

BARINA MILPARA LODGE LIMITED
A.C.N. 001 401 403

Financial Statements
For the Year ended 31st March 2010

MacBride Hinton & Co
Level 3, 73 Union Street
PYRMONT NSW 2009
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BARINA MILPARA LODGE LIMITED

A.C.N. 001 401 403

DIRECTORS' REPORT

The Directors submit the Financial Accounts of the Company for the year ended 31st March 2010

DIRECTORS

The names of the Directors in office at the date of this report are:

Heather Peters
Roger Hyde
Peter Corcoran
Peter Andruska
Mark Dell
Pam Palmer
John Lamaro

RESULTS

The net loss for the year amounted to \$23,776

REVIEW OF OPERATIONS

A Review of the company operations during the financial year and the results of those operations are as follows;

The company's operations during the year performed as expected in the opinion of the directors.

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 conducting of a Ski Lodge at Perisher Valley in the Kosciusko National Park.

No significant change in the nature of this activity occurred during the year.

AFTER BALANCE 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 financial years subsequent to the financial year ended 31 March 2010

FUTURE DEVELOPMENTS

The company expects to maintain the present status and level of operations and hence there are no likely known developments in future financial years.

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.

BARINA MILPARA LODGE LIMITED

A.C.N. 001 401 403

DIRECTORS' REPORT

INFORMATION ON DIRECTORS AND MEETINGS

The particulars of the qualifications, experience and special responsibilities of each Director who held office during the year together with their shareholdings and meeting attendance are as follows:

		Number of Meetings Attended	Number of Meetings Possible
Heather Peters	Chairman - Teacher Appointed 17th June, 1999 One Share	6	6
Pam Palmer	Homemaker Appointed 22nd May 2008 One Share	5	6
Roger Hyde	Treasurer- Public Accountant Appointed 28th April, 2006 One Share	5	6
Peter Andruska	Business Analyst Appointed 31st July 2008 One Share (Jointly)	4	6
Peter Corcoran	Solicitor Appointed 22nd September 2006 One Share	6	6
John Lamaro	Retired Engineer Appointed 25th September 2009 One Share (Jointly)	4	4
Mark Dell	Product Manager Appointed 20th July 2007 One Share (Jointly)	4	6

DIVIDENDS

There were no dividends or distributions paid to members during the year.

There were no dividends or distributions recommended or declared for payment to members, but not paid during the year.

OPTIONS

No options over issued shares or interests in the company were granted during or since the end of the financial year. Furthermore, there were no options outstanding at the date of this report.

BARINA MILPARA LODGE LIMITED

A.C.N. 001 401 403

DIRECTORS' REPORT

INDEMNITIES GRANTED

Insurance premiums amounting to \$2,505.05 have been paid in respect of Directors and Officers liability insurance, otherwise, there have been no indemnities granted , during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

DIRECTORS' BENEFITS

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company or a related body corporate with a Director, a firm of which a Director is a member of a Company in which a Director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the Company's Accounts, or the fixed salary of a full-time employee of the Company or a related body corporate.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Heather Peters
Director

Roger Hyde
Director

Dated : 16th July 2010

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF BARINA MILPARA LODGE LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31st March 2010 there have been:

- (I) No contraventions of the auditor's independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (II) No contraventions of any applicable code of professional conduct in relation to the audit.

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Kenneth J Dive - Partner

MacBride Hinton & Co
Chartered Accountants
Level 3, 73 Union Street
PYRMONT, NSW 2009

Dated: 16th July 2010

BARINA MILPARA LODGE LIMITED**A.C.N. 001 401 403****Balance Sheet****As at 31 March 2010**

	Note	2010 \$	2009 \$
CURRENT ASSETS			
Cash	4	124,429	206,304
Current tax assets		9,473	9,844
Other	6	<u>6,105</u>	<u>8,062</u>
TOTAL CURRENT ASSETS		140,007	224,210
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	187,135	165,544
Intangible assets	8	<u>4,607</u>	<u>4,908</u>
TOTAL NON-CURRENT ASSETS		<u>191,742</u>	<u>170,452</u>
TOTAL ASSETS		<u>331,749</u>	<u>394,662</u>
CURRENT LIABILITIES			
Payables	9	41,976	52,333
Other	10	<u>16,519</u>	<u>72,299</u>
TOTAL CURRENT LIABILITIES		<u>58,495</u>	<u>124,632</u>
TOTAL LIABILITIES		<u>58,495</u>	<u>124,632</u>
NET ASSETS		<u>273,254</u>	<u>270,030</u>
EQUITY			
Contributed Equity	11	241,000	232,000
Reserves	12	118,500	100,500
Accumulated losses		<u>(86,246)</u>	<u>(62,470)</u>
TOTAL EQUITY		<u>273,254</u>	<u>270,030</u>

