

ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

FINANCIAL REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2014

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ORMOND SKI CLUB LIMITED
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DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 November 2014.

Directors

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

Katherine Seal	(President)
Tim Chalke	(Secretary)
Geoffrey Rose	(Treasurer)
Megan Casey	
Doug Godling	
Rohan Hodges	
Geoff Markley	
Thomas Nairn	
Nick Tudor	
Megan McDonald	Appointed 14 March 2014
Stuart Watson	Retired 14 March 2014
Ross Cutler	Retired 14 March 2014
Harri Thomas	Retired 14 March 2014
Kelly Tuck	Retired 14 March 2014
Virginia Spring	Retired 14 March 2014

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

Operating Results

The loss of the company for the financial year ended 30 November 2014 amounted to \$13,466 (2013: \$19,473 profit).

Review of Operations

A review of the operations of the company during the financial year and the results of those operations found that during the year, the company continued to engage in its principal activity being the provision of skiing facilities for members.

Significant Changes in State of Affairs

No significant changes in the state of affairs of the company occurred during the financial year.

Principal Activity

The principal activity of the company during the financial year was the provision of skiing facilities for members.

No significant change in the nature of these activities occurred during the year.

After Reporting Date Events

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.

Likely Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the company's operations.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Directors' and Executive Officers' Remuneration

The company policy is that all directors and executive positions are honorary and no remuneration is paid or payable since the start of the financial year.

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DIRECTORS' REPORT

(Continued)

Information on Directors

The information on directors is as follows:

Katherine Seal	
Qualifications	B Arts
Experience	Planning Analyst
Special Responsibility	President (from 14/3/2014)
Tim Chalke	
Qualifications	BA (Hons) LLB (Hons) LLM
Experience	Lawyer
Special Responsibility	Secretary
Geoffrey Rose	
Qualifications	B Eng, GDip IT
Experience	Engineer
Special Responsibility	Treasurer
Megan Casey	
Qualifications	BSc (Hons), LLB (Hons), GDip (App Fin Inv) (Sec Inst)
Experience	Barrister
Special Responsibility	Bookings (from 14/3/2014)
Doug Goding	
Qualifications	
Experience	IT Solutions Consultant
Special Responsibility	Maintenance
Rohan Hodges	
Qualifications	B Eng (Mech), CP Eng (Chem).
Experience	General Manager Operations
Special Responsibility	
Geoffrey Markley	
Qualifications	International Business (Masters), B Eng (Hons), B Comp Science, B Comm
Experience	IT Services Project Management
Special Responsibility	Membership and Web Site
Thomas Nairn	
Qualifications	Adv Dip Inv, Dip Business
Experience	Police Officer
Special Responsibility	Newsletter (from 14/3/2014)
Nick Tudor	
Qualifications	Electrical Mechanic Class A, Bicsi Registered Telecommunications cabler
Experience	Site Foreman
Special Responsibility	Maintenance

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DIRECTORS' REPORT

(Continued)

Megan McDonald	(Appointed 14/3/2014)
Qualifications	B Arts
Experience	Project Manager
Special Responsibility	Food (from 14/3/2014)
Stuart Watson	(Resigned 14/3/2014)
Qualifications	Electrical Mechanic Class 'A', RCDD, OSP/WD/NTS Specialist
Experience	Project Manager
Special Responsibility	President
Ross Cutler	(Resigned 14/3/2014)
Qualifications	BVSc (PhD)
Experience	Veterinarian
Special Responsibility	Newsletter
Harri Thomas	(Resigned 14/3/2014)
Qualifications	B Comm, B Business (Hons)
Experience	Account Executive
Special Responsibility	
Kelly Tuck	(Resigned 14/3/2014)
Qualifications	B Eng (Materials)
Experience	Materials Engineer
Special Responsibility	Bookings (to 14/3/2014)
Virginia Spring	(Resigned 14/3/2014)
Qualifications	B Comm, B Arts (Hons)
Experience	Economist
Special Responsibility	Food

Company Secretary

Tim Chalke holds the position of company secretary. His qualifications and experience have been included under Information on Directors.

