

RUAPEHU ALPINE LIFTS LIMITED

2013 ANNUAL REPORT

For Year Ended 30th April 2013



Nga Wai Heke Chairlift

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. Ruapehu Alpine Lifts Limited (the 'Company') is a public benefit entity registered under the Companies Act 1993. 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 on Mt Ruapehu.

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

Duncan J Fraser
Chairman of Directors

Murray I D Gribben

Kerry McDonald

David A Pilkington (resigned 31st July 2013)

Philip J Royal

Catherine Savage (appointed 1st August 2013)

Kevin T Stanley

CHIEF EXECUTIVE OFFICER

A David Mazey

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

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

AUDITOR

Deloitte

BANKER

ANZ Bank New Zealand

REGISTERED OFFICE

10 Brandon Street

Wellington 6011

Email: dawilliams@deloitte.co.nz

COMPANY ADDRESS

Private Bag 71902

Mt Ruapehu 3951

Phone: 07 892-4000

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Email: info@mtruapehu.com

Web: www.mtruapehu.com

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 represent 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, Tomas Huppert and John Parker.

NOTICE OF ANNUAL GENERAL MEETING

For year ended 30th April 2013

The Sixtieth Annual Meeting of Ruapehu Alpine Lifts Limited will be held in Happy Valley Bistro, Whakapapa Ski Area, Saturday 21st September 2013 at 5pm.

ORDINARY BUSINESS

1. Presentation of the Annual Report for year ended 30th April 2013.
2. Appointment of Directors
In accordance with the Constitution the following Directors retire by rotation, and being eligible, offer themselves for reappointment:
 - (a) Duncan Fraser retires by rotation, and being eligible, offers himself for reappointment.
 - (b) Murray Gribben retires by rotation and, being eligible, offers himself for reappointment.
 - (c) Catherine Savage was appointed a Director on 1 August 2013 and must seek re-appointment at the following Annual General Meeting.
The Directors support this appointment.
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 10th day of August 2013

SHAREHOLDERS & SHAREHOLDING

| Number of Shares | Number of Shareholders |
|-------------------------|-------------------------------|
| 5 or Less | 3,761 |
| Between 6 & 10 | 234 |
| Between 11 & 100 | 154 |
| 101 and over | 1 |

In addition, the Ruapehu Alpine Lifts Limited Trust also holds 10,000 "D" shares. There are 4,150 shareholders on the register, with no known address for 2,028 (49%) 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 26th 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 30th April 2013

CHAIRMAN:

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.

DIRECTORS:

Murray I D Gribben

Murray joined the Board as a Director on the 18th 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 directorships at CS Ltd, Donaghys Ltd and Summerset Group Holdings Ltd. He is currently a Director of NZ Post Ltd, Kiwibank Ltd, National Army Museum Waiouru and Chair of the NZ Venture Investment Fund. Murray has had a long association with Mt Ruapehu and has been skiing on the mountain most of his life.

Kerry McDonald

BCom, MCom(hons), DCom(hc) FAICD, 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 (until Nov. 2012) 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, GRD Macraes 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.

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 from October 2005 to September 2012. 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.

SENIOR MANAGEMENT TEAM:

Chief Executive Officer: Dave Mazey

Dip Parks & Rec, ONZM

Dave has been in the position of General Manager since 1986, with the title of CEO being adopted in May 2013 in accordance with management structure improvements. Prior to 1986 he held various management positions with DOC and has held Member/Chairman roles in a number of Industry Associations over the past 20 years.

General Manager - Operations: Chris Thrupp

NZCE

Chris was appointed to the senior management team at the time Ruapehu Alpine Lifts purchased Turoa. His new title of General Manager-Operations, formerly Ski Area Manager-Turoa, was adopted in May 2013 in accordance with management structure improvements. Prior to this he progressed through various operational and management roles at Turoa over an 11 year period.

Phil J Royal

MBA

Phil joined the Board as a Director in June 2006. Phil is a Partner at Price Waterhouse Cooper. 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.

Catherine Savage

BCA and CA Qualified

Catherine Savage has extensive experience in the funds management industry, including, as Managing Director of AMP Capital Investors (NZ) Ltd. She is Chairman of the Board of Trustees of the National Provident Fund, and Deputy Chair of The Guardians of the New Zealand Superannuation Fund.

Catherine also holds a number of independent directorships, which include KiwiBank; The Todd Family Office Limited, The New Zealand Institute of Chartered Accountants, and Pathfinder Asset Management. She is also the Chairman of the Management Board of Samuel Marsden Collegiate School.

