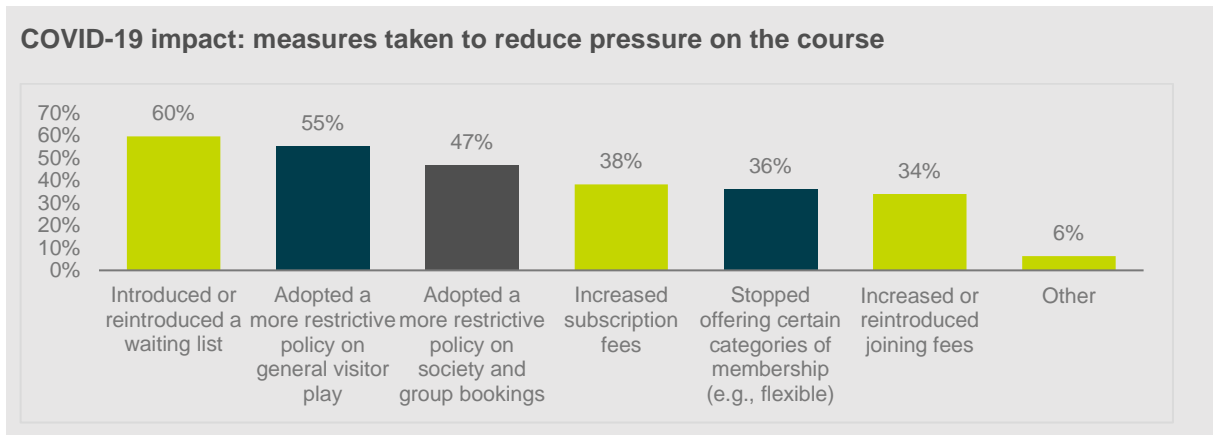
The proportion of members clubs with a waiting list has continued to rise - from 22% in 2019 to 45% last year, to 60% in 2021. This has been accompanied by an increase in the average number of people waiting to join – currently standing at 90 – notably the highest figure in the last 5 years.

Average number of people on members clubs waiting lists



The impact of COVID-19 on membership

In 2020, 88% of members clubs reported that COVID-19 had affected their membership and for many clubs a consequence had been an *increase* in new members. This year, we asked a more nuanced question – whether members clubs had an increased interest in membership and/or pressure on the course/tee-times post- COVID-19, and if so, what measures were introduced. Just 15% of members clubs did not have an increase in membership. The chart below indicates the measures taken to reduce pressure and shows that the most popular was the introduction (or reintroduction) of a waiting list, indicated by 60% of members clubs.



Fewer downgraded memberships

The number of downgraded memberships (i.e. reducing from a 7-day to a 5-day member, etc.) fell in 2021. This figure ranged from 0 to 32, with an average of just 5, compared to 13 in 2020.

Upgraded memberships

The survey also asked clubs about the number of upgraded memberships during the year (i.e., going from a 5-day to a full membership or flexible to full membership, etc.). This figure ranged from 0 to 39, with an average of 6.

Member social events considering COVID-19

In the context of COVID-19 and with this in consideration, the number of social events at each club fell slightly in comparison to 2020 – this year ranging from 0 to 15, with an average of 4 (5 in 2020).

More competitions run considering COVID-19

Also in the context of COVID-19 and with this in consideration, we asked members clubs how many competitions they ran during the year. This ranged from 14 to 260, with a sharp increase in the average, which rose from 56 in 2020 to 86 in 2021.

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Members clubs Facilities

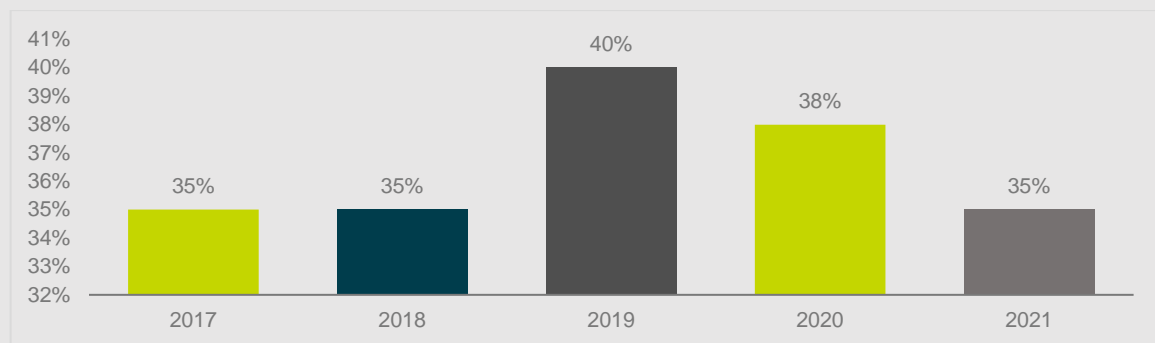
Facilities

Most members clubs continue to have no driving range

Many members clubs still have no driving range, with the 35% that do, close to the figure recorded in 2020.

Members clubs' yearly driving range income continued to increase in 2021. This year, 62% of members clubs (compared to 57% in 2020) reported income in excess of £5,000. There has also been a continuing increase in those members clubs that earn over £10,000 from their driving range, rising from 28% in 2020 to 33% currently.

Members clubs with a driving range



44% of the members clubs with a driving range reported increases in driving range income in 2021. A further 36% of clubs reported a similar income, and 20% saw their income reduce.

This year we asked two new questions about driving ranges, as follows:

- Do you offer pre-bookable driving range slots for customers? Only 8% of members clubs offered these pre-bookable slots.
- Does your driving range use ball tracking technology? Again, just 8% of members clubs ranges provided this technology.

Members clubs do not offer adventure or foot golf

No members clubs offered foot golf or adventure golf in 2021.

No members clubs offered a hotel, on-site accommodation, or spa

No members clubs offered hotel or other on-site accommodation. There were also no spa facilities available at members clubs, although a small number - 3% - had gym facilities.

Over half of members clubs have swing studios

In the 2021 survey we asked questions about swing studios for the first time. 56% of members clubs have a swing studio, with most being run by the club professional (75%), yielding an average revenue of £4,300. For 55% of clubs this was the same or just slightly more income than in 2020. 15% saw a more significant increase in revenue, but the remaining 30% saw a decrease.

Retail shops

This year, we also asked questions for the first time about retail shops. These established that:

- 35% of members clubs own a retail shop
- 80% of these retail shops are operated as part of the club's PGA Professional agreement
- Annual income generated by the retail shop was over £150,000 for 41% of members clubs.

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Members clubs

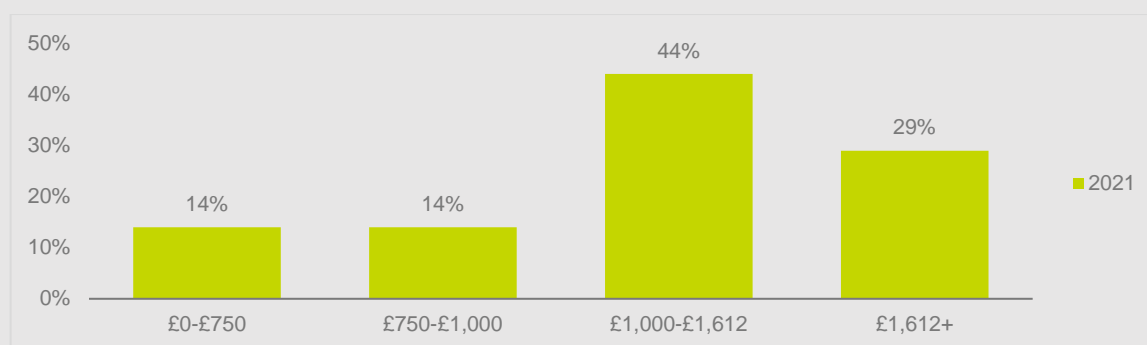
Fees & charges

Fees & charges

Higher standard playing member subscriptions

Membership fees for standard playing members in 2021 are typically in the £1,000-£1,612 range, with the latter figure being the upper CASC threshold. This year has seen an increase in fees at the top end of these ranges – currently 73% are above £1,000, compared to 62% in 2020.

Members clubs' standard playing member subscription



More members clubs planning to increase subscription charges

More members clubs are planning to increase their subscriptions in 2022 – 80% compared to 61% in the previous year. The levels of planned increases range from 2% to 9%, with an average of 4%.

Social membership charges

The most typical social membership charge was once again £50-£150. Whilst more members paid this than in 2020 (45% compared to 36%) this was similar to the 46% reported in 2019.

Entrance fees

The percentage of members clubs charging entrance fees in 2021 was 53% - similar to the figure in 2020. However, note that 9% of those clubs who do not currently charge a fee expressed an intent to do so in the future.

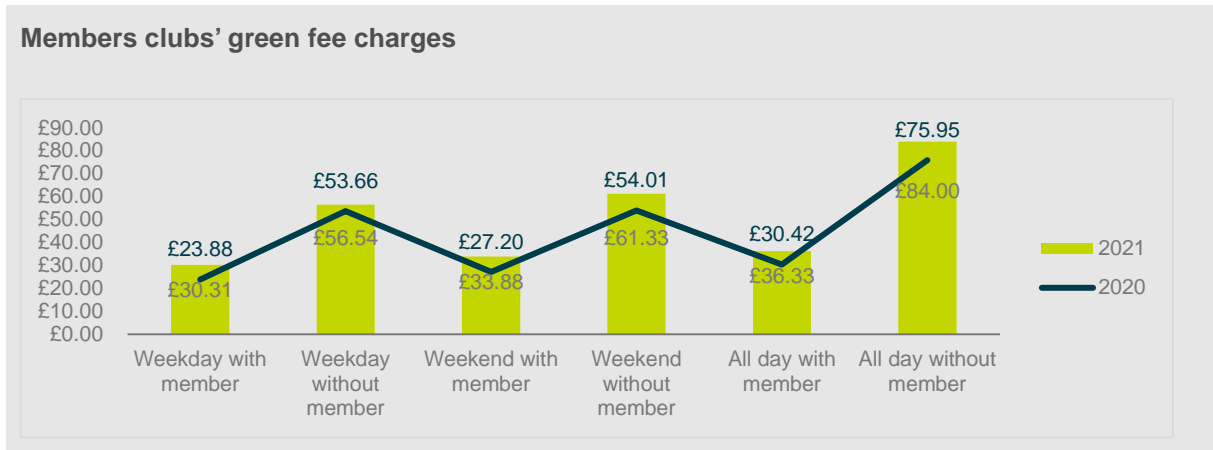
Fewer members clubs allow joining fees to be paid in instalments – 63% in 2021, compared to 79% last year and an even higher 90% in 2019. These typically range from 1 to 5 years, although some clubs extend this to as many as 10 years.

Booking systems

A booking/tee time system was used by 78% of members clubs in 2021, a reduction from the 96% in 2020.

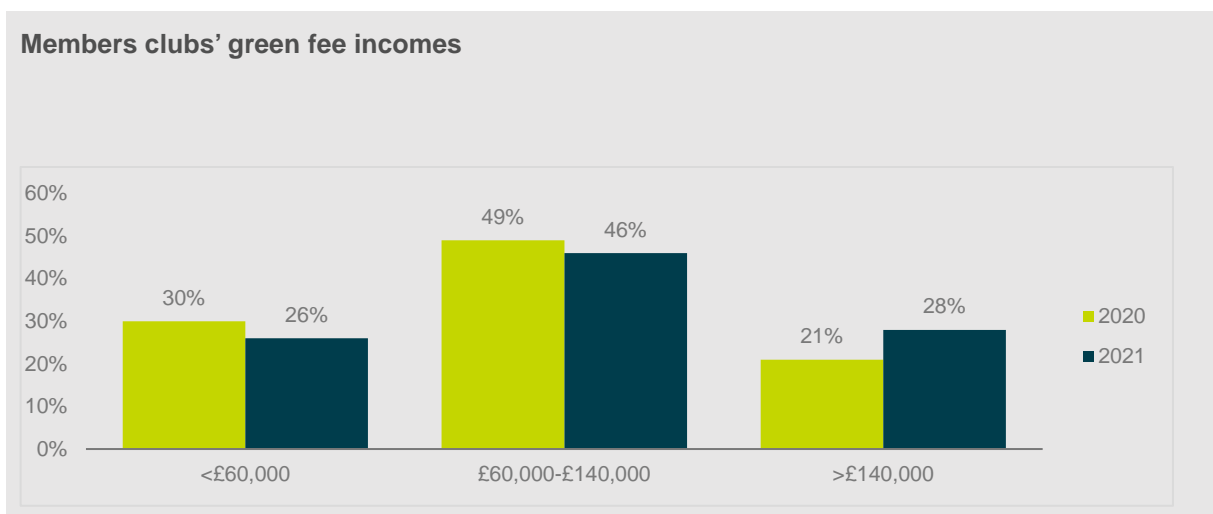
Increasing green fee charges at members clubs

Average green fee charges are shown below, across weekdays, weekends and all-day use, both with and without members. Charges are higher than 2020 in every category, with an average increase of 17%.



