



De Zalze Golf Club Chairman's Update February 2021



For the six months: 1 August 2020 to 31 January 2021

	Budget	Actual	Last Year	Variance on Budget	Variance on LY
Rounds	18 482	18 540	22 297	58	(3757)
	<i>R' million</i>	<i>R' million</i>	<i>R' million</i>	<i>R' million</i>	<i>R' million</i>
Revenue	15,1	14,0	21,6	(1,1)	(7,7)
Net (loss) profit before tax	(1,7)	(1,9)	3,1	(0,2)	(5,0)
Cash from operations	1,3	0,9	6,1	(0,4)	(5,1)

The second wave of Covid-19 infections has had a severe impact on our January results.

In January we reported that all the indicators tracked within or better than budget as at the end of December, but January has thrown all into negatives given a net loss of R22k for the month (versus the budget set at a profit of R667k for this summer month).

Despite restrictions being eased, we forecast that revenues will be more than R1m behind budget in February. It is clear that the uncertainty in the market following the second wave will impact us over the longer term. Therefore there continues to be a strong focus on cost saving and how we prioritize capital expenditure.

While our cash reserves are at a healthy level, to maintain a liquidity ratio (current assets/current liabilities) of 2:1 or better, cash reserves of R9.2m to R11.5m will provide for a fair risk mitigation.

These balances are determined taking into consideration the financial position at our two most recent year ends (July 2020 and July 2019). These amounts are also closely aligned to the principle of keeping reserves at a balance to fund six months of operating expenses.

While our Capex/Project budget for this financial year was set at a conservative R1.5 million by 31 January R613k was spent and priorities are reviewed regularly. This budget has in the interim been increased to R1,660.000

Budget for 2020-2021: 160K above anticipated original budget due to additional priorities

Course Machinery	R 20 000
Course Projects	R840 000
⇒ Landscaping, Trees, Irrigation, Drainage, etc.	R100 000
⇒ Closing of 7 Bunkers (Holes 4, 6, 9, 16)	R300 000
⇒ Pathways (Holes 1, 2, 10, 18 & practice putting green staircase)	R 55 000
⇒ Workshop & Greenkeepers Residence Maintenance	R 65 000
⇒ Upgrade to PA System	R140 000
⇒ Irrigation Audit (complete system)	R 25 000
⇒ Bridge Maintenance	R 40 000
⇒ Staircase Maintenance (Hole 18)	R 15 000
⇒ Landscaping Irrigation (Ball Valve & Saddle)	R100 000
 Clubhouse & Operations	 R800 000
⇒ Food & Beverage Area (equipment)	R 30 000
⇒ Kitchen/Front of House Repairs/Maintenance/Waterproofing	R160 000
⇒ Thatch Maintenance	R 40 000
⇒ Restrooms	R100 000
⇒ Gas line Project	R 60 000
⇒ IT & Telephone	R110 000
⇒ Fire detection system/H&S related	R250 000
⇒ Other	R 50 000

TOTAL CAPEX

R1 660 000

Executive Summary

Louis Jonker – a longstanding employee of Golf Data (12 years, with a number of those years as the 2nd in charge at Pearl Valley under Mike Westman) has been appointed as the permanent superintendent on site and will start full time at De Zalze during the 1st week of March

Course review:

- ⇒ **Results** improved from 65,9% to 74,7%
- ⇒ **Bunkers & tees** remained on the list of the bottom performers, whilst tee surrounds replaced “rough” on the list.
- ⇒ **Course assessment** system developed

Action Planning:

A Focus on greens

- ⇒ A gradual increase on the ratio of Bentgrass to Poa Annua on the greens.
- ⇒ Selective greens have had samples taken, and we are waiting on results; this includes general analysis, nematodes & pathogens.

Tees, surrounds & fairways

Thatch reduction & management remains the greatest issue facing these areas, with no easy solution.