Catherine is also the Managing Director of Savage Group Limited and CMS Capital Limited, and a director of The Griffin Savage Coy Limited.

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 a Director of BRANZ (Building Research Association of New Zealand).

Executive Manager – Corporate Services: Michelle Ellis

CA, BCom

Michelle joined the company 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.

Executive Manager – Human Resources: Rachel de Haas

Rachel holds a Bachelor's Degree (Double Major) in Industrial and Organisational Psychology and Philosophy and was appointed to this position in June 2012. Rachel comes from a background of Organisational Development and has most recently worked with the NZ Fire Service and the Ministry of Justice.

Executive Manager - Commercial: Simon Dickson

Diploma in Construction Management, MBA (Exec)

Simon was appointed in July 2013. Prior to this he was employed by GDM Group as the Australasian Business Development Manager. Simon has extensive experience in retail operations and business development.

DIRECTORS' REVIEW

For year ended 30th April 2013

Your Directors have the pleasure in presenting to Shareholders the Annual Report for the year ended 30th April 2013.

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 | \$1,187,900 |
| Total Equity at 1 st May 2012 | \$31,834,672 |
| Total Equity at 30 th April 2013 | <u>\$33,022,572</u> |

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 |
| \$110,000 - \$120,000 | 1 | \$220,000 - \$230,000 | 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 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

Nil

REMUNERATION OF DIRECTORS

The remuneration paid to directors totaled \$70,000

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 | \$15,000 | Phil J Royal | \$10,000 |
| Duncan J Fraser | \$15,000 | Kevin T Stanley | \$10,000 |
| Murray I Gribben | \$10,000 | | |
| Kerry McDonald | \$10,000 | | |
| | | TOTAL | <u>\$70,000</u> |

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 10th August 2013**

Duncan Fraser Chairman Date: **Saturday 10th August 2013**

CHAIRMAN'S REVIEW

For year ended 30th April 2013

It is my pleasure, on behalf of my fellow Directors, to report on the activities of Ruapehu Alpine Lifts Limited (RAL) for the year ending 30th April 2013.

THE YEAR IN REVIEW

The Chief Executive Officer, Dave Mazey, will cover the 2012 winter season operations in more detail in his review. Suffice to say that despite reasonably good snow conditions throughout the later half of the winter, skier numbers were disappointing with skier days the lowest seen in the last 12 years. We have attributed this in large part to the impact of the rains that fell after the July school holidays followed by extended closed periods later in the season when the snow returned. Despite the disappointing skier numbers the financial performance achieved by the company was pleasing on the patronage we received.

FINANCIAL RESULTS

The Surplus from operations for the year ending 30th April 2013 was \$1,040,036; which was substantially lower than the \$2,237,684 Surplus in the prior year.

Total revenue was down 7.1% (\$2,089,373) driven off a 10% decline in skier day numbers compared with the 2011 winter season. Total operating expenses decreased by 2% (\$506,788) reflecting lower operating costs and better cost control.

During the year we improved our Cash at Bank position by \$46,820 and reduced our bank borrowings by \$750,000, with Term Debt ending the year at \$4.5m. Strong operating cash flows, coupled with reduced capital expenditure, resulted in a strengthening of our Balance Sheet and Financial Position.

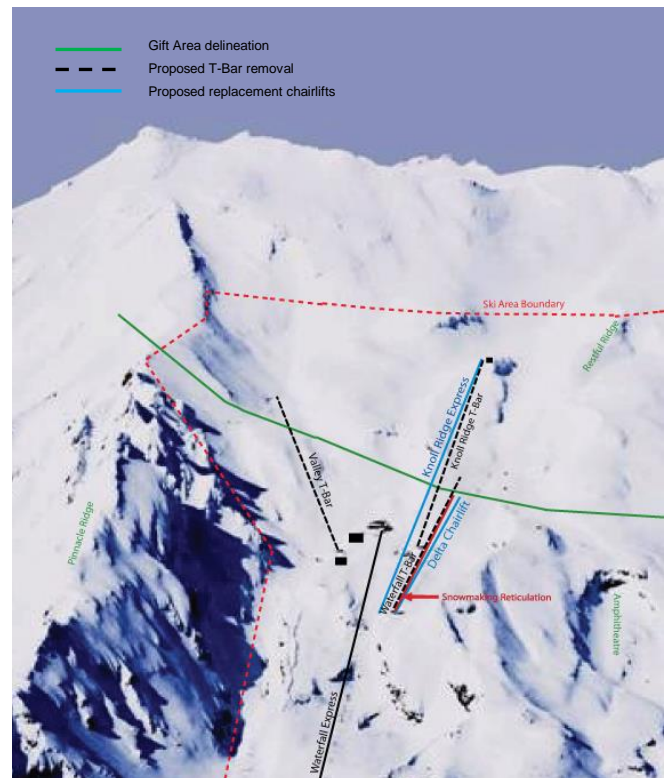
This year we had another promising start to the season with excellent July school holiday weather conditions and one of our largest weeks for skier day numbers during this holiday period. The early July storm cycles left a good snow base at Turoa setting it up well for the season, and whilst Whakapapa received less depth from the same storm cycles, natural snow fall, combined with snowmaking and trail management, have allowed a quality product to be offered.

