

Attunga Ski Lodge Limited

ABN: 42 003 043 016

Financial Statements

For the Year Ended 30 September 2012

ATTUNGA SKI LODGE



CHAIRMAN'S REPORT

ATTUNGA SKI LODGE LIMITED

FINANCIAL YEAR ENDED 30TH SEPTEMBER, 2012

It is my pleasure to report to you on the company's activities during the Financial Year ended 30th September, 2012.

It is pleasing to report that the lodge has had an excellent year and much thanks must go to Elsa and Errol who have done an excellent job in managing the lodge this year. Fortunately "Mother Nature" helped as I had some of the best skiing in Australia last winter than I have had for many years.

You will all be aware of recently completing a member survey. One issue members were passionate about is completing the renovations. Currently we are going to tender on having that work done and at this stage the dates are not yet known.

The 2012 ski season was excellent – a repeat this year would be great!

Please continue to provide welcome feedback.

We look forward to future success.

The Board would like to take this opportunity to wish all members well for the 2013 year and season.

Yours sincerely,

PETER MULLENS
Chairman

Attunga Ski Lodge Limited

ABN: 42 003 043 016

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30 September 2012

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Attunga Ski Lodge Limited

ABN: 42 003 043 016

Directors' Report

30 September 2012

Your directors present their report on Attunga Ski Lodge Limited for the financial year ended 30 September 2012.

1. General information

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names

Peter J Mullens

Derek C Goodyer

Russell S Debney

Stephen M Levett

David P Wolski

Ian F Woods

Jeoffrey R Falls

Hedda Moll

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Information on directors

Peter J Mullens

Position Chairman

Interest in shares and options 7,000

Years of Directorship 24

Derek C Goodyer

Position Director

Interest in shares and options 7,000

Years of Directorship 18

Russell S Debney

Russell S Debney Director

Interest in shares and options 7,000

Years of Directorship 21

Stephen M Levett

Position Director

Interest in shares and options 7,000

Years of Directorship 24

David P Wolski

Position Director

Interest in shares and options 7,000

Years of Directorship 21

Directors' Report

30 September 2012

1. General information continued

Information on directors continued

Ian F Woods

Position	Director
Interest in shares and options	7,000
Years of Directorship	19

Jeoffrey R Falls

Position	Director
Interest in shares and options	7,000
Years of Directorship	4

Hedda Moll

Position	Director
Interest in shares and options	7,000
Years of Directorship	4

Principal activities

The principal activity of Attunga Ski Lodge Limited during the financial year was the operation of a ski lodge at Thredbo in the Kosciuszko National Park for the benefit of shareholders.

No significant changes in the nature of the entity's activity occurred during the financial year.

2. Operating results and review of operations for the year

Operating results

The profit of the company after providing for income tax amounted to \$ 82,546 (2011: \$ (77,942)).

Review of operations

A review of the operations of the company during the financial year and the results of those operations show an increase in cash following improved accommodation and membership fees.

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the company during the year.

Matters or circumstances arising after the end of the year

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Directors' Report

30 September 2012

3. Other items continued

Future developments and results

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental issues

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Environmental matters

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

Company secretary

The following person held the position of company secretary at the end of the financial year:

Derek C Goodyer (Director) has been the company secretary since 31/10/1994.

Meetings of directors

During the financial year, two meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Peter J Mullens	2	2
Derek C Goodyer	2	2
Russell S Debney	2	2
Stephen M Levett	2	2
David P Wolski	2	2
Ian F Woods	2	1
Jeoffrey R Falls	2	2
Hedda Moll	2	2

Indemnification and insurance of officers

The company has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a willful breach of duty in relation to the company. The amount of the premium was \$1,234 (2011: \$1,143).

