

# RUAPEHU ALPINE LIFTS LIMITED

## 2012 ANNUAL REPORT

For Year Ended 30<sup>th</sup> April 2012



### RUAPEHU ALPINE LIFTS LIMITED

*In the early 1950's a group of enthusiastic skiers decided to develop a ski area on the northwestern slopes of Mt Ruapehu and formed Ruapehu Alpine Lifts Limited to achieve this.*

*Ruapehu Alpine Lifts Limited has over 4,000 shareholders who do not receive dividends or any other specific benefit. All profits are reinvested in the maintenance and further development of facilities at the ski areas for the benefit of the public and to promote snow sports.*

*From incorporation in 1953 the company focused on the growth of Whakapapa Ski Area. In December 2000 the purchase of Turoa Ski Area was achieved. The company's business now comprises the operation of both ski areas.*

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## DIRECTORY

### **DIRECTORS**

David A Pilkington  
Chairman of Directors

Duncan J Fraser

Murray I D Gribben

Kerry McDonald  
(from 17<sup>th</sup> September 2011)

Philip J Royal

John D Sanford  
(retired 17<sup>th</sup> September 2011)

Kevin T Stanley

### **GENERAL MANAGER**

A David Mazey

### **AUDITOR**

Deloitte

### **BANKER**

ANZ National Bank Limited

### **REGISTERED OFFICE**

10 Brandon Street  
Wellington 6011  
Email: [dawilliams@deloitte.co.nz](mailto:dawilliams@deloitte.co.nz)

### **COMPANY ADDRESS**

Private Bag 71902  
Mt Ruapehu 3951  
Phone: 07 892-4000  
Fax: 07 892-3732  
Email: [info@mtruapehu.com](mailto:info@mtruapehu.com)  
Web: [www.mtruapehu.com](http://www.mtruapehu.com)

**SECRETARY:** CD Williams, P O Box 3144, Wellington 6011

**SHARE REGISTER:** Deloitte, P O Box 1990, Wellington 6011

## **RUAPEHU ALPINE LIFTS LIMITED TRUST**

*The Trust was created in 1983 to protect the interests of the company and its shareholders, and to preserve the Company's integrity for future generations. The original Trustees who invested in the company were issued 10,000 "D" shares, which represents 45% of shares on issue. The Trust shareholding, and its stated aim of "preserving RAL in its current form", is intended to prevent any individual, group of individuals or organisation being able to action a hostile takeover of the Company.*

*The original Trustees were Sir Bryan Todd, Sir Roy McKenzie and Peter Scott. Sir John Ingram was appointed as a Trustee in 1984. Trustees during the reporting year are Roger Manthel, Bill Fraser, Tomas Huppert and John Parker. Regrettably Bill Fraser passed away in October 2011.*

**NOTICE OF ANNUAL MEETING**

For year ended 30<sup>th</sup> April 2012

The Fifty Ninth Annual Meeting of Ruapehu Alpine Lifts Limited will be held at Powderhorn Chateau, 194 Mangawhero Terrace, Ohakune, Saturday 22<sup>nd</sup> September 2012 at 4.00pm.

**ORDINARY BUSINESS**

1. Presentation of the Annual Report for year ended 30<sup>th</sup> April 2012.
2. Appointment of Directors  
In accordance with the Constitution the following Directors retire by rotation, and being eligible, offer themselves for reappointment:
  - (a) Phil Royal retires by rotation, and being eligible, offers himself for reappointment.
  - (b) Kevin Stanley retires by rotation, and being eligible, offers himself for reappointment.
3. To confirm the reappointment of Deloitte as auditor and authorise the Directors to determine their remuneration for the ensuing year.
4. General

Shareholders entitled to attend and vote at the meeting are entitled to appoint a proxy, who need not be a shareholder of the Company. For the convenience of shareholders a Form of Proxy is attached.

Completed Forms of Proxy must be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting. The registered office of the Company is at the office of Deloitte, Chartered Accountants, 10 Brandon Street, P O Box 1990, Wellington 6011 (Email: dawilliams@deloitte.co.nz).

**C D Williams**  
**Secretary**

**Dated at Wellington, New Zealand this Saturday the 21<sup>st</sup> day of July 2012.**

<b>SHAREHOLDERS &amp; SHAREHOLDING</b>	
<b>Number of Shares</b>	<b>Number of Shareholders</b>
5 or Less	3,808
Between 6 & 10	239
Between 11 & 100	157
101 and over	1

In addition, the Ruapehu Alpine Lifts Limited Trust also holds 10,000 "D" shares. There are 4,205 shareholders on the register, with no known address for 2,017 (48%) of these shareholders.

Shares do frequently become available for purchase, normally from the estate of deceased shareholders. Purchase price is the face value of the shares – i.e. \$1 for "A" shares, \$20 for "B" and "C" shares. The Company Secretary facilitates sale and purchase of shares. Contact the Secretary at P O Box 1990, Wellington 6011 (Email: dawilliams@deloitte.co.nz) if there is interest in purchase of available shares.

Since the 26<sup>th</sup> September 1998 the Company Constitution precludes any shareholder holding, in aggregate, more than 100 shares, notwithstanding that the aggregate holding may be more than one class of shares.

## BOARD OF DIRECTORS' & SENIOR MANAGEMENT TEAM

For year ended 30<sup>th</sup> April 2012

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### **CHAIRMAN:**

#### **David A Pilkington**

BSc, BE (Chem), Dip Dairy Sci & Tech

David has been a Director of Ruapehu Alpine Lifts Ltd since March 2005 and Chairman since October 2005. After spending almost 30 years with the dairy industry including senior management positions in Japan, North America and New Zealand, David became a fulltime company Director and holds directorships in companies which currently include Port of Tauranga Ltd, Zespri Group Ltd, Ballance AgriNutrients Ltd, Douglas Pharmaceuticals Ltd, Rangatira Ltd, Restaurant Brands NZ Ltd and Heller Tasty Ltd.

### **DIRECTORS:**

#### **Duncan J Fraser**

BE(Hons), MIPENZ, CPEng

Duncan joined the Board as a Director in October 2006. Duncan has had an association with skiing at Mt Ruapehu since childhood and is a past President of Skyline Ski Club. His professional background is in mechanical engineering and project management. He is currently Managing Director of Acme Engineering Ltd, a long established heavy engineering business based in Wellington.

#### **Murray I D Gribben**

Murray joined the Board as a Director on the 18<sup>th</sup> May 2010. His career started in the military before he moved into the finance sector where his professional career has been in investment banking and investment management. He is currently an Executive Director of Willis Bond & Co, a property development and investment company. He has held a variety of senior roles within the finance sector both in New Zealand and overseas. Previously held governance positions include Chair of AMP NZ Office Trust and Directorships at Zeacom Ltd, CS Limited, Donaghys Ltd and Summerset Group Holdings Ltd. He is currently a Director of NZ Post and Kiwibank.

#### **Kerry McDonald**

BCom, MCom(hons), DCom(hc) FAICOD, FIOD, FNZIM

Kerry joined the Board as an advisor in May 2010 and was elected as a Director in September 2011. He is a professional company director: Chairman of Opus International Consultants Limited, Grant Thornton NZ and BNZ Wellington Partners; a Director of Leighton Contractors PTY Ltd (including Leighton Mining, Nextgen, Visionstream, etc), NZ Institute of Economic Research, National Army Museum - Waiouru and is a Sport NZ appointed advisor to the Board of Swimming New Zealand. He was previously an Executive/Managing Director with Comalco / RioTinto, Chairman of BNZ, GRDMacraes and OceanaGold; a Director of National Australia Bank, Carter Holt Harvey, Ports of Auckland, Gough Gough and Hamer, etc; President of the Institute of Directors and Chairman of the Government's Savings Working Group, the State Sector Standards Board and the Aus-NZ Leadership Forum.

### **SENIOR MANAGEMENT TEAM:**

#### **General Manager: Dave Mazey**

Dip Parks & Rec, ONZM

Dave has been the General Manager since 1986, prior to this he held various management positions with DOC and has held Member/Chairman roles in a number of Industry Associations over the past 20 years.

#### **Mountain Manager: Chris Thrupp**

NZCE

Chris was appointed to this position in 2001 with the purchase of Turoa. Prior to this he progressed through various operational and management roles at Turoa over an 11 year period.

#### **Area Manager – Whakapapa: Steve McGill**

Steve was appointed to this position in 2004. Prior to this he has worked at Whakapapa for over 25 years progressing through various operational, engineering and management roles.

#### **Phil J Royal**

MBA

Phil joined the Board as a Director in June 2006. Phil is a Partner at PriceWaterhouseCoopers. He has held directorships and CEO roles with organisations such as Virtual Spectator, Summerset Retirement Villages, Bearing Point and CGNZ. He has had significant experience around service orientated businesses and has managed a number of large Global and Government Reform projects across the UK, Australia and New Zealand. He is also current Chairman of the Audit Committee. Phil and his family have had a long association with the mountain.

#### **Kevin T Stanley**

Kevin was appointed to the Board of Ruapehu Alpine Lifts Ltd in March 2008. He has been skiing on Mt Ruapehu most of his life and is an honorary life member of the Matamata Ski Club. Kevin is Managing Director of Stanley Group, a Matamata and Auckland based commercial construction company. Kevin holds provisional Director accreditation and is the Chairman of Directors of construction guarantee company, Master Build Services Ltd.

#### **Corporate Services Manager: Michelle Ellis**

CA, BCom

Michelle was appointed in February 2009. Prior to this, and after returning from working as a contractor in London, Michelle worked for Shell NZ, for a five year period, as their Financial and Economic Analyst. Prior to traveling she was Finance Manager for NZ Cricket.

#### **Human Resource Manager: Jane McGechan**

BA, Dip PUB, Dip TEFLA

Jane was appointed to this position in December 2007. Jane began work for Ruapehu Alpine Lifts Ltd in the Medical Centre at Turoa in 2001 and comes from a background in publishing, recruitment and teaching.

**DIRECTORS' REVIEW**

For year ended 30<sup>th</sup> April 2012

Your Directors have the pleasure in presenting to Shareholders the Annual Report for the year ended 30<sup>th</sup> April 2012.

**PRINCIPAL ACTIVITIES**

The Company's principal activity during the year was the operation of Whakapapa and Turoa Ski Areas.

**RESULTS**

Comprehensive Income for the year	<b>\$2,400,880</b>
Total Equity at 1 <sup>st</sup> May 2011	<b>\$29,433,792</b>
Total Equity at 30 <sup>th</sup> April 2012	<b><u>\$31,834,672</u></b>

**DIVIDENDS**

Pursuant to the Constitution the Company is precluded from paying dividends.

**REMUNERATION OF EMPLOYEES – in bands of \$10,000 greater than \$100,000**

	No of Employees		No of Employees
\$100,000 - \$110,000	1	\$160,000 - \$170,000	1
\$120,000 - \$130,000	1	\$230,000 - \$240,000	1
\$140,000 - \$150,000	1		

**DIRECTORS' INTERESTS**

The following transactions were entered into by Directors of the Company during the period:

- Goods and services were provided from a company in which D Pilkington, the Chairman, has an interest.
- Goods and services were purchased from a company in which K Stanley, a Director, has an interest.
- Goods and services were purchased from a company in which D Fraser, a Director, has an interest.

The details of these transactions are in Note 9 to the Financial Statements – "Transactions with Related Parties". In each case the full extent of any interest was disclosed to the Board and the Directors concerned took no part in the decision.

**DIRECTORS' SHARE DEALINGS**

During the year the following Director acquired shares in the company:

Director	No. of Shares Acquired	Class of Shares	Consideration Paid	Date of Acquisition
T K McDonald	20	C	\$400	20 <sup>th</sup> August 2011

**REMUNERATION OF DIRECTORS**

The remuneration paid to directors totaled \$70,000 during the period. Details of any other entitlements available to the Directors are detailed in Note 9 "Transactions with Related Parties".