NEW DEVELOPMENTS

In March 2013 we were granted a Resource Consent by the Ruapehu District Council for what we refer to as the Eastern Terrain Renewal Project at Whakapapa Ski Area. This project sees the removal of the Valley, Knoll Ridge and Waterfall T-Bars with their replacement being a detachable quad chairlift over the Knoll Ridge terrain and a fixed double chairlift along the Waterfall T-Bar line. Previous plans for replacing the Valley T-Bar with a quad chairlift were withdrawn due to Iwi concerns and we have worked hard to put together a proposal that allows the upgrade of aging lift infrastructure at Whakapapa and maintaining access to all existing terrain whilst recognising the concerns that Iwi have, particularly with regard to our footprint inside the Gift Area.

Subsequent to being granted resource consent we lodged a Works Approval application with the Department of Conservation (DoC) and at the time of writing this review are still waiting on the outcome of that application. The Works Approval process has taken much longer than anticipated and it is expected that the earliest possible construction start date for this project would be the 2014/15 summer, assuming that the project remains financially viable.

This year has seen the commencement of discussions with the DoC around the renewal of licences for Turoa and Whakapapa Ski Areas. Both licences have a number of years to run however the timing and process for renewal needs to be confirmed as we consider our options for the future. The main point to come from discussions to date is that DoC have confirmed that RAL has a clear first right of renewal for both licences. We have also had a number of positive discussions with DoC on additional activities that may be permitted in the two licence areas including over-snow public transport and mountain biking.



Just prior to Christmas the Waitangi Tribunal released The National Park District Inquiry Report covering 41 claims, spanning the area of Tongariro National Park and selected lands surrounding the Park. Included in that report was a recommendation that the National Park be held jointly by the Crown and Iwi under a new Treaty of Waitangi title. The Tribunal further recommended that the Park be taken out of Department of Conservation control and managed jointly by the Crown and Iwi.

BOARD MEMBERS

David Pilkington resigned as Board Chairman in September 2012 and retired as a Director at the end of July this year after nine years of outstanding service to the Board. David put a lot of time and effort into the role of RAL Chairman and provided excellent leadership and guidance to the Board and CEO. Hopefully we will continue to see David on the mountain for many more years to come.

Following David's resignation as Chairman, I was elected by the Board to that role. On his retirement from the Board Catherine Savage was invited to join the Board and her appointment needs to be confirmed at the AGM. Catherine is a very experienced Wellington based business woman and company Director and has been a long time Mt Ruapehu skier. Catherine's brief biography can be found on page four of the Annual Report.

Murray Gribben and I retire by rotation at this year's Annual General Meeting and, being eligible, offer ourselves for re-election. We both have the full support of the Board for our re-election. I have enjoyed my first year in the role of Chairman and look forward to being able to contribute towards the future of RAL.

ACKNOWLEDGEMENTS

I would like to thank all our shareholders and, in particular, the Trustees of our major shareholder, Ruapehu Alpine Lifts Limited Trust, for their continued interest and support over the last twelve months. I would also like to thank my fellow Directors and the management and staff of RAL for their contributions throughout the year.

Finally I wish to acknowledge the death of Sharon Mazey in December of last year after a hard fought battle with cancer. On behalf of the company I formally wish to pass on to Dave Mazey and his sons Scott and Ben our deepest sympathy for their loss. Sharon was a passionate skier, wonderful company and a great supporter of RAL. She will be sadly missed.

