

Attunga Ski Lodge Limited

ABN: 42 003 043 016

Financial Statements

For the Year Ended 30 September 2013

CHAIRMAN'S REPORT
HYSWEST LIMITED TRADING AS ATTUNGA SKI LODGE
FINANCIAL YEAR ENDED 30TH SEPTEMBER, 2013

It is my pleasure to report to you on the company's activities during the Financial Year ended 30th September, 2013.

It is pleasing to report that the lodge has had an excellent year and many thanks must continue to go to Elsa and Errol who have done an excellent job in managing the lodge this year. "Mother Nature" was a little erratic this year with some decent snow falls followed with unsavoury weather so skiing this last winter not the best but it cannot be great all the time let us hope 2014 will be better.

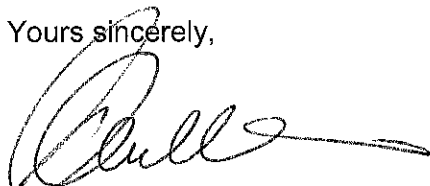
As this chairman's report goes to print Tony Moll has all but completed the final 4 rooms so 2014 will see the renovation work on the rooms complete.

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 2014 year and season.

Yours sincerely,



PETER MULLENS
Chairman

Attunga Ski Lodge Limited

ABN: 42 003 043 016

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Directors' Report

30 September 2013

Your directors present their report on Attunga Ski Lodge Limited for the financial year ended 30 September 2013.

1. General Information

Directors

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

Peter J Mullens

Derek C Goodyer

Russell S Debney

Stephen M Levett

David P Wolski

Ian F Woods

Jeffrey R Falls

Hedda Moll

Iain W Morris

Appointed 28 February 2013

John R Talbot

Appointed 28 February 2013

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

Direct or indirect interest in shares 7,000

Years of Directorship 25

Derek C Goodyer

Position Director

Direct or indirect interest in shares 7,000

Years of Directorship 19

Russell S Debney

Position Director

Direct or indirect interest in shares 7,000

Years of Directorship 22

Stephen M Levett

Position Director

Direct or indirect interest in shares 7,000

Years of Directorship 25

Directors' Report

30 September 2013

1. General information continued

Information on directors continued

David P Wolski

Position	Director
Direct or indirect interest in shares	7,000
Years of Directorship	22

Ian F Woods

Position	Director
Direct or indirect interest in shares	7,000
Years of Directorship	20

Jeffrey R Falls

Position	Director
Direct or indirect interest in shares	7,000
Years of Directorship	5

Hedda Moll

Position	Director
Direct or indirect interest in shares	7,000
Years of Directorship	5

Iain W Morris

Position	Director
Direct or indirect interest in shares	7,000
Years of Directorship	1

John R Talbot

Position	Director
Direct or indirect interest in shares	7,000
Years of Directorship	1

Directors' Report

30 September 2013

1. General information continued **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 \$ 64,802 (2012: \$ 82,546).

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 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.

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.

Attunga Ski Lodge Limited

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Directors' Report

30 September 2013

Meetings of directors

During the financial year, 5 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	4	4
Derek C Goodyer	4	3
Russell S Debney	4	2
Stephen M Levett	4	3
David P Wolski	4	3
Ian F Woods	4	2
Jeffrey R Falls	4	3
Hedda Moll	4	3
Iain W Morris	1	1
John R Talbot	1	1

Indemnification and insurance of officers and auditors

The company has paid premiums to insure 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 wilful breach of duty in relation to the company. The amount of the premium was \$1,122 (2012: \$1,234).

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.

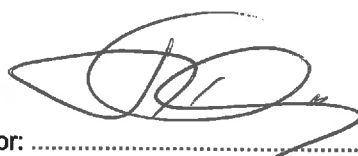
The company was not a party to any such proceedings during the year.