Course Assessment February 2021



Hole	Tees	Tees Surrounds	Fairway	Rough	Fairway Bunkers	Greens	Greens Surrounds	Greenside Bunkers	Average per Hole	Average per Hole	January
1	3	3	3,5	3,5	3	3,5	3,5	3,5	3,4	67%	67%
2	2,5	2,5	4	4	3	4	4	4	3,6	71%	64%
3	4	3,5	-	-	-	3,5	3,5	3,5	3,6	72%	64%
4	3	3,5	4	4	3	4	4	4	3,8	76%	59%
5	3,5	3,5	4	4	3	4	4	4	3,9	77%	67%
6	2,5	3,5	4	-	3	4	4	3	3,5	70%	61%
7	3	3	3,5	4	3	4	4	2,8	3,5	69%	67%
8	2,5	3	3	3,5	3	4	4	3	3,3	66%	61%
9	3,5	3,5	-	4	-	4	4	3,5	3,8	75%	72%
10	5	3	5	4	3	5	5	3	4,3	86%	69%
11	3	4	5	3	3	4	5	-	4,0	80%	66%
12	3	3	4	4	-	4	4	3	3,6	71%	66%
13	4	4	5	4	3	4	4	4	4,1	83%	71%
14	4	4	3	4	3	4	3	4	3,7	74%	67%
15	4	3	3	3	3	4	4	3	3,4	69%	73%
16	3	4	4	3	-	4	3	4	3,6	71%	61%
17	5	4	5	4	3	5	3	-	4,3	87%	67%
18	4	-	5	3	3	5	4	3	4,0	80%	61%
February January	3,5	3,4	4,1	3,7	3,0	4,1	3,9	3,5	3,7	75%	66%
	69% ↑	68%	81% ↑	74% ↑	60% =	82% ↑	78%	69% ↑	75% ↑	73%	February Overall
	65%	N/A	70% ↑	65% ↑	60% =	68% ↑	N/A	61% ↑	66% ↑	65%	January Overall

LEGEND:

> 85%	Exceptional	> 4.25
71 - 85%	Competitive	3.55 - 4.20
60 - 70%	On Track	3.00 - 3.50
41 - 59%	Not Acceptable	2.05 - 2.95
< 41%	Critical need for attention	0.00 - 2.00

Course Focus

Golf Club Assessment Markers

TEES		TEE SURROUNDS		FAIRWAYS	
5	100% grass cover free of algae, moss, Poa annua, broadleaf weeds, nut sedge and undesirable grass species. Free of pests and disease. All divots repaired. Teeing area to be flat, level and firm with no thatch. Turf consistently uniform and dense throughout the tee area. Peg/T easily pushed into turf	5	Visually pleasing with 100% grass cover, free of weeds broadleaf and undesirable grass species and pests. Mowing height deemed totally appropriate.	5	Firm fairway, well defined edge of fairway, 100% grass cover, no pests/diseases, no broadleaf or undesirable grass. All divots fixed. Surface even and of appropriate length with no machine damage. Clearly visible fairway markers. GUR clearly marked.
4	>95% grass cover. <5% of teeing area has algae, moss, Poa annua, broadleaf weeds, nut sedge and/or undesirable grass species. Very little/no pests and disease. Divots are repaired. <10% of the teeing area not flat, level or firm, evident thatch. Most areas of turf uniform and dense. Peg/T easily pushed into turf.	4	Visually pleasing with >95% grass cover, Weeds, broadleaf and undesirable grass species covers <5% of surrounds and no pests. Mowing height deemed acceptable.	4	Fairway mainly firm with at least 95% grass cover. Defined edge of fairway. Brown/yellow patches covering <5% of fairway. Very few visible divots. No evident pests/diseases, broadleaf or undesirable grass. Surface evenly mown and no machine damage. Visible fairway markers and GUR marked.
3	>90% grass cover. <10% of teeing area has algae, moss, Poa annua, broadleaf weeds, nut sedge and/or undesirable grass species. Some pests and disease. Some divots not repaired. Parts of the teeing area not flat, level or firm, evident thatch. Some areas of turf non-uniform and/or less dense. Peg/T easily pushed into turf	3	Acceptable visually, with >90 grass cover. Weeds and/or broadleaf and/or undesirable grass species covers <15% of surrounds. Pests under control. Mowing height almost acceptable.	3	Few soft, spongy fairway areas. Fairway edge almost consistently defined. Brown/yellow patches covering >5% of the fairway. Visible divots covering <15% of the fairway. Little evident machine damage. Mostly even mowing and even surface areas. Fairway markers visible. GUR marked.
2	<90% grass cover. Some algae, moss, Poa annua, broadleaf weeds, nut sedge and/or undesirable grass species. Some pests and disease. Most divots not repaired. Parts of the teeing area not flat, level or firm, evident thatch. Some areas of turf non-uniform and/or less dense. Peg/T pushed into turf with some difficulty.	2	Not visually pleasing. Grass cover <90%. Weeds and/or broadleaf and/or undesirable grass species covers 30% of surrounds. Evident pests. Mowing height to be improved.	2	Mostly soft, spongy fairway areas. Fairway edge not clearly defined in places. Brown/yellow patches covering up to 20% of the fairway. Some broadleaf or undesirable grass, possible pests/disease. Unfixed divots covering up to 20% of the fairway. Some apparent machine damage, some uneven mowing and surface areas. Fairway markers barely visible. Some GUR unmarked.
1	<80% grass cover. Evident algae, moss, Poa annua, broadleaf weeds, nut sedge and undesirable grass species. Evident pests and disease. Divots unrepaired. Teeing area not flat, level or firm, evident thatch. Turf consistently non-uniform or dense throughout. Hard to push Peg/T into turf.	1	Not visually pleasing. Grass cover of <80%. Unacceptable number of weeds and/or broadleaf and/or undesirable grass species and/or pests. Mowing height deemed inappropriate.	1	Soft, spongy fairway. No clearly defined fairway edge. Brown/yellow patches covering >20% of fairway. Evident broadleaf or undesirable grass. Evident pests and/or disease. Unfixed divots covering >30% of the fairway. A lot of apparent machine damage. Generally uneven mowing and surface. Fairway markers overgrown. GUR unmarked.