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DIRECTORS' REPORT
(Continued)

Meetings of Directors

DIRECTORS	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
Katherine Seal	6	6
Tim Chalke	6	6
Geoffrey Rose	6	6
Megan Casey	6	5
Doug Goding	6	5
Rohan Hodges	6	5
Geoff Markley	6	5
Thomas Nairn	5	4
Nick Tudor	6	6
Megan McDonald	5	4
Stuart Watson	1	1
Ross Cutler	1	0
Harri Thomas	1	0
Kelly Tuck	1	1
Virginia Spring	1	0

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the end of the financial year.

Indemnification of Officer or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of the 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.

Principal activities and objectives

The principal activities and objectives of the Ormond Ski Club during the year were as follows:

- The provision of low cost skiing accommodation for its members

Strategy in achieving objectives

The objectives of the Ormond Ski Club are achieved by:

- Operation of the lodge in the collegial style using the skills and voluntary time of its members
- Funding of its operations from subscriptions and bed night revenue
- Funding capital requirements over the long term through retained earnings

Measuring performance

The Ormond Ski Club measures performance using the following key performance indicators:

- Cash flow and profit
- Capital adequacy for long term lodge renovations
- Bed nights of lodge usage
- Membership numbers
- Comparison of its bed night rates with other comparable accommodation

ORMOND SKI CLUB LIMITED
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DIRECTORS' REPORT

Members guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is not required to contribute towards meeting any outstanding obligations of the company. At 30 November 2014 the number of members was 362 (2013: 360).

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6.

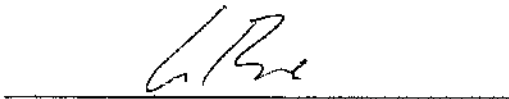
Signed in accordance with a resolution of the Board of Directors:

Director



KATHERINE SEAL

Director



GEOFFREY ROSE

Dated this

11th day of March

2015

Advantage Advisors Audit Partnership

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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ORMOND SKI CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 November 2014 there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



**ADVANTAGE ADVISORS AUDIT PARTNERSHIP
CHARTERED ACCOUNTANTS**



**BEN BESTER
DIRECTOR**

Dated in Melbourne on this 11 day of March 2015

ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2014

	Notes	2014 \$	2013 \$
Revenue	2	208,353	194,498
Depreciation expense		(80,643)	(39,536)
Borrowing costs expense		(10,573)	(5,047)
Food & supplies expense		(32,530)	(34,821)
Rent expense		(11,469)	(13,361)
Repair & maintenance expense		(12,068)	(6,022)
Gas & Electricity expense		(16,780)	(16,493)
Insurance expense		(7,733)	(8,659)
Site service charge expense		(29,837)	(27,626)
Other expenses		(20,186)	(23,460)
Profit/(loss) before income tax	3	(13,466)	19,473
Income tax expense	1(a)	-	-
Profit/(loss) for year		(13,466)	19,473
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		(13,466)	19,473
 Profit/(loss) attributable to members of the entity		(13,466)	19,473
 Total comprehensive income attributable to members of the entity		(13,466)	19,473

The accompanying notes form part of these financial statements.

ORMOND SKI CLUB LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2014

	Notes	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	21,502	21,231
Trade and Other Receivables	5	25,708	26,250
Other Current Assets	6	1,943	3,080
Inventories	7	5,800	-
TOTAL CURRENT ASSETS		<u>54,953</u>	<u>50,561</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	8	940,386	1,016,619
TOTAL NON-CURRENT ASSETS		<u>940,386</u>	<u>1,016,619</u>
TOTAL ASSETS		<u>995,339</u>	<u>1,067,180</u>
CURRENT LIABILITIES			
Trade and Other Payables	9	17,059	12,681
Borrowings – Current	10	61,586	61,586
TOTAL CURRENT LIABILITIES		<u>78,645</u>	<u>74,267</u>
NON CURRENT LIABILITIES			
Borrowings – Non Current	10	60,648	123,402
TOTAL NON-CURRENT LIABILITIES		<u>60,648</u>	<u>123,402</u>
TOTAL LIABILITIES		<u>139,293</u>	<u>197,669</u>
NET ASSETS		<u>856,046</u>	<u>869,511</u>
EQUITY			
Reserves	11	739,154	739,154
Retained Earnings		116,892	130,357
TOTAL EQUITY		<u>856,046</u>	<u>869,511</u>

The accompanying notes form part of these financial statements.