Thank you

Duncan Fraser

CHAIRMAN

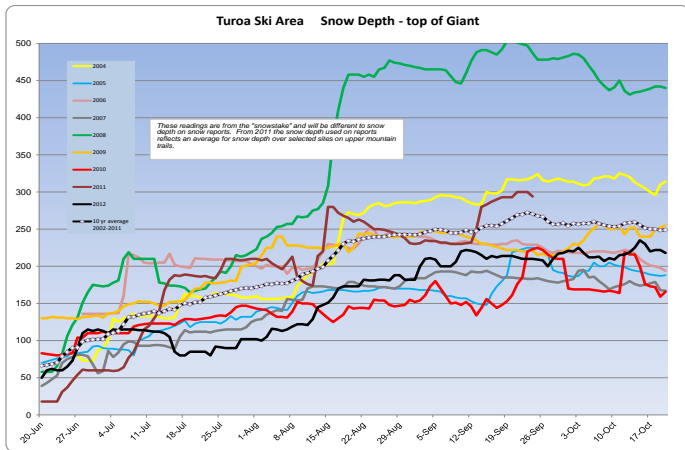
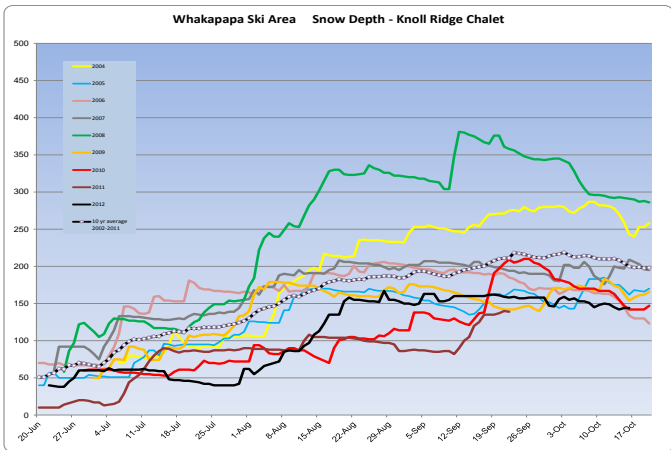
CHIEF EXECUTIVE OFFICER'S REVIEW

For year ended 30th April 2013

WINTER 2012

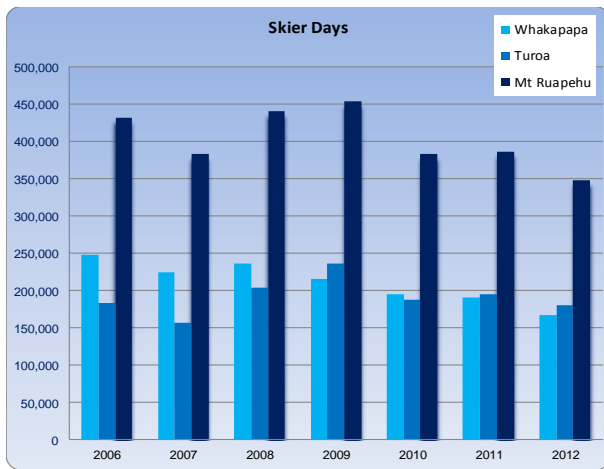
The operating season for 2012 commenced mid June with top to bottom skiing at both ski areas being available from early July. The High Noon Express at Turoa opened on 2nd July and the Knoll Ridge T-Bar at Whakapapa opened on 3rd July. Whakapapa's Far West T-Bar operated from 9th July which was the earliest opening date (by five days) in the past 10 years. Overall the ski season was one week longer than the prior year to accommodate the change in the school term dates.

Early snow cover and conditions were very good at both ski areas. Soon after the July school holidays the snow depths began to reduce at both ski areas. It then took three weeks before Whakapapa regained the base it had at the end of the July school holidays. Turoa started with a greater snow depth than Whakapapa and therefore was impacted less.



During August and early September market interest was strong with fine day numbers at, or close to, expected levels. The weather then changed and, during the middle two weeks of September, was atrocious. The ski areas had two extended periods of closed days from 2nd to 12th September and again from the 17th through to the 23rd September. Up until the end of August the Season To Date skier days were higher than 2011. The 3,360 skier days for week ending 9th September, was the lowest level of business for any week during July/August/September in the past 12 years.