Directors' Report

30 September 2012

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

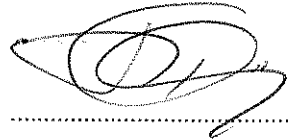
Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 September 2012 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

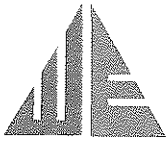
Director: 

Peter J Mullens

Director: 

Jeffrey R Falls

Dated 31 JANUARY 2013



Watson Erskine Pty Ltd
Chartered Accountants

ABN 44 125 509 015

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Attunga Ski Lodge Limited

ABN: 42 003 043 016

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Attunga Ski Lodge Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 September 2012, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Watson Erskine Pty Ltd

Registered Audit Company

Watson Erskine Pty Ltd

B P Wise

B P Wise
Director

Sydney

31 January 2013

Attunga Ski Lodge Limited

ABN: 42 003 043 016

Statement of Comprehensive Income

For the Year Ended 30 September 2012

		2012	2011
	Note	\$	\$
Revenue	11	306,394	170,304
Depreciation and amortisation expense		(35,717)	(53,202)
Lease rentals on operating lease		(41,077)	(30,108)
Catering and lodge manager fees		(54,868)	(62,698)
Electricity, gas and water		(27,448)	(30,553)
Insurance		(24,205)	(13,649)
Repairs and maintenance		(9,402)	(27,741)
Other expenses		(31,131)	(30,295)
Profit before income tax		82,546	(77,942)
Income tax expense	12	-	-
Profit from continuing operations		82,546	(77,942)
Profit for the year		82,546	(77,942)
Other comprehensive income:			
Total comprehensive income for the year		82,546	(77,942)

The accompanying notes form part of these financial statements.

Attunga Ski Lodge Limited

ABN: 42 003 043 016

Statement of Financial Position**As At 30 September 2012**

	Note	2012 \$	2011 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	144,391	85,365
Trade and other receivables	3	49,168	33,961
Other assets	6	-	10,087
TOTAL CURRENT ASSETS		<u>193,559</u>	<u>129,413</u>
NON-CURRENT ASSETS			
Other financial assets	4	13,000	13,000
Property, plant and equipment	5	161,967	197,682
TOTAL NON-CURRENT ASSETS		<u>174,967</u>	<u>210,682</u>
TOTAL ASSETS		<u><u>368,526</u></u>	<u><u>340,095</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	9,083	62,900
TOTAL CURRENT LIABILITIES		<u>9,083</u>	<u>62,900</u>
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>9,083</u>	<u>62,900</u>
NET ASSETS		<u><u>359,443</u></u>	<u><u>277,195</u></u>
EQUITY			
Issued capital	8	1,354,191	1,354,491
Retained earnings		(994,748)	(1,077,296)
TOTAL EQUITY		<u><u>359,443</u></u>	<u><u>277,195</u></u>

The accompanying notes form part of these financial statements.

Attunga Ski Lodge Limited

ABN: 42 003 043 016

Statement of Changes in Equity

For the Year Ended 30 September 2012

2012

	Ordinary Shares	Retained Earnings	Total
Note	\$	\$	\$
Balance at 1 October 2011	1,354,491	(1,077,293)	277,198
Profit or loss for the year	-	82,546	82,546
Transactions with owners in their capacity as owners			
Change in sinking fund	(300)	-	(300)
Sub-total	(300)	82,546	82,246
Balance at 30 September 2012	1,354,191	(994,747)	359,444

2011

	Ordinary Shares	Retained Earnings	Total
Note	\$	\$	\$
Balance at 1 October 2010	1,335,400	(999,351)	336,049
Profit or loss for the year	-	(77,942)	(77,942)
Transactions with owners in their capacity as owners			
Share contributions called up during the year	19,091	-	19,091
Sub-total	19,091	(77,942)	(58,851)
Balance at 30 September 2011	1,354,491	(1,077,293)	277,198

The accompanying notes form part of these financial statements.

Attunga Ski Lodge Limited

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Statement of Cash Flows

For the Year Ended 30 September 2012

	2012	2011
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	287,342	205,583
Payments to suppliers and employees	(230,685)	(152,070)
Interest received	2,669	2,367
Net cash provided by (used in) operating activities	17 <u>59,326</u>	<u>55,880</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	-	(1,705)
Net cash used by investing activities	-	<u>(1,705)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Capital contributions from shareholders	-	19,091
Change in sinking fund	(300)	-
Net cash used by financing activities	<u>(300)</u>	<u>19,091</u>
Net increase (decrease) in cash and cash equivalents held	59,026	73,266
Cash and cash equivalents at beginning of year	85,365	12,099
Cash and cash equivalents at end of financial year	2 <u><u>144,391</u></u>	<u><u>85,365</u></u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 September 2012

The financial report covers Attunga Ski Lodge Limited as an individual entity. Attunga Ski Lodge Limited is a for profit company limited by shares, incorporated and domiciled in Australia.