During the year Directors fees were paid to the following:

David A Pilkington	\$20,000	Phil J Royal	\$10,000
Duncan J Fraser	\$10,000	John Sandford	\$4,167
M I Gribben	\$10,000	Kevin T Stanley	\$10,000
Kerry McDonald	\$5,833		
		<b>TOTAL</b>	<b><u>\$70,000</u></b>

The above named Directors held office during and since the end of the financial year.

**USE OF COMPANY INFORMATION**

During the period the Board received no notices from Directors of the Company, requesting to use Company information received in their capacity as Directors, which would not otherwise have been available to them.

**On behalf of the Board**

Phil Royal Director Date: **Saturday 21<sup>st</sup> July 2012**

David A Pilkington Chairman Date: **Saturday 21<sup>st</sup> July 2012**

## CHAIRMAN'S REVIEW

For year ended 30<sup>th</sup> April 2012

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It is my pleasure, on behalf of my fellow Directors, to report on the activities of Ruapehu Alpine Lifts (RAL) for the year ending 30<sup>th</sup> April 2012.

### THE YEAR IN REVIEW

The General Manager, Dave Mazey, will cover the 2011 winter season operations in more detail in his review. Suffice to say that despite reasonably good snow conditions throughout the winter, skier numbers were disappointing. We have attributed this in large part to the impact of the Rugby World Cup and also to some degree the on-going tight economic conditions experienced due to the Global Financial Crisis. Despite the disappointing skier numbers the financial performance achieved by the company was particularly satisfying and I will comment more on the initiatives the board and management have implemented. Firstly, the numbers:

### FINANCIAL RESULTS

The Surplus from operations for the year ending 30<sup>th</sup> April 2012 was \$2,237,684; which was a substantial improvement on the \$171,412 Deficit in the prior year.

Total revenue was up 5.1% (\$1,413,647) driven off similar skier numbers to the 2010 winter season. Total operating expenses decreased by 3.8% (\$981,368) reflecting the lower operating costs and better cost control.

During the year we improved our Cash at Bank position by \$2,321,619 and reduced our bank borrowings by \$750,000, with term debt ending the year at \$5.25m. The strong operating cash flows coupled with the reduced capital expenditure resulted in this lower borrowing and a strengthening of our balance sheet and financial position.

Turning to the outlook for this season, after a promising start and excellent July school holiday conditions, rain has significantly reduced our snow cover and we are eagerly awaiting more snow. Nevertheless skiing has been remarkably good, due in part to snow making and more to the excellent snow management capability of our staff. At the Annual Meeting I will provide a more up to date outlook for the 2012 winter season – but as I write it is snowing on the mountain.

### NEW DEVELOPMENTS

In my comments at last years Annual Meeting I expressed concern, on behalf of the Board of Directors, that we had made little progress in upgrading our ageing lifts particularly at Whakapapa. I commented that this situation is both untenable and unsustainable and we must find a way through the Resource Management Act and the economic investment issues. While it may not be apparent yet to shareholders, good progress is being made on both fronts. I want to talk first about the economic investment issue and ensuring we generate sufficient net cash flow to support our proposed investment programme.

The General Manager comments later on the changes to the organisation and the operating model. In short we undertook a complete review of our organisational structure including the key management roles and responsibilities. This review has resulted in a number of changes which are aimed at standardising best practice across both ski areas and ensuring our senior managers are given more responsibility to lead improved performance from our various on mountain operations. Managers are taking responsibility for their own business unit performance and engaging more strategically as a management team on driving improved financial outcomes. The Board of Directors has been very pleased with the response from managers and staff. The financial results over the past 12 months reflect this improvement and given the targets in place over the next two years we are much more confident that the business will be able to support the overdue investment.

On the issue of the Resource Management Act (RMA) things are moving ahead, albeit, more slowly than we would like. As previously reported we submitted our Indicative Development Plans for Turoa and Whakapapa to the Department of Conservation as required under the terms of our license and under the Tongariro National Park Management Plan. These outline our thinking in regards to proposed lift and facility changes over the next 5-10 years. Though these plans are still in draft form, and noted as "for consultation", they have been posted on the company's website as they remain the current blueprint we are following for upgrade and improvement of both ski areas.

We are in the final stages of preparing the RMA consent application for the next stage of upgrades at Whakapapa and are pushing ahead with the process of lodging these consent applications. Progress on building our relationship with Iwi has been very positive especially at Turoa through our relationships with Ngati Rangi and Ngati Uenuku. We are particularly grateful for the support from these groups for the installation of the Ngā Wai Heke chairlift and we were delighted with the Iwi offer to name this new lift. As mentioned last year we believe the very strong cultural Iwi links to Mt Ruapehu differentiate the ski areas from other New Zealand skiing destinations and we are looking at ways in which we can accentuate the special links with Iwi going forward. RAL plays a key role in the economy of the Ruapehu District and we wish to foster strong engagement and partnership with Iwi and others to develop the economic opportunities for the region.

There is no doubt that the very slow resolution of Iwi claims through the Waitangi Tribunal hearings and subsequent negotiations with the Crown are overshadowing the whole management of the conservation estate and we simply need to acknowledge this while continuing to advance our plans through the established legal consent mechanisms.

### BOARD MEMBERS

Kevin Stanley and Phil Royal retire by rotation at this year's Annual Meeting and, being eligible, offer themselves for re-election. Both Phil and Kevin are strong contributors around the board table and their re-election has the full support of the Board.

**ACKNOWLEDGEMENTS**

Sadly, our senior Trustee Bill Fraser passed away in October 2011. Bill served on the board of the company for 13 years from 1984 through to 1996. As an engineer and long time Managing Director of ACME Engineering, Bill brought to the company a wealth of engineering project experience, a down to earth pragmatism and a no nonsense approach for getting things done. On stepping down from the board Bill accepted a role as Trustee which he maintained until he passed away. Bill was a frequent visitor to the mountain and in the early days was a key figure, along with Sir Roy McKenzie, in the establishment of the Skyline Ski Club at Whakapapa. Bill was a regular attendee of our Annual Meetings in recent years and he will be sadly missed.

I would also like to thank our Trustees Roger Manthel, Tomas Huppert and John Parker for their continued interest and support over the last 12 months.

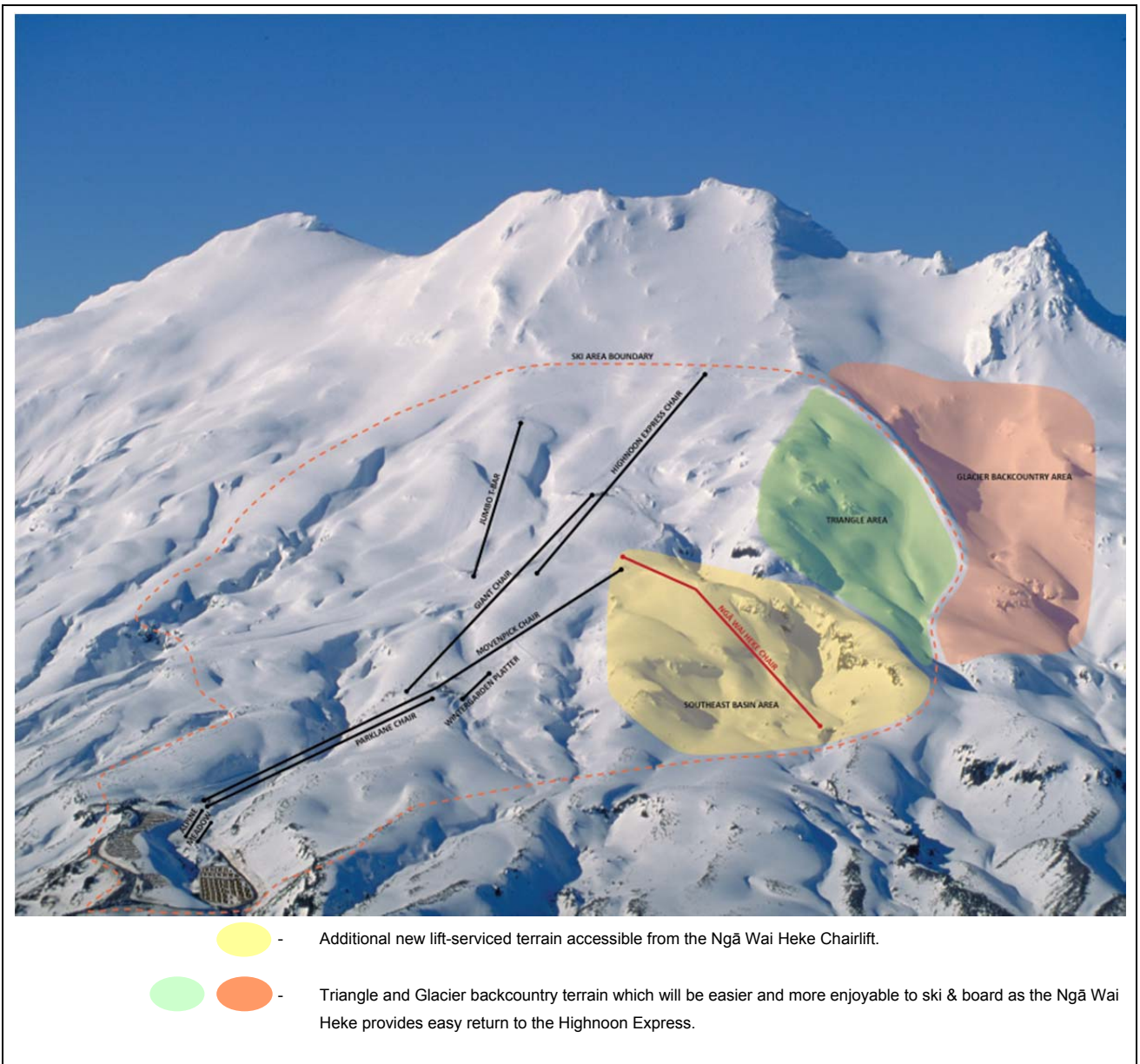
I wish to thank the management and staff of RAL for their excellent contribution over the past year. As I said earlier the last 18 months have been challenging and they have seen a lot of organisational changes. Change of the sort undertaken in the company can be threatening and disruptive to individuals. The positive way most have reacted is heartening and the progress so far very encouraging.

Finally, I have signaled to my fellow directors that having served as Chairman for the last seven years it is appropriate that I step down and it is my intention to do so in the near future. Such is the caliber of the current directors there is no shortage of strong candidates to take over and I have every confidence that the company will continue to progress.