Golf Club Assessment Markers...continued

SEMI ROUGH and ROUGH		FAIRWAY BUNKERS		GREENS – Presentation, Playability, Maintenance	
5	Visually pleasing with 100% grass cover free of broadleaf weeds and undesirable grass species. Free of pests and diseases. Mowing height totally appropriate.	5	Neatly raked daily. Sufficient and even distribution of sand over the bunker to approximately 75mm to 100mm. Sand consistently firm. Free of debris and stones. Grass bunker lips neatly trimmed and consistent.	5	Healthy looking turf, uniform colour, vibrant, green and lush, no kikuyu creepers, no visible mechanical damage, no visible pitch marks, ball roll pace quick, smooth, even and true. Firm surface. Fringe clearly visible and of consistent and appropriate length.
4	Visually pleasing with >95% grass cover. Weeds, broadleaf and undesirable grass species covers <5% of surrounds and no pests. Mowing height deemed acceptable.	4	Consistently raked. Sand sufficiently and evenly distributed but depth not consistently 75mm-100mm. Sand consistently firm. No visible debris and/or stones. Grass bunker lips trimmed and consistent.	4	<10% unhealthy turf, <10% non-uniform colour, no barren areas, no mechanical damage, almost no pitch marks, ball roll pace medium to quick, smooth and true. Firm surface. Fringe visible and of appropriate length
3	Acceptable visually, with >90 grass cover. Weeds and/or broadleaf and/or undesirable grass species covers <15% of surrounds. Less apparent pests. Mowing height mostly acceptable.	3	Almost consistently raked. Sufficient and even sand distribution but <75mm in depth. No shallow tree roots under the sand. Sand mostly firm. Little visible debris and/or stones. Grass bunker lips trimmed and almost consistent with little machine damage.	3	<20% unhealthy turf, <20 non-uniform colour, <5% barren areas, no evident mechanical damage, <10% of green has pitch marks, ball rolls at an average pace, almost true and not bumpy. Surface a bit spongy. Fringe visible but length needs attention
2	Not visually pleasing. Grass cover <90%. Weeds and/or broadleaf and/or undesirable grass species covers 30% of surrounds. Evident pests. Mowing height to be improved.	2	Inappropriately raked. Insufficient but even distribution of sand but <75mm in depth. Some shallow tree roots under the sand. Sand hard. Visible debris and/or stones. Grass bunker lips inconsistent and needs trimming.	2	>30% unhealthy turf, >30% non-uniform colour, <10% barren areas, some Kikuyu creepers, less evident mechanical damage, >20% of green has pitch marks, ball rolls slowly and a bit bumpy. Surface somewhat soft and spongy. Fringe not clearly visible.
1	Not visually pleasing. Grass cover of <80%. Unacceptable number of weeds and/or broadleaf and/or undesirable grass species and/or pests. Mowing height deemed inappropriate.	1	Not raked. Insufficient and uneven distribution of sand <60mm in depth. Sand extremely hard. Shallow tree roots under the sand. Lots of debris and/or stones. Grass bunker lips totally inconsistent and untrimmed.	1	>50% unhealthy turf, >50% non-uniform colour, >20% barren areas, very evident Kikuyu creepers, evident mechanical damage, >30% of green has pitch marks, ball rolls unpredictably, slowly and very bumpily. Surface very spongy and soft. Fringe unclear and indistinguishable.