1 Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(c) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Land and buildings are measured at cost less accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Notes to the Financial Statements

For the Year Ended 30 September 2012

1 Summary of Significant Accounting Policies continued

(c) Property, plant and equipment continued

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Capital Works in Progress	9-30%
Furniture, Fixtures and Manchester	7.5-40%
Renovations and improvements	2.5-4%

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(e) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(f) Income tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting year. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Notes to the Financial Statements

For the Year Ended 30 September 2012

1 Summary of Significant Accounting Policies continued

(f) Income tax continued

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

(g) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(h) Revenue and other income

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Attunga Ski Lodge Limited's activities as discussed below.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

All revenue is stated net of the amount of goods and services tax (GST).

(i) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Notes to the Financial Statements

For the Year Ended 30 September 2012

1 Summary of Significant Accounting Policies continued

(j) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key judgments - provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

(k) Adoption of new and revised accounting standards

During the current year, the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Attunga Ski Lodge Limited.

Standard Name	Impact
AASB 124 Related Party Disclosures and amending standard AASB 2009-12	No significant changes on adoption of this standard.
AASB 2010-4 / 2010-5 Amendments and further amendments to Australian Accounting Standards arising from the Annual Improvements Project	No significant changes on adoption of this standard.
AASB 2010-6 Amendment to Australian Accounting Standards – Disclosures on transfers of financial assets	No significant changes on adoption of this standard.
AASB 1054 Additional Australian disclosures / AASB 2011-1 Amendments to Australian Accounting Standards arising from Trans-Tasman convergence	Minimal impact since most of the disclosures required by AASB 1054 are already included within the financial statements.

Notes to the Financial Statements

For the Year Ended 30 September 2012

1 Summary of Significant Accounting Policies continued

(I) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The company has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the company:

Standard name	Effective date for entity	Requirements	Impact
AASB 13 Fair Value Measurement. AASB 2011-8 - Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	30 June 2014	AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted. There are a number of additional disclosure requirements.	Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required. The entity has not yet determined the magnitude of any changes which may be needed. Some additional disclosures will be needed.
AASB 2011-9 - Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income.	30 June 2013	Entities will be required to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).	The items shown in other comprehensive income will be separated into two categories.

2 Cash and Cash Equivalents

	Note	2012 \$	2011 \$
Cash at bank		144,391	85,365

Attunga Ski Lodge Limited

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Notes to the Financial Statements For the Year Ended 30 September 2012

3 Trade and Other Receivables

	2012	2011
Note	\$	\$
CURRENT		
GST refundable	839	5,468
Contributions receivable from shareholders	46,711	26,875
Other receivables	1,618	1,618
Total current trade and other receivables	49,168	33,961

4 Other Financial Assets

	2012	2011
Note	\$	\$
NON-CURRENT		
NAB National Income Securities	13,000	13,000

5 Property, Plant and Equipment

Plant and equipment		
At cost	141,919	141,919
Accumulated depreciation	(117,200)	(114,942)
Total plant and equipment	24,719	26,977
Furniture, fixture and fittings		
At cost	187,192	187,192
Accumulated depreciation	(167,018)	(162,350)
Total furniture, fixture and fittings	20,174	24,842
Computer software		
At cost	564	564
Accumulated depreciation	(564)	(564)
Leasehold Improvements		
At cost	1,254,886	1,254,885
Accumulated amortisation	(1,137,812)	(1,109,022)
Total leasehold improvements	117,074	145,863
Total plant and equipment	161,967	197,682
Total property, plant and equipment	161,967	197,682

Attunga Ski Lodge Limited

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Notes to the Financial Statements