Thank you

David A Pilkington

**CHAIRMAN**



**GENERAL MANAGER'S REVIEW**

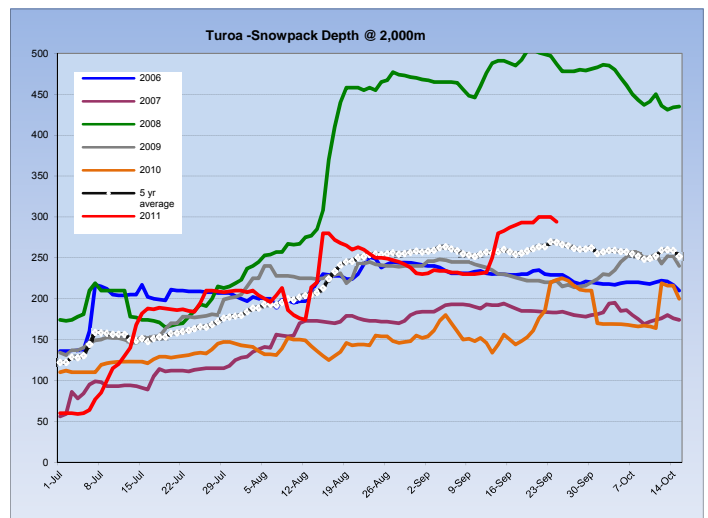
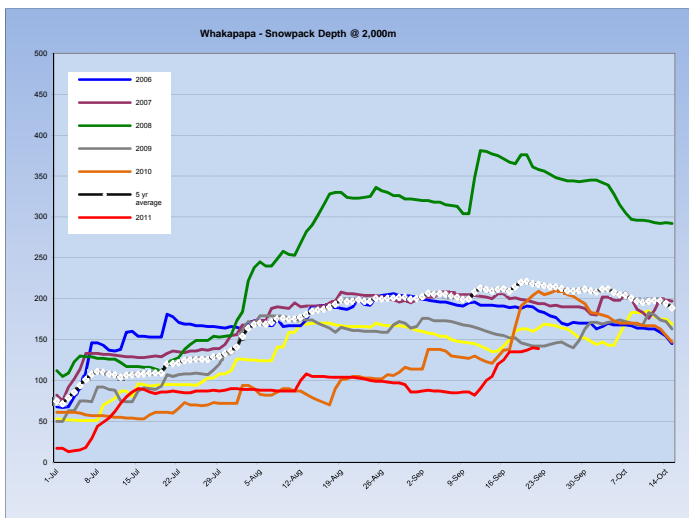
For year ended 30<sup>th</sup> April 2012

**WINTER 2011**

Due to New Zealand hosting the Rugby World Cup during 2011 the June/July and September/October school holidays were moved out two weeks from their traditional dates. As weeks prior to the June/July school holidays are normally very quiet and often marginal for snow cover we decided to delay our season opening by one week. The target opening dates were therefore Saturday 25<sup>th</sup> June for Turoa and Saturday 2<sup>nd</sup> July for Whakapapa. Our opening dates are scheduled to be at least one week prior to these holidays to provide time for new staff to complete their minimum training and have some experience in their role prior to the busy holiday weeks.

In 2011 the early winter snowfalls were very light and our decision to delay opening proved to be quite fortuitous. As always the snow did finally fall. At Turoa the Alpine Meadows opened on Tuesday 28<sup>th</sup> June and we commenced skiing the upper slopes off the Movenpick by Friday 1<sup>st</sup> July; these dates being three to six days later than we had originally scheduled. At Whakapapa the first day of operation was on the scheduled opening date of Saturday 2<sup>nd</sup> July with Happy Valley, Rockgarden and Waterfall trails all skiable.

The light snow cover did continue through the 2011 winter reflecting average cover at Turoa while at Whakapapa it was very similar to 2010 and well below the average depth of the previous five years.



The positive side of below average snow years is we tend to have more open days; the winter operation is less affected by storm cycles. This is reflected in our open days for last season; 74% for Turoa and 75% for Whakapapa, being the highest in the past five years.

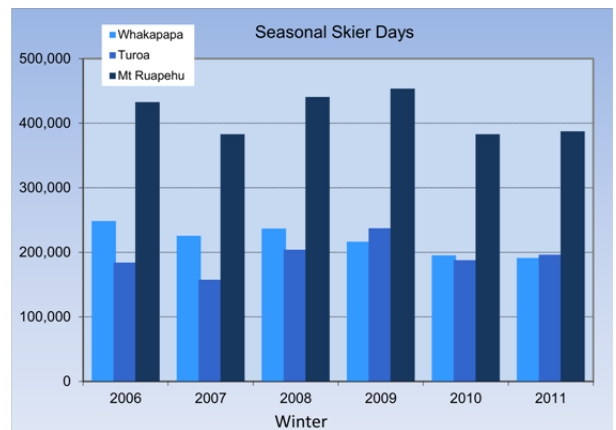
Whilst the success of Rugby World Cup was positive for our international exposure and promotion of tourism, public focus on the tournament here in New Zealand saw our domestic market during September and particularly October, dry up and as a consequence we experienced a much stronger reduction in business than expected. Our business during the three weeks of October, which included two holiday weeks and a long weekend, plus many days of fine weather, was estimated at 50% of what it otherwise (ie without Rugby World Cup) would have been. The additional international tourists that did visit the mountain during the early part of the tournament in no way compensated for the reduction in domestic visitors.

Total season skier days at 397,000 were very similar to 2010.

**MARKETING**

For the 2011 winter season we implemented significant changes to what had been our traditional marketing and promotional activity. This activity is now focused on direct communication with the already engaged and the potential customer base via email, our website, our Facebook page and other online media. At the end of the 2011 winter our email database contained contact details for over 60,000 customers and our Facebook page has in excess of 20,000 friends. Traffic to our website, and particularly the snow report pages, has grown exponentially in recent years. Through the 2011 winter, 70% of customers who read a snow report before visiting on the day did this via the website, via their computer or their smartphone device. By comparison, in 2009 only 35% of customers used these online methods to access this report.

We have continued this approach in 2012 and are pleased with the results; it is working. We are achieving higher awareness of our conditions and the recreational experience we can offer across our core North Island residents, both with the existing and with the potential new customers. We are actively looking to supplement this online activity with stronger engagement and partnerships with other parties, especially Regional Tourism Organisations and our numerous closely associated ski and mountaineering clubs. We are selling fun in a more effective and engaging way.

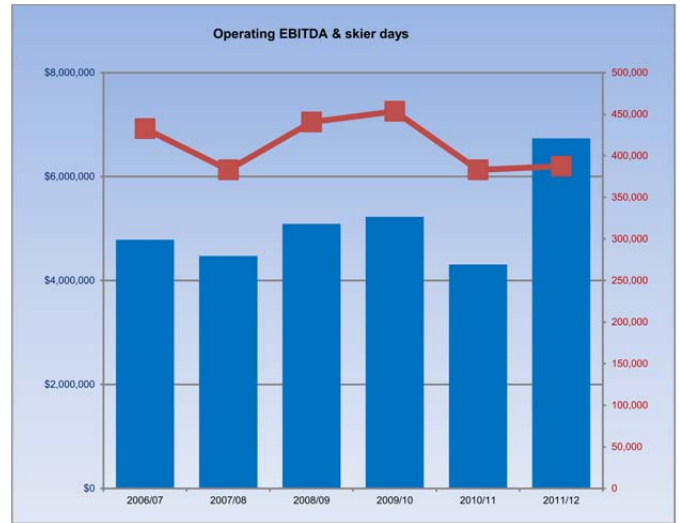




## OUR COMMERCIAL MODEL

In the past 10 years we have grown our revenue at an average compound 7% per annum but our profitability has continued to decline. As the Chairman signalled in his Annual Review last year, if we are to have the financial resources for the essential upgrade and replacement of assets as they near the end of their productive life we must significantly improve the economic performance of the company. Analysis of our current asset base confirms the company should be reinvesting \$8.0m - \$10.0m per year in an asset replacement and upgrade program. Since 2000 we have been short of this figure by \$2 - \$4m per year.

The review of our organisation and our commercial model that was undertaken prior to last winter had a clear focus and target – we need to consistently generate Operating EBITDA at a minimum \$8.0m per year from a winter season which generates 390,000 skier days. The 2011 winter achieved this level of skier days, which is very similar to 2007 and to 2010, but our financial result was an increase in operating EBITDA from \$4.2m to \$6.5m. We have taken a big step towards our minimum financial targets.



This result has been delivered as a result of a structured review of our revenue streams and costs – many small changes have contributed to this improvement.

What has also been satisfying is this has been achieved without sacrificing our service or safety standards. The key measures of safety, staff engagement and overall service were at values similar to or higher than those of recent years.

## HIGHNOON EXPRESS

In my review last year I outlined the changes to the tower layout and configuration that Doppelmayr had implemented on this lift. I am pleased to report they have worked well. Aside from one incident following an extreme and sustained period of ice build-up, the lift suffered no derailments through last season.

## DEVELOPMENTS FOR 2012

The big change for 2012 has been installation of the Ngā Wai Heke Chairlift at Turoa. Last year we removed the old Highflyer Chairlift to make way for the new improved tower configuration on the Highnoon Express. During 2011 we were successful in obtaining the consents to install this lift on the new line out of Sou' East Basin.

The installation has been achieved during the 2011/12 summer. All of the equipment has been fully refurbished. It is very much a new lift that is longer, and services more trails than the lift that it replaced. It has been a very satisfactory project to be involved in. This lift will change the way we ski and board Turoa especially with regard to enjoying those extensive trails in the Triangle and Glacier terrain.

The name Ngā Wai Heke was provided by the Ngati Rangī and Uenuku people. This name relates to the cascading waters that descend in close proximity to this chairlift. These waterways help form the Mangaturuturu and Mangateitei Streams that are part of the Whangaehu catchment.



The Ohakune Mountain Road is a complex road to manage, far more so than the Bruce Road. It is longer, steeper, shadier and generally more affected by poor weather. For 2012 we have added further resources to address this with a new 4 x 4 MAN snow clearing truck for blade clearing, a snow blower for deeper snow on the top section and we are continuing to investigate equipment that could provide more efficient application of de-icing and gritting materials.

Twenty years ago we first submitted to a review of the Tongariro National Park Management Plan on an idea to provide an over-snow transport service to many club lodges located away from the road end at Whakapapa. In October 2011 the authorities confirmed a change to the current Management Plan that would allow use of over-snow vehicles for public transport including provision of a "shuttle" service to club lodges. RAL has purchased a 15 seat cabin which is now providing this service and it has been well received. Transporting families and their gear from the road end to the lodge late on a Friday night has never been easier.



Dave Mazey

**GENERAL MANAGER**

**STATEMENT OF COMPREHENSIVE INCOME**

For year ended 30<sup>th</sup> April 2012

	Note	2012 \$	2011 \$
<b>Revenue</b>			
Lift Pass Sales		17,331,910	16,133,122
Sale of Goods and Services		11,598,326	11,415,036
Rent		354,252	322,683
<b>Total Revenue</b>		<u>29,284,488</u>	<u>27,870,841</u>
Cost of Sales		2,156,077	2,170,158
<b>Gross Profit</b>		<u>27,128,411</u>	<u>25,700,683</u>
<b>Expenses</b>			
Auditor's Remuneration – Audit		30,000	30,000
Auditor's Remuneration – Other Advisory Services	13	3,875	8,281
Finance Costs		500,347	574,543
Depreciation	4	3,887,664	3,818,558
Amortisation	5	109,514	87,721
Unrealised Foreign Exchange Loss		-	29,665
Directors' Fees	14	70,000	70,000
Bad Debts Written Off		798	809
Insurance		1,271,082	1,249,172
Electricity		1,810,887	1,720,236
Wages and Salaries		9,856,557	10,444,512
ACC		331,431	494,583
License Fees, Rates and Ski Area Levies		1,233,414	1,135,636
Marketing Campaigns		416,677	728,329
Lift Maintenance and Services		666,082	531,493
Grooming Maintenance and Services		545,085	556,827
Other Supplies and Services		4,157,314	4,391,730
<b>Total Expenses</b>		<u>24,890,727</u>	<u>25,872,095</u>
<b>Surplus / (Deficit) from Operations</b>		<u>2,237,684</u>	<u>(171,412)</u>
<b>Other Income</b>			
Interest Received		10,641	1,599
Gain on Sale of Property, Plant and Equipment		696	8,381
Fair Value of Derivatives	8	(29,683)	121,981
Reinstatement of High Noon Express Chairlift	12	242,295	1,050,000
<b>Total Other Income</b>		<u>223,949</u>	<u>1,181,961</u>
<b>Other Expenses</b>			
Highnoon Express & Far West T-Bar Tower Repairs		60,753	186,492
<b>Knoll Ridge Fires Excess Recovery / (Loss)</b>	11	-	918,055
<b>Comprehensive Income for the Year</b>		<u>2,400,880</u>	<u>1,742,112</u>

The accompanying notes on pages 15 to 24 form part of these financial statements on pages 10 through to 14.