Golf Club Assessment Markers...continued

GREEN SURROUNDS		GREENS BUNKERS		CART PATHS	
5	Visually pleasing with 100% grass cover, free of broadleaf, weeds and undesirable grass species. Free of pests and diseases. Mowing height totally appropriate.	5	Appears cared for and raked daily. No plugged lies. Sufficient and even distribution of sand over the bunker to approximately 75mm to 100mm. Sand acceptably soft. Free of debris and stones. Grass bunker lips neatly trimmed and consistent.	5	Paths to be free of debris, sand, and clippings. Grass neatly trimmed alongside pathway with no encroachment of adjacent turf onto pathway. Neat and kept appearance. No loose paving bricks or breakup of the paved surface. Soil to be appropriately level on both sides of the cart path. No moss/weeds growing through cart path.
4	Visually pleasing with >95% grass cover, Weeds, broadleaf and undesirable grass species covers <5% of surrounds and no pests. Mowing height deemed acceptable.	4	Consistently raked. Ball does not plug. Sand sufficiently and evenly distributed but depth not consistently 75mm-100mm. Sand consistently soft. No visible debris and/or stones. Grass bunker lips trimmed and consistent.	4	Almost no debris and/or sand and/or clippings on the path. Grass alongside cart path mostly neat. Adjacent turf has not invaded the cart path. Appearance tidy. Loose brick/s or surface breakup evident in <2 places. Soil even on both side of the cart path in most places. No moss/weeds growing through cart path.
3	Acceptable visually, with >90 grass cover. Weeds and/or broadleaf and/or undesirable grass species covers <15% of surrounds. Few apparent pests. Mowing height deemed acceptable.	3	Consistently raked. Ball does not plug. Sufficient and even sand distribution but <75mm in depth. No shallow tree roots under the sand. Sand mostly soft. Little visible debris and/or stones. Grass bunker lips trimmed and almost consistent.	3	A bit of debris and/or sand and/or clippings on the path. Grass alongside cart path mostly neat. Adjacent turf has invaded the cart path in a few places. Appearance mostly tidy. Loose brick/s or surface breakup evident in >2 places. Soil uneven on both side or one side of the cart path in a few places. Less than 5% moss/weeds growing through cart path.
2	Not visually pleasing. Grass cover <90%. Weeds and/or broadleaf and/or undesirable grass species covers 30% of surrounds. Evident pests. Mowing height to be improved.	2	Inappropriately raked. Ball could plug. Inconsistent and uneven distribution of sand but <75mm in depth. Some shallow tree roots under the sand. Visible debris and/or stones. Grass bunker lips to be more consistent and needs trimming. Some evident machines damage.	2	Some debris and/or sand and/or clippings on the path. Grass alongside cart path mostly tardy. Adjacent turf has invaded the cart path in many places. Untidy appearance. Loose brick/s or surface breakup evident in >3 places. Soil uneven on both sides of the cart path in many places. >5% moss/weeds growing through cart path.
1	Not visually pleasing. Grass cover of <80%. Unacceptable number of weeds and/or broadleaf and/or undesirable grass species and/or pests. Mowing height deemed inappropriate.	1	Appears neglected. Not raked. Ball easily plugs. Insufficient and uneven distribution of sand <60mm in depth. Shallow tree roots under the sand. Lots of debris and/or stones. Grass bunker lips totally inconsistent and untrimmed. Evident machine damage.	1	A lot of debris and/or sand and/or clippings on the path. Grass all along the cart path tardy. Adjacent turf has invaded the cart path. Untidy appearance. Loose brick/s or surface breakup evident in >4 places along the cart path. Soil uneven on both sides of the cart path. Unacceptable moss/weed growth through cart path.

