



THE HILLS CLUB

THE HUB OF THE HILLS

Directors Reports
Year ending 31st May 2022



Board of Directors



Chairperson
Ken Carroll



Vice - Chairperson
Elizabeth Leahy



Treasurer
Joe Logue



Director
Dennis Halford



Director
David Smith



Director
Phil Axiak



Director
Karen McCann



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Chairperson's Report

Dear Members,

The 2021/22 financial year has been a very busy one for the club. We have continued to be a very important social and sporting hub in Baulkham Hills. We have improved across all functional areas of the club with many members and visitors enjoying what we have to offer.

Our Treasurer, Joe Logue and our Auditors will outline in detail the financial situation for 2021/22 which shows us finishing with a solid cash profit for the year.

Our General Manager, Melissa, along with our Operations Manager Luke and all of the staff have performed outstandingly and this is reflected in the number of people we see coming into the club.

I want to focus this report on our volunteers – without whom our club would not be in such a strong position.

Firstly, there are those members who turn up every Monday morning, under the leadership of Director David Smith, to do many of the regular maintenance jobs around the club; including mowing lawns, trimming shrubs, cleaning, painting and many other projects. We estimate that this group of very keen volunteers save the Club in excess of \$40K each year.

We then have the volunteers who help to make sure bowls continue for both the women and men. This includes bowls coordination, umpiring, selectors, and the management committees for both the women and men. We have had some great successes in bowls – in particular picking up the 2022 Zone 10 Club Encouragement Award.

Finally, the Board of Directors who give up an extraordinary amount of time on behalf of the members. A special mention goes to Karen and Elizabeth who have managed the delivery of new bowls uniforms – often with great challenges.

We are still moving ahead with the redevelopment of the Club – but it is proving to be a very slow process outside of our control. We submitted a Planning Proposal to the Council in March 2021 and after receiving many comments and recommendations a revised Planning Proposal has been submitted. We are waiting on the Council to endorse the proposal for submission to the NSW Planning Department who are the approving authority for this type of development.

I would like to thank all of our wonderful members who continue to come to the Club and contribute to our success.

Thankyou

Ken Carroll
Chairperson



Treasurer's Report – Financial Year Ending 31st May 2022

Dear Members,

Over the past year we made an Operating Profit of \$268K. This resulted in a Net Loss for the year of \$232K for the year after all Auditors adjustments. This large turn around was a result of providing \$493K depreciation.

For those of you who do not understand what depreciation is, allow me to explain. Firstly, and most importantly, depreciation is a non cash item. It was introduced as an accounting standard mainly for public companies to prevent them from distributing all their annual profits to their shareholders. The principle behind the provision was to ensure sufficient funds were retained to replace their plant and equipment when eventually it became non operational.

It has no effect whatsoever on the club's profitability. It may be easier for you to understand by looking at the opposite situation. You would have purchased your home many years ago at a price that is totally unrelated to the current value of your property. Does this make you rich? No, but it does give you comfort if for some reason or other that you may choose to sell. Our profit is down on last year due to several major impacts on trading.

The club was closed for three months due to Covid. The reaction of members compared to last Covid closure was much more subdued. Even government give aways had to be extended due to lack of take up by the public.

Government subsidies were drastically reduced from the previous year along with the treatment of wage subsidies.

Additional costs, both cash and non cash provisions were incurred due to the introduction of new leasing regulations.

Despite all these trials and tribulations the club has managed to achieve a modest but sustainable profit for the year. For this we have to thank the staff and in particular our General Manager who has made a great leap forward in her management and accounting skills in such a short time.

Hopefully, with your support and patronage we will achieve greater results going forward.

Joe Logue
Treasurer

The Hills District Bowling Club
Consolidated Profit and Loss

	2022	2021
Income		
Trading	1,856,746	2,085,707
Gaming	1,985,298	2,573,109
Raffles	534,780	17,830
Total Income	4,356,824	4,676,646
Cost of Sales	1,151,922	836,290
Gross Profit	3,204,902	3,840,356
Other Income	192,959	386,937
Total Surplus	3,397,861	4,227,293
Operating Expenses		
Audit/Accounting Fees	42,989	39,816
Bowls	23,297	23,264
Cleaning	115,044	144,358
Directors Expenses	22,238	22,288
Employee Costs	1,518,972	1,875,801
Entertainment	327,952	346,430
Finance Costs	77,086	70,556
Greens Maintenance	57,595	30,733
Insurance	115,210	113,895
Lease Payments	80,851	-
PM Revenue Tax	280,067	382,218
Repairs & Maintenance	98,802	114,677
Security	47,708	59,435
Utilities	119,021	132,614
Other Operating Costs	85,059	54,187
Total Outgoings	3,009,891	3,410,272
Non Cash Expenditure		
Loyalty Reward System	78,168	141,590
Other Non Cash Items	41,069	58,380
Total Non Cash Expenditure	119,235	199,970
Total Operating Costs	3,129,126	3,610,242
Operating Profit & (Loss)	268,735	617,051
Non Cash Expenditure		
Depreciation	411,154	417,438
Amortisation	81,828	17,228
Loss on Disposal of Assets	7,033	
Total Non Cash Expenditure	500,015	434,664
Net Profit & (Loss)	- 231,280	182,387