

Forms for Standard Country Club Accounting Ready Shortly

FINAL DRAFT of the long-awaited standard accounting forms for country clubs has been sent to Henry Dutton, executive secretary of the Club Managers Association of America by the committee of two, Col. C. G. Holden, manager of Olympia Fields C. C. and Frank H. Murray, manager of Ravisloe C. C., (both Chicago district). These two managers were given this labor of love at the February, 1930, meeting of the managers' association and have been working on the multitudinous details of perfecting the accounting forms ever since.

According to Holden, the report will be released to all members of the association shortly. At present, layouts for the recommended standard ruled forms are in the hands of printers, who are also asked to quote on an explanatory booklet which will accompany the forms. With relation to this booklet, Holden says:

"We have received some criticism on the wording of our explanatory matter, several accounting experts claiming the points raised would be clearer if worded in the language of the profession, and that others of the points are so elementary that no explanation is needed.

"However, Murray and I feel that if we made any mistakes in the report it should be on the side of going too deeply into details rather than leaving certain phases open to possible misinterpretation by managers and club bookkeepers. The whole purpose of these standard forms is nullified if every club adopting the system does not follow the recommendations closely."

Early in their investigations, Holden and Murray discovered it would be impossible to devise a standard system that would suit clubs of all sizes. Very small clubs need to set up very few schedules in order to keep track of their financial progress, while large metropolitan establishments with 1,000 members and over and with complicated departmental operations, need detailed reports on a dozen activities that can be presented in a single entry by the small clubs.

Accordingly, the committee based their work around forms needed by the average

club, one with a membership between 200 and 600. Smaller clubs can easily combine several of the schedules into one; larger ones can subdivide one schedule into two or more reports.

The introduction to the report reads as follows:

With the ever increasing popularity of golf, the operation of country clubs has been developed into an industry of no mean importance. While, of course, country clubs are not conducted for profit, this does not mean that they should not be operated with all possible efficiency.

The annual change of officers, directors and committee chairmen—always men whose interests and experience lie in fields entirely different from club operation—makes it more or less necessary for the club manager to prove anew each year his capability. It is difficult for him to do this without an adequate measuring stick, and difficult for his employers to judge of his efficiency.

The only fair way to weigh the manager's success or failure is through comparison of his results with those of similar clubs, but such comparison is almost impossible because clubs prepare their financial statements in such different forms. Expenses, especially, are distributed in various ways and that causes confusion when attempting comparisons.

The booklet herewith submitted offers a practical method of classification of accounts. The great majority of clubs could adopt it without any too radical changes and without any additional expense other than, possibly, the first order of properly ruled stationery.

In devising this system, clubs with a membership of from 250 to 600 have been particularly kept in mind, but smaller clubs can gain the advantages it offers by combining several expense items into one, and larger ones, by sub-dividing one account into two or more.

Following the lead of other industries, the American Hotel Association of the United States and Canada, and more recently, the National Restaurant Association, have adopted and endorsed a system

of standardized accounts. Very satisfactory progress in their use has been made in both industries.

The ideas evolved by these systems have been followed as far as was practicable in this classification for country clubs.

Attention is called especially to the fact that this bulletin recommends that the expense under the following headings be kept as separate groups and not allocated to the various departments:

Repairs and Maintenance,
Heat, Light and Power,
General and Administrative Expenses.

The reason for this is, briefly, that a segregation into departments would have to be at least partly arbitrary and sometimes wholly so; furthermore, in clubs where seasonal expenses are budgeted, the preparation of a budget is much facilitated by the method recommended.

It will generally be found that the adoption of the proposed classification does not involve radical changes in prevailing methods. The advantages, however, may be far-reaching and will increase in exact ratio to the increase in the use of this uniform system.

We herewith gratefully acknowledge the assistance of Horwath and Horwath in the preparation of this work. — Respectfully submitted, Colonel C. G. Holden, Frank H. Murray.

The system, as devised, will include forms for reporting these club operations:

Statement of Income and Expenses

Statement of Dues and Fees

Departmental Profit and Loss

Statements:

Catering

Beverages

Cigars
Locker Rooms
Rooms
Golf Shop
Privileges

Unapportioned Operating Expenses:

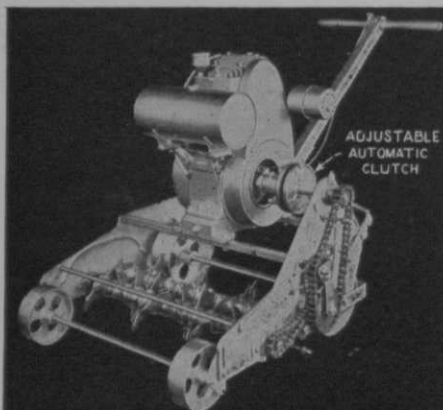
Greens
Grounds Maintenance
Caddies
Clubhouse
Entertainment
Sports and Pastimes
Help's Dormitory
Heat, Light and Power
Repairs and Maintenance
General and Administrative
Occupation Cost

Salaries and Wage Schedules:

Catering
Beverages
Cigars
Locker Rooms
Rooms
Golf Shop
Greens
Grounds Maintenance
Caddies
Clubhouse
Sports and Pastimes
Help's Dormitories
Heat, Light and Power
Repairs and Maintenance
General and Administrative

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