ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

FINANCIAL REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2012

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AMEND BASED ON DIRECTORS REPORT CHANGES

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 2012.

Directors

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

Megan Casey (President)
Thomas Nairn
Rohan Hodges
Geoff Markley
Ross Cutler
Virginia Spring
Katherine Seal
Stuart Watson
Kelly Tuck
James Hulonce

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

Operating Results

The profit of the company for the financial year ended 30 November 2012 amounted to $80,621 (2011: $50,288).

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.

Information on Directors

The information on directors is as follows:

Megan Casey	
Qualifications	– BSc (Hons), LLB (Hons), GDip (App Fin Inv) (Sec Inst), Trade Marks Attorney
Experience	– Barrister
Special Responsibility	– President
Thomas Nairn	
Qualifications	- Adv Dip Inv, Dip Business
Experience	– Police Officer
Special Responsibility	– Secretary
Rohan Hodges	
Qualifications	– B Eng (Mech), CP Eng (Chem).
Experience	– General Manager Operations
Special Responsibility	– Treasurer
Ross Cutler	
Qualifications	– BVSc (PhD)
Experience	– Veterinarian
Special Responsibility	– Newsletter (Editor)
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
Katherine Seal	
Qualifications	– B Arts
Experience	– Manager
Special Responsibility	– Food
Virginia Spring	
Qualifications	– B Comm, B Arts (Hons)
Experience	– Economist
Special Responsibility	– Recruitment
Stuart Watson	
Qualifications	– Electrical Mechanic Class 'A', RCDD, OSP/WD/NTS Specialist
Experience	– Project Manager
Special Responsibility	– Maintenance
Kelly Tuck	
Qualifications	– B Eng (Materials)
Experience	– Materials Engineer
Special Responsibility	– Booking
James Hulonce	
Qualifications	– B Eng (Hons)
Experience	– Geotechnical Engineer
Special Responsibility	– General Committee Member

Company Secretary

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

Meetings of Directors

DIRECTORS	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
Thomas Nairn	4	4
Megan Casey	4	4
Rohan Hodges	4	4
Geoff Markley	4	4
Ross Cutler	4	3
Virginia Spring	4	4
Katherine Seal	4	2
Stuart Watson	4	3
Kelly Tuck	4	4
James Hulonce	4	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:

-
-

Strategy in achieving objectives

The objectives of the Ormond Ski Club are achieved by:

-
-

Measuring performance

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

-
-

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 2012 the number of members was 360 (2011: 392).

Auditor's Independence Declaration

DIRECTORS' REPORT

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

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

Director ____

Director ____

Dated this day of 2013

AUDITOR'S INDEPENDENCE DECLARATION

ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2012

	Notes	2012 $	2011 $
Revenue	2	**235,352**	180,301
Depreciation expense		**(28,000)**	(23,203)
Borrowing costs expense		**(280)**	(290)
Food & supplies expense		**(37,501)**	(33,467)
Rent expense		**(13,441)**	(11,726)
Repair & maintenance expense		**(17,365)**	(6,238)
Gas & Electricity expense		**(16,419)**	(12,451)
Insurance expense		**(8,105)**	(9,182)
Site service charge expense		**(26,062)**	(23,478)
Other expenses		**(7,558)**	(9,978)
Profit before income tax	3	**80,621**	50,288
Income tax expense	1(a)	**-**	-
Profit for year		**80,621**	50,288
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		**80,621**	50,288
Profit attributable to members of the entity		**80,621**	50,288
Total comprehensive income attributable to members of the entity		**80,621**	50,288

ORMOND SKI CLUB LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2012

	Notes	2012 $	2011 $
CURRENT ASSETS			
Cash and Cash Equivalents	4	**219,910**	236,892
Trade and Other Receivables	5	**19,740**	18,465
Other Current Assets	6	**4,380**	2,287
TOTAL CURRENT ASSETS		**244,030**	257,644
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	**618,299**	523,483
TOTAL NON-CURRENT ASSETS		**618,299**	523,483
TOTAL ASSETS		**862,329**	781,127
CURRENT LIABILITIES			
Trade and Other Payables	8	**12,291**	11,710
TOTAL CURRENT LIABILITIES		**12,291**	11,710
TOTAL LIABILITIES		**12,291**	11,710
NET ASSETS		**850,038**	769,417
EQUITY			
Reserves	9	**739,154**	739,154
Retained Earnings		**110,884**	30,263
TOTAL EQUITY		**850,038**	769,417

ORMOND SKI CLUB LIMITED
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STATEMENT OF CHANGES IN EQUITY
AS AT 30 NOVEMBER 2012