Golf Club Assessment Markers...continued

BRIDGES/STEPS	
5	All planks sturdy and solid, securely fastened and in good condition. All nuts secure and tight. Plank surface even with no protruding or moving planks. Surfaces require no painting. Bridge rails in excellent condition. The steel structure is safe. No safety concerns.
4	Generally, planks sturdy and solid, mostly securely fastened and in good condition. All nuts secure and tight. Plank surface mostly even with no protruding planks and very few moving planks. Surfaces require no painting. Bridge rails in good condition. The steel structure is safe. No safety concerns.
3	About 5% of the planks are either cracked and/or not securely fastened and/or generally not in good condition. <5% of the plank surface uneven, with <5% of planks either moving and/or protruding. Extremely few nuts insecure or loose. Some of the surface condition requires paint. The bridge rails are mostly secure. The steel structural integrity is not in doubt. No potential safety concerns.
2	About 10% of the planks are either cracked and/or not securely fastened and/or generally not in good condition. 10% of the plank surface uneven, with >10% of planks either moving and/or protruding. About 5% of the nuts were either insecure or not tight. Most of the surface condition requires paint. Part of the bridge rails are insecure. The steel structural integrity may be in doubt. Potential safety concerns.
1	More than 15% of the planks are either cracked and/or not securely fastened and/or generally not in good condition. Plank surface mostly uneven, with >15% of planks either moving and/or protruding. About 10% of the nuts were either insecure or not tight. All of the surface condition requires paint. The bridge rails are insecure. The steel structural integrity is in doubt. Safety concerns.

Legend:

