



FROM THE *General Manager*



Dear Member,

When I woke up on Friday morning, the 27th of March, it felt like a replay of the post-apocalyptic movie "I am Legend", where Will Smith played the leading character. There were a couple of similarities between what I experienced that morning and the movie. For one, our country faced a deadly virus of which very little was known to us. The Club was deserted with nobody in sight, so me and my little Pekingese, Peggy, patrolled the premises alone. Luckily there were no deadly mutants lurking around.

On a more serious note, to experience our beautiful Club the way I did that morning, was to say the least a terrible experience and one that I will never forget. One of the first duties I had that morning, was to switch off the electricity supply at the various distribution boards throughout the facility. Of course, I knew I would be flipping switches back on in a couple of weeks because our President said so!! Little did I know we were in for a nightmare of a ride...

After all the negativity fellow South Africans have endured during the last couple of months, it is now

time to regroup and focus on the road to recovery by making the right choices. Yes, we have all suffered either emotionally, financially or maybe even the loss of a loved one, but it is now time to take small steps in the right direction daily. Perseverance with a positive attitude and making the right choices will be crucial in this process. I believe our Club has already started its journey on the road to recovery, as can be seen from various activities returning to normality. It was a blessing to have the golf course open again in the middle of June, which brought some much-needed revenue. It will, however, be some time before our function venues are able to return to business, but I am grateful that food and beverage outlets like The Pavilion and Halfway House are able to operate.

I will always remember these challenging times and be grateful that the Club survived COVID-19 and that we are once again a place for members, families and visitors to have fun and enjoy Club life.

Lockdown at the Club was not all doom and gloom. There were a couple of highlights that made it easier.

Residents got to know each other much better, with a sense of compassion and camaraderie that could be experienced. It was furthermore heartening to see residents play cricket in the parking area, with all the little ones running around in laughter and joy. It seemed that bird life at the Club suddenly awakened. I am not an ornithologist, but I saw species I have never seen at the Club before. The golf course had a well-deserved rest, which will be beneficial when high-traffic months are here again and there was time to bring all outstanding maintenance tasks up to date. So, all in all, although depressing at times, not the worst time at the Club.

I would like to take this opportunity to thank the Club's contractors for their support and willingness to continue with their obligations during lockdown. We were able to renegotiate contracts with our suppliers, which resulted in substantial savings whilst they continued to perform their duties to the best of their ability. A special word of appreciation to Southern Turf Management that kept the golf course in pristine condition, with only a third of their staff complement able to work. Rapid Gardens did a splendid job of maintaining our gardens and general areas, whilst Interactive Security had a tough job to keep unwanted guests off the golf course. I am therefore relieved to say that we were able to hit the ground running once lockdown restrictions were partially lifted, which gave us a little head start on competitors.

I am particularly grateful for the commitment and dedication of the Club's employees during lockdown. Whilst many Clubs around the country chose to either operate with skeleton staff structures, or in some cases close down completely, our employees chose to perform their duties either from home or at work. Although salary sacrifices had to be made, they remained positive and continued to focus on Club operations. I specifically want to single out our Financial Manager, Herman de Bruyn, who walked the extra mile during this time. The Club's annual audit had to be done remotely this year due to COVID-19, thus bringing about many additional hours of preparation and online meetings. Herman spent most of his time scanning in documentation that was required by the auditors, that had to be sent. During normal auditing practices, auditors will be on site and this tedious process would not be required. Thank you, Herman, and the rest of the staff – your enthusiasm and positive attitudes are appreciated.

I particularly want to thank our members for paying annual subscription fees timeously, regardless of possibly also experiencing financial difficulties. It was one of our objectives to ensure that the Club remains cash-positive during lockdown and therefore not have to dig into Club reserves. Income from green fees, annual subscriptions and rentals form 87% of the Club's total turnover, with subscription fees being the biggest contributor. By the end of July, 91% of all annual subscription monies were paid by members.

Considering that the Club could not trade for two and a half months, had it not been for the support of our members, the Club's cash flow position would have been far worse. A massive word of thanks and appreciation goes out to our members for their loyal support; I salute you!

After the first four months of the financial year (end of June), the Club was in a satisfactory financial position considering these challenging times. Although revenue was down by R2.2 million, expenses were R1.3 million less than budget. This was a result of supplier contracts that were renegotiated on more favourable terms, cost-cutting strategies that were implemented and the postponement of capital projects. When our golf course opened for play (middle June), rounds played outperformed budget by a substantial margin, thus proving that our golf course remains popular among members and visitors. When GolfRSA permits Clubs to host corporate golf days again, I am sure we will once again be a popular destination of choice.

If normal business trends continue, it is projected that the cash flow position of the Club will remain positive until the end of November, without having to make use of Club reserves, also bearing in mind that no provision has been made in the forecast for the receipt of a business insurance claim in accordance with the Club's Business Interruption policy. We are hopeful that our insurer will settle payments in this regard soon. The restrictions on social gatherings and sale of liquor have now been lifted, which will further support an increase in cash flow.

We will continue to focus on the upkeep of our facilities, seek ways of adding value to our members and their experience at the Club, encourage family participation and ensure we remain in a healthy financial position by applying stringent financial controls.

The most valuable asset of our Club remains our members, and although we have experienced tough times over the last four months, together we will ensure that Club life will return to normal.

In closing, I would once again like to thank all our members for your loyal support of the Club. It was a humble experience to see the love and support of our members for their Club during tough times, which is why Pretoria Country Club will remain a popular destination.

Vivian van Wyk General Manager