For the Year Ended 30 September 2012

5 Property, Plant and Equipment continued

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment \$	Furniture, Fixtures and Fittings \$	Improvements \$	Total \$
Balance at 30 September 2012				
Balance at the beginning of year	26,977	24,842	145,863	197,682
Depreciation expense	(2,258)	(4,669)	(28,788)	(35,715)
Balance at 30 September 2012	24,719	20,173	117,075	161,967
Balance at 30 September 2011				
Balance at the beginning of year	29,544	29,209	190,438	249,191
Additions	-	1,705	-	1,705
Depreciation expense	(2,567)	(6,072)	(44,563)	(53,202)
Assets written off	-	-	(12)	(12)
Balance at 30 September 2011	26,977	24,842	145,863	197,682

6 Other Assets

	2012 \$	2011 \$
CURRENT		
Prepayments	-	10,087

7 Trade and Other Payables

	2012 \$	2011 \$
CURRENT		
Unsecured liabilities		
Trade payables	7,452	61,268
Amounts received in advance	530	530
Other payables	1,101	1,102
	9,083	62,900

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Notes to the Financial Statements

For the Year Ended 30 September 2012

8 Issued Capital

	2012	2011
	\$	\$
735,000 (2011: 735,000) Ordinary shares	1,354,191	1,354,491

9 Capital and Leasing Commitments

(a) Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements.

On 9 July 2008, the company renewed its operating lease with Kosciuszko Thredbo Pty Ltd for a further term of 50 years less 1 day, effective 29 June 2007. The lease will terminate on 27 June 2057. The annual rent of \$36,000 is not subject to a CPI adjustment.

	2012	2011
Note	\$	\$
Payable - minimum lease payments:		
- no later than 1 year	36,000	36,000
- between 1 year and 5 years	144,000	144,000
- greater than 5 years	1,430,630	1,466,630
	<u>1,610,630</u>	<u>1,646,630</u>

10 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2012	2011
Note	\$	\$
Financial Assets		
Cash and cash equivalents	144,391	85,365
Financial assets at fair value through profit or loss		
Trade and other receivables	49,169	33,961
	<u>49,169</u>	<u>33,961</u>
Available-for-sale financial assets:		
- at cost		
Other financial asset	13,000	13,000
Total available-for-sale financial assets	<u>13,000</u>	<u>13,000</u>
Total financial assets	<u>206,560</u>	<u>132,326</u>

Attunga Ski Lodge Limited

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Notes to the Financial Statements

For the Year Ended 30 September 2012

10 Financial Risk Management continued

	2012	2011
Note	\$	\$
Financial Liabilities		
Financial liabilities at amortised cost		
- Trade and other payables	9,084	62,900
Total financial liabilities	<u>9,084</u>	<u>62,900</u>

Specific financial risk exposures and management

The main risks Attunga Ski Lodge Limited is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk and price risk.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to Attunga Ski Lodge Limited and arises principally from Attunga Ski Lodge Limited's receivables.

It is Attunga Ski Lodge Limited's policy that all customers are shareholders in the company. Members in arrears cannot lodge and directors can refuse to register a share transfer in the event of a sale. As a result all arrears will ultimately be recovered.

(b) Liquidity risk

Liquidity risk arises from the possibility that Attunga Ski Lodge Limited might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;
- using derivatives that are only traded in highly liquid markets;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Typically, Attunga Ski Lodge Limited ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days.

Notes to the Financial Statements

For the Year Ended 30 September 2012

10 Financial Risk Management continued

(b) Liquidity risk continued

The available funds to the company are discussed in note 17.

The company's policy is to ensure no more than -% of borrowings should mature in any 12-month period.

The table/s below reflect maturity analysis for financial assets.

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets - realisable								
Cash and cash equivalents	144,391	85,365	-	-	-	-	144,391	85,365
Trade and other receivables	49,168	33,961	-	-	-	-	49,168	33,961
Other financial assets	-	-	-	-	13,000	13,000	13,000	13,000
Total anticipated inflows	193,559	119,326	-	-	13,000	13,000	206,559	132,326

The table/s below reflect an undiscounted contractual maturity analysis for financial liabilities.