**STATEMENT OF CHANGE IN EQUITY**

For year ended 30<sup>th</sup> April 2012

	Note	Share Capital \$	Retained Earnings \$	Total \$
<b>Balance at 1<sup>st</sup> May 2011</b>		138,200	29,295,592	29,433,792
Comprehensive Income for the Year		-	2,400,880	2,400,880
Total Recognised Income and Expenses		-	<b>2,400,880</b>	<b>2,400,880</b>
<b>Balance at 30<sup>th</sup> April 2012</b>	2	<b>138,200</b>	<b>31,696,472</b>	<b>31,834,672</b>
<b>Balance at 1<sup>st</sup> May 2010</b>		138,200	27,553,480	27,691,680
Comprehensive Income for the Year		-	1,742,112	1,742,112
Total Recognised Income and Expenses		-	<b>1,742,112</b>	<b>1,742,112</b>
<b>Balance at 30<sup>th</sup> April 2011</b>	2	<b>138,200</b>	<b>29,295,592</b>	<b>29,433,792</b>

The accompanying notes on pages 15 to 24 form part of these financial statements on pages 10 through to 14.

**STATEMENT OF FINANCIAL POSITION**

For year ended 30<sup>th</sup> April 2012

	Note	2012 \$	2011 \$
<b>CURRENT ASSETS</b>			
<b>Financial Assets</b>			
Cash at Bank		1,926,527	-
Fair Value of Derivatives	8	2,856	32,539
Trade and Other Receivables		109,541	66,368
Life Pass Finance Plan		364,075	-
Insurance Proceeds Receivable	11	-	262,632
<b>Total Current Financial Assets</b>		<u>2,402,999</u>	<u>361,539</u>
Inventories	3	457,514	647,784
Prepayments		450,496	364,980
<b>Total Current Assets</b>		<u><b>3,311,009</b></u>	<u><b>1,374,303</b></u>
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	4	54,814,308	54,375,033
Intangible Assets	5	307,847	262,724
Life Pass Finance Plan		109,986	-
<b>Total Non Current Assets</b>		<u><b>55,232,141</b></u>	<u><b>54,637,757</b></u>
<b>TOTAL ASSETS</b>		<u><b>58,543,150</b></u>	<u><b>56,012,060</b></u>
<b>CURRENT LIABILITIES</b>			
Bank Overdraft		-	395,092
Trade and Other Payables	6	9,359,382	9,798,420
Life and Term Pass Deferred Revenue		941,763	1,267,475
Borrowings	8	750,000	750,000
Lease Liabilities	7	171,184	43,159
<b>Total Current Liabilities</b>		<u><b>11,222,329</b></u>	<u><b>12,254,146</b></u>
<b>NON CURRENT LIABILITIES</b>			
Borrowings	8	4,500,000	5,250,000
Life and Term Pass Deferred Revenue		10,801,544	8,991,348
Lease Liabilities	7	184,605	82,774
<b>Total Non Current Liabilities</b>		<u><b>15,486,149</b></u>	<u><b>14,324,122</b></u>
<b>TOTAL LIABILITIES</b>		<u><b>26,708,478</b></u>	<u><b>26,578,268</b></u>
<b>NET ASSETS</b>		<u><b>31,834,672</b></u>	<u><b>29,433,792</b></u>
<b>EQUITY</b>			
Share Capital	2	138,200	138,200
Retained Earnings		31,696,472	29,295,592
<b>TOTAL EQUITY</b>		<u><b>31,834,672</b></u>	<u><b>29,433,792</b></u>

For and on behalf of the Board who authorised the issue of these financial statements on:

Phil Royal Director Date: Saturday 21<sup>st</sup> July 2012

David A Pilkington Chairman Date: Saturday 21<sup>st</sup> July 2012

The accompanying notes on pages 15 to 24 form part of these financial statements on pages 10 through to 14.

**CASH FLOW STATEMENT**

For year ended 30<sup>th</sup> April 2012

	Note	2012 \$	2011 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Receipts from Customers		24,525,741	20,826,940
Advance Season Pass Sales		6,206,476	5,835,185
Receipts from Insurance Proceeds	11	262,632	2,603,150
Interest Received		10,641	1,599
<b>Cash was applied to:</b>			
Payments to Suppliers and Employees		(23,343,362)	(23,604,961)
Payments to Suppliers for Knoll Ridge Fires		-	(124,129)
Interest Paid		(471,794)	(519,329)
<b>Net Cash Flows from Operating Activities</b>		<b>7,190,334</b>	<b>5,018,455</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Sale of Property, Plant and Equipment		696	43,761
<b>Cash was applied to:</b>			
Purchase of Property, Plant and Equipment		(3,961,743)	(7,923,585)
<b>Net Cash Flows from Investing Activities</b>		<b>(3,961,047)</b>	<b>(7,879,824)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Cash was provided from:</b>			
Term Loans		-	4,000,000
<b>Cash was applied to:</b>			
Current Portion of Term Loans		(750,000)	(750,000)
Current Portion of Lease Liabilities		(157,668)	-
<b>Net Cash Flows from Financing Activities</b>		<b>(907,668)</b>	<b>3,250,000</b>
Net increase in Cash		2,321,619	388,631
Opening Cash		(395,092)	(783,723)
<b>Closing Cash</b>		<b>1,926,527</b>	<b>(395,092)</b>
<b>Composition of Cash:</b>			
Cash on Hand		32,400	27,400
Cash at Bank		1,894,127	(422,492)
<b>Closing Cash Carried Forward</b>		<b>1,926,527</b>	<b>(395,092)</b>

The accompanying notes on pages 15 to 24 form part of these financial statements on pages 10 through to 14.

**RECONCILIATION OF OPERATING PROFIT WITH CASH FLOW FROM OPERATING ACTIVITIES**

For year ended 30<sup>th</sup> April 2012

	2012	2011
	\$	\$
<b>Reported Net Surplus for the year</b>	2,400,880	1,742,112
<b>Add / (Less) Non Cash Items:</b>		
Depreciation	3,887,664	3,818,557
Amortisation of Intangible Assets	109,514	87,721
Loss / (Gain) on Foreign Exchange	-	29,665
Bad Debts	798	809
Fair Value Movement in Derivatives	29,683	(121,981)
Contribution to High Noon Express Chairlift	(242,295)	(1,050,000)
<b>Movements in Working Capital:</b>		
Movement in Trade and Other Payables	(810,329)	(490,680)
Movement in Inventories	190,270	210,481
Movement in Trade and Other Receivables	(43,971)	16,872
Movement in Insurance Proceeds Receivable	262,632	1,825,257
Movement in Prepayments	(85,516)	(55,204)
Movement in Season Pass Deferred Revenue	371,291	277,282
Movement in Life and Term Pass Deferred Revenue	1,484,484	(1,269,439)
Movement in Life Pass Finance Plan	(364,075)	5,384
<b>Items Classified as Investing Activities</b>		
Gain on Disposal of Assets	(696)	(8,381)
<b>Net Cash Flow from Operating Activities</b>	<u><u>7,190,334</u></u>	<u><u>5,018,455</u></u>

The accompanying notes on pages 15 to 24 form part of these financial statements on pages 10 through to 14.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For year ended 30<sup>th</sup> April 2012

**1. SUMMARY OF KEY ACCOUNTING POLICIES**

**1.1 Statement of Compliance**

Ruapehu Alpine Lifts Limited (the 'Company') is a public benefit entity registered under the Companies Act 1993. The financial statements have been prepared in accordance with the Financial Reporting Act 1993 and the Companies Act 1993. The Company's principal activity is to promote snow sports in the North Island.

These financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. They comply with New Zealand equivalents to International Financial Reporting Standards ('NZ IFRS'), as appropriate for a public benefit entity.

**1.2 Basis of Preparation**

The financial statements have been prepared on the basis of historical cost except for the revaluation of certain Financial Instruments.

Cost is based on the fair value of the consideration given in exchange for the transaction.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring the substance of the underlying transactions or other events as reported.

These financial statements are presented in New Zealand Dollars, rounded to the nearest dollar.

**1.3 Changes in Accounting Policies**

There have been no changes in accounting policies throughout the year.

**1.4 Key Sources of Judgment or Estimation**

Note 12 describes the reinstatement of the High Noon Express Chairlift at Turoa due to modifications made to mitigate damage caused by adverse weather events.

Another key area of estimation is in relation to the revenue recorded for Life and Term Passes where the revenue is transferred from Deferred Revenue based on an estimated life over the relevant 25, 20 or 5 year period on an average estimated days of use by the pass holder.

The Directors consider it appropriate to use depreciation rates that approximate the reasonable expectation of the useful life of each asset group based on the environment the Company operates in and from historical outcomes.

**1.5 Adoption of New and Revised Standards and Interpretations**

- a) Standards and Interpretations effective in the current period: Standards that have come into effect in the current period have not led to any material changes in the Company's accounting policies with measurement or recognition or disclosure impact on the periods presented in the financial statements.

**Standard and Standard Name:**

NZ IAS 24 Related Party Disclosures

Improvements to New Zealand Equivalents to International Financial Reporting Standards 2010 – improvements to NZ IFRS 7, and NZ IAS 134

**Nature of Amendment:**

The amendment addresses concerns that previous disclosure requirements and the definition of a 'related party' were too complex and difficult to apply in practice.

Amendments to NZ IFRS relates to clarification of disclosures and amendments to NZ IAS 1 and clarifies that an entity may present the analysis of other comprehensive income by item either in the statement of changes in equity or in the notes to the financial statements.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For year ended 30<sup>th</sup> April 2012

b) Standards or Interpretations Not Yet Effective

At the date of authorisation of these Financial Statements various standards, amendments and interpretations have been issued by the Accounting Standards Review Board but have not been adopted by the Company as they are not yet effective. Application of the below standards, amendments and interpretations, is not expected to have a material impact on the Company's financial position, results or disclosure in the period of initial application:

<b>Standard and Standard name:</b>	<b>Effective for Annual Reporting periods beginning on or after:</b>	<b>Expected to be initially applied in the financial year ending:</b>
Amendments to NZ IFRS 7 Financial Instruments: Disclosures	1 July 2011	31 March 2013
Amendments to NZ IAS 1 Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income	1 July 2012	31 March 2014
NZ IFRS 13 Fair Value Measurement	1 January 2013	31 March 2014
Improvements to other standards	1 January 2011	31 March 2012
Amendments to NZ IFRS 7, – Financial Instruments: Disclosures related to offsetting	1 January 2013	31 March 2014
Amendments to NZ IAS 32 – Financial Instruments presentation	1 January 2014	31 March 2015
NZ IFRS 9 Financial Instruments	1 January 2015	31 March 2016

There are other Standards and Interpretations in issue but not yet effective and these are not expected to have a material impact on the Company.

**1.6 Revenue**

**Sale of Goods**

Revenue earned by the Company from the supply of goods is measured at the fair value of consideration received. Revenue received from the supply of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

**Sale of Services**

Revenue from the supply of season passes is recognised in full from the first day of the ski season. Revenue from life passes is recognised by reference to the stage of completion (usage) of the life pass. All other revenue, including revenue from day passes, is recognised at point of sale.

**Interest Received**

Revenue is recognised on a time proportionate basis that takes into account the effective yield on financial assets.

**Operating Rent**

Operating Rent is recognised in the Statement of Comprehensive Income when received for the provision of staff accommodation.

**1.7 Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of GST, except for receivables and payables that are recognised inclusive of GST. With the exception of Insurance Proceeds Receivable for which GST is not accounted for until monies are received.

**1.8 Taxation**

The Company is exempt from income tax under section CW40 (1) of the Income Tax Act 2007.

**1.9 Inventories**

Inventories are valued at the lower of cost (calculated using weighted average method) and net realisable value. Net realisable value represents the estimated selling price less costs to be incurred in marketing, selling and distribution.

**1.10 Property, Plant and Equipment**

Items of Property, Plant and Equipment are initially recorded at cost. When an asset is acquired for no, or nominal consideration the asset will be recognised initially at fair value, where fair value can be reliably determined, with the fair value of the asset received, less costs incurred to acquire the asset, also recognised as revenue in the Statement of Comprehensive Income.

