

## ***Statement by the Chairman***

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When I was writing my statement for our 2022 accounts, we were deep in the work required to transfer the activities carried out in our holding company from FSCC<sup>1</sup> in the Isle of Man to England to remove the risk of our annual IMI (Council Tax) charge increasing from €65,000 to €1.5m per annum. I'm pleased to say that this process was completed successfully in July 2023 and has gone as smoothly as could be expected.

Whilst the change has had little impact on our day-to-day operations and member experience, keen eyed readers of the accounts will notice some differences to previous year's editions to comply with English requirements. Firstly, we are again required to have the Company accounts audited<sup>2</sup> and secondly, we are required to provide the Strategic Report that you will find immediately after this statement. There are no changes to the presentation of the accounts, however, to take account of the transfer of the business part way through the year, we have prepared the Company accounts under the predecessor accounting principle with balance sheet values being unaffected by the transfer and the Income Statement being a combination of the two entities i.e. circa seven months from the Isle of Man company with the remainder of the period from the new English company.<sup>3</sup>

Despite the seeming myriad of uncertainties facing the world, the Club had an excellent year with villa occupancy averaging 86.7% compared to 83.7% in 2022 and 82.1% in 2019. Our Guest Satisfaction indicators were consistently high, as was demand for resales where we ended 2023 with the lowest inventory for sale for many years.

<sup>[1]</sup> "FSCC" means the Company's predecessor, Four Seasons Country Club Limited, a company limited by guarantee formerly incorporated in the Isle of Man and registered with company number 017682V

<sup>[2]</sup> The Consolidated Accounts have been audited by Feist Hedgethorne Limited whilst, as in previous years, the accounts of our Portuguese Subsidiary Company have been audited by CF Audit. CF Audit are a registered auditor based at Carlos Ferreira & Associados SROC, Lda, RUA Sophie de Mello Breyner, 45-C, 8200-084 Albufeira, Portugal'

<sup>[3]</sup> In addition to the accounts presented in this booklet, we have also prepared, and the Board has approved, a separate set of accounts that only cover the period from incorporation of the Company in April 2023 to 31 December 2023 and include the results of our Portuguese subsidiary from July 2023. The Balance Sheet included in those accounts is identical to that presented herein and the Strategic and Directors Reports are materially the same, however, the Statement of Income and Retained Earnings and a number of the notes to the accounts are necessarily different, and, in the view of the Board, those accounts do not present a meaningful view of the performance of the Club during 2023. In accordance with English company law, those accounts will be submitted to Companies House, where they will be publicly available. They will also be accessible via the Club's website.

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***Statement by the Chairman  
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I am pleased to report that that the strong trading performance translated to a surplus for the year of €660,155 (2022: €807,890) which has been transferred to our revenue reserve which now stands at €3,310,434 (2022 €2,650,279). The surplus was after making a full allocation of 12.5% of membership fees to the sinking fund and a charge of €195,545 in respect of the transfer of the parent company activity to England. Once again, I would like to thank members for payment of membership fees in a very timely manner.

Of course, the excellent trading and operational performance and high levels of Guest Satisfaction don't happen by accident, and I would like to thank the entire team, ably led by Antonio Pereira da Rosa, for their commitment throughout the year. Over the last few years, we have said goodbye to a number of colleagues who have been with us for a long time and it has been an ongoing challenge to replace these colleagues with people with similar skills and cultural fit. The Board has been pleased with progress to date in this area, although the challenge remains ongoing. During 2023, we saw Carlos Tomé, Marcolino Tomas, Fatima Filhó and Ana Maria Grou, taking retirement and we wish them all well for the future.

At the annual awards evening in November, we were pleased to present ten year service awards to Renato Moreira and Iryna Godzyur from the Kitchen and a twenty five year award to João Carlos Fernandes from Stores. In order to continue to be able to recognise the service of our most loyal colleagues, the Board has decided to add a forty-year service award to the existing ten and twenty-five year awards.

In addition to the evolution of the team at the Club, we will see some changes on the Board this year as Ian Gillies will be standing down at the AGM. Ian has been a director since 2012 and a valuable member of the Board. We are very grateful for his insight and wisdom and he will be missed. In anticipation of Ian's retirement, at our Board Meeting in November 2023, we co-opted Richard Selwyn as a director and in accordance with the Articles of Association, Richard is standing for election at the AGM. Richard is a long standing member of the Club having been a regular visitor for around 30 years. His professional background is in residential property sales and lettings and he is a welcome addition to the Board.

Our programme of renewal and investment in the Club continued during 2023 including partial replacement of the Clubhouse roof; a significant upgrade to our IT systems; new bins in the villa kitchens; replacement of 18 villa air-conditioning units and replacement of some fixtures in the villas such as headboards, stools and shower heads.

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***Statement by the Chairman***  
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Of course, these items are mainly routine in nature especially when compared to the programme of work that is now underway to ultimately provide a new pool, that can be heated throughout the year, and bring villa 97 up to current health & safety standards. Work on the first phase of the project, the construction of a second floor above the mini market to create new offices to enable the removal of the current building adjacent to villa 97, started in early November and is progressing in line with expectations. Whilst there remains much work to do, and a development of this sort inevitably causes some level of noise and disturbance which the team are doing their best to minimise, we are confident that it is a very worthwhile investment in the fabric of the Club.

Ian Hares OBE  
Chairman

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