Increasing green fee incomes at members clubs

In line with this increase in green fee charges, members clubs' green fee income has increased this year, with a higher percentage of clubs now generating annual income above £140,000.



Discounting green fees

In this year's survey, we asked for the first time whether members clubs were discounting green fees less since COVID-19 - and 56% of clubs agreed that this was the case.

Green fee ticket systems

In 2021 fewer members clubs were using a numbered green fee ticket system – 29%, compared to 40% in 2020. In order to ensure that all visitors have paid before play, these clubs used a variety of ways of monitoring this system, the most popular of which were control by the pro-shop and monitoring by Course Marshalls.

Society packages and their costs

95% of members clubs indicated that they allow society usage, and offer society packages with average costs as follows. In most instances, costs have risen since last year, from between 2%-17%.

Members clubs' society package costs



Average room and facility hire

In this year's survey we asked questions for the first time about the activities which rooms were used for and how much revenue this generated. Celebrations/parties were the most frequent reason for room hire, for 74% of members clubs. Other reasons included business events/seminars (55%), weddings (32%), and health and fitness classes (13%).

23% of members clubs did not permit external hire.

The chart below shows that hire for non-member events generated the highest average revenue.

Room / facilities hire average annual revenue



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2021 Report

Members clubs

Financial information

Financial information

The impact of COVID-19 on members clubs and their income

Prior to considering this year's financial information for members clubs, it's useful to consider the context of the COVID-19 pandemic and its impact on clubs. In 2020, 51% of members clubs indicated that they had been affected *negatively* by COVID-19, with the remaining 49% reporting being affected *positively*. In 2021, there was a positive response from 60% of members clubs. Furthermore, another 36% of clubs said that the effect had been mixed, leaving just 4% indicating a negative effect.

The overarching theme is that of the playing side showing increased demand, offset by reduced demand in other areas, such as functions and bar revenue.

Members clubs reporting a positive effect typically noted impacts such as:

- Increase in membership numbers
- Higher membership retention
- Introduction of membership waiting lists
- Higher green fees
- Support from government grant/furlough schemes.

Where members clubs reported a mixed effect, they typically identified the same positive impacts noted above, but offset by:

- Reduction in non-golf revenues, especially bar and catering
- Disaffection with members caused by the restrictions in facilities and the increased demand for playing time/quarrels on the course.

Negative impacts were mainly due to decreased revenue (particularly in bar and catering), but also included a reduction in overseas visitors and supply chain issues.

The overall effect for all members clubs showed that COVID-19 had an average impact on income of +16%.

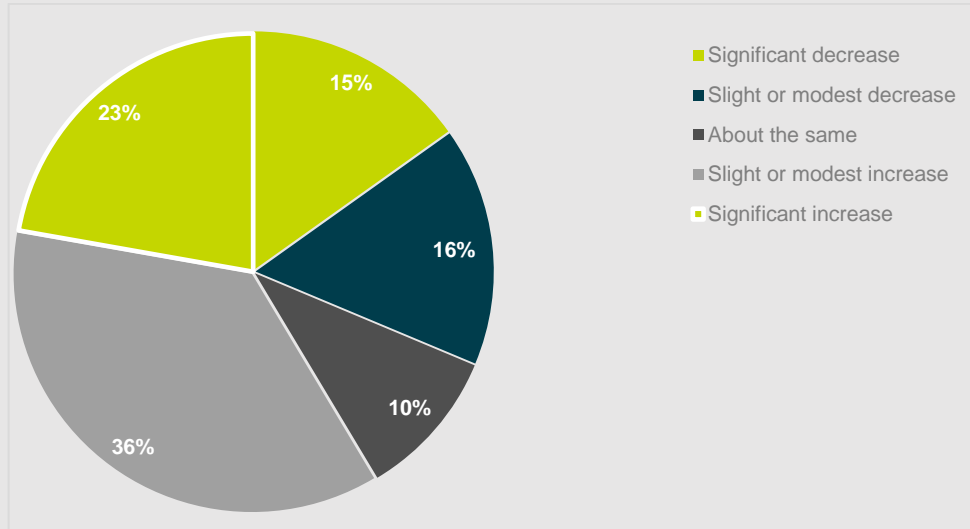
The average percentage change on income among those clubs *negatively* affected was -40%.

The average percentage change in income among those clubs *positively* affected was +17%.

The average percentage change in income among those clubs claiming a *mixed* effect was +11%.

The overall effect on income for *all* members clubs was an increase for 58% of clubs, as shown in the chart below.

Members clubs - how much has COVID-19 affected income?



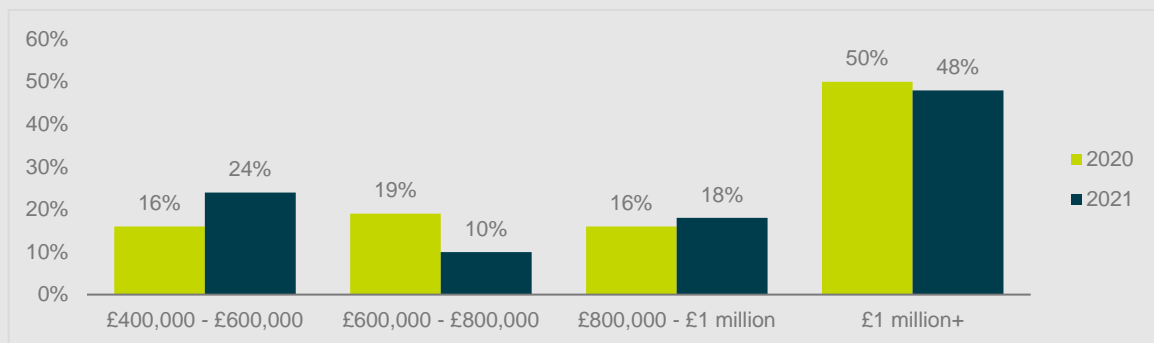
VAT partial exemption

In 2021 we asked a new question regarding whether members clubs had utilised the partial exemption special method for VAT claims affected by COVID-19. 71% of members clubs had utilised this, and of those clubs, 61% had dealt with this exemption in-house.

Members clubs with lower turnover

Members clubs report turnover levels ranging from £400,000 to £1million+. However, this year there were more clubs at the lower end of this range.

Annual members clubs' turnover

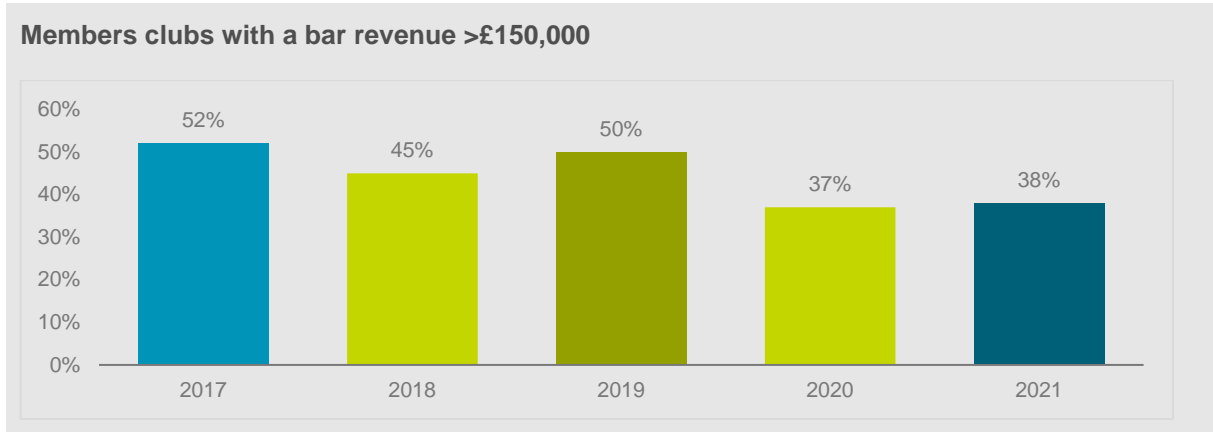


Society income at members clubs

Society income for members clubs remains typically up to £20,000 (for 33% of clubs, similar to the figure reported in 2020).

Reduced bar revenue and activity

Supporting the comments made regarding the impact of COVID-19, bar income at members clubs has remained low. The proportion of members clubs taking in excess of £150,000 in 2021 was very similar to the level in 2020.



Average margins and rate costs this year were:

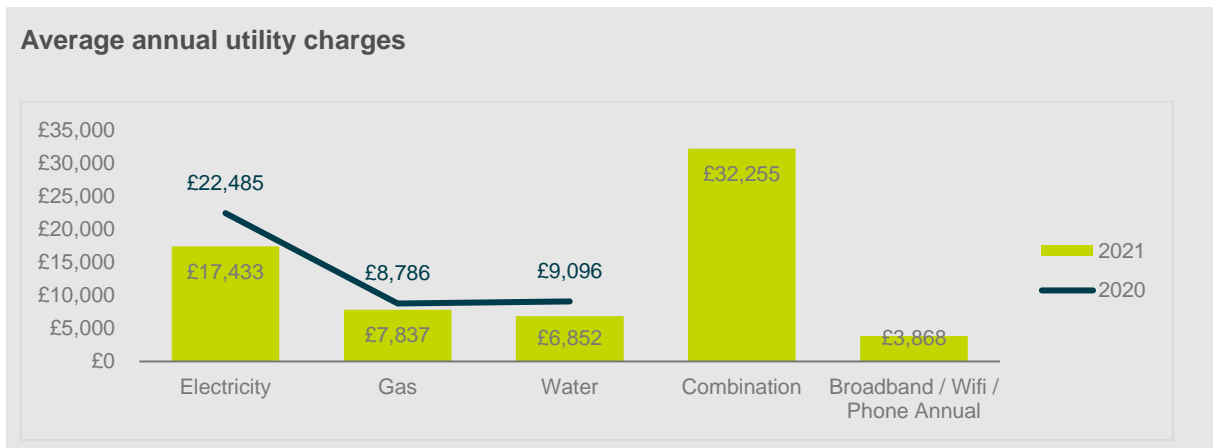
- Gross margin 60% (58% in 2020)
- Net profit 23% (16% in 2020)
- Rate cost £26,427 (£51,971 in 2020).

55% of members clubs indicated that their bar revenue had decreased since 2020.

Utility costs

Average annual utility costs vary significantly across members clubs. However, averages are as follows, with comparisons to 2020, where available, showing that costs have fallen this year.

This seems to contradict the current news about rising utility costs, however this could be due to less usage during lockdowns and thus lower bills.



Average course maintenance and wage costs

Average members club course wage costs in 2021 of £205,914 are slightly higher than the costs in 2020. However, after falling for the previous two years, this year the average course maintenance costs have risen to £142,212.

