



VICTORIA POLICE ALPINE CLUB

Incorporated
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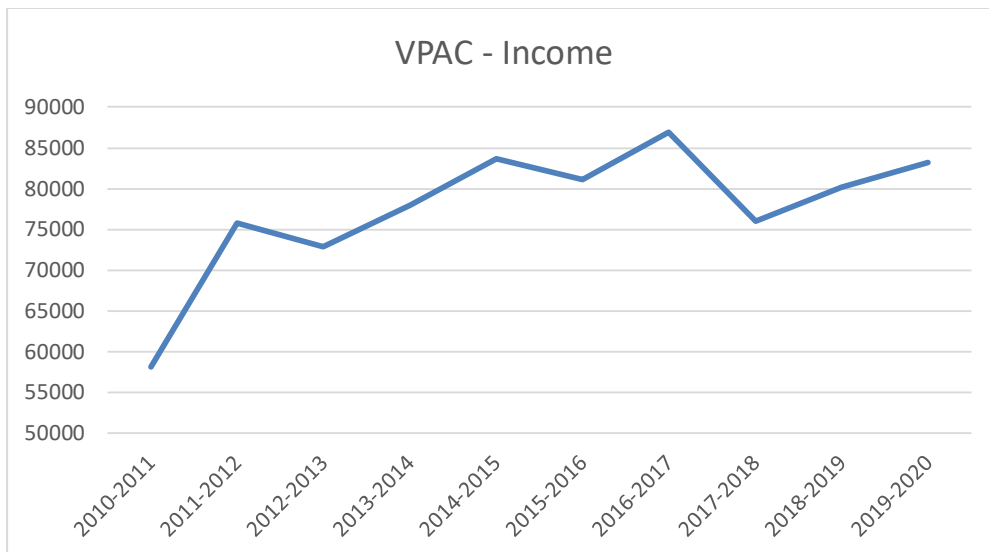
2020 Treasurer's Report – Brian Jones

This is prepared for the financial year ending 31st March, 2020.

The last year had been another bumper year up to mid March. At that point our income was \$85,302.91 total, heading to be our best year ever. The figure for the previous year was \$80,153.10. Our membership has dropped, reflected by a reduction in membership fees, but the income from accommodation has significantly increased. Most years it is around \$70,000. This reporting year was \$76,226.08, until I had to process a number of refunds due to COVID

With the first stages of COVID restrictions, booking stopped and some refunds made. Our closing income was \$83,195.51

Income figures over the last 10 years



Apart from the usual overheads for the Club, there has been again significant reinvestment into our property.

- The AI Fresco area has been further enhanced, and had LED mood lighting installed.
- All lighting throughout the lodge has been upgraded to LED, including the bedroom and living areas. Not only making the bedrooms brighter, but the lodge more energy efficient.
- The open outdoor area at the end of the lodge has had new LED lights and fans installed.
- We have commenced the installation of a sculpture trail, throughout the grounds to encourage more use of the wonderful areas the lodge sits on.
- The finishing touches of repainting the lodge have now been completed.

Even with this outlay, the finances of the Club has improved. Our opening bank balance was \$53,569.64, with a closing balance of \$54,277.96.

Impact of COVID on the reporting period ending March 31st, 2020.

The first wave of restrictions started to hit the lodge early March. A number of bookings were cancelled, and monies refunded. This included several group bookings, totalling nearly \$4,000

This ends the report relative to the previous financial year. Clearly, we were having a great year up to COVID restrictions.

COVID update and looking forward.

Obviously, the thought on everyone's mind is "Where to from here?"

Since mid-March the lodge has either been in partial or full lockdown as a consequence of travel restrictions. The initial *Lockdown 1.0* saw the lodge shut for a short term. In order to open when those restrictions eased, steps were put in place to comply with the requirements. 2 new automated hand sanitiser dispensers were purchased. Bookings were also limited to a maximum of 20 people.

Unfortunately, the ski season didn't last long before *Lockdown 2.0* came along. The lodge has been closed since. Due to the various restrictions, in particular affecting Melbourne residents the lodge was unoccupied for most part since March. As a result, \$6,286 in bookings were refunded to members due to cancellations. These occurred in March (last financial year) and this financial year.

As of 11/9/2020 for this financial year we have only taken \$6248 in bookings. Effectively we have had no accommodation income since the lockdowns commenced. Memberships have continued to be renewed, to date \$6,170.

By the same time last year we had approx. \$45,000 in bookings, which is the typical income for this time of year. Clearly this has had an impact.

Some positive changes

The change to the lighting to more energy efficient LED will help reduce our cost of electricity. On a positive note, as the lodge is empty the Solar panels are quietly making money and we are now in credit.

The caretaker, Kane Lovick has arranged for fencing to enable cattle to be grazed on our paddocks. This in turn saves us from having to pay money to have it slashed and rot on the ground.

Expenses

This financial year as always, many fixed expenses are still ongoing, slowly draining down our reserve. It costs approximately \$20,000 - \$30,000 as a minimum to maintain the lodge. A number of expenses are incurred, regardless of occupancy rates, such as -

- Insurance
- Rates
- Phones
- Gas tank rental
- Internet
- The caretaker is still retained at a reduced rate, as the lodge does need ongoing attention.

Other outgoings

There has been \$6200 in other improvements, which were started prior to lockdown.

The curtains throughout the lodge have been replaced

Sculptures paid for.

All heaters in the bedrooms and bathrooms have been upgraded to fan models with timers. Many of the old panel heaters were inadequate and the timers starting to fail.

No other works are planned to be undertaken until things stabilise.

Note - 1 air-conditioning unit does need replacing but has been put on hold until the future is more certain.

Are we eligible for Government Grants?

NO.

We did not fit under the criteria for sporting Clubs

We do not fit under the criteria for Job keeper etc, as we do not have any employees. The caretaker is a contractor.

We did however get a refund on the BYO Liquor permit

Where do we sit financially?

At the start of the financial year the bank balance of \$54,277.96, at present it is \$36,000.

I have forecast a long-term budget with known expenses, in the event we cannot open for some time. As can be seen although our reserves slowly reducing, we are in a very good financial position to ride this out for a lot longer than will be required.

Assuming we can't open in any form our finances will be –

- At present \$36,000
- At the end of December \$25,000
- April 2021 \$21,500
- April 2022 (18 months away) \$6,000

I would expect that the lodge will be open in at least some form by at least the end of the year. With the likelihood that international travel may be years off, and interstate may be restricted, regional travel will see a boom. This should also see the lodge utilised more over the summer period than normal.

There are a number of possible restrictions that may be in place for shared accommodation similar to the lodge. This may include restrictions such as -

- maximum numbers eg 10, 20 people etc
- restricted number of separate bookings / families per area. (It is not really feasible to segregate the lodge into separate areas if this is required)
- more extensive cleaning, eg complete cleaning/sanitation of every single surface between bookings.

There is likely to be additional expenses to comply with any requirements on accommodation, but that is yet to be seen.

Brian Jones
Treasurer
Victoria Police Alpine Club

17th September, 2020