	Asset Revaluation Reserve	General Reserve	Retained Earnings/ (Accumulated losses)	Total
	$	$	$	$
Balance at 1 December 2010	388,283	350,871	(20,025)	719,129
Profit for the year	-	-	50,288	50,288
Total comprehensive income for the year	-	-	50,288	50,288
Balance at 30 November 2011	**388,283**	**350,871**	**30,263**	**769,417**
Profit for the year	-	-	**80,621**	**80,621**
Total comprehensive income for the year	-	-	**80,621**	**80,621**
Balance at 30 November 2012	**388,283**	**350,871**	**110,884**	**850,038**

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 2012

	Notes	2012 $	2011 $
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		**222,069**	158,581
Payments to suppliers		**(127,963)**	(108,397)
Interest received		**12,008**	16,350
Borrowing costs		**(280)**	(290)
Net cash provided by operating activities	10	**105,834**	66,244
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		**(122,816)**	(50,671)
Net cash used in investing activities		**(122,816)**	(50,671)
Net (decrease)/increase in cash held		**(16,982)**	15,573
Cash at beginning of financial year		**236,892**	221,319
Cash at end of financial year	4	**219,910**	236,892

The accompanying notes form part of these financial statements.

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 income statement.

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 a straight line basis over the asset's useful life to the consolidated 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.

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
Plant and equipment	15 %	Straight Line
Furniture and fixtures	20 %	Straight Line

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 income statement.

(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 (ie 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 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 comprehensive income.

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 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 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.

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.

Key estimates – Property Valuation

The property at Ormond Ski Lodge, Higgi Drive, Mount Hotham is a 34 year leasehold interest from the Mount Hotham Resort Management Board expiring on 31 October 2013. The director's valuation of $500,000 adopted on 30 November 2009 is based on comparable sales of properties in the Victorian Alps and on the assumption that the company will be granted an extension of the lease upon terms and conditions that are commercially acceptable in the market place. In August 2011 the company lodged an application to Mount Hotham Resort and Management Board to renew the lease in accordance with their current published leasing guidelines. The Board subsequently endorsed the application as consistent with their leasing guidelines for a lease renewal for a 35 year term and has forwarded the application to the relevant Victorian state government department and minister for approval. A decision from the Victorian State Government is still pending. Given these comments there is a material uncertainty as to the recoverable value of the property which may vary significantly to the value disclosed in Note 7 to the financial statements. However, the directors are of the opinion that the lease will be renewed and as such have valued the property on this basis.

(l) Adoption of New and Revised Accounting Standards

During the current year, the company has 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 not significantly impacted the recognition and measurement of transactions and the presentation and disclosures of the financial statements.

(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 (December 2010) and AASB 2010–7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applicable for annual reporting periods commencing on or after 1 January 2013).

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;

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

- 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 profit or loss 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
- 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 profit or loss.

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

- AASB 2010–8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121: Income Taxes – Recovery of Revalued Non-Depreciable Assets into AASB 112.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments are not expected to significantly impact the company.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011–7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009–11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The company has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the company.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the company.

- AASB 13: Fair Value Measurement and 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] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

AASB 13 requires:
- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) to be measured at fair value.

These Standards are not expected to significantly impact the company.

- AASB 2011–9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to company items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the company.

- AASB 119: Employee Benefits (September 2011) and AASB 2011–10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011–8 and Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The company does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 (September 2011) also includes changes to the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:
- for an offer that may be withdrawn – when the employee accepts;
- for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
- where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

The company has not yet been able to reasonably estimate the impact of these changes to AASB 119.

	Notes	2012 $	2011 $
NOTE 2: REVENUE			
Sales revenue			
- lodge fees & subscriptions		**223,344**	163,951
Other revenue			
- interest	2(a)	**12,008**	16,350
		235,352	180,301
(a) Interest from:			
- other persons		**12,008**	16,350

NOTE 3: PROFIT BEFORE FOR INCOME TAX

		2012 $	2011 $
(a) Expenses:			
Depreciation of non-current assets:			
- Building, Plant and equipment		**28,000**	23,203
Rental expense on operating leases			
- minimum lease payments		**13,441**	11,726
Remuneration of the auditors for:			
- audit or reviewing the financial report		**2,495**	4,195

NOTE 4: CASH AND CASH EQUIVALENTS

		2012 $	2011 $
CURRENT			
Cash at bank		**219,910**	236,892

The effective interest rate on short-term bank deposits was 5.25% (2011: 5.43%).