BARINA MILPARA LODGE LIMITED

A.C.N. 001 401 403

**Statement of Changes in Equity
For the Year ended 31 March 2010**

	2010	2009
	\$	\$
Loss from ordinary activities before income tax	(23,776)	(23,405)
Income tax relating to ordinary activities	<u>-</u>	<u>-</u>
NET LOSS	(23,776)	(23,405)
Accumulated Losses 1 April 2009	(62,470)	(39,065)
ACCUMULATED LOSSES 31 March 2010	<u>(86,246)</u>	<u>(62,470)</u>

BARINA MILPARA LODGE LIMITED**A.C.N. 001 401 403****Income Statement****For the Year ended 31 March 2010**

	2010	2009
	\$	\$
INCOME		
Accommodation Income	226,002	193,490
Interest Received	724	4,188
	<u>226,726</u>	<u>197,678</u>
EXPENDITURE		
Advertising	1,077	1,429
Amortisation	7,639	6,114
Auditors Remuneration	4,400	4,400
Bank Charges	6,056	5,538
Booking Fees	10,717	9,447
Cleaning	937	257
Depreciation	5,424	6,702
Electricity, Gas and Fuel	17,227	17,311
General Expenses	4,112	2,766
Insurance	13,722	13,784
Laundry	5,537	5,776
Lease Premium	301	301
Legal Costs	-	2,000
Management and Catering Service	46,344	44,348
Postage	102	161
Printing & Stationery	1,379	845
Purchases - Provisions - Net	34,481	34,349
Rent and Community Service Charges	36,450	32,588
Repairs & Maintenance	37,794	17,378
Telephone	2,798	2,607
Transport - Hans Oversnow	14,005	12,982
	<u>250,502</u>	<u>221,083</u>
OPERATING LOSS BEFORE INCOME TAX	<u>(23,776)</u>	<u>(23,405)</u>

BARINA MILPARA LODGE LIMITED
A.C.N.001 401 403

STATEMENT OF CASH FLOWS
YEAR ENDED 31ST MARCH 2010

	2010	2009
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from Shareholders & Guests	170,222	195,849
Payments to Suppliers and Employees	(245,167)	(174,740)
Interest Received	724	4,188
Net Cash provided by/(used in) Operating Activities	<u>(74,221)</u>	<u>25,297</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds Issue of Twenty Five Shares	27,000	75,000
Payment for purchase of Property, Plant and Equipment	(34,654)	(55,141)
Net Cash used in Investing Activities	<u>(7,654)</u>	<u>\$ 19,859</u>
Net Increase/(Decrease) in Cash Held Cash at 1st April 2008	<u>(81,875)</u> 206,304	<u>45,156</u> 161,148
CASH AT 31ST MARCH 2009	<u>\$ 124,429</u>	<u>\$ 206,304</u>
RECONCILIATION OF CASH		
NAB Cash Management Account	29,630	137,075
Cash at Bank/(Bank Overdraft)	94,799	69,229
CASH AT END OF YEAR	<u>\$ 124,429</u>	<u>\$ 206,304</u>

BARINA MILPARA LODGE LIMITED

Notes to the Financial Statements

For the Year ended 31st March 2010

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report and it has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets and they have been prepared on an accruals basis. Cost is based on the fair value of the consideration given in exchange for assets.

Basis of Preparation

First-time Adoption of Australian Equivalents to International Financial Reporting Standards.

BARINA MILPARA LODGE LIMITED has prepared the financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (IFRSs) from 1 January 2005. No adjustments were deemed to be necessary.

Unless otherwise stated the accounting policies have been consistently applied. The financial report is for the entity known as BARINA MILPARA LODGE LIMITED a company, as an individual entity. The company was incorporated and has its domicile in Australia.