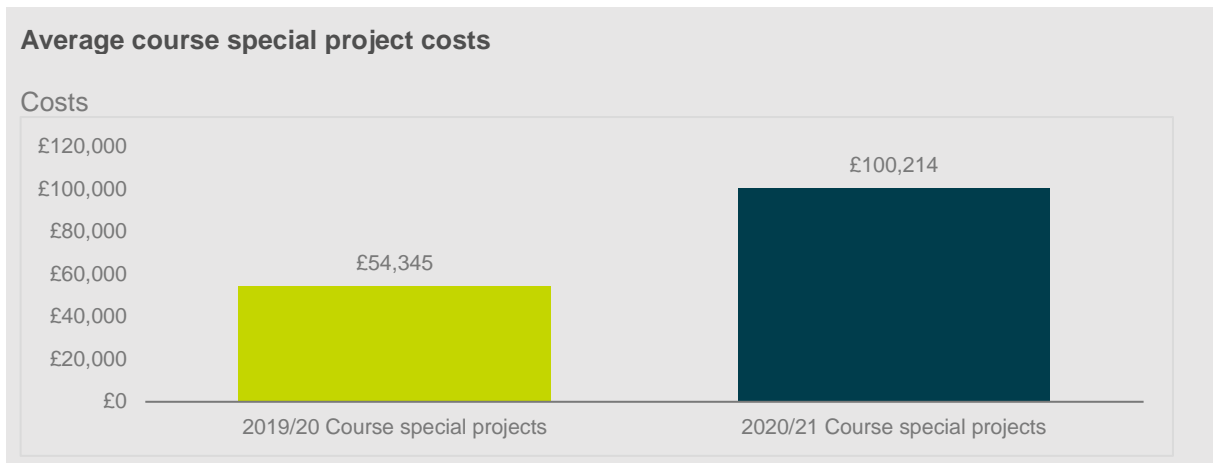


Irrigation

42% of members clubs reported that they had fairway irrigation installed in 2021 – a reduction from the 51% in 2020. For those members clubs who *do not* currently have fairway irrigation installed, 33% are considering it. Greens and tees' irrigation systems have been updated recently by 18% of members clubs – less than the 33% in 2020. There was a wide range in the costs of these updates, from £5,000 to £350,000, with an average cost of £149,000.

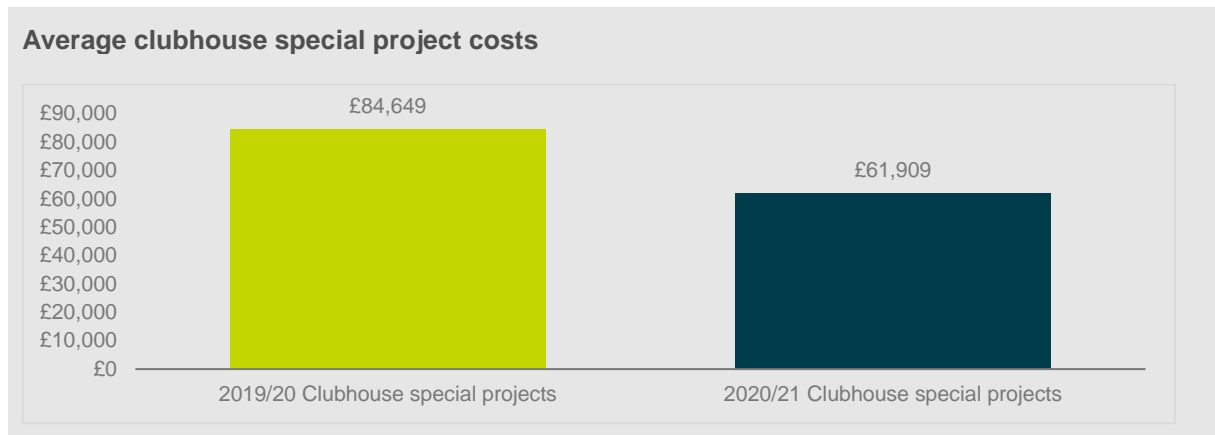
Average course special project costs

Spending has increased substantially on the previous year's special project course costs, rising from £54,345 in 2019/20 to £100,214 in 2020/21.



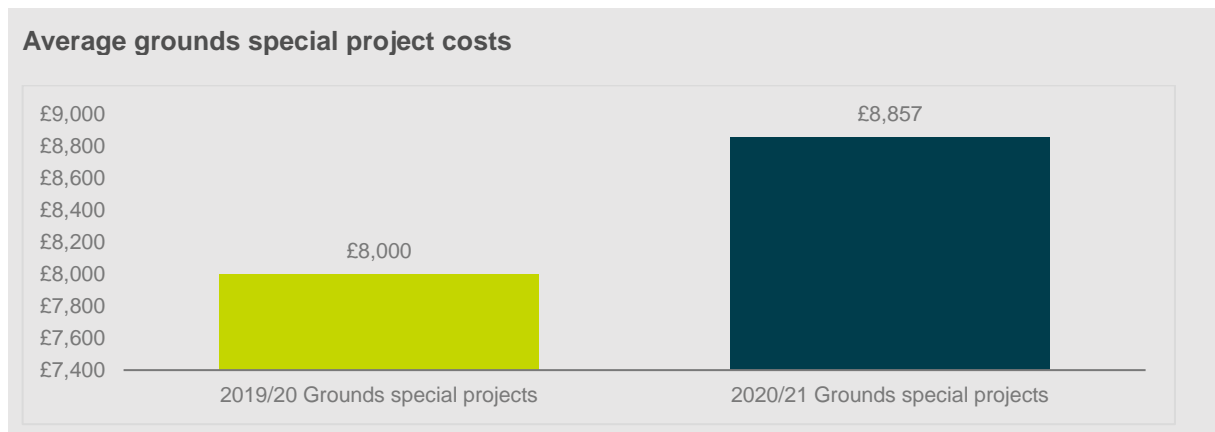
Average clubhouse special project costs

Spending has decreased on the previous year's special project clubhouse costs, falling from £84,649 in 2019/20 to £61,909 in 2020/21.



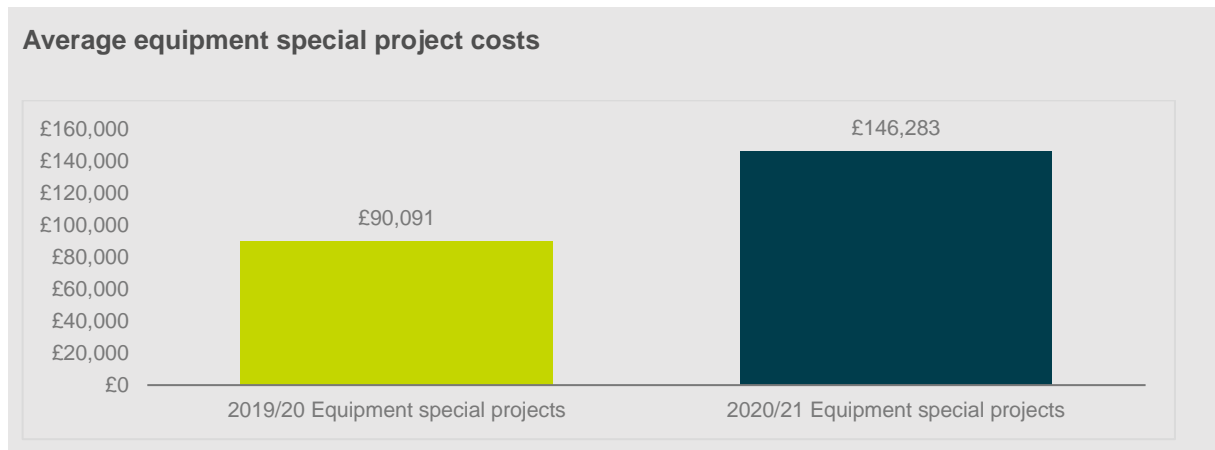
Average grounds special project costs

Spending has increased slightly on the previous year's special project grounds costs, rising from £8,000 in 2019/20 to £8,857 in 2020/21. Please note that these results are based on very limited data in terms of response numbers.



Average equipment special project costs

Spending has increased substantially on the previous year's special project equipment costs, rising from £90,091 in 2019/20 to £146,283 in 2020/21.



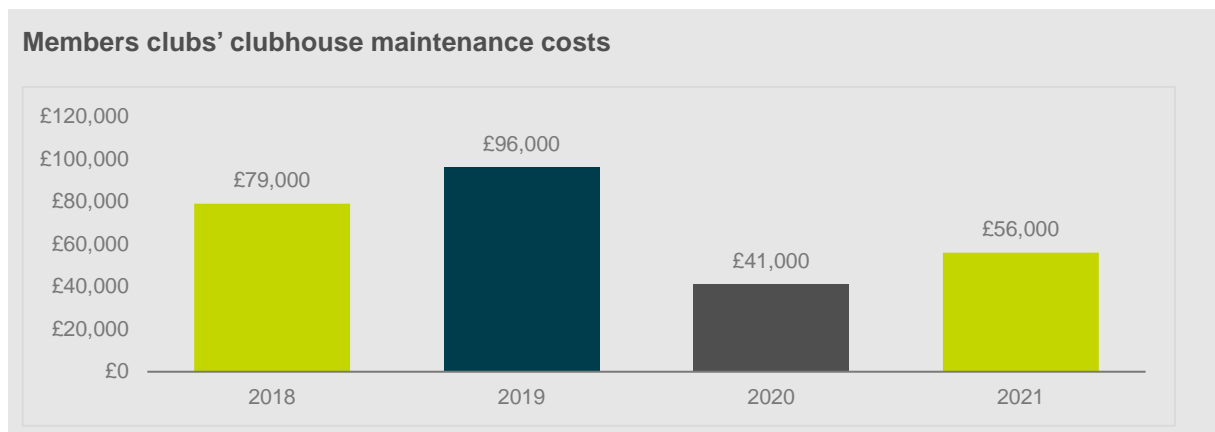
Other special projects

Few members clubs gave an overview of other special projects they were undertaking this year. These included:

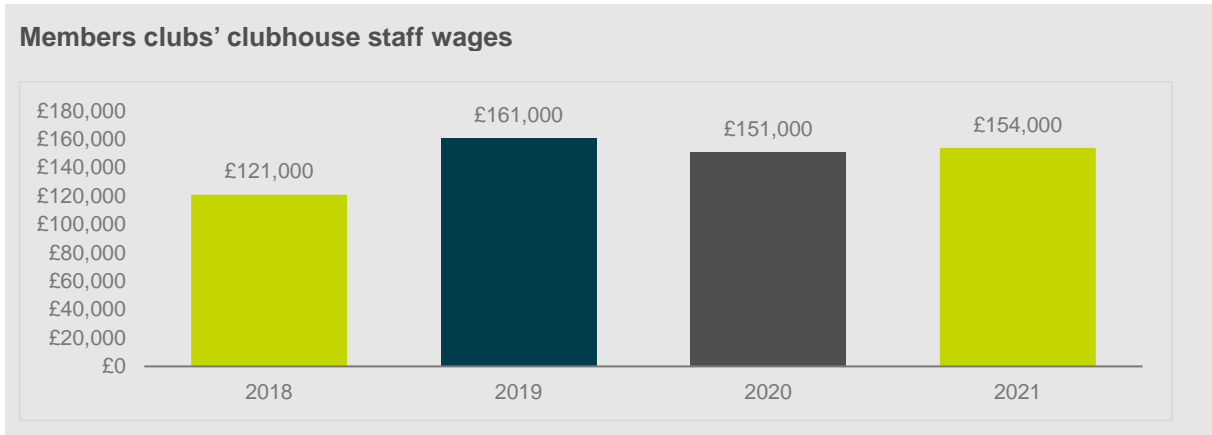
- Academy build
- Clubhouse refurbishment
- Irrigation update
- Range development.

Clubhouse maintenance costs and staffing

After a substantial reduction in clubhouse maintenance costs last year, in 2021 they increased to an average of £56,000 – although still not in line with costs in previous years.



Furthermore, clubhouse staff wages among members clubs also increased this year, from £151,000 to £154,000 - but again not yet returning to the level evident in 2019.



Members clubs catering

In 2019, 40% of members clubs were using franchise catering. Having fallen to 37% last year, in 2021 this reduced again, to 32%.