Financial guarantee liabilities are treated as payable on demand since Attunga Ski Lodge Limited has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

Financial liability maturity analysis - Non-derivative

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade and other payables	9,083	62,900	-	-	-	-	9,083	62,900
Total expected outflows	9,083	62,900	-	-	-	-	9,083	62,900

The timing of expected outflows is not expected to be materially different from contracted cashflows.

Notes to the Financial Statements

For the Year Ended 30 September 2012

10 Financial Risk Management continued

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate instruments.

The weighted average interest rates of the company's financial assets are as follows:

	Note	2012 \$	2011 \$
Financial assets			
Cash and cash equivalents	2	1	2
Other financial assets	4	6	6

Sensitivity analysis

The following sensitivity analysis is based on the interest rate risk exposures in existence at the end of the reporting period.

An increase of 100 basis points increase or decrease would impact profit or loss by the amounts shown below. This analysis assumes that other variables are held constant.

	Profit		Equity	
	100 basis points increase	100 basis points decrease	100 basis points increase	50 basis points decrease
2012	1,574	(1,574)	-	-
2011	984	(984)	-	-

The movements in profit are due to higher or lower interest rates.

The sensitivity analysis is performed on the same basis as in 2011.

ii. Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held being available-for-sale or fair value through profit and loss.

Such risk is managed through diversification of investments across industries and geographic locations.

Attunga Ski Lodge Limited

ABN: 42 003 043 016

Notes to the Financial Statements For the Year Ended 30 September 2012

11 Revenue and Other Income

Revenue from continuing operations

	Note	2012 \$	2011 \$
Other revenue			
- Interest income		2,669	2,367
- Accommodation income		180,427	134,937
- Member subscriptions		94,500	31,500
- Other revenue		1,500	1,500
- Sundry income		27,298	-
Total Revenue		306,394	170,304

12 Income Tax Expense

(a) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2012 \$	2011 \$
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2011: 30%)	24,764	(23,383)
Less:		
Recoupment of prior year tax losses not previously brought to account	24,764	-
Income tax expense	-	(23,383)

13 Tax

a Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(f) occur:

	Note	2012 \$	2011 \$
- tax losses:			
- operating losses		487,630	570,175
- deferred tax asset		146,289	171,053

14 Auditors' Remuneration

	2012 \$	2011 \$
Remuneration of the auditor of the company, Watson Erskine Pty Ltd, for:		
- auditing the financial report	4,000	4,000
- other services	4,956	8,289

Attunga Ski Lodge Limited

ABN: 42 003 043 016

Notes to the Financial Statements

For the Year Ended 30 September 2012

15 Contingent Liabilities and Contingent Assets

In the opinion of the Directors, the company did not have any contingencies at 30 September 2012 (30 September 2011:None).

16 Related Party Transactions

During the year, the directors have been charged for the usage of the ski lodge at the same scheduled fees as applicable to all shareholders. Except for the above, no related party transactions have been entered by the company with the directors.

17 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2012	2011
	\$	\$
Profit for the year	82,546	(77,942)
Non-cash flows in profit:		
- depreciation	35,717	68,199
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(15,207)	18,957
- (increase)/decrease in prepayments	-	(136)
- (increase)/decrease in other assets	10,087	-
- increase/(decrease) in trade and other payables	(53,817)	(61,799)
Cashflow from operations	<u>59,326</u>	<u>(52,721)</u>

18 Events after the end of the Reporting Period

The financial report was authorised for issue on 30 January 2013 by the board of directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Attunga Ski Lodge Limited

ABN: 42 003 043 016

Notes to the Financial Statements

For the Year Ended 30 September 2012

19 Company Details

The registered office of the company is:

Attunga Ski Lodge Limited
Level 4
55 Clarence Street
SYDNEY NSW 2000

The principal place of business is:

4 Jack Adams Path
Thredbo Village NSW 2625

Attunga Ski Lodge Limited

ABN: 42 003 043 016

Directors' Declaration

The directors of the company declare that:


1. The financial statements and notes, as set out on pages 6 to 23, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position as at 30 September 2012 and of the performance for the year ended on that date of the company.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Director

Peter J Mullens



Director

Jeffrey R Falls

Dated 31 January 2013



Watson Erskine Pty Ltd
Chartered Accountants

ABN 44 125 509 015

Level 4, 55 Clarence Street, Sydney NSW 2000
GPO Box 2003, Sydney NSW 2001

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Attunga Ski Lodge Limited

ABN: 42 003 043 016

Independent Audit Report to the members of Attunga Ski Lodge Limited

Report on the Financial Report

We have audited the accompanying financial report of Attunga Ski Lodge Limited, which comprises the statement of financial position as at 30 September 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

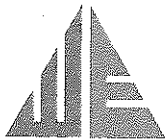
Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.