ORMOND SKI CLUB LIMITED
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STATEMENT OF CHANGES IN EQUITY
AS AT 30 NOVEMBER 2014

	Asset Revaluation Reserve	General Reserve	Retained Earnings	Total
	\$	\$	\$	\$
Balance at 30 November 2012	388,283	350,871	110,884	850,038
Profit for the year	-	-	19,473	19,473
Total comprehensive income for the year	-	-	19,473	19,473
Balance at 30 November 2013	388,283	350,871	130,357	869,511
Profit for the year	-	-	(13,466)	(13,466)
Total comprehensive income for the year	-	-	(13,466)	(13,466)
Balance at 30 November 2014	388,283	350,871	116,892	856,046

The accompanying notes form part of these financial statements.

ORMOND SKI CLUB LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 NOVEMBER 2014

	Notes	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		212,279	186,645
Payments to suppliers		(135,065)	(118,847)
Interest received		794	1,157
Borrowing costs		1,673	(4,777)
Net cash provided by operating activities	12	79,681	64,178
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(4,410)	(437,857)
Net cash used in investing activities		(4,410)	(437,857)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		-	300,000
Repayment of Borrowings		(75,000)	(125,000)
Net cash (used in)/provided by financing activities		(75,000)	175,000
Net increase(decrease)/ in cash held		271	(198,679)
Cash at beginning of financial year		21,231	219,910
Cash at end of financial year	4	21,502	21,231

The accompanying notes form part of these financial statements.

ORMOND SKI CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is for Ormond Ski Club Limited as an individual entity. Ormond Ski Club is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

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

(a) Income tax

The company is a not-for-profit sporting organisation and exempt from income tax.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value.

(c) Property, Plant and Equipment

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

Property

Buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on a periodic, but at least triennial, valuation by external independent valuers, less subsequent depreciation.

Increases in the carrying amount arising on revaluation of buildings are credited to revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of profit or loss and other comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on either a diminishing value or 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 NOVEMBER 2014

NOTE 1: STATEMENT 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 rates	Depreciation basis
Buildings	4 %	Straight Line
Building Fit Out/Renovation	10%	Diminishing Value
Plant and equipment	15 %	Straight Line
Furniture and fixtures	20 %	Diminishing Value

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

(d) Leases

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

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to the statement of profit or loss and other comprehensive income immediately.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and (iv) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Financial Instruments (continued)

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

(iii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired.

(f) Impairment of Assets

At each reporting date, the company reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(g) 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, and bank overdrafts.

(h) Revenue

Revenue from lodge fee and subscriptions is recognised upon the delivery of service to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue is recognised when the right to receive the revenue has been established.

(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 Taxation 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 profit or loss and other comprehensive income are shown inclusive of GST.

Cash flows are presented in the cash flow statement 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 NOVEMBER 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Comparative Figures

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

(k) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report 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 estimates - Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. No impairment was required for the year ended 30 November 2014.

Key estimates – Property Valuation

The property at Ormond Ski Lodge, Higgi Drive, Mount Hotham is a 35 year leasehold interest from the Mount Hotham Resort Management Board expiring on 31 October 2048. The director's valuation of \$500,000 adopted on 30 November 2009 is based on comparable sales of properties in the Victorian Alps. The directors are of the opinion that this value is still applicable.

(l) Adoption of New and Revised Accounting Standards

Standards and Interpretations affecting the reported results or financial position

There are no new and revised Standards and Interpretations adopted in these financial statements affecting the presentation & disclosure, reporting results or financial position.

(m) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

- AASB 9: Financial Instruments (January 2015) and the relevant amending standards (applicable for annual reporting periods commencing on or after 30 June 2016).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in statement of comprehensive income and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) New Accounting Standards for Application in Future Periods (continued)

- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in statement of comprehensive income.