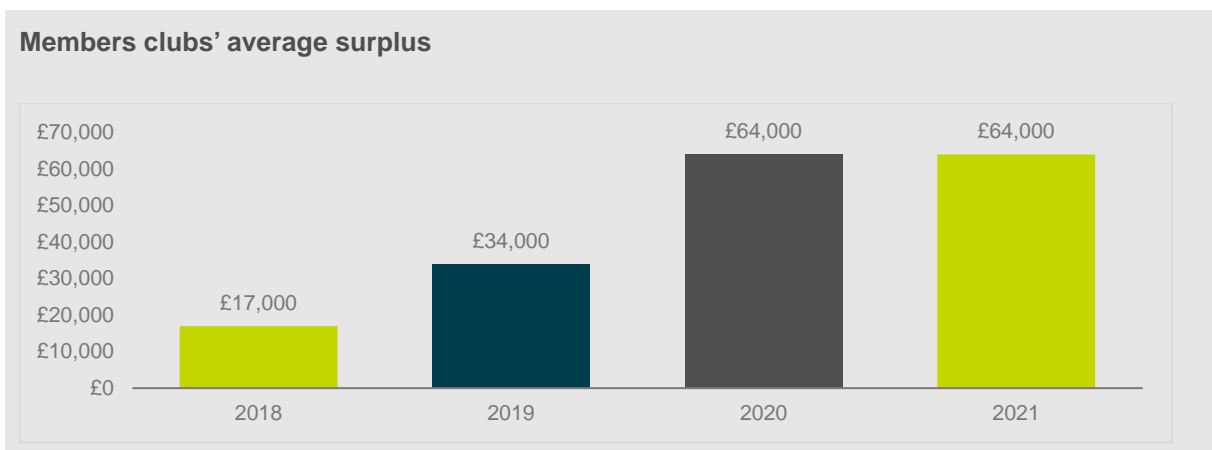
Among those members clubs who cater *without* the services of a franchise, revenue levels from catering range from less than £50,000 to £250,000 plus. This year, most clubs (82%) generated revenues between £50,000-£200,000. However, 47% of members clubs indicated that their catering revenues in 2021 had decreased *significantly* and only 35% of clubs saw an increase.

The proportion of clubs earning less than £150,000 in 2021 (59%) is similar to the level in 2020 (61%). Gross profit margins in 2021 range from 45% to 70%, with an average of 60% - very similar to that of 2020. Net profit margins range from a loss of 10% to a profit of 65%. The average net profit of 23% was an improvement on the 9% reported in 2020.

Club surpluses and deficits

Among members clubs, the highest surplus figure was £300,000, with a highest deficit of £210,000.

The average surplus of £64,000 this year was identical to that of 2020.



Annual general insurance

Members clubs are typically (45% - similar to the level last year) paying between £10,000-£15,000 for annual general insurance.

Just 4% pay up to £5,000 and 37% pay £5-£10,000. 14% of members clubs pay in excess of £15,000.

Freehold properties

43% of members clubs indicated that they hold freehold properties other than the clubhouse, compared to 49% in 2020. These clubs each held between 1 and 6 such properties, with 44 properties in total - 10 of which were valued at over £500,000. All of these were being rented out, sometimes to staff, but also to third parties.

We also asked some new questions this year, which established that:

- 77% of members clubs own freehold land and buildings
- Annual ground rent at each club is an average of £46,100
- Members clubs each cover an average area of 150 acres.

Cost of supplying a round of golf

Asked for the first time this year, members clubs indicated a range of costs for supplying a round of golf – ranging from £3 to £145, and with an average of £46.60.

Raising finance

A variety of methods are used by members clubs to raise finance for the club - the most popular being hire purchase/finance leases (used by 58% of members clubs – a similar proportion to 2020). Other popular methods include loans from banks (51%) and members (24%), donations from members (also 24%), grants (29%) and bank overdrafts (18%).

A new question was asked in 2021 regarding how members clubs had financed any shortfalls or fixed asset additions. The most popular method was bank loans, used by 44% of members clubs. Overdrafts, sales of land or buildings and mortgaging properties had also been used.

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Members clubs Business Development

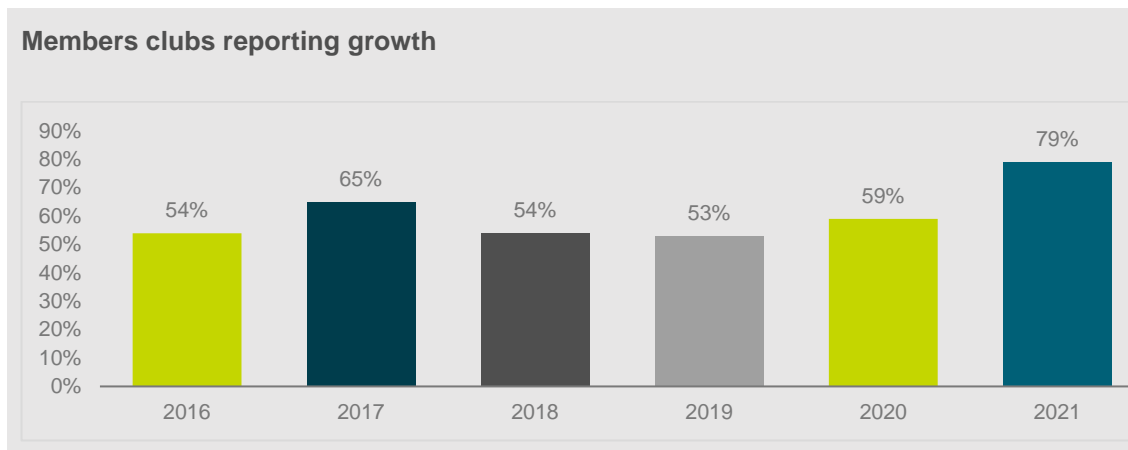
Business Development

An increasing proportion of members clubs reporting growth

The number of members clubs reporting growth has risen from 59% in 2020 to 79% currently – the highest level seen in the last 6 years.

The level of growth in the last 12 months varied between 4% and 41%, with an average of 13%.

The number of members clubs reporting a reduction in 2021 is just 2% - an improvement on the 8% reported in 2020.



Members clubs investing in marketing and social media

Member referrals remain the most utilised method of marketing activity, used by 86% of members clubs this year – identical to 2020.

The other most commonly used marketing activities in 2021 included social media (68%), advertising (48%), networking and email campaigns (both at 27%).

Other forms of marketing used in 2021 included events (16%), direct mailings (16%), corporate brochures (14%) and special offers (11%).

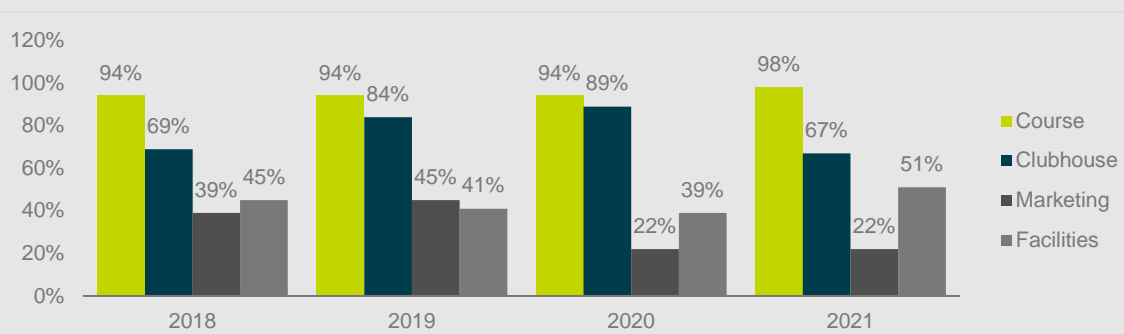
These results are similar to those in 2020, with the exception of email campaigns, which have seen a large fall in popularity (from 41% in 2020 to 27% currently).

The most *successful* forms of marketing activity in 2021 were perceived to be member referrals (specified by 61% of members clubs – an increase on the 53% in 2020) and social media (27%).

A continuing focus on the golf course as the major source of investment

Investment in courses, clubhouses and facilities has largely remained steady since 2018, with levels of investment in courses being consistently high. In 2021 there has been a marked reduction in investment in clubhouses, whilst investment in marketing has remained low. Investment in facilities was at the highest level for the last four years.

Members clubs' investment



Members clubs Miscellaneous additional information

Miscellaneous additional information

Set opening hours

Asked for the first time in 2021, just under 60% of members clubs indicated that they had set opening hours defined as 'daylight hours plus'. 25% had set opening hours and 16% had no set opening hours.

Use of temporary greens in winter

Asked for the first time in 2021, just under 40% of members clubs indicated that they used temporary greens in winter.

Dress codes

The percentage of members clubs that have a dress code reduced this year from 92% to 83%. Codes frequently included 'smart casual' and golfing attire, with discouragement of denim, jeans (with or without rips), shorts, tracksuits, t-shirts, football shirts and trainers.

Mobile phones policy

This year, we asked, for the first time, whether members clubs had a mobile phone policy, and found that 77% of members clubs DO have such a policy.

Dogs

This year, we also asked members clubs another new question - whether they permit dogs. Clubs were evenly split, with just under half of clubs (49%) allowing dogs. Where they were allowed, this was often on condition that they were kept on leads and not allowed in the clubhouse.

Sports channel subscriptions

The average annual cost of SKY and/or BT Sport subscriptions has reduced, from £7,344 in 2020 to £5,591 this year.

Anticipated changes affecting golf clubs in 5-10 years

The following changes were suggested/anticipated by members clubs. Changes anticipated within the next 5 years largely mirror those anticipated over the next decade, and are as follows:

Membership issues

- Addressing an ageing membership profile - attracting, recruiting and retaining younger members (considering dress codes)
- Accommodating a growth in lady members
- Members viewing clubs as commodities, rather than social hubs
- Ensuring membership flexibility (e.g., pay & play)
- Potential membership reduction post-COVID-19
- Fewer events and matches
- Diversification to more than just a golf course and a move away from the traditional offer.

Commercial and financial issues

- Managing member demand
- Staff retention
- Rising wages and staffing, with a knock on effect on membership prices
- Economic uncertainty in the context of Brexit, COVID-19 and climate change issues
- Rising utility bills and professional services
- Investment in golf course machinery.

Environmental considerations

- Adapting to climate change/weather and ensuring environmental friendliness in ecology, drainage and maintenance practices
- Irrigation changes - due to bans on grass treatments, pesticides, fungicides, chemicals, water shortages, etc.

Golf rules and regulations

- More 6 or 9-hole, shorter competitions
- Increased incorporation of Scottish clubs.

The impact of the living wage

In 2021, 52% of members clubs indicated that they had been impacted by the increase in the minimum living wage and workplace pensions – a figure similar to that reported in 2020. Members clubs identified that this would affect an average of 10 staff, at a cost typically between £5,000-£10,000.

Community Amateur Sports Clubs (CASC)

This year, 15% of members clubs indicated that they were Community Amateur Sports Clubs – a notable reduction from the 29% reported in 2020. Of those members clubs not already Community Amateur Sports Clubs, just 3% indicated that they were considering becoming one.

Rules and regulations

87% of members clubs confirmed that they were prepared to change their rules and regulations to modernise the club – an increase from the 69% reported in 2020.

Club structure

67% of respondents indicated that they are currently incorporated. Of those clubs not already incorporated, 36% of clubs are considering it. Reasons given for this consideration most commonly relate to limiting liability for directors/committee members/trustees/members.

Board structure

In 2021, 89% of members clubs had board members, with an average of 8 members each (also 8 in 2020). The numbers at individual clubs range from 4 to 14.

The expertise present in the boards of members clubs in 2021 was mainly in Finance (98%) and Business (93%). Other areas of expertise present included Marketing (65%), Legal (42%), HR (33%) and other (such as Property, Sales and Operations – 5%).

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Proprietary clubs

Proprietary clubs key highlights

27 clubs

This year we bring you data from 27 proprietary clubs across 10 regions, with 30% from London and the South East (outside of the M25). Clubs are predominantly 18-hole clubs.

37%

Fewer proprietary clubs have 600+ members. A decreasing proportion of members (now just 52%) are aged 50+

32%

Of proprietary clubs have a waiting list – higher than the 25% recorded in 2020. For many clubs an undoubted consequence of the COVID-19 pandemic was an increase in members.

74%

The most typical standard playing member subscription is in the sub-£1,000 range, as indicated by 74% of proprietary clubs. 94% of clubs are planning to increase their subscription charge in the next year.

59%

Of proprietary clubs with a turnover of £1 million+.

88%

Of proprietary clubs reported growth in the last year.

42%

Of proprietary clubs have a dress code.

92%

Of proprietary clubs were prepared to change their rules and regulations to modernise.