2. REVENUE FROM ORDINARY ACTIVITIES

Operating revenue		
Rendering services	<u>226,002</u>	<u>193,490</u>
	226,002	193,490
Non-operating revenue		
Interest Received	<u>724</u>	<u>4,188</u>
	724	4,188
	<u>226,726</u>	<u>197,678</u>

3. EXPENSES FROM ORDINARY ACTIVITIES

Depreciation and amortisation expenses	13,063	12,816
Advertising	1,077	1,429
Bank Charges	6,056	5,538
Booking Fees	10,717	9,447
Insurance	13,722	13,784
Postage	102	161
Printing & Stationery	1,379	845
Rent and Community Service Charges	36,450	32,588
Repairs & Maintenance	37,794	17,378
Telephone	2,798	2,607
Other expenses	<u>127,344</u>	<u>124,490</u>
	<u>250,502</u>	<u>221,083</u>

BARINA MILPARA LODGE LIMITED**Notes to the Financial Statements****For the Year ended 31st March 2010****4. CASH**

National Australia Bank	29,630	69,230
NAB - Cash Management Account	94,799	137,074
	<u>124,429</u>	<u>206,304</u>

5. Trade and Other Receivables**Current**

Provision for GST	8,424	8,795
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Total Trade and Other Receivables

<u>8,424</u>	<u>8,795</u>
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6. Other Assets**Current**

Prepayments	6,105	8,062
	<u>6,105</u>	<u>8,062</u>

7. Property, Plant & Equipment**Land & Buildings**

Leasehold Improvements - Cost Barina Milpara Lodge	328,473	294,683
Less Accumulated Amortisation	<u>174,648</u>	<u>167,009</u>
	153,825	127,674

Lodge Refurbishments - Cost	17,551	17,551
Less Accumulated Depreciation	17,551	17,551

Total Land & Buildings	<u>153,825</u>	<u>127,674</u>
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Plant & Equipment

Plant & Equipment - Cost	62,522	61,658
Less Accumulated Depreciation	<u>46,060</u>	<u>43,703</u>
	16,462	17,955

Furniture & Fittings - Cost	74,999	74,999
Less Accumulated Depreciation	<u>66,394</u>	<u>65,388</u>
	8,605	9,611

Carpets - Cost	22,631	22,631
Less Accumulated Depreciation	<u>14,388</u>	<u>12,327</u>
	8,243	10,304

Total Plant & Equipment	<u>33,310</u>	<u>37,870</u>
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Total Property, Plant & Equipment	<u>187,135</u>	<u>165,544</u>
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BARINA MILPARA LODGE LIMITED

Notes to the Financial Statements

For the Year ended 31st March 2010

8. Intangible Assets

Non-Current

Premium on Lease	9,039	9,039
Less Accumulated Amortisation	<u>4,432</u>	<u>4,131</u>
	4,607	4,908

Total Intangible Assets	<u><u>13,646</u></u>	<u><u>13,947</u></u>
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9. Trade and Other Payables

Current

Trade Creditors	41,976	52,333
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Total Trade and Other Payables	<u><u>41,976</u></u>	<u><u>52,333</u></u>
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10. OTHER

Current

Income in Advance	<u>16,519</u>	<u>72,299</u>
	<u><u>16,519</u></u>	<u><u>72,299</u></u>

11. SHARE CAPITAL

241 Shares of \$1,000 each fully paid	<u><u>241,000</u></u>	<u><u>232,000</u></u>
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12. RESERVES

Share Premium Reserve	<u>118,500</u>	<u>100,500</u>
	118,500	100,500

Movements during the year

Share Premium Reserve

Additions 2010 Year	<u>18,000</u>	<u>50,000</u>
	18,000	50,000

BARINA MILPARA LODGE LIMITED
A.C.N. 001 401 403
Notes to the Financial Statements
For the Year Ended 31st March 2010

13. AUDITORS REMUNERATION

Fees due and receivable by the Auditors for:

(a)	Audit of Company Accounts	3,600	3,600
(b)	Other Services	800	800
		<u>\$4,400</u>	<u>\$4,400</u>

The Auditors received no other benefits.