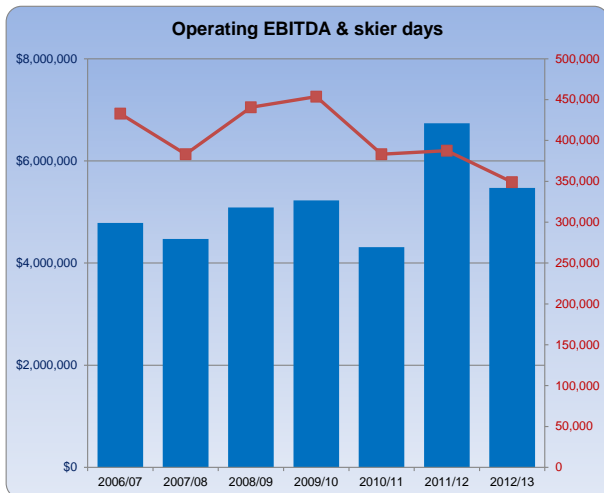
Whakapapa was impacted by the Centennial Chairlift breakdown from 17th August to 13th September and prior to that the eruption at the Te Maari crater on 7th August disrupted skier days for a few days, especially at Whakapapa. On the positive side Turoa opened the new Nga Wai Heke Chairlift on the 7th July; a lift that has opened up significant new groomable terrain. Total season skier days at 349,000 were the lowest in seven years.



OUR COMMERCIAL MODEL

EBITDA of \$5.5m was \$2.3m higher than the last time we experienced skier days of 350,000 which was the 2003 winter. EBITDA was also higher than 2009 when skier days were in excess of 450,000. Management continue to implement changes to our operating model with the target of achieving EBITDA at \$8.0m, or above, from a base of 385,000 skier days. Analysis of our current asset base confirms the company should be reinvesting \$8.0m - \$10.0m per year on average in an essential asset replacement and upgrade program.

As an organisation we are continually reviewing our commercial model and 2012 was a year of significant change across a number of our business units to explore ways to drive additional growth in profitability. The management team has consistently delivered profitability growth over the past two seasons without compromising service or safety standards.



NGA WAI HEKE CHAIRLIFT

This 900 metre long lift opens up 100 hectares of backcountry terrain on the eastern side of Turoa in an area that has not previously been lift-accessed or groomed. The opening of the Nga Wai Heke, named after the cascading waters that descend near the chairlift, heralds a new era for Turoa.



- Additional new lift serviced terrain accessible from the Nga Wai Heke Chairlift.
- Triangle and glacier back country terrain which will be easier and more enjoyable to ski & board as the Nga Wai Heke provides easy return to the Highnoon Express.

WHAKAPAPA SUMMER ALPINE MAGIC

We continue to add value to this summer operation with new marked trails down through the Amphitheatre and shuttle service from Whakapapa Village being well used. This overall business is growing with some of the growth definitely being an outcome of new initiatives.

This summer any gains were mitigated by the Volcanic Alert level causing closure of access to the Crater Lake. This closure prevented our guided walk business and, more materially, eliminated lift pass sales to those who would have 'freedom' walked to the crater.

We are actively investigating new activities that can be introduced at both ski areas which will provide for profitable summer operations.

DEVELOPMENTS FOR 2013

This year RAL has invested \$3million in new machinery, including five new groomers and eight snow guns across both ski areas. It is expected the groomers will increase Mt Ruapehu's grooming production by 20-25%, with these powerful machines able to more effectively move larger volumes of snow on Mt Ruapehu's unique terrain and snow cover.



The new, energy efficient snow guns have improved Mt Ruapehu's snowmaking abilities, particularly being able to operate in a wider range of conditions and therefore increase production. The new guns also improve the reliability and quality of snow - from topping up hard-packed trails on a cold morning to covering trails with up to 100% of man-made snow.



Additional investment was also made to improve our ability to provide snow and ice free access up the Ohakune Mountain Road for more days each season. For 2012 we imported a specialist snow plough truck which also now has a specialist grit bin and spreading unit which we are confident will increase the number of "road open" days each season. This unit was complemented with purchase of a second snow plough tractor and snow blower unit for deeper drifts and wind rows. Total investment on this additional road management equipment was in excess of \$500,000.