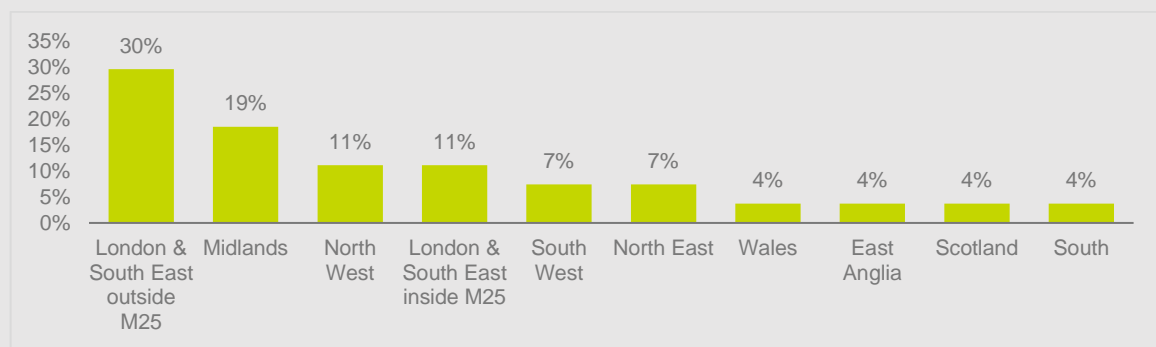
Proprietary clubs' results 2021/22

27 clubs from across the UK, typically with 18-holes

This year we bring you data from 27 proprietary clubs from London and the South East (outside of the M25) (30%), the Midlands (19%), the North West (11%), London and the South East (inside the M25) (11%), the South West (7%), the North East (7%), Wales (4%), East Anglia (4%), Scotland (4%) and the South (4%),

These were predominantly 18-hole (56%) clubs, with 36-hole, 27-hole and 9-hole clubs evenly split at 15% each.

Residence of proprietary clubs



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Proprietary clubs

Staffing

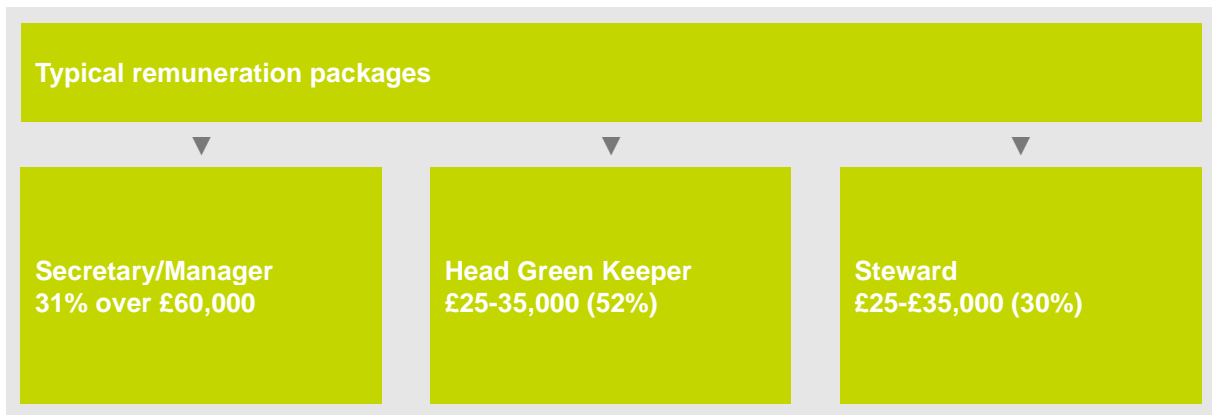
Staffing

Changing remuneration packages

There was again a large variance in the remuneration packages of survey respondents this year, ranging from under £20,000 to over £65,000. However, this year saw more packages at the top end of this range, with 31% receiving over £60,000.

The Head Green Keeper remuneration package was lower than in previous years. In 2019, all were in the £35-£45,000 range and in 2020, 17% were in the £50,000+ plus range. However, this year over half (52%) were in the £25-£35,000 range.

Fewer clubs have a Steward (41% this year compared to 60% in 2020) and for those who did, their remuneration was, as in previous years, typically within the £25,000 to £35,000 range.



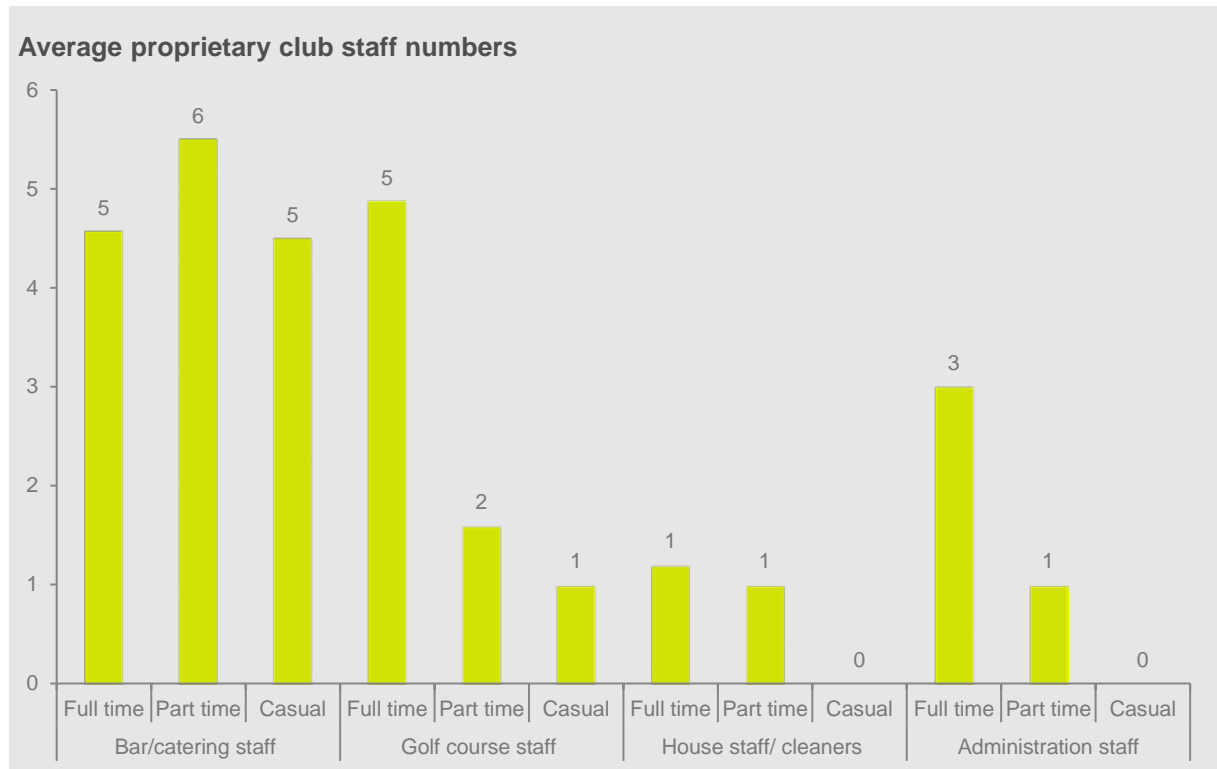
More clubs with PGA Professionals

This year, a far higher proportion of proprietary clubs indicated that they have a PGA professional - 85% compared to 40% in both 2019 and 2020. Almost half (47%) of clubs pay a monthly retainer to the pro, typically (43%) between £1,500-£2,000. Over two-thirds (67%) of the pros pay the club a percentage of their golf lesson income - typically 30% of this income.

An average of 24 staff at proprietary clubs

Always highly variable and dependent on the size and needs of each club in question, staffing figures range from 17 to 33 across proprietary clubs, with an average total staffing number of 28 – a reduction on the 33 reported in 2020.

Average numbers across staff roles are broken down as follows.



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Proprietary clubs

Members

Members

Proprietary clubs typically with 300-500 playing members

This year proprietary clubs typically have fewer members – 37% with more than 600, compared to over 40% in both the previous two years. Most clubs (41%) have between 300-500 members and 23% have less than 300.

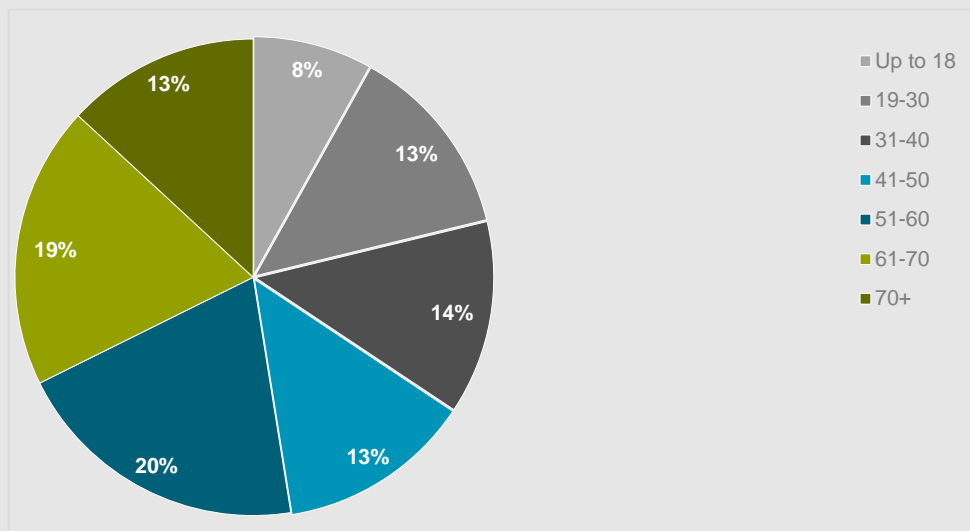
Increased flexible membership

In 2021 more proprietary clubs are offering flexible membership – 70%, increasing from 56% in 2020. These offerings typically included points-based systems and a reduction in green fees.

Member ages distributed towards the 50+ age group

As in previous years, the age distribution of proprietary clubs shows fewer younger members and more older members. The results in each age bracket are very similar to 2020, with every category being within 2% of the previous year's figures.

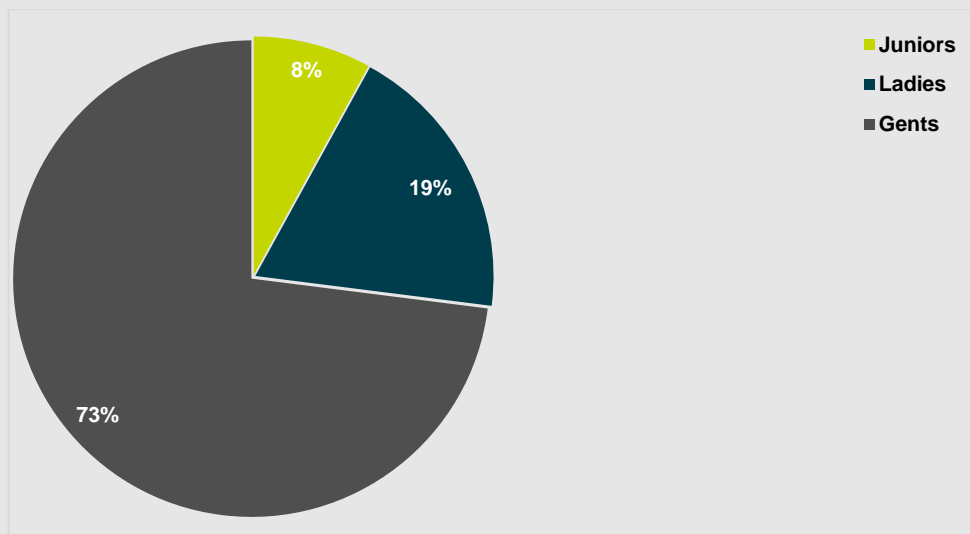
The age of proprietary club members



An increase in lady members

There has been an increase in the proportion of lady members in 2021, rising from 16% in 2020 to 19% currently. This has been balanced by a decrease in the proportion of gentlemen members (73% this year, compared to 76%), whilst junior members have fallen slightly, from 9% to 8%.