Watson Erskine Pty Ltd
Chartered Accountants

ABN 44 125 509 015

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W www.watsonerskine.com.au

Attunga Ski Lodge Limited

ABN: 42 003 043 016

Independent Audit Report to the members of Attunga Ski Lodge Limited

Opinion

In our opinion:

- (a) the financial report of Attunga Ski Lodge Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 September 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Watson Erskine Pty Ltd

Registered Audit Company

Watson Erskine Pty Ltd
B P Wise
Director

Sydney

31 January 2013

Attunga Ski Lodge Limited

ABN: 42 003 043 016

For the Year Ended 30 September 2012

Disclaimer

The additional financial data presented on pages 27 - 28 is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 September 2012. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Attunga Ski Lodge Limited) in respect of such data, including any errors of omissions therein however caused.

Watson Erskine Pty Ltd

Registered Audit Company

Watson Erskine Pty Ltd



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B P Wise

Director

31 January 2013

Attunga Ski Lodge Limited

ABN: 42 003 043 016

For the Year Ended 30 September 2012

Profit and Loss Account

	2012	2011
	\$	\$
Income		
Interest income	2,669	2,367
Rental income	180,427	134,937
Member subscriptions	94,500	31,500
Other revenue	1,500	1,500
Sundry income	27,298	-
Total income	306,394	170,304
Less: Expenses		
Accounting fees	2,076	2,984
Auditors remuneration - parent entity	8,956	12,789
Bad debts	530	3,300
Bank charges	2,399	1,180
Contingent rental on finance leases	-	1,002
Depreciation	35,717	53,202
Filing fees	1,356	1,096
Laundry and dry cleaning	12,068	5,101
Operating expenses	480	(438)
Postage	85	83
Subscriptions	227	845
Sundry expenses	1	263
Telephone and fax	2,954	2,090
Lease rentals on operating lease	41,077	30,108
Catering and lodge manager fees	54,868	62,698
Gas	1,765	1,586
Electricity and water	25,683	28,967
Insurance	24,205	13,649
Repairs and maintenance	9,402	27,741
Total Expenses	223,849	248,246
	82,545	(77,942)
Other items:		
Profit before income tax	82,545	(77,942)