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 2013 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 13 DECEMBER 2013



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 2013, 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
Authorised Audit Company

Watson Erskine Pty Ltd

B P Wise
Director

Date 13 December 2013

Sydney

Attunga Ski Lodge Limited

ABN: 42 003 043 016

**Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 September 2013**

		2013	2012
	Note	\$	\$
Revenue	10	284,139	306,394
Catering and lodge manager fees		(67,415)	(54,868)
Depreciation and amortisation expense		(16,462)	(35,717)
Electricity, gas and water		(35,384)	(27,448)
Fair value gains/(losses) on financial assets		(3,398)	-
Insurance		(14,266)	(24,205)
Lease rentals on operating lease		(41,869)	(41,077)
Repairs and maintenance		(6,226)	(9,402)
Other expenses		(34,317)	(31,131)
Profit before income tax		64,802	82,546
Income tax expense	11	-	-
Profit for the year		64,802	82,546
Other comprehensive income:			
Total comprehensive income for the year		64,802	82,546

The accompanying notes form part of these financial statements.

Attunga Ski Lodge Limited

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Statement of Financial Position**As At 30 September 2013**

	Note	2013	2012
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	201,793	144,391
Trade and other receivables	3	35,241	49,168
TOTAL CURRENT ASSETS		237,034	193,559
NON-CURRENT ASSETS			
Financial assets	4	9,602	13,000
Property, plant and equipment	5	199,009	161,967
TOTAL NON-CURRENT ASSETS		208,611	174,967
TOTAL ASSETS		445,645	368,526
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	21,400	9,083
TOTAL CURRENT LIABILITIES		21,400	9,083
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		21,400	9,083
NET ASSETS		424,245	359,443
EQUITY			
Issued capital	7	1,354,191	1,354,191
Retained earnings		(929,946)	(994,748)
TOTAL EQUITY		424,245	359,443

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 2013**2013**

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 October 2012	1,354,191	(994,748)	359,443
Profit or loss for the year	-	64,802	64,802
Balance at 30 September 2013	1,354,191	(929,946)	424,245

2012

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 October 2011	1,354,491	(1,077,294)	277,197
Profit or loss for the year	-	82,546	82,546
Transactions with owners in their capacity as owners			
Change in sinking fund	(300)	-	(300)
Balance at 30 September 2012	1,354,191	(994,748)	359,443

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 2013

	2013	2012
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	321,415	287,342
Payments to suppliers and employees	(214,938)	(230,685)
Interest received	4,429	2,669
Net cash provided by (used in) operating activities	<u>110,906</u>	<u>59,326</u>
16		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(53,504)	-
Net cash used by investing activities	<u>(53,504)</u>	<u>-</u>
5(a)		
CASH FLOWS FROM FINANCING ACTIVITIES:		
Change in sinking fund	-	(300)
Net cash used by financing activities	<u>-</u>	<u>(300)</u>
Net increase (decrease) in cash and cash equivalents held		
	57,402	59,026
Cash and cash equivalents at beginning of year	144,391	85,365
Cash and cash equivalents at end of financial year	<u>201,793</u>	<u>144,391</u>
2		

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 September 2013

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.

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.

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

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	5-30%
Furniture, Fixtures and Fittings	7.5-40%
Leasehold improvements	2.5-4%

Notes to the Financial Statements

For the Year Ended 30 September 2013

1 Summary of Significant Accounting Policies continued

(c) Property, plant and equipment continued

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 income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

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.

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.

Notes to the Financial Statements

For the Year Ended 30 September 2013

1 Summary of Significant Accounting Policies continued

(f) Income tax continued

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 2013

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 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement	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.

Notes to the Financial Statements

For the Year Ended 30 September 2013

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
<p>AASB 13 Fair Value Measurement.</p> <p>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]</p>	30 June 2014	<p>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.</p> <p>There are a number of additional disclosure requirements.</p>	<p>Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required.</p> <p>The entity has not yet determined the magnitude of any changes which may be needed.</p> <p>Some additional disclosures will be needed.</p>
<p>AASB 119 Employee Benefits (September 2011)</p> <p>AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</p>	30 June 2014	<p>The main changes in this standard relate to the accounting for defined benefit plans and are as follows:</p> <ul style="list-style-type: none"> - elimination of the option to defer the recognition of gains and losses (the 'corridor method'); - requiring remeasurements to be presented in other comprehensive income; and - enhancing the disclosure requirements. 	<p>Since the entity does not have a defined benefit plan, the adoption of these standards will not have any impact.</p>
AASB 1053	30 June 2014	This standard allows certain entities to reduce disclosures.	Attunga Ski Lodge Limited is not able to apply this standard or the impact of this standard has not yet been determined as the entity has a choice on whether to apply