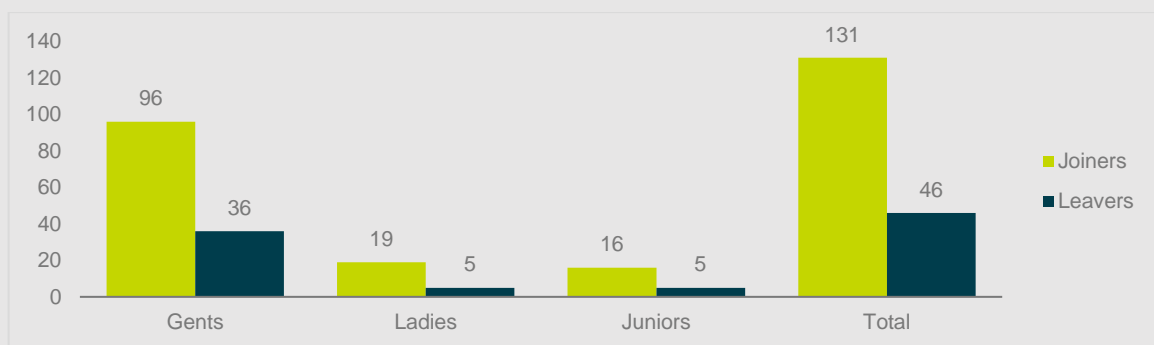
The profile of playing members at proprietary clubs



Fewer new gentlemen members joining

The numbers of joiners and leavers indicated that proprietary clubs had, as in 2020, a net increase in membership levels. However, in looking at the detail supporting this, the figures this year are not as healthy as in 2020. This year, 8% of clubs had an overall reduction, with more leavers than joiners – this did not happen at any club in 2020. Furthermore, the average number of new members joining, 131, was far fewer than the 173 reported in 2020. This was mainly due to a reduction in new gentlemen members – an average of 96 this year, compared to 144 in 2020.

The profile of joiners and leavers at proprietary clubs



Decreasing numbers of social members at proprietary clubs

The proportion of proprietary clubs with a social membership exceeding 25 people continues to reduce - falling from 60% in 2019, to 29% in 2020, to 20% in 2021.

Society rounds

More rounds were played by societies in 2021, ranging from 60 to 10,000, with an average of just over 3,000. Although this was an increase on the 2,000 reported in 2020, it is still below the level of 6,000 in 2019. This year, 69% of proprietary clubs said that they had seen a decrease in society rounds played, but this was an improvement on the level of over 90% in 2020.

Rounds of golf delivered annually

Asked for the first time this year, proprietary clubs were delivering between 220 and 60,000 rounds of golf to MEMBERS each year – with an average of 29,080.

The equivalent figures for VISITORS ranged from 5,000 to 30,000 with an average of 15,700.

Welcoming new members

Activities offered to welcome new members were similar to previous years. As in 2020, induction programmes and an introduction to the club professional were common, although in 2021 free coaching sessions were the most frequent. Other activities included free social events and complimentary rounds.

Member social events

Numbers of social events at proprietary clubs were similar to 2020, with 43% of clubs running between 2 and 20 events. However, the average number of events – 7 in 2021 – was lower than in 2020 (10).

Member competitions

Just over 40% of proprietary clubs surveyed in 2021 ran member competitions during the year, with the number of competitions at each club ranging from 28 to 200, and the average number of 104 very similar to the 105 recorded in 2020.

More proprietary clubs have a current waiting list

32% of clubs had a waiting list in 2021, a year-on-year increase on the 25% in 2020 and 20% in 2019. The average number of people on waiting lists was 115.

Downgraded memberships

This year the number of downgraded memberships (i.e., reducing from a 7-day to a 5-day member, etc.) ranged from 0 to 30, with an average of 11 – an increase from the average of 8 in 2020.

Upgraded memberships

The number of downgraded memberships was compensated for by strong results for upgraded memberships. Proprietary clubs recorded increases of from 5 to 50, with an average of 18 – a significant improvement on the average of 8 in 2020,

Member social events considering COVID-19

In the context of COVID-19, and with this in consideration, the number of social events at each club ranged from 0 to 5; however, the average of 3 social events was an improvement on the figure of just 1 in 2020.

Competitions run considering COVID-19

Also in the context of COVID-19, and with this in consideration, the number of competitions at each club was similar to 2020. It ranged from 10 to 110, with an average of 59 (51 in 2020).

Interest in membership considering COVID-19

This year, for the first time, we asked proprietary clubs whether they had an increased interest in membership and/or pressure on the course/tee-times post-COVID-19, and if so, what measures were introduced.

By far the most popular response was to increase subscription fees, implemented by 77% of clubs. Other responses included adopting a more restrictive policy on general visitor play, stopping offering certain categories of membership (e.g., flexible) and introducing or reintroducing a waiting list – each reported by over 30% of proprietary clubs. Some less prevalent responses were adopting a more restrictive policy on society and group bookings and introducing or reintroducing joining fees. Just 15% of proprietary clubs did not have an increase in membership.

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Proprietary clubs

Facilities

Facilities

Driving range

In 2021, 89% of proprietary clubs had a driving range. This is the same level as in 2020, but remains a healthy improvement on the 60% in 2019. Income from driving ranges is again within a varied span of from less than £5,000 to over £25,000, with 88% of clubs earning more than £25,000. 80% of the proprietary clubs with a driving range reported increases in driving range income in 2021 – 42% with a modest increase and 38% a significant increase. The remaining 20% of clubs all reported income about the same, and no clubs saw the income reduce.

This year we asked two new questions about driving ranges, as follows:

- Do you offer pre-bookable driving range slots for customers? Just 4% of proprietary clubs offered these pre-bookable slots.
- Does your driving range use ball tracking technology? 17% of proprietary club ranges provided this technology.

Increasing revenue from adventure or foot golf

When first asked in the 2020 survey, just 11% of proprietary clubs offered adventure golf, with none offering foot golf. This year the number of clubs offering these facilities has increased slightly – 15% providing adventure golf and 4% foot golf.

Income generated by these facilities rose at all proprietary clubs offering them – 80% indicating a slight or modest increase compared to the previous year and 20% having a significant increase. The revenue this year ranged from £30,000 to £350,000, with an average of over £220,000.

A small proportion of proprietary clubs offer a hotel, on-site accommodation, spa and/or gym

Also asked for the first time in the 2020 survey were questions about accommodation and leisure facilities. In 2020, 26% of proprietary clubs offered a hotel or other on-site accommodation and in 2021 this had reduced to 15%. Of those proprietary clubs which offer accommodation, most provide hotel facilities (75%) rather than lodges (25%) and all clubs indicated that accommodation revenue had increased since the previous year.

This year, a smaller proportion of proprietary clubs provided spa (7% in 2021 compared to 17% in 2020) and gym facilities (15% in 2021 and 26% in 2020). Whilst spa revenues remained about the same as in 2020, gym revenues reduced or stayed the same in half of those clubs providing them.

More than half proprietary clubs with swing studios

In the 2021 survey we asked questions about swing studios for the first time. 56% of proprietary clubs have a swing studio, with most being run by the club itself or the club professional (43% each). The average revenue from swing studios is over £60,000 and for 72% of clubs this was an increase on the previous year's income.

Retail shops

This year, we also asked questions for the first time about retail shops. These established that:

- 88% of proprietary clubs own a retail shop
- 46% of these retail shops are operated as part of the clubs PGA Professional agreement
- The annual income generated by the retail shop was over £150,000 for 45% of proprietary clubs.

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Proprietary clubs

Fees & charges

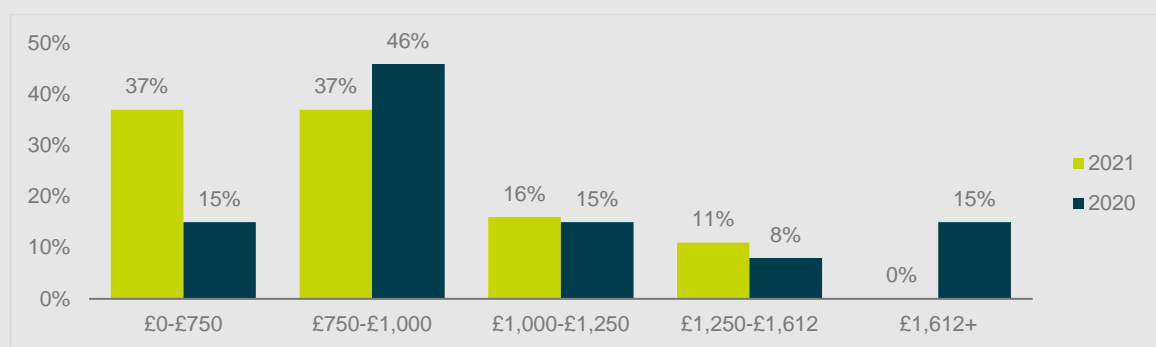
Fees & charges

Subscriptions

As in previous years, membership fees for standard playing members vary significantly. However, this year there are more clubs at the lower end of the range. Membership fees for standard playing members in 2021 are typically in the sub £1,000 range. However, this now represents 74% of proprietary clubs, compared to 61% in 2020.

Membership fees tend to be lower in proprietary clubs than in members clubs.

Proprietary clubs' standard playing member subscription



Increasing subscription charges

94% (compared to 62% in 2020) of proprietary clubs intend to increase membership fees next year, with planned increases ranging from 3%-10% with an average of 5%. Just one club was planning to reduce subscription fees.

Social membership charges

Charges for social membership have continued to fall. In 2019, just 40% of proprietary clubs had fees of less than £25. In 2020 this had risen to 60%, and in 2021 85% of proprietary clubs charge less than £25.

Entrance fees

This year just 37% of proprietary clubs charged a joining/entrance fee – a continuing reduction from 54% in 2020 and 60% in 2019. More clubs (71% in 2021, compared to 50% in 2020) now allow their entrance fee to be paid in instalments.

Booking system

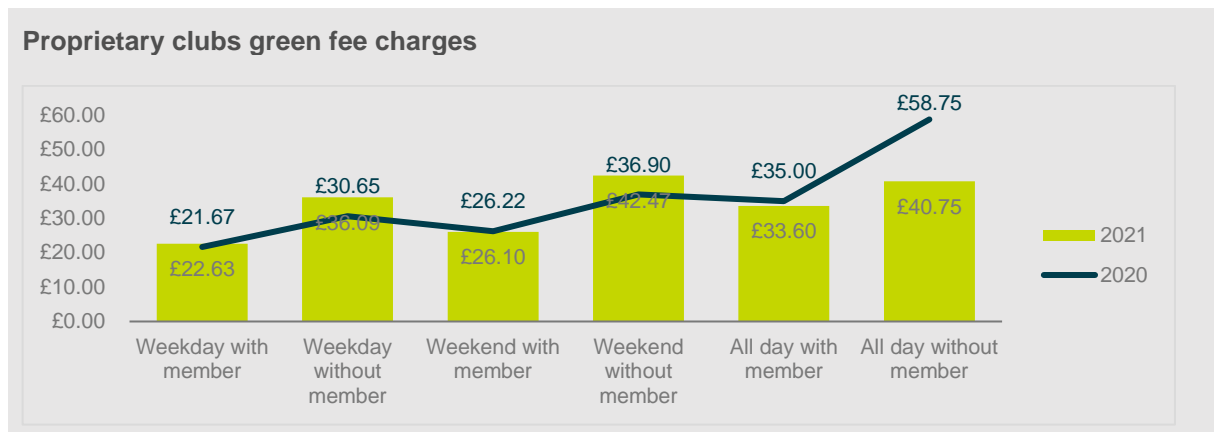
Online booking/tee time systems are now ubiquitous in proprietary clubs, rising from 80% usage in 2019 to 92% in 2020 and 95% in 2021.

In this year's survey we asked for the first time some additional questions regarding booking systems:

- Do you use a tee booking company or website for this or your own system? 78% of proprietary clubs with a tee booking system used a company/website.
- Did you use a tee booking system for the first time during COVID-19? 26% of proprietary clubs using a tee booking system did so for the first time during COVID-19.
- If yes, will you be continuing to use one? All proprietary clubs who used one, indicated their intention to continue using it.

Green fee charges

Average green fee charges are shown below, across weekdays, weekends and all-day use, both with and without members. In three of the six categories, the fees are lower in 2021 than in 2020.



Higher green fee income

In 2021 the range of income generated by green fees was similar to 2020, from £60,000 to £180,000+. However, the proportion of proprietary clubs generating income at the top of this range was far higher in 2021 (65%) than 2020 (25%).

