

Ku-ring-gai Alpine Lodge – President’s Report 2020

On behalf of the Directors, I am pleased to present the Annual Report of the Lodge’s operations for the 12 months ending 31 December 2020.

Financials

Income from bookings was down considerably from 2019 due to the COVID 19 pandemic that resulted in Lodge closure through winter.

National Parks and Wildlife Service subsequently provided Rent Relief of \$7,911. This is the rent waived permanently; an equal amount has been deferred.

Notable expenditure variations from last year were:

Audit Fees increased \$4,750 due to new accounting standard disclosures. This is a one off increase only. (The 2021 fee was down \$4,150 to \$5,600.)

Insurance was up \$13,727 to \$24,226. Insurance costs have risen dramatically over the past year and this will be a continuing cost. Annual member subscriptions are based on fixed costs such as insurance and the increase in premiums will result in an increase to the annual subscription amounts. The increase is being phased in over 2021-2023.

Changes in the insurance environment have impacted ski lodges in NSW and Victoria significantly. SLOPES has taken on the task of finding a broker who can provide comprehensive coverage for all member lodges. The change to the insurance environment has been driven by an increase in extreme weather events worldwide. The recent fires in the area were another red flag. Insurers have suffered significant losses recently and are becoming more risk averse. Thankfully we joined the SLOPES initiative from the outset to ensure ongoing insurance cover. Lodges who declined this option are now struggling to get insurance. The increased cost is frustrating for lodges like ours who rarely make a claim.

Interest Expense is a notional charge on our lease liability under the accounting standards. The expense amount has dropped due to NPWS rent relief. The reduction is not equal to the rent relief as the lease year runs from July to June and the relief covers two lease years.

Maintenance and refurbishing was down as access to the lodge was restricted due to COVID. No Easter work party was undertaken in 2020.

Food cost down \$2,782 No food purchased due to uncertainty around COVID regulations and potential for waste.

Gas down \$8,830 due to the winter COVID closure. Some gas was used for minimal heating to ensure water pipes didn’t freeze.

Electricity down \$2,793 due to the winter COVID closure.

Laundry down \$5,098. No Linen service during Winter 2020 due to Lodge closure.

The new windows in bedrooms 6, 7, 8, 9 and in the bathrooms for rooms 7, 8, 9 cost \$26,400 which is in the Statement of Financial Position.

The net loss for 2020 is \$42,520. The Club’s cash position remains strong with \$90,000 in cash however a return to normal occupancy is needed.

Membership Transfers

There has been one transfer in 2020: Estate of Hugh Macready to Kate Lyons
I welcome Kate to membership of the Lodge.

Lodge Upgrades and Maintenance

The major upgrade works done this year was:

- the replacement of windows in bedrooms 6, 7, 8, and 9 with double glazed models. Window frames are in UPVC, colour is Anthracite like the new windows in the living area. These have new blinds fitted. The cost of the new windows was \$26,400. Thanks to James Crook for sourcing, organising and visiting to supervise installation. Corresponding sills and reveals were repainted.

There were some smaller items of maintenance and improvements, including:

- Purchase of new artwork (historical alpine sports theme) for bedrooms.
- Replace base plinth for freezer in the kitchen.
- Preparing the lodge for winter without visitors and monitoring for safe functioning.

Easter Work Party

The work party for 2020 was not able to go ahead due to the COVID 19 outbreak and travel restrictions. Firewood was delivered to the lodge and stacked by the supplier.

2021 Winter Season

We are optimistic about opening for the winter this year and are currently looking at guidelines to ensure compliance with COVID regulations whilst operating in a practical manner. The board acknowledge the frustrations with regulations that decrease the convenience and freedom traditionally associated with a stay at KAL.

At this point SLOPES is preparing guidelines for Clubs for the coming winter.

Perisher View Building

Planning NSW and NPWS appear to have allocated a building lot adjacent to the Church and below KAL on Burrumys Road. This is proposed as the building site for Perisher View, a Hotel previously located up on the Hill and Perisher Gap. The initial DA by Perisher View was vigorously opposed by a number of Ski lodges and other local interests. The rights (essentially rights to provide accommodation with an allocated number of beds) were subsequently sold to Steven House who has planned a more modest building and is considering feedback prior to any DA. The Board are in contact with planning NSW and other Lodges.

Perisher Cup

Unfortunately this event did not run in 2020.

Lodge President

On behalf of members the Board thanked Gordon Cox for his outstanding leadership and contribution to the running of the Lodge for many years. He was keen to step down from the position of President but thankfully remains on the Board. Gordon is a foundation member of the Lodge and contributed to the initial building effort in 1961-2. His energy, wisdom and guidance have been crucial to the effective functioning of the Lodge over many years. He was President of the Lodge from 2011 - 2019.

Thanks

I would like to thank members for their patience and support during a challenging year. The news that I have had to deliver has not been what we would hope for. None of us want our winter holidays impacted negatively. Thanks to those who organised maintenance, repairs and installation, our booking secretary Pam Woodman, and your directors.

A particular thanks to the board members for navigating some new challenges and making tough decisions due to the COVID 19 pandemic.

Also acknowledgment to SLOPES who advocate, provide support and guidance.

Simon Pardey
President 17 April 2021