Dave Mazey

CEO

STATEMENT OF COMPREHENSIVE INCOME

For year ended 30th April 2013

| | Note | 2013 \$ | 2012 \$ |
|--|------|--------------------------------|--------------------------------|
| Revenue | | | |
| Lift Pass Sales | | 16,265,649 | 17,331,910 |
| Sale of Goods and Services | | 10,553,953 | 11,598,326 |
| Rent | | 375,513 | 354,252 |
| Total Revenue | | <u>27,195,115</u> | <u>29,284,488</u> |
| Cost of Sales | | 1,771,140 | 2,156,077 |
| Gross Profit | | <u>25,423,975</u> | <u>27,128,411</u> |
| Expenses | | | |
| Auditor's Remuneration – Audit | | 30,000 | 30,000 |
| Auditor's Remuneration – Other Advisory Services | 11 | 2,850 | 3,875 |
| Finance Costs | | 347,941 | 500,347 |
| Depreciation | 4 | 3,963,072 | 3,887,664 |
| Amortisation | 5 | 121,443 | 109,514 |
| Directors' Fees | 12 | 70,000 | 70,000 |
| Bad Debts Written Off | | 16,630 | 798 |
| Insurance | | 1,166,256 | 1,271,082 |
| Electricity | | 1,855,883 | 1,810,887 |
| Wages and Salaries | | 9,602,320 | 9,856,557 |
| ACC | | 269,358 | 331,431 |
| License Fees, Rates and Ski Area Levies | | 1,165,514 | 1,233,414 |
| Marketing Campaigns | | 168,705 | 416,677 |
| Lift Maintenance and Services | | 853,204 | 666,082 |
| Grooming Maintenance and Services | | 759,663 | 545,085 |
| Other Supplies and Services | | 3,991,100 | 4,157,314 |
| Total Expenses | | <u>24,383,939</u> | <u>24,890,727</u> |
| Surplus / (Deficit) from Operations | | <u>1,040,036</u> | <u>2,237,684</u> |
| Other Income | | | |
| Interest Received | | 68,333 | 10,641 |
| Gain on Sale of Property, Plant and Equipment | | 64,854 | 696 |
| Fair Value of Derivatives | 8 | 14,677 | (29,683) |
| Reinstatement of High Noon Express Chairlift | | - | 242,295 |
| Total Other Income | | <u>147,864</u> | <u>223,949</u> |
| Other Expenses | | | |
| High Noon Express & Far West T-Bar Tower Repairs | | - | 60,753 |
| Comprehensive Income for the Year | | <u><u>1,187,900</u></u> | <u><u>2,400,880</u></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 30th April 2013

| | Note | Share Capital \$ | Retained Earnings \$ | Total \$ |
|--|------|------------------------|----------------------------|-------------------|
| Balance at 1st May 2013 | | 138,200 | 31,696,472 | 31,834,672 |
| Comprehensive Income for the Year | | - | 1,187,900 | 1,187,900 |
| Total Recognised Income and Expenses | | - | 1,187,900 | 1,187,900 |
| Balance at 30th April 2013 | 2 | 138,200 | 32,884,372 | 33,022,572 |
| Balance at 1st May 2012 | | 138,200 | 29,295,592 | 29,433,792 |
| Comprehensive Income for the Year | | - | 2,400,880 | 2,400,880 |
| Total Recognised Income and Expenses | | - | 2,400,880 | 2,400,880 |
| Balance at 30th April 2012 | 2 | 138,200 | 31,696,472 | 31,834,672 |

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

STATEMENT OF FINANCIAL POSITION

As at 30th April 2013

| | Note | 2013 \$ | 2012 \$ |
|---------------------------------------|------|---------------------------------|---------------------------------|
| CURRENT ASSETS | | | |
| Financial Assets | | | |
| Cash at Bank | | 1,973,347 | 1,926,527 |
| Fair Value of Derivatives | 8 | 17,533 | 2,856 |
| Trade and Other Receivables | | 37,945 | 143,718 |
| Life Pass Finance Plan | | 146,622 | 364,075 |
| Season Pass Receivables | 13 | 913,824 | - |
| Total Current Financial Assets | | <u>3,089,271</u> | <u>2,37,176</u> |
| Inventories | 3 | 414,469 | 457,514 |
| Prepayments | | 463,171 | 450,496 |
| Total Current Assets | | <u>3,966,911</u> | <u>3,345,186</u> |
| NON CURRENT ASSETS | | | |
| Property, Plant and Equipment | 4 | 53,506,539 | 54,814,308 |
| Intangible Assets | 5 | 213,935 | 307,847 |
| Life Pass Finance Plan | | - | 109,986 |
| Total Non Current Assets | | <u>53,720,474</u> | <u>55,232,141</u> |
| TOTAL ASSETS | | <u><u>57,687,385</u></u> | <u><u>58,577,327</u></u> |
| CURRENT LIABILITIES | | | |
| Trade and Other Payables | 6 | 9,033,990 | 9,393,559 |
| Life Pass Deferred Revenue | | 913,433 | 941,763 |
| Borrowings | 8 | 750,000 | 750,000 |
| Lease Liabilities | 7 | 163,990 | 171,184 |
| Total Current Liabilities | | <u>10,861,413</u> | <u>11,256,506</u> |
| NON CURRENT LIABILITIES | | | |
| Borrowings | 8 | 3,750,000 | 4,500,000 |
| Life Pass Deferred Revenue | | 10,032,732 | 10,801,544 |
| Lease Liabilities | 7 | 20,668 | 184,605 |
| Total Non Current Liabilities | | <u>13,803,400</u> | <u>15,486,149</u> |
| TOTAL LIABILITIES | | <u><u>24,664,813</u></u> | <u><u>26,742,655</u></u> |
| NET ASSETS | | <u><u>33,022,572</u></u> | <u><u>31,834,672</u></u> |
| EQUITY | | | |
| Share Capital | 2 | 138,200 | 138,200 |
| Retained Earnings | | 32,884,372 | 31,696,472 |
| TOTAL EQUITY | | <u><u>33,022,572</u></u> | <u><u>31,834,672</u></u> |