5 = EXCELLENT

4 = GOOD

3 = SATISFACTORY

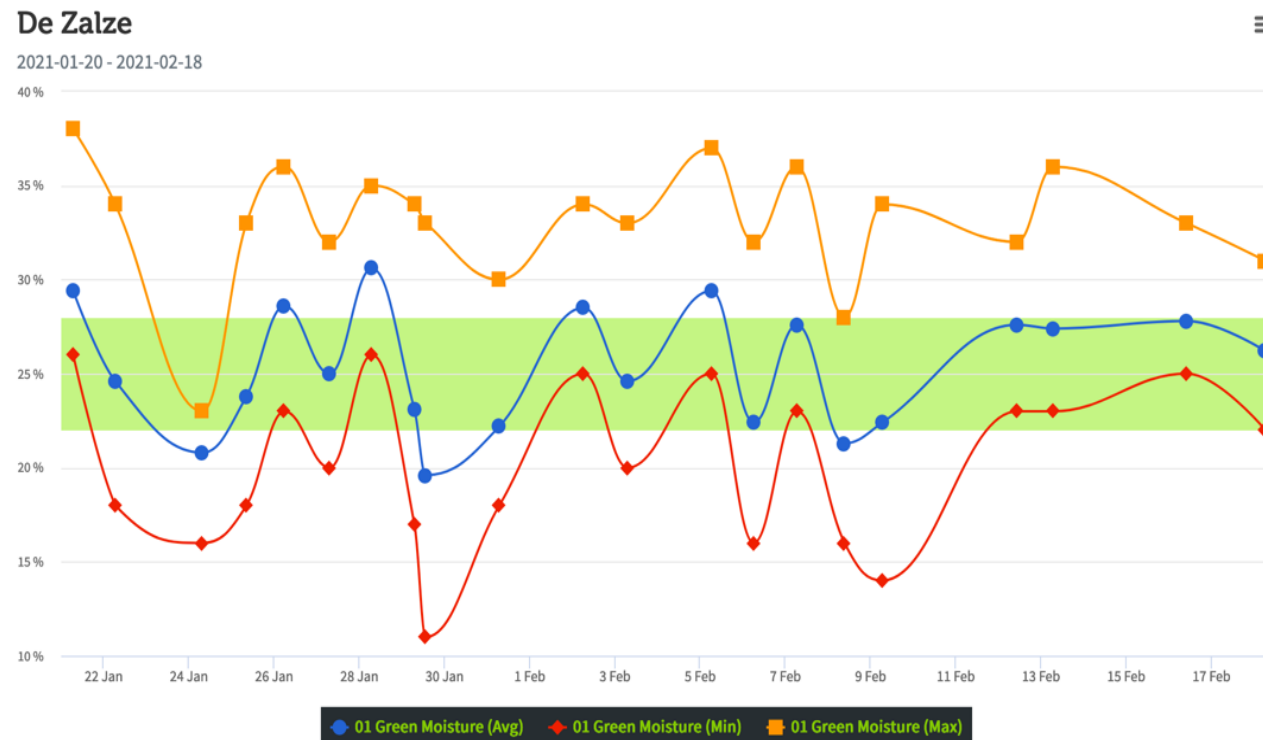
2 = UNSATISFACTORY, NEEDS ATTENTION SOONEST

1 = POOR, NEEDS IMMEDIATE ATTENTION

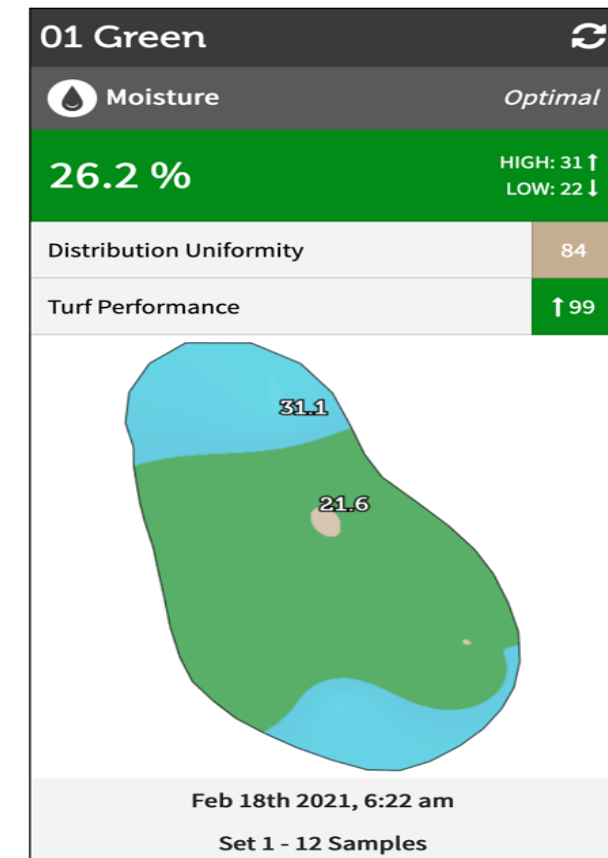
POGO analysis

The graph below shows moisture in green #1 over the period of 20 Jan – 18 Feb. The green band is an INDICATIVE ideal moisture level (it is important to note that for a raft of reasons this band can differ from course to course and even green to green). It is clear that the Max is well above and the min well below, but for the most part the average moisture levels are correct in that period.

In order to show what the “high” vs “low” means, please see image below; The “high” relates to those parts of the green that tend to retain water longer and the “low” to areas that react in the opposite fashion (a very small percentage of the green). We know from this visual to pay attention with hand watering to this central part of the green on that particular day.