2 Cash and Cash Equivalents

	2013	2012
	\$	\$
Cash at bank	201,793	144,391

Attunga Ski Lodge Limited

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Notes to the Financial Statements

For the Year Ended 30 September 2013

3 Trade and Other Receivables

	2013	2012
Note	\$	\$
CURRENT		
Contributions receivable from shareholders	28,555	46,711
GST refundable	5,068	839
Other receivables	1,618	1,618
Total current trade and other receivables	35,241	49,168

4 Other Financial Assets

NON-CURRENT		
Financial assets at fair value through profit or loss	(a) 9,602	13,000
(a) Financial assets at fair value through profit or loss		
NAB National Income Securities	9,602	13,000

5 Property, Plant and Equipment

Plant and equipment		
At cost	141,919	141,919
Accumulated depreciation	(119,253)	(117,200)
Total plant and equipment	22,666	24,719
Furniture, fixture and fittings		
At cost	191,496	187,192
Accumulated depreciation	(170,557)	(167,018)
Total furniture, fixture and fittings	20,939	20,174
Leasehold Improvements		
At cost	1,304,086	1,254,886
Accumulated depreciation	(1,148,682)	(1,137,812)
Total leasehold improvements	155,404	117,074
Total property, plant and equipment	199,009	161,967

Attunga Ski Lodge Limited

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Notes to the Financial Statements**For the Year Ended 30 September 2013****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 \$	Leasehold improvements \$	Total \$
Balance at 30 September 2013				
Balance at the beginning of year	24,719	20,173	117,075	161,967
Additions	-	4,303	49,201	53,504
Depreciation expense	(2,053)	(3,539)	(10,870)	(16,462)
Balance at 30 September 2013	22,666	20,937	155,406	199,009
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

6 Trade and Other Payables

	2013 \$	2012 \$
CURRENT		
Unsecured liabilities		
Trade payables	20,299	7,452
Amounts received in advance	-	530
Other payables	1,101	1,101
	21,400	9,083

7 Issued Capital

735,000 (2012: 735,000) Ordinary shares	1,354,191	1,354,191
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Notes to the Financial Statements

For the Year Ended 30 September 2013

8 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 subject to a CPI adjustment.

	2013	2012
	\$	\$
Payable - minimum lease payments:		
- no later than 1 year	41,869	41,869
- between 1 year and 5 years	167,476	167,476
- greater than 5 years	1,632,891	1,674,760
	<u>1,842,236</u>	<u>1,884,105</u>

(b) Capital expenditure commitments

Capital expenditure commitments contracted for:

Renovations	98,081	-
Payable:		
- no later than 1 year	98,081	-

Notes to the Financial Statements**For the Year Ended 30 September 2013****9 Financial Risk 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 equity price risk.

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:

	2013	2012
	\$	\$
Financial Assets		
Cash and cash equivalents	201,793	144,391
Financial assets at fair value through profit or loss		
- listed shares in other corporations	9,602	13,000
Loans and receivables	35,241	49,168
Total financial assets	<u>246,636</u>	<u>206,559</u>
Financial Liabilities		
Financial liabilities at amortised cost		
Trade and other payables	21,400	9,083
Total financial liabilities	<u>21,400</u>	<u>9,083</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.

Members in arrears cannot occupy the 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.

Notes to the Financial Statements

For the Year Ended 30 September 2013

9 Financial Risk Management continued

(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.

The available funds to the company are discussed in note 16.

