



CDKCC



**2021 ANNUAL REPORT
OF
COMBINED DISTRICTS KART CLUB**



Mission Statement

Combined Districts Kart Club aims to deliver good quality race meetings that caters for all levels of ability as well as actively promoting a family friendly environment.

Values

We will:

- Conduct race meetings in accordance with Karting NSW rules & regulations.
- Treat people with dignity, be open, respectful, ethical and accountable in our behaviour and outcomes
- Maintain high quality services and continuous improvement
- Value input from members and other stakeholders
- Ensure compliance with CDKC Constitution
- Consider member and stakeholder safety at all times.



I would like to take this opportunity to thank the members of the committee and the members of the club for their support over the past 12 months.

CDKC has continued to focus on the long-term strategy of providing a "family friendly" environment to go racing.

The 2020/2021 year was another strong year for the club. Our average entry numbers for the 5 race meetings held in the 2021 is 92, this is a solid improvement on previous years. Unfortunately, the lockdowns in Greater Sydney and NSW may hamper our race meeting post the clubs financial year.

For the 20/21 financial year the club posted a surplus of just over \$30 000.00

Construction of the new race control centre started in early January and despite the Covid related challenges is making progress. The new Tech shed is planned for completion in August 2021 and will then require some fencing, the building of a new in grid and the utilities completed. I would like to thank all those that have contributed in any way to help with this project, with special mentions to Mitch Lozina, Harris Barrington, Jered Lynch and Peter Toole. Thankyou







The current committee would welcome some new faces to help drive the future of the club.

Finally, I would like thank Lilian Stones for the outstanding job she has done as the club's Membership officer and more recently also looking after our canteen. Lilian is stepping down for the Committee for a well-earned rest.

Our Club Champions for 2020 are

- Josh Hunter (Novice/Rookie)
- Daniel Frougas (Junior)
- Brad Pay (Senior)

Our thanks go to all members that supported our club events.



Thank you to all the members who have supported the club and please continue to support us with your entries, practice time at Lithgow and assistance with making CDKC and Lithgow City Raceway a better place.

Secretary's Report

Brad Lemon

I would like to thank the members of who have contributed to the running of CDKC over this unusual period in our club history.

Our race meetings this year have had a promising upswing of new Junior entries across all categories. This is great to see obviously, but most importantly will provide an opportunity for future growth.

Despite the challenges faced, the club finances are in good shape and with the grants received for the new tower and tech shed area, our club has been able to facilitate capital improvements to the track, which will be of benefit for many years into the future.

Many thanks to our President, Russell Becker, who has taken on many responsibilities and kept all items moving over the last number of seasons.

Our VP Stephen Wright, who despite moving interstate, has kept up his commitment to our club.

Our Treasurer, Mitch Lozzina, has also worn a number of responsibilities with the construction work on top of finances.

Special thanks to Lilian Stones, who has served our club for many years and also took on the running of the Canteen this year on top of the membership secretary role. Our club would not be what it is today without you and we are very much in your debt.

Also, thank you to the Freeburn family who have been a core element of raceday activities since I have been on the committee.

Lastly, I encourage all members to consider getting involved with being on the club committee.

Treasurers Report – Mitch Lozina

The central theme for most things in 2021 centred around the Covid 19 virus. For karting and for the Club in particular, the situation has been no different. In the time periods that we emerged from the lockdowns, the Club has witnessed great numbers in both practice sessions and races. The January meeting was particularly notable and demonstrated the effect that National events have on Club racing.

The Club has done particularly well despite the difficulties we have experienced with the Covid epidemic. If anything, the restrictions of movement across state borders seems to have assisted the Clubs. Comparisons with last year are as follow:

Profit & Loss	2020	2021
Operational Income	106595	162574
Operational Expense	128777	90693
Operating Profit	-22182	71881
Depreciation	26930	27810
Operating Profit excluding Depreciation	4748	44071
Financial Position		
Current Assets (Cash in Bank)	58669	100936
Non Current Assets (Buildings & Track)	767143	741677
Current Liabilities	14828	15050
Non-Current Liabilities (Loan)	57500	47499
Net Assets/Members Funds	753485	780064

Income has increased significantly recording a 'paper' profit of \$44,071 (after taking into account depreciation). Realistically, the profit is in the order of \$27,000.

The significant difference in the overall outcomes can be explained in part by two unusual items; the income from the sale of caravans and the collection of sponsorship for the Australian Kart Grand Prix. The total of these two items equates to just under \$17,000.

The total figures shown in the profit and loss statement are also unusual in that the money we have received from the grant and the expenditure for those purposes are included. For the above summary I have excluded the grant income and expenditure so that we get an "apples for apples" comparison.

Overall, the Club has made a profit, which is always a good thing.

Items of Note

During the financial year, I endeavoured to clean up the caravan situation both from a legal perspective and in the visual form. There are no longer any abandoned caravans on site. Every caravan is either owned by an active member, or by the Club. We also have a register of owners and contracts held in a central location for easy access.

The Club has purchased its own radios for the officials and that should result in savings of \$1200 annually after our initial payback period of 2 years.

The expensive telephone and internet service was disconnected in March 2021. The internet service will be replaced by a high speed 4G internet service. The saving is in the order of \$1044 annually.

The Club's accounts are not required to be audited by law. Not having the accounts audited will save the club a further \$1,000 annually. To ensure that the Club's accounts are not subject to conjecture, any Committee member will have access to the bank accounts should they request same. We presently have a number of Committee members that have access to the bank accounts. Any member is entitled to inspect the financial documents held by the Club.

The Future

An analysis of the accounts demonstrate a problem that will manifest itself in the long term. Presently, the cost per race entry for the Club is approximately \$173. Whilst this is a rudimentary manner of analysing the figures, it does demonstrate that the 'racing' component of the Club's expenditure is significantly subsidised by other income producing activities. Practice fees, Track hire to enduro clubs and membership fees respectively are the most obvious income producing items.

Our biggest asset is also our biggest future liability. The land, track and improvements depreciate annually and as we know, time flies by rapidly. Our fences, clubhouse and toilets are in need of improvement and/or repair. Our present income, whilst sufficient to meet our immediate needs, is insufficient to meet the needs of the future, especially if we wish to expand on what we already have.

Given the above, I have proposed that we increase race entries and practice fees by \$20 and \$5 respectively. I further proposed that we invest that income in a separate income earning fund with the purpose of funding future track resurfacing and building maintenance and construction. Given that we have recently resurfaced the track, acting now should enable future Committees to make maintenance decisions without wondering how it will be funded and without being reliant on government grants.

I am excited (although often frustrated) when I think about where we can be in a few years time. My hope is that we will all witness the Club building a track extension (with a bridge), a new clubhouse and toilets in the very near future. Let's hope that karting continues to improve and that CDKC is a big part of that improvement.

Thank you

I would personally like to thank Cheryl Freeburn for her hard work over the last couple of years as the Treasurer and for making the transition an easy one. I'd also like to thank Lillian Stones for her tireless work over a very long period of time. Her work in the canteen and help in dealing with the caravan situation was invaluable given her history with the Club.

Outside my role as Treasurer, I need to thank Peter Toole, Russell Becker, Dave Freeburn and Harris Barrington for their assistance with regard to tower related matters. It's been an epic adventure to get it to where it is today. An adventure that would have been much more difficult without their continued assistance.