Discounting green fees

In this year's survey, we asked for the first time whether proprietary clubs were discounting green fees less since COVID-19. 42% of clubs agreed that this was the case.

Green fee ticket systems

Green fee ticket systems continue to be unpopular in 2021 – used by just 5% of proprietary clubs (8% in 2020).

Society packages

95% of proprietary clubs indicated that they allow society usage, and offer society packages with average costs as follows. In each instance, costs have fallen since last year – typically by around 15%.



Room hire

In this year's survey we asked questions for the first time about what activities rooms were used for and how much revenue this generated. By far the most popular activities were business events/seminars, celebrations/parties and weddings – each available at over 73% of proprietary clubs. Weddings generated substantially more average revenue than all other activities, but note that this figure is an average just for the small number of proprietary clubs that provided this information.

Room / facilities hire average annual revenue



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Proprietary clubs

Financial information

Financial information

The impact of COVID-19 on proprietary clubs and their income

Prior to considering this year's financial information for proprietary clubs, it's useful to consider the context of the COVID-19 pandemic and its impact on clubs. In 2020, 63% of proprietary clubs indicated that they had been affected *negatively* by COVID-19, with just 37% reporting being affected *positively*. In 2021, there was a positive response from 52% of proprietary clubs. Furthermore, another 44% of clubs said that the effect had been mixed, leaving just 4% indicating a negative effect.

The overarching theme is that of the playing side showing increased demand, offset by reduced demand in other areas, such as functions and bar revenue.

Proprietary clubs reporting a positive effect noted impacts such as:

- The demand was unprecedented
- Growth – exceptional
- Doubled membership numbers, increased demand in visitor tee times, increased use of all facilities
- Increased membership and non-member play
- An upturn in playing with bar and green fees benefiting hugely
- Significant government financial assistance, filled all membership places, waiting list closed at 100.

Whereas typical comments for proprietary clubs reporting a mixed effect noted:

- F&B decimated, green fees and membership and range revenue at record levels
- The uptake of golf since lockdown has been very positive, the wedding and events cancellations and postponements very disruptive
- Clubhouse income down, golf income up
- The golf has done very well, however as a conference and wedding venue we have suffered.

A negative impact was typified by "Sales in our F & B have been devastated."

The overall effect for all proprietary clubs showed that COVID-19 had an average impact on income of +25%.

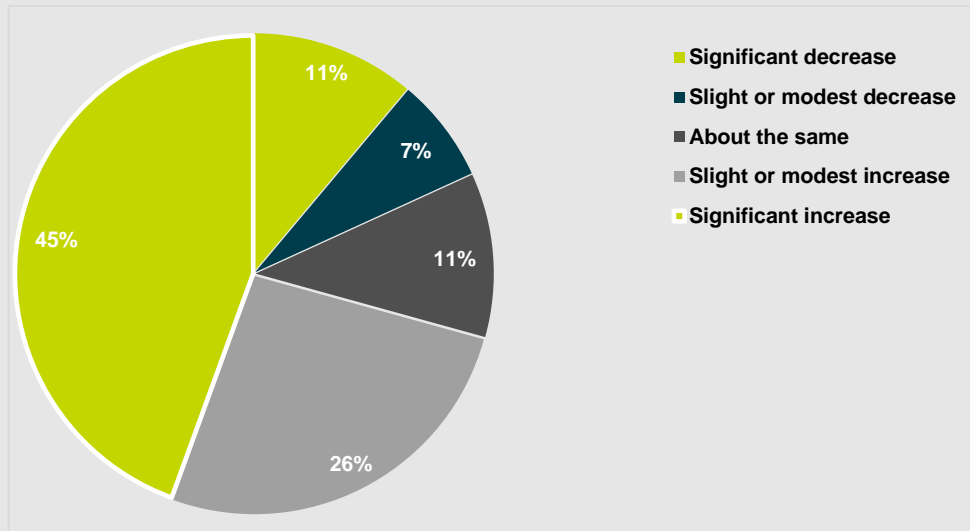
The average percentage change on income among those clubs *negatively* affected was approximately -40%.

The average percentage change in income among those clubs *positively* affected was approximately +22%.

However, the average income percentage change amongst those clubs claiming a *mixed* effect showed an even better result of +28%. This is explained by the answer to another question, which shows that most of the clubs claiming a mixed effect still showed an increase (and potentially significant increase) in income.

The overall effect on income for *all* proprietary clubs was an increase for 70% of clubs, as shown in the chart overleaf.

Proprietary clubs - how much has COVID-19 affected income?



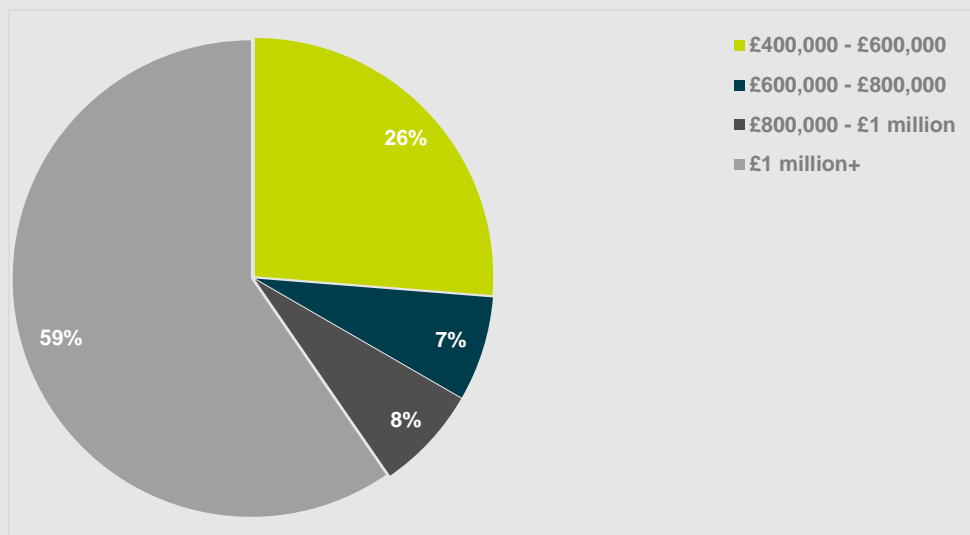
VAT partial exemption

In 2021 we asked a new question regarding whether proprietary clubs had utilised the partial exemption special method for VAT claims affected by COVID-19. 70% of proprietary clubs had utilised this, and of those clubs, over three-quarters (76%) had dealt with this exemption in-house.

Typical club turnover of £400,000 - £1,000,000+

Proprietary clubs reported turnover ranges from £400,000 to over £1 million. The percentage of clubs with a turnover exceeding £1 million was exactly the same as in 2020. However, of the 41% of clubs with a turnover less than £1 million, there were more this year at the lower end of this range (26% £400,000-£600,000, compared to 18% in 2020).

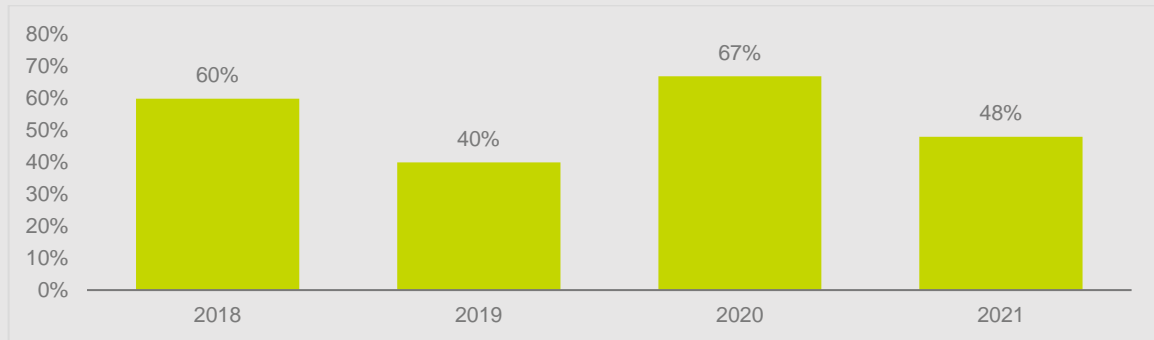
Annual proprietary clubs' turnover



Society income

The number of proprietary clubs with a society income above £60,000 has reduced this year.

Society income above £60,000



Bar revenue and activity

Average margins and other costs this year were:

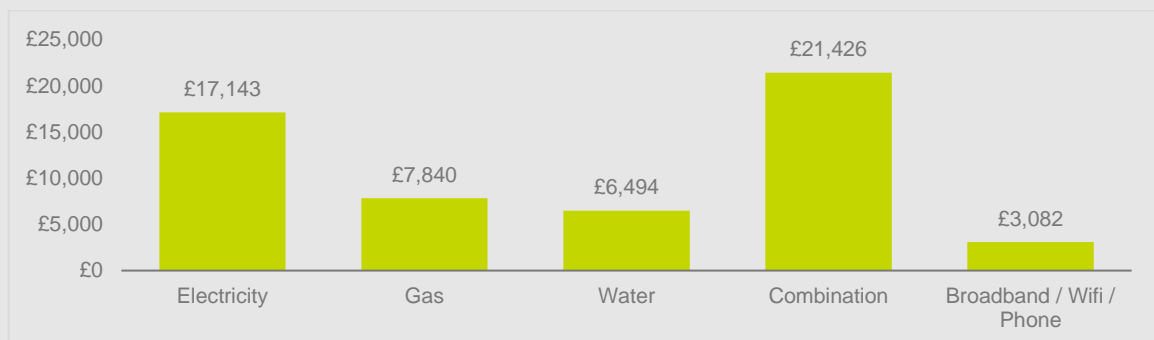
- Net profit 29% (up from 11% in 2020)
- Rateable value £60,000 (up from £39,000 in 2020)
- Rate cost £21,000 (down from £27,000 in 2020)
- Club maintenance cost £83,000 (up from £50,000 in 2020)
- Wages level £201,000 (up from £133,000 in 2020).

These should be regarded as indicative of only those proprietary clubs who chose to disclose figures – with a majority choosing not to do so. However, over half of all proprietary clubs reported their annual bar revenue, which was in excess of £150,000 for 77% of those reporting. The average gross margin of 53% was down from 63% in 2020 and 40% of proprietary clubs indicated that their bar revenue had decreased since 2020.

Utility costs

Average annual utility charges for proprietary clubs are presented below. Due to the low number of proprietary clubs providing these figures in previous years, it is not practical to compare them.

Average annual utility charges



Average course maintenance and wage costs

Proprietary clubs' average course maintenance and wage costs have increased in 2020, with respective increases of around 21% and 15%.



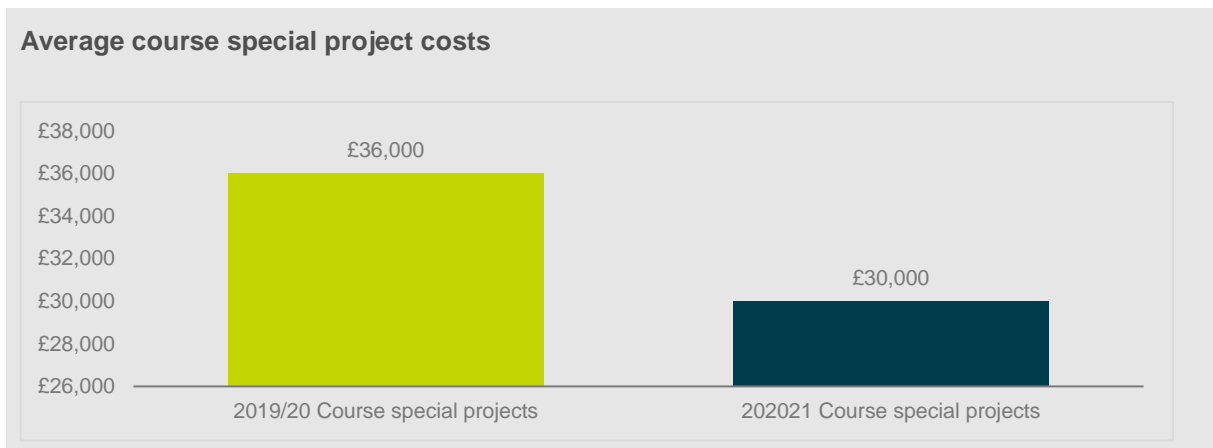
Irrigation

33% of proprietary clubs indicated that they currently have fairway irrigation installed (22% in 2020), but no clubs report that they are considering installing it.