Hyswest Limited Trading as Attunga Ski Club

Years ended 30 June	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	
Accommodation revenue	148,978	143,942	148,264	147,492	143,763	150,261	141,341	134,760	142,797	149,357	154,280	133,252	158,202	143,470	120,689	160,203	125,993	132,202	140,396	153,540	287,906	134,937	180,427	
Interest received	1,105		567	665	787	1,500	4,930	5,387	4,778	6,110	7,837	9,942	9,046	9,600	8,317	9,489	9,809	10,441	9,762	5,656	2,856	2,367	2,669	
Surplus on disposal of property, plant		341																						
Club subscriptions	24,113	19,950	19,950	10,500	10,500	11,630	10,390	12,238	13,943	12,005	11,640	11,843	21,048	20,681	21,455	21,478	21,478	21,864	28,909	60,223	31,500	31,500	94,500	
Sinking fund levy		10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500												
Other income	1,738	2,363	1,046	2,450	1,946	2,536	2,909	3,994	3,569	336	1,652	9,214	8,798	1,743	8,581	2,134	6,139	2,561	2,436	1,477	455	1,500	1,500	
Loss on Disposal of Non-current Assets											-43	-112		-259									27,298	
Sundry Income																								
Operating revenue	175,935	177,096	180,327	171,607	167,496	176,427	170,070	166,879	175,587	178,308	185,866	174,639	197,094	175,235	159,042	193,304	163,419	167,068	181,503	220,896	322,717	170,304	306,394	
Accounting Fees																								
Advertising													332						1,199	66		12,440	2,984	2,076
Amortisation of intangible assets	15,411	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	5,430							
Auditors remuneration	12,740	11,540	8,400	8,300	10,000	6,820	5,400	4,110	4,532	4,658	4,823	4,765	7,243	7,374	6,792	4,922	5,368	6,741	9,380	10,660		12,789	8,956	
Bad debts written off									4,331		145													
Bank charges and transaction taxes	558	487	616	573	543	1,894	1,442	887	903	950	2,185	2,930	1,317	1,685	1,953	2,834	1,714	4,252	5,859	1,977	1,543	1,180	2,399	
Bookkeeping Fees														987	2,553	2,776	3,218	713		3,302				
Borrowing expenses	10,199	1,700	1,700	1,700	1,700																			
Catering & lodge manager fees																					89,921	136,185	62,698	54,868
Cleaning, laundry services and linen hire	3,105	3,660	4,577	2,797	1,779	2,767	3,708	4,238	5,065	4,969	6,314	3,590	2,907	2,915	3,473	3,370	4,741	5,554	4,594	4,467	9,123			
Computer expenses										109							7,328	2,864	2,754					
Consultancy fees									3,200															
Contingent rental on finance leases																					4,364	2,321	1,002	
Consumable supplies and replacements	2,162	1,517	7,043	3,026	3,473	3,713	2,549	2,045	3,102	1,121	740	250												
Depreciation - Building	124,589	85,614	74,922	50,358	50,209	47,679	47,679	47,728	48,278	51,164	51,116	48,315	48,315	37,461	37,521	37,556	37,556	37,556	37,568	51,684	68,199	53,202	35,717	
Depreciation - Furniture and fittings						8,010	8,290	6,013	5,870	1,869	3,702	5,631	5,402	7,369	10,723	10,239	6,151	7,759	6,763					
Electricity, gas & water	33,618	24,674	32,301	26,205	22,936	19,828	23,798	20,553	19,267	19,472	21,978	26,004	12,439	19,204	19,993	24,467	24,393	31,554	30,241	22,574	32,933	28,967	25,683	
Filing fees	531	632	680	691	705	750	827	875	930	870	870	900	900	900	1,130	1,000	1,000	1,000	935	1,065	2,055	1,096	1,356	
Freight & cartage									31	16	234	162	71	255	1,740	219	61	323	683		1,028	91		
Gas																					2,877	3,366	1,586	1,765
General expenses										3,059	-286	594	636	1,037	252	2,132								
Insurances	8,557	5,635	5,390	6,031	5,242	6,505	8,139	5,612	5,698	6,384	8,227	7,378	7,561	1,753	8,143	8,741	11,870	13,498	13,516	13,260	15,665	13,649	24,205	
Interest paid	8,455	2,791	1,848	425	125				25	6	3		54	3		5								
Laundry																								
Legal fees																			5,300	7,677		5,101	12,068	
Loss on disposal of property, plant	4,324																							
Maintenance contracts and agreements			1,498	289	2,010																			
Materials and catering fees	48,198	42,330	53,268	56,433	41,850	55,078	58,940	54,414	51,996	63,727	55,958	76,484	69,322	61,384	63,950	74,075	85,263	69,336	78,806					
Members Subscriptions Written Off																						3,300	530	
Operating expenses																						-438	480	
Petty Cash Expenditure											1,845													
Printing, postage, stationary	1,771	824	1,686	1,453	1,441	1,168	2,112	1,915	1,588	135	124	1,989	272	717	649	65	55	82	78	93	319	83	85	
Race fees											602	534	495	227	205									
Rent paid on sub lease	28,134	20,350	21,834	22,190	22,361	22,461	23,408	24,633	24,829	24,850	25,241	25,899	26,950	27,586	28,426	29,006	29,830	30,638	36,000	37,602	58,239	30,108	41,077	
Repairs and maintenance	7,124	4,542	5,643	5,382	10,345	7,234	23,192	12,455	7,557	4,032	8,590	8,867	8,067	20,770	10,232	9,014	10,468	11,946	12,505	12,505	21,763	27,741	9,402	
Replacements and minor capital purchases					1,288	3,389	482																	
Subscriptions	1,226	900		500	200	550	750	585			300	300	600	1,609	921	591	480	60	695	390	325	845	227	
Sundry expenses	1,240	575	138	667	409	723	1,467	1,355	1,050										1,639	393	1,141	1,048	263	
Telephone, telex and facsimile	-480	-483	1,656	870	1,154	1,919	1,728	2,216	1,638	1,617	1,538	2,433	1,875	2,427	2,155	2,143	1,367	1,371	1,210	2,555	2,729	2,090	2,954	
Workers compensation insurance					79	80	80	110	110	110	110	109	109	109										
Website Costs												550												
Total expenses	311,462	218,227	234,140	198,330	189,088	201,158	224,731	200,849	201,525	196,999	208,644	227,744	205,765	206,311	212,536	222,215	238,425	232,186	243,367	261,531	368,344	248,246	223,849	
Operating loss	-135,527	-41,131	-53,813	-26,724	-21,592	-24,731	-54,661	-33,970	-25,938	-18,691	-22,778	-53,105	-8,671	-31,076	-53,494	-28,911	-75,006	-65,118	-61,864	-40,635	-45,627	-77,942	82,545	
Amortisation of intangible assets	15,411	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	10,940	5,430	0						
Depreciation	124,589	85,614	74,922	50,358	50,209	51,392	50,228	49,773	51,380	52,285	51,856	53,946	53,717	44,830	48,244	47,795	43,707	45,315	44,331	51,684	68,199	53,202	35,717	
Profit before amortisation and depreciation	4,473	55,423	32,049	34,574	39,557	37,601	6,507	26,743	36,382	44,534	40,018	11,781	55,986	24,694	5,690	29,824	-25,869	-19,803	-17,533	11,049	22,572	-24,740	118,262	
Repairs and maintenance	7,124	4,542	5,643	5,382	10,345	7,234	23,192	12,455	7,557	4,032	8,590	8,867	8,067	20,770										