Capital works in progress are recognised as costs incurred. Capital works in progress are carried in the Property, Plant and Equipment schedule as Assets Under Construction. The total cost of this work is transferred to the relevant asset category on its completion and then depreciation commences.

Realised gains and losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Comprehensive Income in the period in which the transaction occurs.

The carrying amounts of Property, Plant and Equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported in the Statement of Comprehensive Income in the period in which they arise.



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For year ended 30<sup>th</sup> April 2012

**Depreciation**

Depreciation is provided on Property, Plant and Equipment, including freehold buildings but excluding land.

Depreciation is calculated on a straight-line basis so as to write off the cost of each asset over its useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each annual reporting period.

Buildings and fixtures	5 - 33 years	Motor Vehicles	5 - 10 years
Car Parks and Roads	33 years	Plant and Equipment	5 - 33 years
Ski Lifts	33 years		

**1.11 Intangible Assets**

Intangible Assets are initially recorded at cost. Intangible Assets with finite lives are subsequently recorded at cost less any amortisation and any impairment losses. The estimated useful life of finite life intangibles are reviewed annually. Amortisation is charged to the Statement of Comprehensive Income on a straight-line basis over the useful life of the asset. Software is regarded as an Intangible Asset. Typically the useful lives of Intangible Assets are as follows:

Software	5 years
----------	---------

Realised gains and losses arising from disposal of intangible assets are recognised in the Statement of Comprehensive Income in the period in which the transaction occurs.

Intangible assets with finite lives are reviewed at least annually to determine if there is any indication of impairment. Where an intangible asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported in the Statement of Comprehensive Income in the period in which they arise.

**1.12 Leases**

The Company leases certain office equipment, motor vehicles, software, land and buildings. Leases are classified as finance leases wherever the terms of the lease transfer substantially all the risks and rewards of ownership to the Company. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

**1.13 Financial Instruments**

Financial Instruments include Financial Assets and Financial Liabilities, but excludes Season, Life and Term Pass Deferred Revenue for which only a constructive obligation exists. Financial Instruments are initially recorded at fair value plus any transaction costs. Subsequent to initial recognition, the measurement of Financial Instruments is dependent upon the classification determined by the Company.

Cash and Equivalents

Cash and Cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts.

Loans and Receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost, using the effective interest method, less any impairment.

Financial Liabilities and Financial Assets at fair value through the profit or loss

Financial Liabilities at fair value through the profit or loss consist of foreign exchange derivative contracts held for trading, revalued to fair value.

Financial Liabilities

Financial Liabilities such as Trade Payables and Borrowings are recorded at amortised cost.

**1.14 Foreign Currency**

All foreign currency transactions are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in the Statement of Comprehensive Income in the period in which they arise.

**1.15 Provisions**

Provisions are recognised when the Company has a present obligation as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provisions can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. The carrying amount is the present value of those cash flows.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For year ended 30<sup>th</sup> April 2012

**1.16 Cash Flow Statement**

Cash and cash equivalents comprise cash on hand and cash in banks net of outstanding bank overdrafts. Operating activities include cash received from all income sources of the Company and cash payments for the supply of goods and services. Investing activities are activities relating to the acquisition and disposal of non-current assets. Financing activities comprises the change in equity and debt capital structure of the Company.

**1.17 Life Pass Finance Plan**

Life Pass Finance Plan is the value of loans that customers have with the Company where the customer is financing the purchase of Life and Term Passes. The loans are payable over a period of 24 months. Current balances relate to the conversion of 5 Season Passes to Life Passes during November 2011.

**1.18 Borrowing Costs**

All Borrowing Costs are expensed in the Statement of Comprehensive Income in the period in which they occurred.

**1.19 Employee Benefits**

Provision is made for benefits accruing to employees in respect of wages and salaries, annual and sick leave. These provisions are expected to be settled within 12 months and have been measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

**2. SHARE CAPITAL**

All shares have equal voting rights attached. No share has any right to receive dividends or other pecuniary benefit, or to participate (in excess of the amount of consideration paid on issue of the share) in the distribution of any surplus assets on liquidation of the Company. Surplus assets on wind-up shall be divided among those organisations, societies or other persons nominated by shareholders under special resolution.

**2011/2012**

<b>Fully Paid Ordinary Shares</b>	<b>A Shares</b>	<b>B Shares</b>	<b>C Shares</b>	<b>D Shares</b>	<b>Total</b>
Balance at the beginning of the year	\$6,000	\$28,000	\$94,200	\$10,000	\$138,200
Shares issued during the year	-	-	-	-	-
Balance at the end of the year	\$6,000	\$28,000	\$94,200	\$10,000	\$138,200
<b>Number of Shares</b>					
Balance at the beginning of the year	6,000	1,470	4,710	10,000	22,180
Shares issued during the year	-	-	-	-	-
Balance at the end of the year	6,000	1,470	4,710	10,000	22,180

**3. INVENTORIES**

	<b>2012</b>	<b>2011</b>
Retail	\$318,536	\$522,641
Food and Beverage	\$32,447	\$27,189
Fuel	\$15,827	\$4,451
Sundry	\$90,704	\$93,503
	<u>\$457,514</u>	<u>\$647,784</u>

**4. PROPERTY, PLANT AND EQUIPMENT**

**30<sup>th</sup> April 2012**

	<b>Opening Cost</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Closing Cost</b>
Ski Lifts	\$21,938,778	-	-	(\$549,161)	\$21,389,617
Buildings and Fixtures	\$26,365,145	-	-	\$1,040,801	\$27,405,946
Car Parks and Roads	\$6,133,749	-	-	\$251,249	\$6,384,998
Motor Vehicles	\$7,810,004	-	-	\$142,530	\$7,952,534
Plant and Equipment	\$21,145,109	-	-	\$1,615,695	\$22,760,804
	<b>\$83,392,785</b>	-	-	<b>\$2,501,114</b>	<b>\$85,893,899</b>
Assets Under Construction	\$2,532,013	\$2,851,258	-	(\$2,501,114)	\$2,882,157
<b>Total Property, Plant and Equipment</b>	<b>\$85,924,798</b>	<b>\$2,851,258</b>	-	-	<b>\$88,776,056</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For year ended 30<sup>th</sup> April 2012

**30<sup>th</sup> April 2011**

	Opening Cost	Additions	Disposals	Transfers	Closing Cost
Ski Lifts	\$21,934,696	-	-	\$4,081	\$21,938,778
Buildings and Fixtures	\$16,910,718	-	-	\$9,454,427	\$26,365,145
Car Parks and Roads	\$5,308,187	-	-	\$825,562	\$6,133,749
Motor Vehicles	\$7,090,141	-	(\$55,012)	\$774,875	\$7,810,004
Plant and Equipment	\$19,698,456	-	-	\$1,446,653	\$21,145,109
	<b>\$70,942,198</b>		<b>(\$55,012)</b>	<b>\$12,505,598</b>	<b>\$83,392,785</b>
Assets Under Construction	\$5,947,585	\$8,954,700	-	(\$12,370,272)	\$2,532,013
<b>Total Property, Plant and Equipment</b>	<b>\$76,889,783</b>	<b>\$8,954,700</b>	<b>(\$55,012)</b>	<b>\$135,326</b>	<b>\$85,924,797</b>

**30<sup>th</sup> April 2012**

	Opening Accum Depn	Depreciation	Disposals	Depreciation Claw-back on improved Assets	Closing Balance
Ski Lifts	\$10,302,345	\$563,583	-	(\$1,475,681)	\$9,390,247
Buildings and Fixtures	\$5,693,548	\$814,278	-	-	\$6,507,826
Car Parks and Roads	\$1,515,300	\$190,365	-	-	\$1,705,665
Motor Vehicles	\$4,311,446	\$575,729	-	-	\$4,887,175
Plant and Equipment	\$9,727,126	\$1,743,709	-	-	\$11,470,835
<b>Total Property, Plant and Equipment</b>	<b>\$31,549,765</b>	<b>\$3,887,664</b>	<b>-</b>	<b>(\$1,475,681)</b>	<b>\$33,961,748</b>

**30<sup>th</sup> April 2011**

	Opening Accum Depn	Depreciation	Disposals	Transfers	Closing Balance
Ski Lifts	\$9,684,014	\$618,331	-	-	\$10,302,345
Buildings and Fixtures	\$4,968,141	\$725,407	-	-	\$5,693,548
Car Parks and Roads	\$1,336,323	\$178,977	-	-	\$1,515,300
Motor Vehicles	\$3,710,132	\$620,947	(\$19,633)	-	\$4,311,446
Plant and Equipment	\$8,052,230	\$1,674,896	-	-	\$9,727,126
<b>Total Property, Plant and Equipment</b>	<b>\$27,750,840</b>	<b>\$3,818,558</b>	<b>(\$19,633)</b>	<b>-</b>	<b>\$31,549,765</b>

**Balance as at 30<sup>th</sup> April:**

Net Carrying Value as at 30 <sup>th</sup> April 2012:	<b>\$54,814,308</b>
Net Carrying Value as at 30 <sup>th</sup> April 2011:	<b>\$54,375,032</b>

Assets Under Construction for 2012 includes computer hardware and software worth \$129,476 for which the Company has a finance lease. The finance company has security over this asset until full repayments are made.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For year ended 30<sup>th</sup> April 2012

**5. INTANGIBLE ASSETS**

<b>30<sup>th</sup> April 2012</b>	<b>Opening Cost</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Closing Cost</b>
Intangible Assets	\$482,325	\$154,637	-	-	\$636,962
	<b>\$482,325</b>	<b>\$154,637</b>	-	-	<b>\$636,962</b>

	\$482,325	-	-	-	\$482,325
	<b>\$482,325</b>	-	-	-	<b>\$482,325</b>

<b>30<sup>th</sup> April 2012</b>	<b>Opening Accum Amort</b>	<b>Amortisation</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Closing Balance</b>
Intangible Assets	\$219,601	\$109,514	-	-	\$329,115
	<b>\$219,601</b>	<b>\$109,514</b>	-	-	<b>\$329,115</b>

	\$131,880	\$87,721	-	-	\$219,601
	<b>\$131,880</b>	<b>\$87,721</b>	-	-	<b>\$219,601</b>

**Balance as at 30 April:**

Net Carrying Value as at 30<sup>th</sup> April 2012: **\$307,847**

Net Carrying Value as at 30<sup>th</sup> April 2011: **\$262,724**

**6. TRADE AND OTHER PAYABLES**

	<b>2012</b>	<b>2011</b>
Trade Creditors	\$1,005,644	\$1,569,664
Short Term Employee Entitlements	\$216,110	\$311,782
Deferred Revenue Season Passes	\$6,206,476	\$5,835,185
Other Accruals and Sundry Creditors	\$1,931,152	\$2,081,789
	<b>\$9,359,382</b>	<b>\$9,798,420</b>

The Deferred Revenue relates to Season Pass sales during November 2011 and April 2012 for the 2012 winter season. These passes cannot be utilised until the opening of the ski season. This revenue is therefore recognised at the start of the season.

**7. OTHER FINANCIAL LIABILITIES**

	<b>2012</b>	<b>2011</b>
Lease Liability	\$355,789	\$125,933
Less Current Portion	\$171,184	\$43,159
Total Long Term Lease Liabilities	<b>\$184,605</b>	<b>\$82,774</b>

Lease Liability		
Within 1 Year	\$171,184	\$43,159
Between 1 - 2 Years	\$163,937	\$43,159
Between 2 - 3 Years	\$20,668	\$39,615
	<b>\$355,789</b>	<b>\$125,933</b>

Interest charges on finance leases and lease liabilities were \$22,152 (2011: \$2,540) and are included in Finance Costs on the Statement of Comprehensive Income. The difference between the Net Present Value and total future minimum lease payments is immaterial. Security over these assets exists until repayment in full.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For year ended 30<sup>th</sup> April 2012

**8. FINANCIAL INSTRUMENTS**

**Interest Rate Risk**

The Company has exposure to Interest Rate Risk to the extent that it borrows for a fixed term at fixed rates and has an overdraft facility with interest rates that vary quarterly. The Company manages its Interest Rate Risk by securing short and medium term fixed interest rates. The effective interest rates on the term borrowings are 7.01% (2011: 7.06%).