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

Phil Royal Director Date: _____

Duncan Fraser Chairman Date: _____

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 30th April 2013

| | Note | 2013 \$ | 2012 \$ |
|--|------|---------------------------|---------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash was provided from: | | | |
| Receipts from Customers | | 20,608,078 | 24,381,578 |
| Advance Season Pass Sales | | 5,255,576 | 6,206,476 |
| Receipts from Insurance Proceeds for Knoll Ridge Fires | | | 262,632 |
| Interest Received | | 68,333 | 10,641 |
| Cash was applied to: | | | |
| Payments to Suppliers and Employees | | (21,998,114) | (23,309,185) |
| Interest Paid | | (347,941) | (471,794) |
| Net Cash Flows from Operating Activities | | <u>3,585,932</u> | <u>7,080,348</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Cash was provided from: | | | |
| Sale of Property, Plant and Equipment | | 64,854 | 696 |
| Cash was applied to: | | | |
| Purchase of Property, Plant and Equipment | | (2,682,835) | (3,851,757) |
| Net Cash Flows from Investing Activities | | <u>(2,617,981)</u> | <u>(3,851,061)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Cash was applied to: | | | |
| Current Portion of Term Loans | | (750,000) | (750,000) |
| Current Portion of Lease Liabilities | | (171,131) | (157,668) |
| Net Cash Flows from Financing Activities | | <u>(921,131)</u> | <u>(907,668)</u> |
| Net increase in Cash | | 46,820 | 2,321,619 |
| Opening Cash | | 1,926,527 | (395,092) |
| Closing Cash | | <u>1,973,347</u> | <u>1,926,527</u> |
| Composition of Cash: | | | |
| Cash on Hand | | 39,672 | 32,400 |
| Cash at Bank | | 1,933,675 | 1,894,127 |
| Closing Cash Carried Forward | | <u>1,973,347</u> | <u>1,926,527</u> |

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 30th April 2013

| | 2013 | 2012 |
|---|------------------|------------------|
| | \$ | \$ |
| Reported Net Surplus for the year | 1,187,900 | 2,400,880 |
| Add / (Less) Non Cash Items: | | |
| Depreciation | 3,963,068 | 3,887,664 |
| Amortisation of Intangible Assets | 121,448 | 109,514 |
| Bad Debts | 16,630 | 798 |
| Fair Value Movement in Derivatives | (14,677) | 29,683 |
| Contribution to High Noon Express Tower Collapse | - | (242,295) |
| Movements in Working Capital: | | |
| Movement in Trade and Other Payables | (322,494) | (776,152) |
| Movement in Inventories | 43,046 | 190,270 |
| Movement in Trade and Other Receivables | 89,143 | (78,148) |
| Movement in Insurance Proceeds Receivable for Knoll Ridge Fires | - | 262,632 |
| Movement in Prepayments | (12,675) | (85,516) |
| Movement in Season Pass Revenue | (913,824) | 371,291 |
| Movement in Season Pass Deferred Revenue | (37,076) | - |
| Movement in Life Pass Deferred Revenue | (797,142) | 1,484,484 |
| Movement in Life Pass Finance Plan | 327,439 | (474,061) |
| Items Classified as Investing Activities | | |
| Gain on Disposal of Assets | (64,854) | (696) |
| Net Cash Flow from Operating Activities | <u>3,585,932</u> | <u>7,080,348</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 30th April 2013

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 on Mt. Ruapehu.

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 Prior Year Comparatives

Prior year comparatives have been reclassified, where appropriate, to facilitate comparison with the current year. There has been no material impact on the Income Statement or Statement of Financial Position.