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:

		2012 $	2011 $
Cash at bank		**219,910**	236,892

	Notes	2012 $	2011 $
NOTE 5: TRADE AND OTHER RECEIVABLES			
CURRENT			
Trade Receivables		**12,038**	12,642
Other Receivables		**7,702**	5,823
		19,740	18,465

(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) < 30	31–60	61–90	> 90	Within initial trade terms
	$	$	$	$	$	$	$
2012							
Trade receivables	**12,038**	**-**	**-**	**-**	**-**	**-**	**12,038**
Other receivables	**7,702**	**-**	**-**	**-**	**-**	**-**	**7,702**
Total	**19,740**	**-**	**-**	**-**	**-**	**-**	**19,740**
2011							
Trade receivables	12,642	-	-	-	-	-	12,642
Other receivables	5,823	-	-	-	-	-	5,823
Total	18,465	-	-	-	-	-	18,465

	2012 $	2011 $
NOTE 6: OTHER CURRENT ASSETS		
Prepayments	**4,380**	2,287

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	2012 $	2011 $
LAND AND BUILDINGS		
At directors' valuation in 2009	**500,000**	500,000
Less accumulated depreciation	**(60,000)**	(40,000)
Total land and buildings	**440,000**	460,000
FURNITURE & FITTINGS		
Furniture, fixtures and fittings		
At cost	**57,371**	57,371
Less accumulated depreciation	**(45,107)**	(41,904)
	12,264	15,467
LODGE RENOVATION		
At cost	**170,832**	48,016
Less accumulated depreciation	**(4,797)**	-
	166,035	48,016
Total property, plant and equipment	**618,299**	523,483

Movements in carrying amounts

2012

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

	Land and Buildings	Furniture, Fixtures and Fittings	Lodge Renovation	Total
2012	$	$	$	$
Balance at beginning of the year	**460,000**	**15,467**	**48,016**	**523,483**
Additions	**-**	**-**	**122,816**	**122,816**
Depreciation expense	**(20,000)**	**(3,203)**	**(4,797)**	**(28,000)**
Carrying amount at end of year	**440,000**	**12,264**	**166,035**	**618,299**

	Land and Buildings	Furniture, Fixtures and Fittings	Lodge Renovation	Total
2011	$	$	$	$
Balance at beginning of the year	480,000	16,015	-	496,015
Additions	-	2,655	48,016	50,671
Depreciation expense	(20,000)	(3,203)	-	(23,203)
Carrying amount at end of year	460,000	15,467	48,016	523,483

The fair market value of the leasehold interest in the land and buildings as of 30 November 2009 was deemed to be $500,000. Refer to Note 1(k) for director's judgements and estimates used in property valuation.

	Notes	2012 $	2011 $
NOTE 8: TRADE AND OTHER PAYABLES			
CURRENT			
Trade payables		**9,266**	7,610
Sundry creditors and accruals		**3,025**	4,100
		12,291	11,710
NOTE 9: RESERVES			
Asset revaluation reserve	9 (a)	**388,283**	388,283
General reserve	9 (b)	**350,871**	350,871
		739,154	739,154

(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.

	2012 $	2011 $
(c) Movement in Asset revaluation reserve		
Opening Balance	**388,283**	388,283
Transfer to General Reserve	**-**	-
Movement during the year	**-**	-
Closing Balance	**388,283**	388,283
(d) Movement in General reserve		
Opening Balance	**350,871**	350,871
Transfer from Asset revaluation reserve	**-**	-
Closing Balance	**350,871**	350,871

	Notes	2012 $	2011 $
NOTE 10: CASH FLOW INFORMATION			
Reconciliation of cash flow from operations with profit for the year :			
Profit after income tax		**80,621**	50,288
Non-cash flows in profit:			
Depreciation		**28,000**	23,203
Changes in assets and liabilities:			
(Increase)/decrease in receivables and prepayments		**(3,368)**	(4,926)
Increase/(decrease) in payables		**581**	(2,321)
Cash flows from operations		**105,834**	66,244

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 11: 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 $
Thomas Nairn	3,778	497
Megan Casey	1,660	417
Rohan Hodges	1,263	619
Geoff Markley	573	644
Ross Cutler	2,157	471
Katherine Seal	1,411	273
Stuart Watson	3,688	700
Kelly Tuck	-	-
Virginia Spring	3,570	409
James Hulonce	1,563	136

NOTE 12: KEY MANAGEMENT PERSONNEL COMPENSATION

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

- Megan Casey
- Thomas Nairn
- Rohan Hodges
- Geoff Markley
- Ross Cutler
- Virginia Spring
- Katherine Seal
- Stuart Watson
- Kelly Tuck
- James Hulonce

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

NOTE 13: FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The company’s financial instruments consist mainly of deposits with banks, 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 13 (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 does not have any material liquidity risk exposure.

