

Treasurer's Report

In 2023, Mt Hotham accounted for 57% of the Club's accommodation income, which reflects the high occupation level in combination with the substantially higher rates we can achieve for Hotham. We achieve these higher rates because Mt Hotham is "on-snow" accommodation, versus Jindabyne which is a 40-minute drive, on a good day to reach the snow.

In 2023 the Club made a modest surplus of \$17,740, which included a non-cash depreciation charge, combined for both lodges, of \$37,628. So, while both lodges are operating well financially, we are generating sufficient surpluses to ensure we can continue to withstand future 'hiccups' & have sufficient reserve funds to invest back into the Lodges.

Of some interest is that we are carrying retained losses of \$132k as at 31/12/2023 which is at the bottom of the equity section of the Balance Sheet. To explain how this figure was derived, for the benefit of the newer members of the club, we have also attached a "Retained Earnings Transaction" report.

This report shows in 2016 we already had an accumulated loss of \$113.5K.

This was due to the Jindabyne lodge subsidising the Mt Hotham lodge, which at that time Hotham was only achieving about 30% usage, even in peak season. This low occupation level was exacerbated by the fact that the Club still had a debt of approximately \$140k in 1994 on Hotham and paying interest on that debt. So, the then Treasurer John Kessler, restructured the loans to remove the Hotham's debts at Jindabyne's expense and I have been advised there would be a large component of that interest debt, still included in the \$113.5K accumulated loss.

Moreover, the problems with Hotham's under-utilisation persisted until quite recently when we successfully started sourcing Melbourne memberships. So, now the Hotham bookings are consistently good.

Also, you will notice there was a loss in 2018 and this was due to the application of Depreciation, which allows us to create reserve funds.

Obviously, the 2020/2021 losses were the result of Covid with next to no bookings while the strong 2023 result reflects the rate increase introduced by the board for the 2023 season in combination with a high level of utilisation of both lodges.

Chris Boseley

Treasurer