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

	Within 1 Year		Over 5 Years		Total	
	2013	2012	2013	2012	2013	2012
	\$	\$	\$	\$	\$	\$
Financial assets - cash flows realisable						
Cash and cash equivalents	201,793	144,391	-	-	201,793	144,391
Trade, term and loans receivables	35,241	49,168	-	-	35,241	49,168
Other investments	-	-	9,602	13,000	9,602	13,000
Total anticipated inflows	237,034	193,559	9,602	13,000	246,636	206,559

Notes to the Financial Statements

For the Year Ended 30 September 2013

9 Financial Risk Management continued

The table/s below reflect an undiscounted contractual maturity analysis for financial 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		Total	
	2013	2012	2013	2012
	\$	\$	\$	\$
Financial liabilities due for payment				
Trade and other payables	21,400	9,083	21,400	9,083

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

(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

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 or decrease of 100 basis points would impact profit or loss and equity 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	100 basis points decrease
2013	1,183	(1,183)	1,183	(1,183)
2012	1,574	(1,574)	1,574	(1,574)

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

The sensitivity analysis is performed on the same basis as in 2012.

Notes to the Financial Statements

For the Year Ended 30 September 2013

9 Financial Risk Management continued

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 fair value through profit and loss.

Net fair values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

	2013		2012	
	Net Carrying Value	Net Fair value	Net Carrying Value	Net Fair value
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	201,793	201,793	144,391	144,391
Trade and other receivables	35,241	-	49,169	-
Financial assets at fair value through profit or loss				
Investments - held-for-trading	9,602	9,602	13,000	13,000
Total financial assets	246,636	211,395	206,560	157,391
Financial liabilities				
Trade and other payables	21,400	-	9,083	-
Total financial liabilities	21,400	-	9,083	-

Notes to the Financial Statements

For the Year Ended 30 September 2013

9 Financial Risk Management continued

Financial instruments measured at fair value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements between those whose fair value is based on. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1	Level 2	Level 3	Total
2013	\$	\$	\$	\$
Financial assets:				
Financial assets at fair value through profit or loss:				
- investments - held for trading	9,602	-	-	9,602
2012				
Financial assets:				
Financial assets at fair value through profit or loss:				
- investments - held for trading	13,000	-	-	13,000

Included within Level 1 of the hierarchy are listed investments which are valued based on quoted price.

10 Revenue and Other Income

Revenue from continuing operations

	2013	2012
	\$	\$
Revenue		
- Accommodation income	200,273	180,427
- Member subscriptions	73,500	94,500
- Interest income	4,429	2,669
- Other revenue	2,500	1,500
- Sundry income	3,437	27,298
Total Revenue	284,139	306,394

Notes to the Financial Statements

For the Year Ended 30 September 2013

11 Income Tax Expense

(a) The components of tax expense comprise:

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

	2013	2012
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2012: 30%)	19,440	24,764
Less:		
Tax effect of:		
- Recoupment of prior year tax losses not previously brought to account	19,440	24,764
Income tax expense	-	-

12 Tax

a Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility are met:

- tax losses:		
- operating losses	418,727	487,630
- deferred tax asset	125,618	146,289

13 Auditors' Remuneration

Remuneration of the auditor of the company, Watson Erskine Pty Ltd, for:

- auditing the financial statements	4,000	4,000
- other services	5,060	4,956

14 Contingent Liabilities and Contingent Assets

In the opinion of the Directors, the company did not have any contingencies at 30 September 2013 (30 September 2012:None).

15 Related Party Transactions

Project management fees of \$900 (2012: nil) were paid to Wolski Coppin Architecture, a firm partly owned by David Wolski. The work was performed by Greg Coppin.

Payments of \$49,201 (2012: nil) to the building company owned by the husband of Ms Hedda Moll for renovations to the lodge. This builder was the successful tenderer following an open market tender process.

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.

Notes to the Financial Statements

For the Year Ended 30 September 2013

16 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:

	2013	2012
	\$	\$
Profit for the year	64,802	82,546
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	16,462	35,717
- unrealised gains/(losses) on investments	3,398	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	13,927	(15,207)
- (increase)/decrease in other assets	-	10,087
- increase/(decrease) in trade and other payables	12,317	(53,817)
Cashflow from operations	110,906	59,326

17 Events after the end of the Reporting Period

The financial report was authorised for issue on 13 December 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.