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**	
	2012 %	2011 %	**2012 $**	2011 $	**2012 $**	2011 $	**2012 $**	2011 $
Financial Assets								
Cash	**5.25**	5.43	**219,910**	236,892	**-**	-	**219,910**	236,892
Trade and other receivables			**-**	-	**19,740**	18,465	**19,740**	18,465
Total Financial Assets:			**219,910**	236,892	**19,740**	18,465	**239,650**	255,357
Financial Liabilities:								
Trade and other payables	**-**	**-**	**-**	-	**12,291**	11,710	**12,291**	11,710
Total Financial Liabilities:			**-**	-	**12,291**	11,710	**12,291**	11,710

NOTE 13: 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:

	Footnote	**2012**		2011	
		Carrying Amount $	**Net Fair Value $**	Carrying Amount $	Net Fair Value $
Financial assets					
Cash and cash equivalents	(i)	**219,910**	**219,910**	236,892	236,892
Trade receivables	(i)	**19,740**	**19,740**	18,465	18,465
Total		**239,650**	**239,650**	255,357	255,357
Financial liabilities					
Trade and other payables	(i)	**12,291**	**12,291**	11,710	11,710
Total		**12,291**	**12,291**	11,710	11,710

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 14: 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 2012 the number of members was 360 (2011: 392).

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

NOTE 15: 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 2012 and 30 November 2011 are as follows:

	2012 **$**	2011 $
Trade and other payables	**12,291**	11,710
Less cash and cash equivalents	**(219,910)**	(236,892)
Net debt	**(207,619)**	(225,182)
Total equity	**850,038**	769,417
Total capital	**642,419**	544,235
Gearing ratio	**N/A**	N/A

NOTE 16: CAPITAL & LEASING COMMITMENTS

(a) Operating Lease Commitments

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

	2012 **$**	2011 $
Payable		
- not later than 1 year	**12,544**	13,285
- later than 1 year but not later than 5 years	**-**	12,544
	12,544	25,829

Ormond Ski Lodge, Higgi Drive, Mount Hotham is a leasehold interest from the Mount Hotham Resort Management Board for 34 years, expiring on 31 October 2013. Rent is payable monthly in advance.

(b) Capital Purchase Commitments

A commitment has been made for completion of the lodge renovations with the builder. The renovation work is approximately 50% complete and progress payments to date have been paid from the clubs accumulated funds. The loan from the ANZ is near finalisation but has been slowed due to administrative complexities within the ANZ. In the interim to ensure no disruption to the renovations over summer the club has organised short term unsecured financing from a number of members as needed to cover the progress payments over the next 3 months until the renovations are completed. The anticipated final loan now required from the ANZ is approximately $200,000 due lower than budgeted building costs and also to the slower building progress caused by the bushfire related access restrictions to Mt Hotham in January and February 2013 enabling cash flow from 2013 subscriptions and bookings to also fund the later stages of the building works in addition to the required loan.

NOTE 17: 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 18: COMPANY DETAILS

The registered office of the company is:
11 Charman Rd
Beaumaris VIC, 3193

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 5 to 23 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 2012 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 ______________________________

Director ______________________________

Dated this day of 2013

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF OROMOND SKI CLUB LIMITED (Continued)

COMPILATION REPORT
TO THE MEMBERS OF ORMOND SKI CLUB LIMITED

ORMOND SKI CLUB LIMITED
ABN 75 004 765 753

DETAILED INCOME AND EXPENSE STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2012

	2012 **$**	2011 $
INCOME		
Sales income	**223,344**	163,951
Interest Income	**12,008**	16,350
	235,352	180,301
LESS EXPENSES		
Audit fee	**2,495**	4,196
Bank charges	**280**	290
Depreciation	**28,000**	23,203
Electricity	**2,270**	1,852
Firewood	**1,350**	2,085
Gas	**14,149**	10,599
Food & supplies	**37,501**	33,467
Insurance	**8,105**	9,182
Licensing fees	**771**	740
Lodge fitting costs	**564**	488
Printing and stationery	**173**	681
Site Service Charge	**26,062**	23,478
Rent	**13,441**	11,726
Repairs and maintenance	**17,365**	6,238
Rates and taxes	**305**	345
Sundry expenses	**596**	414
Telephone	**1,304**	1,029
TOTAL EXPENSES	**154,731**	130,013
PROFIT FOR THE YEAR	**80,621**	50,288