Balance Sheet	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Cash Assets								99,149	12,099	85,365	144,391
ANZ		13,977	24,754	22,070	6,137	15,161	2,151				
BT		140,836	105,272	114,174	94,906	59,484	718				
Macquarie		107,414	111,663	116,628	122,015	128,390	165,115				
Access Net On-Line Bookings					34,615	3,304	272				
Receivables	4,482	6,278	5,009	5,291	7,176	5,860	36,593	33,413	52,918	33,961	49,168
Other	367	7,474	15,406	18,104	12,739	13,087	22,378	19,000	9,951	10,087	
Total Current Assets	4,849	275,979	262,104	276,267	277,588	225,286	227,227	151,562	74,968	129,413	193,559
Other Financial Assets	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Property Plant and Equipment	256,764	252,026	224,095	180,975	138,085	97,640	232,853	297,151	249,191	197,682	161,967
Intangible Assets	38,250	27,310	16,370	5,430							
Total Non-Current Assets	308,014	292,336	253,465	199,405	151,085	110,640	245,853	310,151	262,191	210,682	174,967
Payables	108,227	25,918	18,360	18,219	9,709	14,112	31,144	18,355	1,101	62,900	9,083
Other	770	64,921	73,227	62,382	98,900	66,864	92,690	82,323			
Total Current Liabilities	108,997	90,839	91,587	80,601	108,609	80,976	123,834	100,678	1,101	62,900	9,083
Net Assets	203,866	477,476	423,982	395,071	320,064	254,950	349,246	361,035	336,058	277,195	359,443
Contributed Equity	1,109,500	1,109,500	1,109,500	1,109,500	1,109,500	1,109,500	1,261,975	1,314,400	1,335,400	1,354,491	1,354,191
Accumulated Losses	-600,949	-632,024	-685,518	-714,429	-789,436	-854,550	-912,729	-953,364	-999,342	-1,077,296	-994,748
Total Equity	508,551	477,476	423,982	395,071	320,064	254,950	349,246	361,036	336,058	277,195	359,443