**Credit Risk**

Credit Risk is the risk of failure of a debtor or counterparty to honour its contractual obligation. Financial instruments that potentially subject the Company to Credit Risk principally consist of cash, accounts receivable and the Life Pass Finance Plan. The Company has established credit policies that are used to manage the exposure to Credit Risk. The maximum exposures to Credit Risk are considered the carrying value of these financial assets. No collateral is held in relation to any financial asset. The Company is not exposed to any concentrations of Credit Risk. The Material Damage Policy is placed with one insurer with the following rating in accordance with the Insurance Companies (Rating and Inspections) Act 1994: Lloyds of London A+.

**Currency Risk**

The Company has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising from normal trading activities. Where exposures are uncertain it is the Company's policy to hedge these risks, for a maximum period of 12 months forward. At balance date the contracted amount of forward exchange contracts outstanding was NZD \$349,974 (2011: \$399,643).

The following table details the forward foreign currency exchange (FC) contract as at 30<sup>th</sup> April 2012, the net movements in the Fair Value of Derivatives were (\$29,683) (2011: \$121,981) and are included in Other Income on the Statement of Comprehensive Income.

	Average Exchange Rate	Foreign Currency 2012	Contract Value 2012 NZ	Fair Value NZ
<b>Cash Flow Hedges</b>				
Buy Euro				
Less than 3 months	\$0.61	\$172,641	\$281,913	\$2,050
Buy USD				
Less than 3 months	\$0.81	\$55,000	\$68,061	\$806
		<u>\$227,641</u>	<u>\$349,974</u>	<u>\$2,856</u>

**Liquidity Risk**

Liquidity Risk arises from a mismatch in the final maturity of Statement of Financial Position Assets and Liabilities. Guidelines have been set to ensure that all obligations of the Company are met in a timely and cost effective manner. The Company also has an overdraft facility of \$50,000 (2011: \$50,000) available and a flexible facility of \$5,200,000 (2011: \$5,500,000) with the banker to assist the Company in meeting its obligations. The maturity analysis of the Company is as follows:

As at balance date the net cash position was in funds to the value of \$1,926,527 (2011: (\$395,092)), the additional \$50,000 overdraft facility is not being utilised.

**2012**

<u>Financial Assets</u>	< 1 Year	1 – 5 Years	5 + Years	Total
Cash at Bank	\$1,926,527	-	-	\$1,926,527
Trade and Other Receivables	\$109,541	-	-	\$109,541
Life Pass Finance Plan	\$364,075	\$109,986	-	\$474,061
Fair Value of Derivatives	\$2,856	-	-	\$2,856
<b>Total Assets</b>	<b>\$2,402,999</b>	<b>\$109,986</b>	<b>-</b>	<b>\$2,512,985</b>
<u>Financial Liabilities</u>				
Accounts Payable	\$3,152,430	-	-	\$3,152,430
Lease Liability	\$171,184	\$184,605	-	\$355,789
Current Portion of Term Borrowings	\$774,216	-	-	\$774,216
Term Borrowings	-	\$5,388,921	-	\$5,388,921
<b>Total Liabilities</b>	<b>\$4,097,830</b>	<b>\$5,573,526</b>	<b>-</b>	<b>\$9,671,356</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For year ended 30<sup>th</sup> April 2012

**2011**

<u>Financial Assets</u>	< 1 Year	1 – 5 Years	5 + Years	Total
Trade and Other Receivables	\$66,368	-	-	\$66,368
Insurance Proceeds Receivable	\$262,632	-	-	\$262,632
Fair Value of Derivatives	\$32,539	-	-	\$32,539
<b>Total Assets</b>	<b>\$361,539</b>	<b>-</b>	<b>-</b>	<b>\$361,539</b>

Financial Liabilities

Bank Overdraft	\$395,092	-	-	\$395,092
Accounts Payable	\$3,963,235	-	-	\$3,963,235
Lease Liability	\$43,159	\$82,774	-	\$125,933
Current Portion of Term Borrowings	\$780,825	-	-	\$780,825
Term Borrowings	-	\$6,621,331	-	\$6,621,331
<b>Total Liabilities</b>	<b>\$5,182,311</b>	<b>\$6,704,105</b>	<b>-</b>	<b>\$11,886,416</b>

**Categories of Financial Instruments**

The Company's Financial Instruments are classified into the following categories:

**2012**

<u>Financial Assets</u>	Cash and Equivalents	Fair Value Through P or L	Loans and Receivables	Financial Liabilities at Amortised Cost	Total
Cash at Bank	\$1,926,527	-	-	-	\$1,926,527
Trade and Other Receivables	-	-	\$109,541	-	\$109,541
Life Pass Finance Plan	-	-	\$474,061	-	\$474,061
Fair Value Movement in Derivatives	-	\$2,856	-	-	\$2,856
<b>Total Assets</b>	<b>\$1,926,527</b>	<b>\$2,856</b>	<b>\$583,602</b>	<b>-</b>	<b>\$2,512,985</b>

Financial Liabilities

Accounts Payable	-	-	-	\$3,152,430	\$3,152,430
Lease Liability	-	-	-	\$355,789	\$355,789
Borrowings	-	-	-	\$5,250,000	\$5,250,000
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$8,758,219</b>	<b>\$8,758,219</b>

**2011**

<u>Financial Assets</u>	Cash and Equivalents	Fair Value Through P or L	Loans and Receivables	Financial Liabilities at Amortised Cost	Total
Trade and Other Receivables	-	-	\$66,368	-	\$66,368
Insurance Proceeds Receivable	-	-	\$262,632	-	\$262,632
Fair Value Movement in Derivatives	-	\$32,539	-	-	\$32,539
<b>Total Assets</b>	<b>-</b>	<b>\$32,539</b>	<b>\$329,000</b>	<b>-</b>	<b>\$361,539</b>

Financial Liabilities

Bank Overdraft	\$395,092	-	-	-	\$395,092
Accounts Payable	-	-	-	\$3,963,235	\$3,963,235
Lease Liability	-	-	-	\$125,933	\$125,933
Borrowings	-	-	-	\$6,000,000	\$6,000,000
<b>Total Liabilities</b>	<b>\$395,092</b>	<b>-</b>	<b>-</b>	<b>\$10,089,168</b>	<b>\$10,484,260</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For year ended 30<sup>th</sup> April 2012

**Fair Value Measurements Recognised in the Statement of Financial Position**

Financial instruments subsequent to initial recognition are grouped into Levels 1 to 3 based on degrees to which the fair value is observable:

- Level 1  
Fair Value Measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2  
Fair Value Measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3  
Fair Value Measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has derivatives in place at balance date and these are valued at Level 2 on the hierarchy.

**Security**

ANZ National Bank Limited has a security agreement over all present and after acquired property of RAL.

**Borrowings**

During 2012 the Company was not subject to an event review under the terms of its loan agreement with the ANZ National Bank Limited.

**Sensitivity Analysis**

The Company is exposed to market risks such as Interest Rate Risk and Foreign Exchange Risk during the course of the Company's normal trading activities. No sensitivity analysis has been performed for the Company's exposure to Interest Rate Risk given the majority of the Company's exposure to Interest Rate Risk is on the Term Borrowings that are on fixed interest rates.

**9. TRANSACTIONS WITH RELATED PARTIES**

During the year the Company acquired services from companies in which Directors and Management have an interest:

- David Pilkington : Advertising and event sponsorship services to the value of \$10,925 were purchased by Restaurant Brands Limited (KFC) a company in which David Pilkington, is a Director of the Board. Of this amount none was outstanding at year end.
- Duncan Fraser: Engineering services were purchased from Acme engineering Limited a company in which Duncan Fraser, a Director, is the Managing Director and a shareholder. The services that were acquired from his company for relate to the fabrication of replacement tower sections for tower 6 on the High Noon Express. \$19,507 was paid to Acme Engineering Limited during the year. Of this amount none was outstanding at year end.
- Kevin Stanley: Building services were acquired from a company in which Kevin Stanley, a Director, is the Managing Director and a shareholder. The services that were acquired from his company relate to the buildings destroyed in the Knoll Ridge Fires. During the financial year ending 30<sup>th</sup> April 2012, Stanley Construction was paid \$207,632. Of this amount none was outstanding at year end.
- Chris Thrupp: Land and Buildings were leased from a company in which Chris Thrupp, Area Manager of Turoa, is the Director and a shareholder. The lease is for a term of 6 years commencing October 2009 with the right of renewal of a further two, six year periods, expiring in 2027. During the financial year ended 30<sup>th</sup> April 2011, Red Sand was paid \$61,240. Of this amount none was outstanding at year end.
- Dave Mazey: Advertising and event sponsorship services to the value of \$14,950 were sold to and rental, retail and staff uniforms to the value of \$186,811 were purchased from a company of which the son of Dave Mazey, General Manager is an employee and shareholder. Of this amount none was outstanding at year end.

These transactions were performed on normal commercial terms. No related party debts were written off or forgiven during the year. The Directors are entitled to receive complimentary use of ski lifts and discounts in the retail, rental and cafeteria outlets.

**10. COMMITMENTS**

**Capital Commitments**

	<b>2012</b>	<b>2011</b>
Estimated capital expenditure contracted for at balance date but not provided for, was for the purchase of groomers, snow guns and snow clearing equipment.	\$349,974	\$1,462,635

**Operating Lease Commitments**

Lease commitments under non-cancelable operating leases:

Not later than one year	\$349,702	\$119,263
Later than one year and not later than two years	\$323,254	\$109,702
Later than two years and not later than five years	\$801,770	\$165,024
Later than five years and not later than ten years	\$1,220,000	-

These operating leases are for staff accommodation, office point of sale equipment, medical equipment and workshop facilities.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

For year ended 30<sup>th</sup> April 2012

**11. KNOLL RIDGE FIRES**

At midnight on 13<sup>th</sup> February 2009 an arsonist set fire to three buildings at Whakapapa Ski Area. The Knoll Ridge Chalet and contents, Cat Shed building housing three groomers, a digger and lift and groomer parts, were completely destroyed. Superficial fire damage was also sustained to the Waterfall Express Return station building and contents.

Insurance Proceeds Receivable and Expenditure have been recognised as per the judgment and estimation of directors outlined in Note 1.4.

Insurance Proceeds and Costs in the Income Statement relating to the Knoll Ridge Fires are further itemised in the table below. The financial effect of the fires impacted the financial years ending 30 April 2009, 2010, 2011 and 2012. To obtain the full impact of these fires reference should be made to the prior years financial statements.

	<b>2012</b>	<b>2011</b>
	<b>Total</b>	<b>Total</b>
Insurance Proceeds	-	<b>\$777,893</b>
Costs:		
Supplies and Services:		
Repairs to Waterfall Express Chairlift	-	-
Temporary Facilities – 2009 winter operations	-	(\$20,640)
Demolition of Knoll Ridge Chalet and Cat Shed	-	(\$26,028)
Replacement of Consumables and Stock	-	(\$122,121)
Contract Works Insurance cover	-	\$28,626
<b>Total Supplies and Services</b>	-	<b>(\$140,163)</b>
<b>Excess Recovery / (Loss) to date</b>	-	<b>\$918,056</b>

Current Assets and Current Liabilities in the Balance Sheet, which are relating to the Knoll Ridge Fires, represent the balance of Insurance Proceeds and Supplies and Services outstanding at year end.