The company has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

ORMOND SKI CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

	Notes	2014 \$	2013 \$
NOTE 2: REVENUE			
Sales revenue			
- lodge fees & subscriptions		207,559	193,341
Other revenue			
- interest	2(a)	794	1,157
		<u>208,353</u>	<u>194,498</u>
(a) Interest from:			
- other persons		<u>794</u>	<u>1,157</u>

NOTE 3: PROFIT BEFORE FOR INCOME TAX

(a) Expenses:			
Depreciation of non-current assets:			
- Building, Plant and equipment		80,643	39,536
Rental expense on operating leases			
- minimum lease payments		11,469	13,360
Remuneration of the auditors for:			
- audit or reviewing the financial report		4,225	3,570
Finance Costs			
- Interest Paid		11,500	9,718

NOTE 4: CASH AND CASH EQUIVALENTS

CURRENT			
Cash at bank		<u>21,502</u>	<u>21,231</u>

The effective interest rate on short-term bank deposits was 2.17% (2013: 2.22%).

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash at bank	<u>21,502</u>	<u>21,231</u>
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ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

	Notes	2014 \$	2013 \$
NOTE 5: TRADE AND OTHER RECEIVABLES			
CURRENT			
Trade Receivables		25,708	20,854
Other Receivables		-	5,396
		<u>25,708</u>	<u>26,250</u>

(a) Provision for impairment of receivables

Current trade receivables are non-interest bearing loans and generally on 90-day terms. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. Where applicable these amounts have been included in the other expenses item.

(b) Credit Risk

The company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The main source of credit risk to the company is considered to relate to the class of assets described as 'trade and other receivables'.

The following table details the Company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount \$	Past due and impaired \$	Past due but not impaired (days overdue)				Within initial trade terms \$
			< 30 \$	31-60 \$	61-90 \$	> 90 \$	
2014							
Trade receivables	25,708	-	-	-	-	-	25,708
Other receivables	-	-	-	-	-	-	-
Total	<u>25,708</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,708</u>
2013							
Trade receivables	20,854	-	-	-	-	-	20,854
Other receivables	5,396	-	-	-	-	-	5,396
Total	<u>26,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,250</u>

ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

	2014 \$	2013 \$
NOTE 6: OTHER CURRENT ASSETS		
Prepayments	<u>1,943</u>	<u>3,080</u>
NOTE 7: INVENTORIES		
Food supplies	<u>5,800</u>	<u>-</u>
NOTE 8: PROPERTY, PLANT AND EQUIPMENT		
BUILDINGS		
At directors' valuation in 2009	500,000	500,000
Less accumulated depreciation	<u>(100,000)</u>	<u>(80,000)</u>
Total land and buildings	<u>400,000</u>	<u>420,000</u>
FURNITURE & FITTINGS		
Furniture, fixtures and fittings		
At cost	57,371	57,371
Less accumulated depreciation	<u>(49,522)</u>	<u>(47,560)</u>
	<u>7,849</u>	<u>9,811</u>
LODGE RENOVATION		
At cost	613,098	608,688
Less accumulated depreciation	<u>(80,561)</u>	<u>(21,880)</u>
	<u>532,537</u>	<u>586,808</u>
 Total property, plant and equipment	 <u>940,386</u>	 <u>1,016,619</u>

Movements in carrying amounts

2013

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

	Buildings	Furniture, Fixtures and Fittings	Lodge Renovation	Total
2014	\$	\$	\$	\$
Balance at beginning of the year	420,000	9,811	586,808	1,016,619
Additions	-	-	4,410	4,410
Depreciation expense	<u>(20,000)</u>	<u>(1,962)</u>	<u>(58,681)</u>	<u>(80,643)</u>
Carrying amount at end of year	<u>400,000</u>	<u>7,849</u>	<u>532,537</u>	<u>940,386</u>

	Land and Buildings	Furniture, Fixtures and Fittings	Lodge Renovation	Total
2013	\$	\$	\$	\$
Balance at beginning of the year	440,000	12,264	166,035	618,299
Additions	-	-	437,856	437,856
Depreciation expense	<u>(20,000)</u>	<u>(2,453)</u>	<u>(17,083)</u>	<u>(39,536)</u>
Carrying amount at end of year	<u>420,000</u>	<u>9,811</u>	<u>586,808</u>	<u>1,016,619</u>

Refer to Note 1(k) for director's judgements and estimates used in property valuation.