18 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 24, 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 2013 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 13 DECEMBER 2013



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 2013, the statement of profit or loss and other 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Attunga Ski Lodge Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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 2013 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
Authorised Audit Company

Watson Erskine Pty Ltd

B P Wise
Director

B P Wise

Sydney

13 December 2013

Attunga Ski Lodge Limited

ABN: 42 003 043 016

For the Year Ended 30 September 2013

Disclaimer

The additional financial data presented on pages 28 - 29 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 2013. 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 or omissions therein however caused.

Watson Erskine Pty Ltd
Authorised Audit Company

Watson Erskine Pty Ltd

B P Wise
Director



Sydney

Dated 13 December 2013

Attunga Ski Lodge Limited

ABN: 42 003 043 016

For the Year Ended 30 September 2013

Profit and Loss Account

	2013	2012
	\$	\$
Income		
Accommodation income	200,273	180,427
Member subscriptions	73,500	94,500
Interest income	4,429	2,669
Other revenue	2,500	1,500
Sundry income*	3,437	27,298
Fair value gains/(losses) on financial assets	(3,398)	-
Total income	280,741	306,394
Less: Expenses		
Accounting fees	2,249	2,076
Auditors remuneration	9,060	8,956
Bad debts	-	530
Bank charges	3,030	2,399
Catering and lodge manager fees	67,415	54,868
Consulting and professional fees	1,127	-
Depreciation	16,462	35,717
Electricity and water	35,193	25,683
Filing fees	1,086	1,356
Gas	192	1,765
Insurance**	14,266	24,205
Laundry and dry cleaning	8,859	12,068
Lease rentals on operating lease	41,869	41,077
Operating expenses	4,109	480
Postage	95	85
Repairs and maintenance	6,226	9,402
Subscriptions	-	227
Telephone and fax	4,701	2,954
Total Expenses	215,939	223,848
	64,802	82,546
Other items:		
Profit before income tax	64,802	82,546

* Sundry income for 2012 includes a once off refund of \$27,298 on previous years electricity bills.

** Insurance for 2012 includes the expensing of prepaid insurance from the 2011 year of \$10,087

Balance Sheet	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Cash Assets							99,149	12,099	85,365	144,391	201,793
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	6,278	5,009	5,291	7,176	5,860	36,593	33,413	52,918	33,961	49,168	35,241
Other	7,474	15,406	18,104	12,739	13,087	22,378	19,000	9,951	10,087		
Total Current Assets	275,979	262,104	276,267	277,588	225,286	227,227	151,562	74,968	129,413	193,559	237,034
Other Financial Assets	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	9,602
Property Plant and Equipment	252,026	224,095	180,975	138,085	97,640	232,853	297,151	249,191	197,682	161,967	199,009
Intangible Assets	27,310	16,370	5,430								
Total Non-Current Assets	292,336	253,465	199,405	151,085	110,640	245,853	310,151	262,191	210,682	174,967	208,611
Total Assets	568,315	515,569	475,672	428,673	335,926	473,080	461,713	337,159	340,095	368,526	445,645
Payables	25,918	18,360	18,219	9,709	14,112	31,144	18,355	1,101	62,900	9,083	21,400
Other	64,921	73,227	62,382	98,900	66,864	92,690	82,323				
Total Current Liabilities	90,839	91,587	80,601	108,609	80,976	123,834	100,678	1,101	62,900	9,083	21,400
Total Liabilities	90,839	91,587	80,601	108,609	80,976	123,834	100,678	1,101	62,900	9,083	21,400
Net Assets	477,476	423,982	395,071	320,064	254,950	349,246	361,035	336,058	277,195	359,443	424,245
Contributed Equity	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	1,354,191
Accumululated Losses	-632,024	-685,518	-714,429	-789,436	-854,550	-912,729	-953,364	-999,342	-1,077,296	-994,748	-929,946
Total Equity	477,476	423,982	395,071	320,064	254,950	349,246	361,036	336,058	277,195	359,443	424,245