	<b>2012</b>	<b>2011</b>
Current Assets:		
Insurance Proceeds	\$262,632	\$2,865,782
Receipts from Insurance Proceeds	(\$262,632)	(\$2,603,150)
<b>Insurance Proceeds Receivable</b>	<u>-</u>	<u><b>\$262,632</b></u>

**12. REINSTATEMENT OF HIGH NOON EXPRESS CHAIRLIFT**

During the winter season of 2010 we had two towers collapse on the High Noon Express chairlift due to two separate weather events. During early 2011 the lift line was modified to mitigate the risk of further damage. Existing towers were lowered and additional towers put in place. The financial statements reflect the valuation of the chairlift due to these modifications for work completed post 30<sup>th</sup> April 2011.

**13. AUDIT REMUNERATION – Other Advisory Services**

Other Advisory Services provided by Deloitte for 2012 and 2011 are for fees in relation to reviewing the accounting treatment required as a result of the fire and additional assurance services.

**14. DIRECTORS' FEES**

Over the two years 2011 and 2012 rate of fees paid to Directors remained unchanged.

**15. FACILITY AGREEMENT**

A Facility Agreement was signed on 26<sup>th</sup> April 2012 with the ANZ National Bank. The financial covenants and reporting schedule has been simplified and amended to reflect the seasonal nature of the business. The revised covenants take affect from 1<sup>st</sup> May 2012.

**16. SUBSEQUENT EVENTS**

In 2012 there were no significant subsequent events that impact on these financial statements.



## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RUAPEHU ALPINE LIFTS LIMITED

### Report on the Financial Statements

We have audited the financial statements of Ruapehu Alpine Lifts Limited (the 'Company') on pages 10 to 24, which comprise the statement of financial position as at 30 April 2012, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the company's shareholders, as a body, in accordance with Section 205(1) of the Companies Act 1993. Our audit has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### *Board of Directors' Responsibility for the Financial Statements*

The Board of Directors are responsible for the preparation of financial statements, in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate, and for such internal control as the Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibilities*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view of the matters to which they relate 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 the accounting policies used and the reasonableness of accounting estimates, as well as the overall presentation of the financial statements.

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

Other than in our capacity as auditor we have no relationship with or interests in Ruapehu Alpine Lifts Limited.

### *Opinion*

In our opinion, the financial statements on pages 10 to 24:

- comply with generally accepted accounting practice in New Zealand;
- give a true and fair view of the financial position of Ruapehu Alpine Lifts Limited as at 30 April 2012, and its financial performance and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

We also report in accordance with section 16 of the Financial Reporting Act 1993. In relation to our audit of the financial statements for the year ended 30 April 2012:

- we have obtained all the information and explanations we have required; and
- in our opinion proper accounting records have been kept by Ruapehu Alpine Lifts Limited as far as appears from our examination of those records.



**Chartered Accountants**  
21 July 2012  
Wellington, New Zealand



# WHAKAPAPA SKI AREA

## TRAILS

### BEGINNER TRAILS

- 1 Happy Valley
- 2 Hut Flat

### INTERMEDIATE TRAILS

- 3 Showcase
- 4 Rockgarden
- 5 Tennant's Valley
- 6 Tennant's Ridge
- 7 Home Run
- 8 Murphie's Schuss
- 9 Downhill Easy
- 10 a. Goomie Bowl
- 10 b. Goomie Bowl
- 11 T1
- 12 Far West Trail
- 13 Riviera Paradise
- 14 Venom
- 15 Milk Run
- 16 Turner's Gully
- 17 Dreamer
- 18 Turn Pipe
- 19 Three Pin Ridge
- 20 Twin Rocks
- 21 S Bends
- 22 Cornice Bowl
- 23 Delta Trail
- 24 Traverse of Fear
- 25 The Gut
- 26 Shirt Front
- 27 Cut Back
- 28 Turtle Run
- 29 Knoll Face
- 30 Valley Traverse
- 31 Valley Highway
- 32 Bilbo's
- 33 Gollum
- 34 Pinnacle Valley
- 35 Cindertrack
- 36 K Road
- 37 Valley Exit
- 38 The Terraces
- 39 Nose Dive
- 40 The Staircase
- 41 The Staircase
- 42 Honeymoon Valley
- 43 Easy Way Down

### ADVANCED TRAILS

- 44 Broken Leg Gully
- 45 Couloirs
- 46 The Waterfalls
- 47 Third Waterfall
- 48 High Traverse
- 49 McKenzie's Mistake
- 50 Yankee Face
- 51 Tennant's Headwall
- 52 Steve's Bowl
- 53 Aeroplane Gully
- 54 Yankee Slalom
- 55 Amphitheatre
- 56 Wizard's
- 57 Black Magic
- 58 Stebbings
- 59 Screamer
- 60 The Cirque
- 61 Haensli Face

### EXPERT TRAILS

- 62 Pinnacles Traverse
- 63 Front Stage
- 64 Chute
- 65 The Chimney

### LIFTS

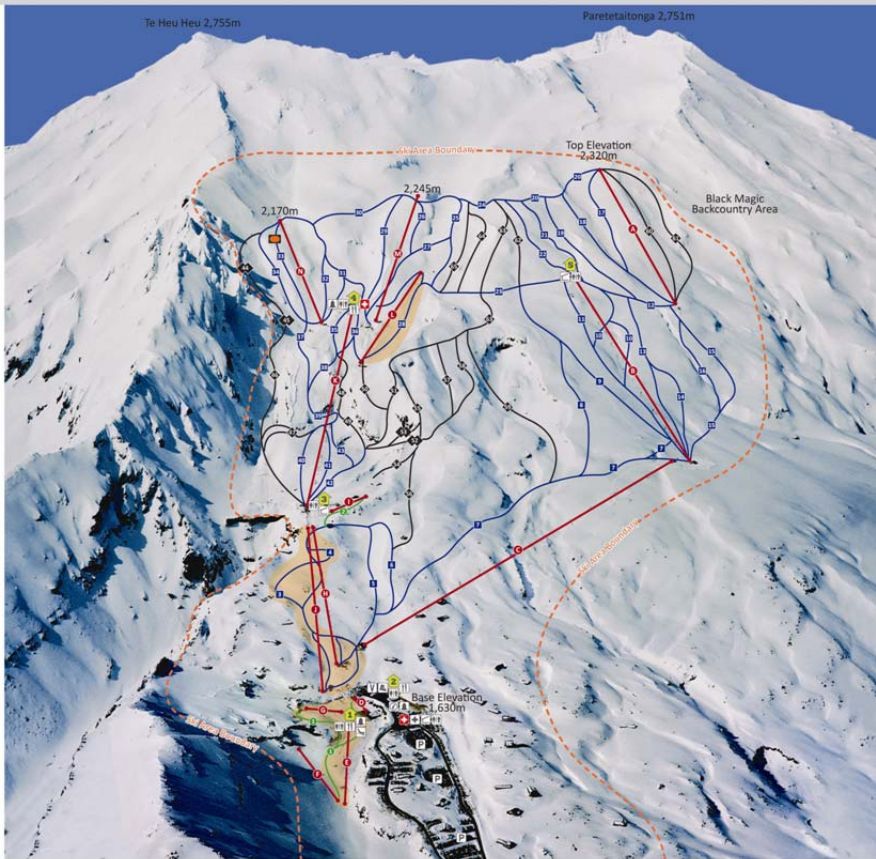
- 1 Far West T-Bar
- 2 West Ridge Chair
- 3 National Chair
- 4 Happy Valley Chair
- 5 Double Happy Chair
- 6 Happy Valley Platter
- 7 Happy Kid Carpet Lift
- 8 Rockgarden Chair
- 9 Hut Flat Rope Tow
- 10 Centennial Chair
- 11 Waterfall Express Chair
- 12 Waterfall T-Bar
- 13 Knoll Ridge T-Bar
- 14 Valley T-Bar

### BEGINNER TRAILS

Most suitable for beginner skiers and snowboarders.

### INTERMEDIATE TRAILS

Most suitable for intermediate skiers and snowboarders.



## LEGEND

- Ski Patrol - First Aid
- Toilets
- Food & Beverage
- Vertical Retail Shop
- Parking
- Information & Sales
- Urgent Care Clinic
- Snow School
- Rentals
- Sliding Area
- Shelter
- Family Friendly Trails
- Slow Zones
- Happy Valley Bistro
- Lorenz' Bar & Café
- Schuss Haus Shelter
- Knoll Ridge Café
- West Ridge Shelter
- Ski Area Boundary

## SAFETY SIGNAGE

- Danger**  
Areas marked with a Danger sign are not suitable for skiing or boarding. Signs denote cliffs, holes and other hazards.
- Closed**  
Areas marked with this sign are closed to all snow users. Visitors may have skiing or boarding privileges suspended.
- Caution**  
Areas marked with this sign require caution. These signs denote rocks, ice, emerging trails, slow zones, etc.
- Ski Area Boundary**  
There are no safety services or avalanche control measures beyond this point. You are considered a backcountry user.
- Hazardous Area**  
This sign denotes the area beyond may be hazardous and no person is to be in this area.

**THE SNOW RESPONSIBILITY CODE**

1. Plan your trip carefully.
2. Check the weather and snow conditions before you go.
3. Tell someone where you are going and when you will be back.
4. Know your own limits and don't drink and drive.
5. Don't drink and drive.
6. Don't drink and ski.
7. Don't drink and board.
8. Don't drink and lift.
9. Don't drink and chair.
10. Don't drink and rope.
11. Don't drink and tow.
12. Don't drink and sled.
13. Don't drink and tube.
14. Don't drink and snow.
15. Don't drink and snow.
16. Don't drink and snow.
17. Don't drink and snow.
18. Don't drink and snow.
19. Don't drink and snow.
20. Don't drink and snow.

### ADVANCED TRAILS

Most suitable for advanced skiers and snowboarders.

### EXPERT TRAILS

Most suitable for expert only skiers and snowboarders.

### FREESTYLE TERRAIN

May contain, but it is not limited to; jumps, boxes, rails, half/quarter pipes, and other constructed or natural terrain features. You are responsible for familiarising yourself with the terrain and obeying all instructions, warnings and signage.

### BACKCOUNTRY AREA

There are no marked trails or active avalanche control measures; Safety Services do not operate in this area.

[www.mtruapehu.com](http://www.mtruapehu.com)







# TUROA SKI AREA

## TRAILS

### BEGINNER TRAILS

- 1 Alpine Meadow
- 2 Clarry's Track
- 3 Wintergarden

### INTERMEDIATE TRAILS

- 4 Homerun
- 5 Bi Bados
- 6 Boneyard
- 7 Boneyard Ridge
- 8 Lower Freeway
- 9 Indecision
- 10 Blue Holiday
- 11 Blyth Traverse
- 12 Maintrunk
- 13 Whynot
- 14 Upper Freeway
- 15 Yahoo
- 16 Big Bowl
- 17 Vertigo

### ADVANCED TRAILS

- 18 Hot Sister
- 19 Once Only
- 20 Bypass
- 21 Southeast Face
- 22 Cinch
- 23 Layback
- 24 Slider
- 25 Branchline
- 26 Raceline
- 27 Bread Run
- 28 Elevator Shaft
- 29 Little Bowl
- 30 Snowbird
- 31 Blackhand
- 32 Hamilton's
- 33 Muzzzone
- 34 Triangle

### EXPERT TRAILS

- 35 Organ Pipes Area
- 36 Mangawhero Area
- 37 Amphitheatre Area
- 38 Earths End Area
- 39 Showoff Chutes
- 40 Sisters Ridge
- 41 Clay's Leap
- 42 Black & White Chutes
- 43 Tardis Chutes

### BEGINNER TRAILS

Most suitable for beginner skiers and snowboarders.

### INTERMEDIATE TRAILS

Most suitable for intermediate skiers and snowboarders.