Feb 18, 2021





- ⇒ The build up to the POP UP SALE has been exciting and will become a feature of the future
- ⇒ A lot of planning and marketing went into this initiative.
- ⇒ Thanks to Darryn, Jaco and Anene for all the hard work put into this sale.
- ⇒ We received loads of compliments on the effort made
- ⇒ Sales generated over 70K the weekend of 20 February 2021

Membership activity from a Prepaid perspective

Total Number of full Prepaid Members: 85

Utilization 01 August 2020 to 31 January 2021:

Legend

0 - 10	Limited value
11 - 21	Acceptable value
22 - 44	Excellent value
45 - 70	Exceptional value
> 70	Extraordinary value

Rounds played	# of People	Total # of Rounds	Average per member	% of members
0 - 10	7	57	8	8.24%
11 - 21	13	210	16	15.29%
22 - 44	43	1479	34	50.59%
45 - 70	21	1167	56	24.71%
> 70	1	89	89	1.18%
	85	3002		

Value proposition for Prepaid members YTD are: **44 rounds per annum as breakeven (22 rounds for YTD)**

Analysis

- ⇒ **8.24%** of prepaid members are receiving **limited value** for their pre-paid rounds package
- ⇒ **76.47%** of prepaid members are receiving **excellent to extraordinary value** for their pre-paid rounds package

Speed of Play

DATE	Target 4:28
Sat 2 Jan	04:11
Sun 3 Jan	04:22
Wed 6 Jan	04:03
Sat 9 Jan	04:30
Sun 10 Jan	04:49
Wed 13 Jan	04:23
Sat 16 Jan	04:23
Sun 17 Jan	04:32
Wed 20 Jan	04:21
Sat 23 Jan	04:22
Sun 24 Jan	04:39
Wed 27 Jan	04:25
Sat 30 Jan	04:23
Sun 31 Jan	04:24

JANUARY	
Saturday average	04:22
Sunday average	04:33
Wednesday average	04:18
Overall average	04:25

Extract as an example to manage a day

13-Jan Target Time 4:28		
Wednesday Individual Stableford 04:23		
	Target	Actual
Hole 1	15	15
Hole 2	15	14,83
Hole 3	12	10,26
Hole 4	15	12,9
Hole 5	15	13,2
Hole 6	15	15,96
Hole 7	15	13,73
Hole 8	15	15,78
Hole 9	12	11,15
Hole 10	15	11,46
Hole 11	15	15,53
Hole 12	12	10,8
Hole 13	15	13,45
Hole 14	15	16,38
Hole 15	15	12,2
Hole 16	12	11,6
Hole 17	15	18,1
Hole 18	15	14,53
HW	10	15,08

“Analysis of above benchmark areas”

6,8, 11, 14, 17 & Halfway

Formal Members Comments: Comment 1

“The course is in the worst condition it has ever been”

Through our course assessments we can pinpoint problem areas and allocate the necessary resources to address this. We are very aware of where we commit our resources to ensure we achieve the maximum value for our spend.

With our ranking of the course being 70+ % currently we are of the opinion we have a very good offering for the budget we have, and that Golf Data is providing us with the service as per our SLA, in many instances exceeding our expectations. It's our opinion that despite 36-degree temperatures and windy conditions the course has never looked this good this time of the year.

The two people who gave us this formal feedback have been invited to join us during our review sessions. They have indicated their interest for which I am grateful and we await a suitable time for them to join.

Formal Members Comments: Comment 2

“De Zalze’s bunkers are the worst”

We have 83 Bunkers

- ⇒ 46 Fairway bunkers
- ⇒ 37 Greenside bunkers

Approach going forward

- ⇒ Understand the extent of the issues informed through the course reviews
- ⇒ Apply resources to the relevant issues and phasing in of The Vision project plans where appropriate

Fairway Bunkers

- ⇒ Short-term use as waste bunkers will be maintained
- ⇒ As part of Vision project 3 bunkers will be closed

Greenside Bunkers

- ⇒ Focus on irrigation to address compaction
- ⇒ Add sand in areas which are problematic
- ⇒ As part of Vision project 4 bunkers will be closed



Thank you