ORMOND SKI CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

	Notes	2014 \$	2013 \$
NOTE 9: TRADE AND OTHER PAYABLES			
CURRENT			
Trade payables		12,425	9,080
GST		834	-
Sundry creditors and accruals		3,800	3,601
		<u>17,059</u>	<u>12,681</u>

NOTE 10: BORROWINGS

ANZ Loan		122,234	184,988
		<u>122,234</u>	<u>184,988</u>
Current		61,586	61,586
Non-Current		60,648	123,402
		<u>122,234</u>	<u>184,988</u>

The ANZ Loan is secured by a leasehold mortgage over the building situated at Ormond Ski Lodge Higgi Drive, Mount Hotham. The weighted average effective interest rate is 7.76% (2013: 7.76%)

NOTE 11: RESERVES

Asset revaluation reserve	11 (a)	388,283	388,283
General reserve	11 (b)	350,871	350,871
		<u>739,154</u>	<u>739,154</u>

(a) The asset revaluation reserve records revaluation of buildings.

(b) The general reserve is used to record amounts set aside to fund the future expansion of the company.

(c) Movement in Asset revaluation reserve

Opening Balance	388,283	388,283
Transfer to General Reserve	-	-
Movement during the year	-	-
Closing Balance	<u>388,283</u>	<u>388,283</u>

(d) Movement in General reserve

Opening Balance	350,871	350,871
Transfer from Asset revaluation reserve	-	-
Closing Balance	<u>350,871</u>	<u>350,871</u>

ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

	Notes	2014	2013
NOTE 12: CASH FLOW INFORMATION			
Reconciliation of cash flow from operations with profit for the year :			
Profit/(loss) after income tax		(13,466)	19,473
Non-cash flows in profit:			
Depreciation		80,643	39,536
Changes in assets and liabilities:			
(Increase)/decrease in receivables and prepayments		(3,288)	(5,208)
Increase/(decrease) in payables		3,547	389
Increase/(decrease) in Loan Interest Payable		12,245	9,988
Cash flows from operations		<u>79,681</u>	<u>64,178</u>

Non-cash financing and investing activities

During the financial year, there was no non-cash financing and investing activities.

Credit standby arrangement and loan facilities

During the financial year, there were no credit standby arrangement and loan facilities.

NOTE 13: RELATED PARTY TRANSACTIONS

The company received the majority of its revenue from members on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Transactions with related parties are as follows:

	Lodge fees	Membership fees
	\$	\$
Katherine Seal	489	480
Tim Chalke	0	552
Geoffrey Rose	1,108	752
Megan Casey	5,292	622
Doug Goding	4,799	580
Rohan Hodges	334	564
Geoff Markley	714	752
Thomas Nairn	2,450	752
Nick Tudor	0	320
Megan McDonald	2,027	480
Stuart Watson	5,064	824
Ross Cutler	1,448	552
Harri Thomas	0	0
Kelly Tuck	0	0
Virginia Spring	2,464	392

NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION

The names of the directors of the company who have held office during the financial year are:

• Katherine Seal	• Nick Tudor
• Tim Chalke	• Megan McDonald
• Geoffrey Rose	• Stuart Watson
• Megan Casey	• Ross Cutler
• Doug Goding	• Harri Thomas
• Rohan Hodges	• Kelly Tuck
• Geoff Markley	• Virginia Spring
• Thomas Nairn	

No directors have received or are entitled to receive any remuneration or retirement benefits during the year or the previous year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

NOTE 15: FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, bank loans, and accounts receivable and payable.

i. Treasury Risk Management

The directors of the company meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial Risks

The main risks the company is exposed to through its financial instruments are interest rate risk and liquidity risk.

