

Elements Private Golf Reserve

December 2020

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From the General Manager

Another year has come and gone and only one year ago who could have predicted what a disruptive year it would turn out to be. For most people it will most likely be remembered as their worst year in living memory. Covid 19 has had a devastating impact on people's lives and livelihood. Businesses have been impacted negatively to the extent that many have not and will not survive. Elements did not escape the storm but fortunately was able to ride it.

For the year-to-date total revenue is 33.3% below original business plan forecast and rounds of golf played are 31% below. Costs were reduced at the announcement of the first lock down and have been maintained at reduced levels throughout the year. Our year-to-date revenue loss against original forecast peaked in August at R3.3 million and by the end of December has been reduced to R2.4 million.

The mini boom in golf has continued through December and we experienced another excellent month. Rounds played exceeded original forecast by 56% and revenue by 50%. Total revenue for the month was just a fraction below R1.0 million.

The worst of Covid 19 might not yet be behind us but we are all learning how to manage the virus in a better way. All necessary adjusted level 3 protocols are in place at Elements and we will keep the facilities as safe as we possibly can.

As you know we have recruited a new General Manager and we are pleased to officially announce the appointment of Gerhard Lombard effective 15th February 2021. Gerhard joins the Elements Team with a wealth of finance, business and golf related experience. He is an accountant by profession and has many years' experience in the business of golf. He has served as committee member at prominent golf clubs in Pretoria and has also served on the Gauteng North Golf Union in addition to being a member of the Scratch League team for many years. Gerhard is currently the General Manager at Waterkloof Golf Club in Pretoria. Please join us in extending a warm welcome to Gerhard and his wife and in wishing them both many happy and fruitful years with Elements. We are confident that under Gerhard's leadership Elements will continue to grow from strength to strength.



Golf

A total of 1,450 rounds were played in December which is by far the most ever for this time of year. Rounds were evenly spread throughout the week days and weekends which is typical for December. Merchandize-sales peaked at R125,000.00 which is also the highest ever.

Our original forecast was to play 12,000 rounds during the 2020/2021 financial year and by the end of February we will be somewhere around 9,500.

We adjust our golf rates in January each year and once again we are pleased to advise that the adjustment for 2021 is modest. We have compared prices with other clubs of similar standing and are satisfied that our prices remain very competitive for the quality of golf course and levels of service that Elements offers.



2021 Golf Rates

	Adult				Student/Junior			
	18 Holes		9 Holes		18 Holes		9 Holes	
	2020	2021	2020	2021	2020	2021	2020	2021
Member	R 260,00	R 280,00	R 130,00	R 140,00	R 120,00	R 130,00	R 60,00	R 70,00
Member Guest	R 350,00	R 380,00	R 220,00	R 240,00	R 150,00	R 160,00	R 80,00	R 90,00
Local Lodge Visitor	R 350,00	R 380,00	R 220,00	R 240,00	R 150,00	R 160,00	R 80,00	R 90,00

	2020	2021
STO (min12)	R 300,00	R 300,00
Group (8-36)	R 380,00	R 380,00
Group (37+)	R 350,00	R 350,00
Exclusive use Course	R 30 000,00	R30 000,00
Exclusive use Carts	R 13 500,00	R 13 500,00

Carts	18 Holes 2020	18 Holes 2021	9 Holes 2020	9 Holes 2021
Full Golf Cart	R 380,00	R 400,00	R 250,00	R 270,00
Half Golf Cart	R 230,00	R 250,00	R 150,00	R 160,00
Pull Cart	R 50,00	R 50,00	R 30,00	R 30,00

Driving Range Bucket	R50,00
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	2020	2021
Additional Home Owner Membership Incl Affiliation	R 3 750,00	R 4 250,00
Additional Home Owner Membership Excl Affiliation	R 3 250,00	R 3 650,00
Non Home Owners Incl Affiliation	R 4 350,00	R 4 500,00
HNA Affiliation Card	R 550,00	R 650,00
HNA Lost Card	R 100,00	R 150,00

Composite Membership	
Unlimited Golf With Cart Sharing	R 15 000,00
Unlimited Golf Without Cart	R 9 000,00
25 Rounds of Golf With Cart Sharing	R 9 000,00
25 Rounds of Golf Without Cart	R 5 000,00



Golf Course

The golf course remains in excellent condition despite the cut back in maintenance expenditure earlier this year. Our cost reduction has been achieved primarily through a reduction in employment, less frequent mowing schedules and less machinery to operate and maintain. Improved efficiencies have also played an ongoing role in cost reduction. The horticultural programs have not been affected in any way. The net effect on the course is that fairways, surrounds and semi rough are mowed less frequently. Bunkers are no longer edged as often as in the past. This has absolutely no negative impact on the playability of the course. This is the new norm!!! Under present day conditions this cost reduction is imperative to the ongoing long term financial viability.

We received 106 mm rain during the December, bringing the rain fall for this rain season to 228 mm. Perhaps not enough but certainly sufficient to keep the veld and course grasses growing well. Clearly not sufficient rain has fallen to have any impact on either our 9th/18th dam nor the Hippo dam on Waterberg from where we are going to pump water when it eventually overflows.



Fauna and Flora

We seem to be losing more trees, on and off the course, to the dreaded wood borer and this matter is being properly investigated and an appropriate action plan will be implemented as soon as possible.



Home owner Matters

We are pleased to report that no security violations occurred during the holidays. You will recall we have been working in the area to have three boom gates erected but nothing has come of this at all. Boom gates have proven to be a successful means of reducing crime in an area but so far not enough of our neighbors have committed the funds to allow this to happen. We are now working with our neighbors on another opportunity which we will report on next month if it comes to fruition.



General

The annual Elebula 36 Hole Better Ball Tournament between Zebula and Elements was played in good spirits on the 20th and 21st December. There were a record number of entries totaling 76 players with a strong contingent of 50 coming from Zebula. We held our own against a strong field on the first day at Elements but sadly lost it to a competent opposition on the second round played at Zebula. Zebula beat Elements by an average of 3.4 stableford points which is the biggest winning margin since inception nine year ago. The Tournament is well entrenched and we need to keep it alive and growing year by year. Congratulations to the Zebula management and team on a well-deserved win. The winning tally is now five to Elements and four to Zebula. Well done to the Elements team who put in a great effort. See you all again next year.



As we enter a new year in these uncertain times, we thank everyone of our owners, guests, friends, acquaintances, suppliers, service providers, Trustees and employees for your support, friendship, loyalty and assistance this past year. Without this Elements would never have survived as well as we did through these tough times.

The reputation of Elements has been restored in the eyes of the golfing world with the improved golf course and high standards of friendliness and customer service. It is poised to enter into a new phase of growth and development which hopefully will see the revival of property sales and new home construction.