14. DIRECTORS FEES

(a)

There are no Directors in full time employment of the company.

(b)

Other Directors – No Directors will receive any payment in money of any kind for services rendered in respect of the year ended 31st March 2010.

15. INCOME TAX EXPENSE

The taxation position is reconciled by the difference shown below:

Profit/(Loss) as per Statement of Appropriations	(23,776)	(23,405)
Add: Items not Allowable for Taxation Purposes:		
Timing Differences	1,957	(1,339)
Permanent Differences	7,940	6,415
	<u> </u>	<u> </u>
Taxable Income/(Loss)	(\$13,879)	(\$18,329)
Income Tax Expense	<u>\$Nil</u>	<u>\$NIL</u>

16. LEASEHOLD IMPROVEMENTS

The original lease was to expire in the year 2018. Accordingly Leasehold Improvements have been amortised over the unexpired portion of the lease.

17. LODGE REFURBISHMENTS

Refurbishments to the Lodge during the 2000 year amounted to \$17,551. These have now been fully amortised.

BARINA MILPARA LODGE LIMITED
A.C.N. 001 401 403
Notes to the Financial Statements
For the Year Ended 31st March 2010

18. CAPITAL AND LEASING COMMITMENTS

(a) Operating Lease Commitments		2009	2009
	Non-cancellable operating leases contracted for but not capitalised in the accounts:		
	Payable – not longer than 1 year	18,528	18,092
	- longer than 1 year but not longer than 2 years	18,528	18,092
	- longer than 2 years but not longer than 5 years	55,584	54,276
	- longer than 5 years	148,224	162,828
		<u>\$240,864</u>	<u>\$253,288</u>
(b) Capital Expenditure			
	Commitments contracted for:	<u>NIL</u>	<u>NIL</u>

19. CONTINGENT LIABILITY

Bank Facilities

The Bank holds an indenture over Lease of Barina Milpara Lodge situated at Perisher Valley to secure an overdraft facility as and when required.

Bank Guarantee

There exists Bank Guarantees to the extent of \$13,250 in respect of the National Parks and Wildlife Service Lease Agreement.

Lease Commitments

The Company leases the Lodge site from the National Parks and Wildlife Service and such lease expires in the year 2025.

BARINA MILPARA LODGE LIMITED
A.C.N. 001 401 403
Notes to the Financial Statements
For the Year Ended 31st March 2010

20. FINANCIAL INSTRUMENTS

(a) 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 those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate %		Floating Interest Rate	
	2010	2009	2010	2009
Financial Assets				
Cash at Bank	3.00	2.25	<u>\$94,798</u>	<u>\$137,074</u>
Financial Liabilities				
Bank Overdraft secured	17.83	17.18	<u>\$20,000</u>	<u>\$20,000</u>

(b) 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 doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

The company does not have any material credit risk exposure to any single debtor.

BARINA MILPARA LODGE LIMITED
A.C.N. 001 401 403
Directors Declaration
for the Year Ended 31 March 2010

The directors of the company hereby declare that:

The accompanying financial statements and notes of the company as at 31 March 2010;

- a) present a true and fair view of the company's financial position as at 31 March 2010 and its performance for the year ended on that date.
- b) comply with Australian Accounting Standards and other mandatory professional reporting requirements.
- c) there is reasonable grounds to believe that the company will be able to meet its debts as and when they become payable.

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

Heather Peters
Director

Roger Hyde
Director

Dated 16th July 2010

BARINA MILPARA LODGE LIMITED
A.C.N. 001 401 403
Independent Audit Report
to the Members of
BARINA MILPARA LODGE LIMITED

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of BARINA MILPARA LODGE LIMITED (the company), which comprises the balance sheet as at 31 March 2010, and the income statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report are appropriate to meet the financial reporting requirements of the company's constitution and are appropriate to meet the needs of the members. The directors' responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the company's constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

BARINA MILPARA LODGE LIMITED
A.C.N. 001 401 403
Independent Audit Report
to the Members of
BARINA MILPARA LODGE LIMITED

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects the financial position of BARINA MILPARA LODGE LIMITED as of 31 March 2010 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

MacBride Hinton & Co
Kenneth J Dive Partner
Level 3 73 Union Street PYRMONT NSW 2009

Dated : 16th July 2010