Interest rate risk

The company's exposure to movements in market interest rates relate primarily to its short term deposits placed with financial institutions. For further details on interest rate risk refer to Note 15 (b).

Foreign currency risk

The company does not have any material foreign currency risk exposure to any single foreign currency.

Liquidity risk

Liquidity risk arises from the possibility that the company 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:

- ensuring that adequate working capitals are maintained;
- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets; and
- only investing surplus cash with major financial institutions.

The company has identified a liquidity risk exposure relating to the settlement of current repayment obligations on borrowings. This is being managed by preparation of detailed forward looking cashflow budgets.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company.

Price risk

The company is not exposed to any material commodity price risk.

(b) Interest Rate Risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average		Effective Interest Rate		Floating Interest Rate		Non interest bearing		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets										
Cash	2.25	2.25	21,502	21,231	-	-	21,502	21,231		
Trade and other receivables	-	-	-	-	25,708	26,250	25,708	26,250		
Total Financial Assets:			21,502	21,231	25,708	26,250	47,210	47,481		
Financial Liabilities:										
Trade and other payables	-	-	-	-	17,059	12,681	17,059	12,681		
Borrowings	7.55	7.55	122,234	184,988	-	-	122,234	184,988		
Total Financial Liabilities:			122,234	184,988	17,059	12,681	139,293	197,669		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

NOTE 14: FINANCIAL INSTRUMENTS (CONTINUED)

(c) Net Fair Value

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.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments which are carried at amortised cost (i.e. term receivables, loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the company.

Details of aggregate net fair value and carrying amounts of financial assets and financial liabilities at balance date:

		2014		2013	
		Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	(i)	21,502	21,502	21,231	21,231
Trade receivables	(i)	25,708	25,708	26,250	26,250
Total		47,210	47,210	47,481	47,481
Financial liabilities					
Trade and other payables	(i)	17,059	17,059	12,681	12,681
Borrowings		122,234	122,234	184,968	184,968
Total		139,293	139,293	197,669	197,669

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value.

(d) Sensitivity Analysis

Interest Rate Risk

The company has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks. The directors do not consider this to be a significant risk to the business and therefore this analysis is not disclosed.

NOTE 16: MEMBERS' GUARANTEE AND MEETINGS

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is not required to contribute towards meeting any outstanding obligations of the company. At 30 November 2013 the number of members was 362 (2013: 360).

At members' meetings each member is entitled to one vote on a show of hands.

ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

NOTE 17: CAPITAL MANAGEMENT

Management control the capital of the company in order to maintain a good debt-to-equity ratio and to ensure that the company can fund its operations and continue as a going concern. The company's debt and capital includes financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

Management effectively manage the company's capital by assessing the company's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

There have been no changes in the strategy adopted by management to control the capital of the company since the prior year. This strategy is to ensure that there is sufficient cash to meet trade and sundry payables and borrowings.

The gearing ratios for the year ended 30 November 2014 and 30 November 2013 are as follows:

	2014 \$	2013 \$
Trade and other payables	139,293	197,669
Less cash and cash equivalents	<u>(21,502)</u>	<u>(21,231)</u>
Net debt	117,791	176,438
Total equity	<u>856,046</u>	<u>869,511</u>
Total capital	<u>973,837</u>	<u>1,045,949</u>
Gearing ratio	14%	20%

NOTE 18: CAPITAL & LEASING COMMITMENTS

(a) Operating Lease Commitments

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

	2014 \$	2013 \$
Payable		
- not later than 1 year	12,665	10,363
- later than 1 year but not later than 5 years	50,660	41,452
- later than 5 years	<u>367,285</u>	<u>310,890</u>
	<u>430,610</u>	<u>362,705</u>

Ormond Ski Lodge, Higgi Drive, Mount Hotham is a leasehold interest from the Mount Hotham Resort Management Board. The lease is for 35 years, expiring on 31 October 2048, with rent payable monthly in advance.

(b) Capital Purchase Commitments

As of 30 November 2014 there were \$24,115 capital purchase commitments (2013: \$nil).

ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2014

NOTE 19: EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of the company.

NOTE 20: COMPANY DETAILS

The registered office of the company is:
111 Coolart Rd
Bittern VIC, 3918

The principal place of business is:
Ormond Ski Lodge
Higgi Drive
Mt Hotham VIC, 3741

ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 24 are in accordance with the Corporations Act 2001 and;
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 November 2014 and of the performance for the financial 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.

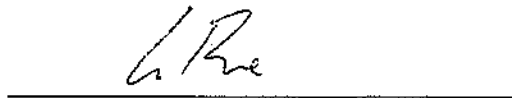
This declaration is made in accordance with a resolution of the directors.

Director



KATHERINE SEAL

Director



GEOFFREY ROSE

Dated this 11th day of March 2015

Advantage Advisors Audit Partnership

Audit & Assurance Services

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ORMOND SKI CLUB LIMITED

Report on the Financial Report

We have reviewed the accompanying financial report of Ormond Ski Club Ltd, which comprises the statement of financial position as at 30 November 2014 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, 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 controls as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2415 *Review of a Financial Report - Company Limited by Guarantee*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 30 November 2014 and its performance for the year ended on that date; and complying with the Australian Accounting Standards and *Corporations Regulations 2001*. ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ORMOND SKI CLUB LIMITED (Continued)**

Independence

In conducting our review, 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 Ormond Ski Club Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Ormond Ski Club Ltd is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the company's financial position as at 30 November 2014 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and *Corporations Regulations 2001*.



**ADVANTAGE ADVISORS AUDIT PARTNERSHIP
CHARTERED ACCOUNTANTS**



**BEN BESTER
DIRECTOR**

Dated in Melbourne on this 11 day of March 2015

Advantage Advisors Audit Partnership

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COMPILATION REPORT TO THE MEMBERS OF ORMOND SKI CLUB LIMITED

Scope

On the basis of information provided by the directors of Ormond Ski Club Limited, we have compiled in accordance with APES 315 *Compilation of Financial Information* the detailed income and expense statement of Ormond Ski Club Limited for the year ended 30 November 2014 as set out on page 29.

The specific purpose for which the detailed income and expense statement has been prepared is to provide private information to the directors. No Accounting Standards and other mandatory professional reporting requirements have been adopted in the preparation of the detailed income and expense statement.

The directors are solely responsible for the information contained in the detailed income and expense statement and have determined that the accounting policies used are consistent and are appropriate to satisfy the requirements of the directors.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the company, may suffer arising from any negligence on our part. No person should rely on the detailed income and expense statement without having an audit or review conducted.

The detailed income and expense statement was prepared for the benefit of the company and its directors and the purpose identified above. We do not accept responsibility to any other person for the contents of the detailed income and expense statement.



**BEN BESTER
DIRECTOR**

Dated in Melbourne on this 11 day of March 2015

ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

DETAILED INCOME AND EXPENSES STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2014

	2014 \$	2013 \$
INCOME		
Sales income	207,559	193,341
Interest Income	794	1,157
	<u>208,353</u>	<u>194,498</u>
LESS EXPENSES		
Audit fee	4,225	4,145
Bank charges	(927)	5,047
Cleaning	3,665	-
Depreciation	80,643	39,536
Electricity	4,080	3,596
Firewood	1,360	1,080
Gas	12,700	12,897
Food & supplies	32,529	34,821
Insurance	7,733	8,659
Interest	11,500	9,718
Licensing fees	839	650
Lodge fitting costs	4,798	-
Meeting	1,305	-
Printing and stationery	584	393
Site Service Charge	29,837	27,626
Rent	11,469	13,361
Repairs and maintenance	12,068	6,022
Rates and taxes	-	-
Sundry expenses	1,885	6,088
Telephone	1,526	1,386
	<u>221,819</u>	<u>175,025</u>
TOTAL EXPENSES		
PROFIT/(LOSS) FOR THE YEAR	<u>(13,466)</u>	<u>19,473</u>

These financial statements should be read in conjunction with the attached Disclaimer.