23% of proprietary clubs indicated that they have updated their greens and tees irrigation recently (33% in 2020), at an average cost of £59,000.

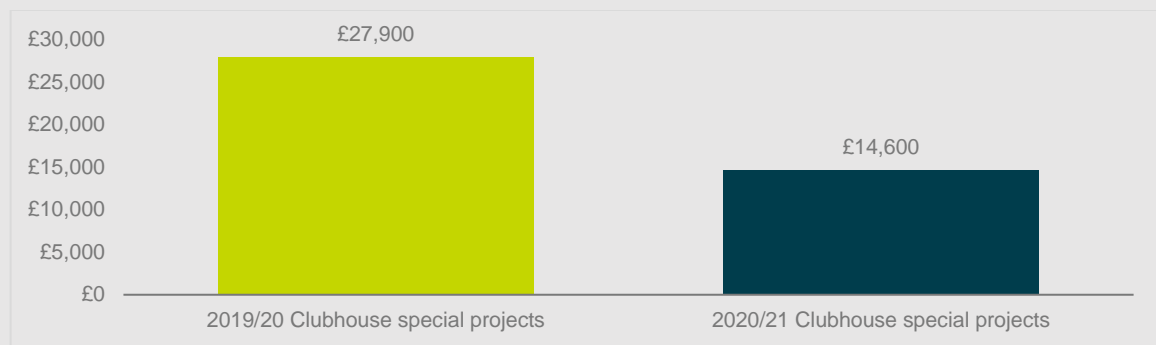
The following graphs present average current and estimated costs for special projects. Due to the small number of proprietary clubs providing this information it is not possible to comment on trends.

Average current and anticipated course special project costs



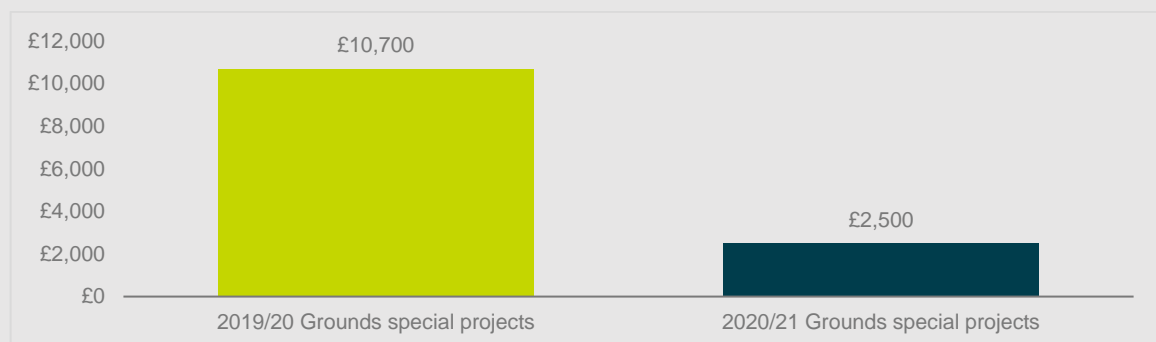
Average current and anticipated clubhouse special project costs

Average clubhouse special project costs



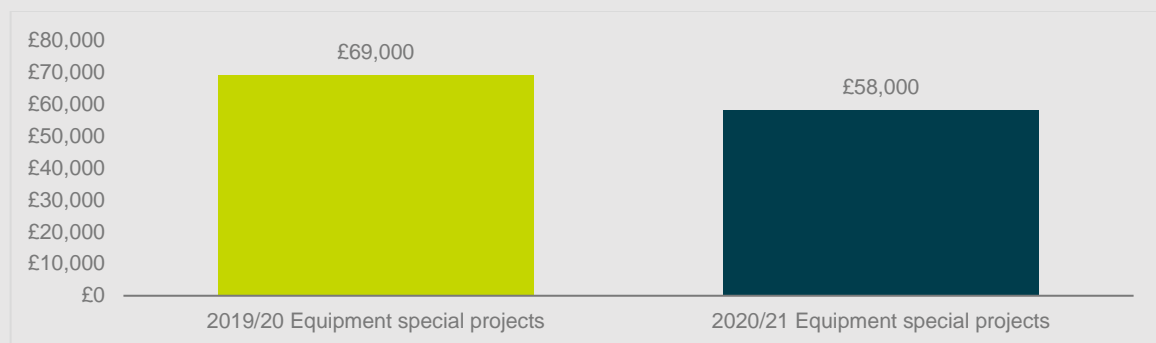
Average current and anticipated grounds special project costs

Average grounds special project costs



Average current and anticipated equipment special project costs

Average equipment special project costs



Other special projects

Proprietary clubs were asked to describe any other special projects they were undertaking this year. Just three were detailed – work on the clubhouse, a pond and ball tracking technology.

Proprietary clubs using franchise catering

17% of proprietary clubs used a franchise for their catering this year – there were none in 2020. Among those clubs who cater without the services of a franchise, gross profit margins average 57% (up from the 50% reported in 2020) and net profit comes in at an average of 23% (again up from the 18% reported in 2020). Revenues generated by proprietary clubs carrying out their own catering ranged from £50,000 to over £250,000, but most clubs (56%) reported a significant decrease from 2020 revenues.

Club surpluses and deficits

Proprietary clubs reported an average surplus of £246,000, compared to an average of £54,000 in 2020.

Annual general insurance

Similar to 2020, proprietary clubs typically pay £5,000-£10,000 for their annual general insurance.

Freehold properties

Just 8% of proprietary clubs indicated that they held freehold properties other than the clubhouse in 2021, down from 22% in 2020. All proprietary clubs holding these properties indicated that they were being rented out to staff.

We also asked some new questions this year, which established that:

- 64% of proprietary clubs own freehold land and buildings
- Annual ground rent at each club is an average of £44,200
- Proprietary clubs each cover an average area of 143 acres.

Cost of supplying a round of golf

Asked for the first time this year, proprietary clubs indicated a range of costs for supplying a round of golf – ranging from £3 to £35, and with an average of £20.33.

Raising finance

A variety of methods are used by proprietary clubs to raise finance for the club. As in 2020, the most popular methods are bank loans and private finance. Other methods used consisted of hire purchase/finance leases, grants and bank overdrafts.

A new question was asked in 2021 regarding how proprietary clubs had financed any shortfalls or fixed asset additions. The most popular method (for 75% of clubs raising this finance) was in the form of bank loans. Overdrafts, sales of land or buildings and mortgaging properties had also been used.

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Hillier Hopkins LLP
2021 Report

Proprietary clubs

Business development

Business development

An increase in the number of proprietary clubs reporting growth

The percentage of proprietary clubs reporting growth in 2021 was 88% - improving on the 60% in 2020 and also the pre-COVID-19 80% recorded in 2019. The level of growth in the last 12 months varied between 5% and 30%, with an average of 18%.

Proprietary clubs continue investing in marketing

Proprietary clubs continue to market their offer, with activities including social media (the most popular, used by 71% of proprietary clubs), advertising (57%), member referrals (43% - substantially lower than the 100% reported in 2020), email campaigns (also 43%), special offers (21%), events (14%), direct mailing (also 14%) and corporate brochures (14%).

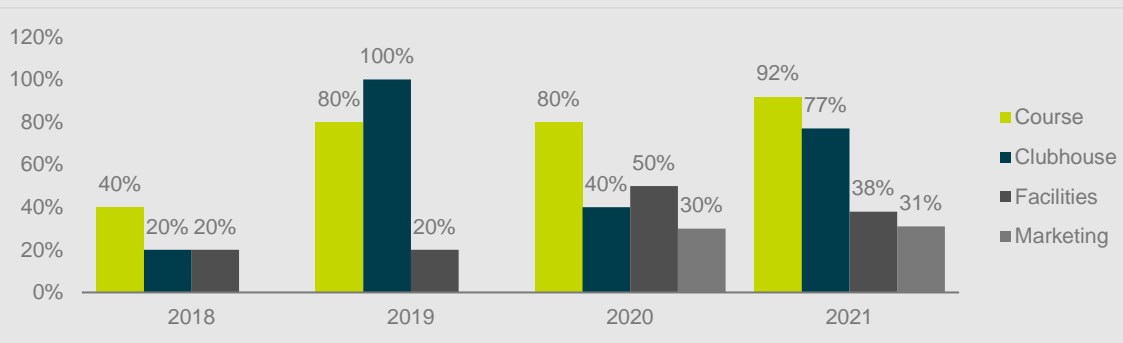
Despite 33% of proprietary clubs using networking to recruit new members in 2020, no clubs used this in 2021.

For the first time, social media was identified as the most successful marketing activity. This was identified by 31% of proprietary clubs, whilst member referrals (the most successful marketing activity in 2020 with 38%) was the second most successful method, with 23%.

Proprietary clubs increase investment

This year, investment has increased in both the course and clubhouse, with the latter showing a sharp increase from 40% in 2020 to 77% this year.

Proprietary clubs' investment



Proprietary clubs

Miscellaneous additional information

Miscellaneous additional information

Set opening hours

Asked for the first time in 2021, just over 80% of proprietary clubs indicated that they had set opening hours defined as 'daylight hours plus'. The remainder had set opening hours.

Use of temporary greens in winter

Asked for the first time in 2021, just 22% of proprietary clubs indicated that they used temporary greens in winter.

Dress codes

42% of proprietary clubs indicated usage of a dress code – similar to the 38% reported in 2020.

Mobile phones policy

This year, we asked for the first time whether proprietary clubs had a mobile phone policy, and found that just 15% of proprietary clubs have such a policy.

Dogs

This year, we also asked proprietary clubs another new question - whether they permit dogs. Clubs were evenly split, with just less than half of the clubs (48%) allowing them. Where they are allowed, this is often on condition that they are kept on leads.

TV subscriptions

Proprietary clubs with a subscription for SKY or BT Sport paid average annual subscription charges of £4,300.

Anticipated changes affecting golf clubs in 5-10 years

The following changes were suggested/anticipated by proprietary clubs.

Within 5 Years

Continued availability of customer time, and thus adjusting for this.
Engaging with a younger audience.
Keeping golfers engaged in club.
Making golf courses more resistant to weather change.
Environmental impacts and sustainability.
Flexible memberships.
Massive increase in popularity of golf through introduction of very popular World handicap system.
VAT will be standardised.
Cost of golf equipment will rise greatly hampering beginners.
Pressure on tee times and membership which has not been the case for some time will mean that we need to be far more sensible about the cost of these.
Staff costs and getting younger people to engage with our industry as employees will become much harder. I think we might have to have many more people doing fewer hours.
The food offering is also going need to be looked at very carefully.
Range technology.
Technology on driving range and sustainability practices on agronomy.
Use of buggies will increase beyond recognition and buggy paths and course wear will increase
Golf holidays in UK will become more commonplace.

Within 10 Years

Cash free environment will change those we see thriving in the golf industry.
Covid will lead to even ordinary golf clubs becoming family centres and eating places.
Golf club numbers will decline as housing takes over land.
Parking - golf courses will have to introduce measures to keep parking available for golfers only.
Sustainability practices on agronomy & dynamic pricing at golf courses.
Continued appeal to playing the game.
Club engaging more with local community.
Flexible memberships.

The impact of the living wage

87% of proprietary clubs suggested that the increase in the minimum living wage and workplace pensions impacted upon them –higher than the 60% recorded in 2020.

Community Amateur Sports Clubs (CASC)

No proprietary clubs indicated that they were Community Amateur Sports Clubs - with no clubs considering becoming one.

Rules and regulations

92% of proprietary clubs agreed that they are prepared to change their rules and regulations to modernise the club – a large increase from the 67% recorded in 2020.

Club structure

53% of proprietary clubs indicated that they are currently incorporated, with only 17% of the remainder considering incorporation.

Board structure

Proprietary clubs reported that they had an average of just 3 board members in each club, with the highest number being 6.

The expertise present in the boards of proprietary clubs in 2021 was mainly in Business (as in 2020, with 100% of the board members) and Finance (75% - 63% in 2020). Other areas of expertise present included Marketing (63%). HR (50%) and Legal (25%).

Our golf club team



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