### ADVANCED TRAILS

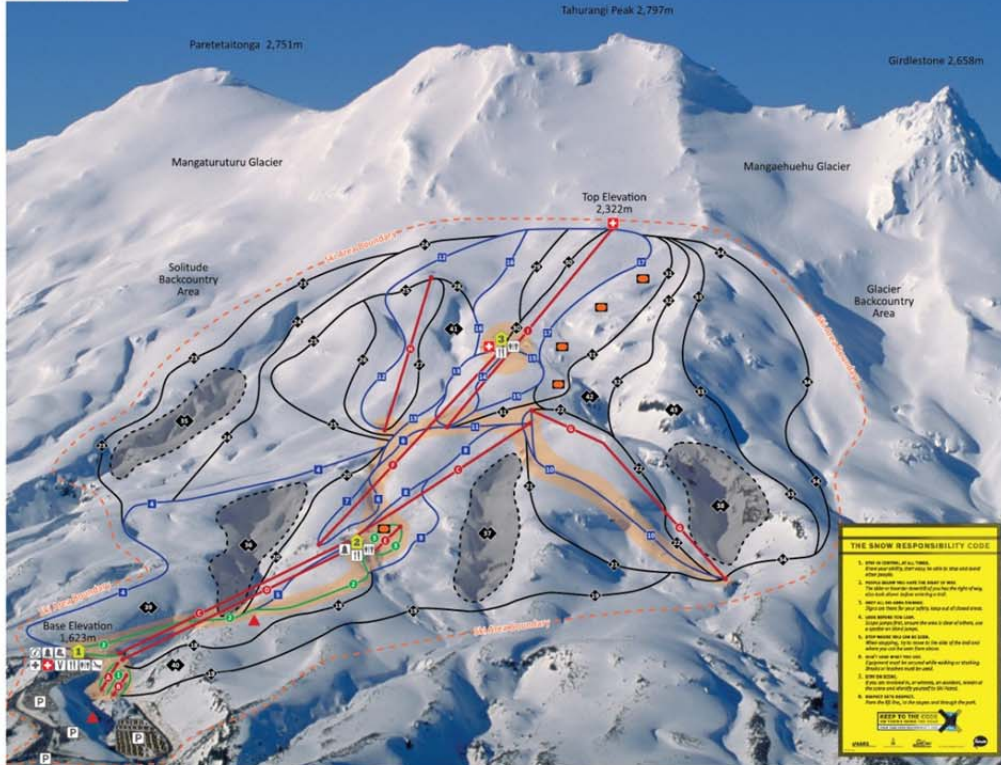
Most suitable for advanced skiers and snowboarders.

### EXPERT TRAILS

Most suitable for expert only skiers and snowboarders.

### FREESTYLE TERRAIN

May contain, but it is not limited to; jumps, boxes, rails, half/quarter pipes, and other constructed or natural terrain features. You are responsible for familiarising yourself with the terrain and obeying all instructions, warnings and signage.



## LIFTS

- 1 Magic Carpet
- 2 Alpine Meadow Platter
- 3 Movenpick Chair
- 4 Parklane Chair
- 5 Wintergarden Platter
- 6 Giant Chair
- 7 Ngā Wai Heke Chair
- 8 Jumbo T-Bar
- 9 Highnoon Express Chair

## LEGEND

- Ski Patrol - First Aid
- Toilets
- Food & Beverage
- Vertical Retail Shop
- Parking
- Information & Sales
- Urgent Care Clinic
- Snow School
- Rentals
- Sliding Area
- Family Friendly Trails
- Slow Zones
- Water Hazard
- Alpine Cafe & Bar
- Snowflake Cafe
- Giant Cafe
- Expert Areas
- Ski Area Boundary

## SAFETY SIGNAGE

**Danger**  
Areas marked with a Danger sign are not suitable for skiing or boarding. Signs denote cliffs, holes and other hazards.

**Closed**  
Areas marked with this sign are closed to all snow users. Visitors may have skiing or boarding privileges suspended.

**Caution**  
Areas marked with this sign require caution. These signs denote rocks, ice, steeping trails, slow zones, etc.

**Ski Area Boundary**  
These are no safety services or avalanche control measures beyond this point. You are considered a backcountry user.

**Hazardous Area**  
This sign denotes the area beyond must be hazardous and no person is to be in this area.

**THE SNOW RESPONSIBILITY CODE**

1. Use the correct ski or snowboard technique.
2. Assume that you have the right to use the slope and that you are responsible for your own safety.
3. Assume that you have the right to use the slope and that you are responsible for your own safety.
4. Assume that you have the right to use the slope and that you are responsible for your own safety.
5. Assume that you have the right to use the slope and that you are responsible for your own safety.
6. Assume that you have the right to use the slope and that you are responsible for your own safety.
7. Assume that you have the right to use the slope and that you are responsible for your own safety.
8. Assume that you have the right to use the slope and that you are responsible for your own safety.
9. Assume that you have the right to use the slope and that you are responsible for your own safety.
10. Assume that you have the right to use the slope and that you are responsible for your own safety.

**PLEASE BE RESPONSIBLE**

### BACKCOUNTRY AREA

There are no marked trails or active avalanche control measures; Safety Services do not operate in this area.

[www.mtruapehu.com](http://www.mtruapehu.com)



## HISTORY OF DEVELOPMENT AT

### WHAKAPAPA SKI AREA

**1938**  
Scoria Flat rope tow installed by Tourist Department.

**1946**  
Portable rope tow operated on Hut Flat.

**1947**  
Salt Run tow (Scoria Flat) & Rockgarden rope tow.

**1949**  
Staircase rope tow, Meads Wall rope tow.

**1950**  
Tennants Valley rope tows, Cinder Track tow.

**1951**  
Rockgarden tows, Staircase tow.

**1952**  
Walter Haensli granted a license to operate chairlifts at Whakapapa. 1952-54 Salt Run, Rockgarden, Staircase & Cinder Track tows operated by Tourist Hotel Corporation (THC).

**1953**  
Ruapehu Alpine Lifts Ltd formed and purchases Haensli's license.

**1954**  
Rockgarden Single Chairlift.

**1955**  
Staircase T-Bar, Nose Dive rope tow.

**1956**  
No 2 Single Chairlift (Staircase to top of Knoll Ridge).

**1957**  
No 2 Chairlift cut in half and lower section reinstated to bottom of Knoll Ridge.

**1958**  
Top section reinstated as No 3 Chairlift. Manawatu Tramping club install rope tow behind their lodge.

**1960**  
Ski Enterprises Ltd installs rope tow on the National Downhill slopes.

**1961**  
Te Heu Heu Valley Poma.

**1964**  
Knoll Ridge Poma, Home Run rope tow, Hut Flat rope tow.

**1965**  
Happy Ski Valley Ltd commences operation of rope tows in Happy Valley and at Meads Wall.

**1965**  
Loop Rd from If Salt Hut to Top O Bruce completed.

**1966**  
National Downhill Poma  
Ski Enterprises Ltd replaces rope tow with T-Bar.

**1967**  
National Downhill Access Chairlift (ex No 3 Chair), second tow on Hut Flat.

**1969**  
Rockgarden Poma.

**1974**  
Waterfall Poma (ex Rockgarden) two rope tows in the Pinnacles slopes.

**1975**  
RAL took over National Downhill operation.

**1976**  
Rockgarden Double Chairlift. Schuss Haus built to replace old Staircase Kiosk.

**1977**  
First snow groomer purchased.

**1978**  
Waterfall Double Chairlift.

**1979**  
Waterfall T-Bar.

**1980**  
Cinder Track Platter.

**1981**  
Te Heu Heu Valley T-Bar.

**1982**  
Knoll Ridge T-Bar, original Knoll Ridge Chalet built.

**1983**  
National Downhill Double Chairlift, National Downhill No 2 T-Bar, Pinnacles Platters (twin).

**1987**  
Waterfall Express Quad Chairlift, Centennial Double Chairlift (ex Waterfall Double).

**1988**  
RAL purchases facilities and operations of Happy Ski Valley Ltd and Tourist Hotel Corporation.

**1989**  
Far West T-Bar (ex National Downhill No 2). West Ridge Quad Chairlift, Happy Valley Access Chairlift.

**1990**  
Happy Valley snowmaking system, Creche, Knoll Ridge Chalet Stage 1 redevelopment.

**1992**  
Happy Valley Platter  
West Ridge Kiosk, Happy Valley Rental Building.

**1993**  
Knoll Ridge Chalet completion, Happy Valley Bistro.

**1994**  
Lorenz's Bar & Café redevelopment.

**1998**  
Top O Bruce building redevelopment of Retail and Rental spaces.

**2002**  
Snowmaking system enlarged to cover Happy Valley and Rockgarden and lower Staircase slopes. Double Happy Chairlift and an extra Platter Lift replace all rope tows in Happy Valley.

**2003**  
Cinder Track & Pinnacle Platters removed.

**2005**  
Snowmaking system enlarged to cover upper Staircase & Waterfall slopes.

**2010-11**  
New Knoll Ridge Chalet & Cat Shed built to replace buildings destroyed by an arsonist in 2009.

**2011**  
Carpet Lift in Happy Valley.

## HISTORY OF DEVELOPMENT AT

### TUROA SKI AREA

**1952**  
Ohakune Mountain Road Association formed to construct a road to Mangawhero Falls (13km barrier). Opened at this level in 1963. Extended to present road end by 1967.

**1962**  
First rope tow installed by Rod Winchcomb.

**1967**  
Three more rope tows installed by Robin Reid.

**1978**  
AHI open Turoa with Park Lane and Giant Chairlifts plus Alpine Meadows rope tows.

**1979**  
Highnoon T-Bar.

**1981**  
Wintergarden Platter No 1.

**1982**  
Wintergarden Platter No 2.

**1983**  
Jumbo T-Bar.

**1985**  
Alpine Meadow Teleski No 1.

**1986**  
NZ Skifields Ltd (a public company listed on the NZ Stock Exchange) formed to purchase ski area from Carter Holt Harvey (formerly AHI). Movenpick Quad Chairlift. Alpine Meadow Teleski No 2.

**1988**  
Moro Race T-Bar.  
Sealing of Mountain Road completed.

**1990**  
NZ Skifields Ltd privatised by a takeover offer from Turoa Holdings Ltd.

**1991**  
Mains power reticulation installed.  
New 1000 set ski hire and significant additions to base area facilities.

**1994**  
Highflyer Quad Chairlift.

**2000**  
Enlarged snowmaking system on Alpine Meadows Ski area purchased by Ruapehu Alpine Lifts Ltd (operator of Whakapapa Ski Area).

**2003**  
Removal of Moro T-Bar & Wintergarden Platter #1.

**2005**  
Additional 550 car parks.  
Redevelopment of Customer Service/Rental Building  
New Maintenance Workshop.

**2007**  
Highnoon Express chairlift.  
Alpine Café & Retail redevelopment.  
Snowmaking systems enlarged to cover to Blyth Flat including 45,000 cum reservoir.

**2008**  
Carpet Lift on Alpine Meadows.  
Yeti Kid's Centre opens in base area.

**2011**  
Highnoon Express tower modifications.  
Removal of High Flyer Chairlift.

**2012**  
Nga Wai Heke chairlift installed from Sou' East Basin.

## THE GIFT

In September 1887 the sacred mountain peaks, Ruapehu, Ngauruhoe and Tongariro, were gifted to the people of New Zealand by the Paramount Chief of Ngati Tuwharetoa, Horonuku Te Heu Heu Tukino thus ensuring their protection for all people for all time. This gift formed the nucleus of Tongariro National Park, the first in New Zealand.

Whakapapa Ski Area is located on the northern slopes of Mt Ruapehu which are the traditional lands of Ngati Tuwharetoa people. The upper slopes are within the original gifted area.

Turoa Ski Area is located on the southern slopes of Mt Ruapehu which are the traditional lands of the Ngati Rangī and Ngati Uenuku people.

## DEPARTMENT OF CONSERVATION

Whakapapa and Turoa Ski Areas are located within Tongariro National Park and are operated under separate licenses issued by the Department of Conservation pursuant to Section 49 National Parks Act 1980.

## RUAPEHU ALPINE LIFTS LIMITED

Operators of Whakapapa & Turoa Ski Areas