1.5 Key Sources of Judgment or Estimation

A key area of estimation is in relation to the revenue recorded for Life Passes where the revenue is transferred from Deferred Revenue based on an estimated life over the relevant 25 and 20 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.

1.6 Adoption of New and Revised Standards and Interpretations

a) New and Revised Standards and interpretations

All mandatory Standards, Amendments and interpretations have been adopted in the current year. None had a material impact on these financial statements.

b) Standards or Interpretations Not Yet Effective

The External Reporting Board (XRB) is currently in the process of establishing a new Accounting Standards Framework based on a public-sector, reporting tiers approach. The new accounting standards framework will consist of two sets of accounting standards, one to be applied by entities with a for-profit objective and the other to be applied by public entities (PBEs). The not-for-profit PBE standards have not yet been released, but will be based largely on International Public Sector Accounting Standards (IPAS).

In the interim, all new New Zealand equivalents to International Financial Reporting Standards (NZ IFRSs) and amendments to existing NZ IFRSs approved in and subsequent to, March 2011 would be applicable to profit-oriented entities only. This means that the financial reporting requirements for not-for-profit PBEs are frozen for the short-term. Consequently, new or amended NZ IFRS released during the year are not applicable to public benefit entities and hence no disclosure has been made.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For year ended 30th April 2013

1.7 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 on day of use.

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.

1.8 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.

1.9 Taxation

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

1.10 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.

1.11 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 30th April 2013

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 | | |

1.12 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.

1.13 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.

1.14 Financial Instruments

Financial Instruments include Financial Assets and Financial Liabilities, but excludes Season and Life 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.

1.15 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.

1.16 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 30th April 2013

1.17 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.

1.18 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 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.

1.19 Borrowing Costs

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

1.20 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.

2012/2013

Fully Paid Ordinary Shares

| | A Shares | B Shares | C Shares | D Shares | Total |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|--------------|
| 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 |

Number of Shares

| | | | | | |
|--------------------------------------|-------|-------|-------|--------|--------|
| Balance at the beginning of the year | 6,000 | 1,400 | 4,710 | 10,000 | 22,110 |
| Shares issued during the year | - | - | - | - | - |
| Balance at the end of the year | 6,000 | 1,400 | 4,710 | 10,000 | 22,110 |

3. INVENTORIES

| | 2013 | 2012 |
|-------------------|------------------|------------------|
| Retail | \$212,599 | \$318,536 |
| Food and Beverage | \$31,896 | \$32,447 |
| Fuel | \$8,548 | \$15,827 |
| Sundry | \$161,426 | \$90,704 |
| | <u>\$414,469</u> | <u>\$457,514</u> |

4. PROPERTY, PLANT AND EQUIPMENT

30th April 2013

| | Opening Cost | Additions | Disposals | Transfers | Closing Cost |
|--|---------------------|--------------------|--------------------|--------------------|---------------------|
| Ski Lifts | \$21,389,617 | - | - | \$3,154,876 | \$24,544,493 |
| Buildings and Fixtures | \$27,405,946 | - | - | \$113,454 | \$27,519,400 |
| Car Parks and Roads | \$6,384,998 | - | - | \$56,574 | \$6,441,572 |
| Motor Vehicles | \$7,952,534 | - | \$1,538,692 | \$1,035,678 | \$7,449,520 |
| Plant and Equipment | \$22,760,804 | - | - | \$981,643 | \$23,742,447 |
| | <u>\$85,893,899</u> | - | <u>\$1,538,692</u> | <u>\$5,342,225</u> | <u>\$89,697,432</u> |
| Assets Under Construction | \$2,882,157 | \$2,774,383 | - | (\$5,342,225) | \$314,315 |
| Total Property, Plant and Equipment | <u>\$88,776,056</u> | <u>\$2,774,383</u> | <u>\$1,538,692</u> | - | <u>\$90,011,747</u> |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For year ended 30th April 2013

30th April 2012

| | Opening Cost | Additions | Disposals | Transfers | Closing Cost |
|--|---------------------|--------------------|-----------|--------------------|---------------------|
| 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 |
| | \$83,392,785 | - | - | \$2,501,114 | \$85,893,899 |
| Assets Under Construction | \$2,532,013 | \$2,851,258 | - | (\$2,501,114) | \$2,882,157 |
| Total Property, Plant and Equipment | \$85,924,798 | \$2,851,258 | - | - | \$88,776,056 |

30th April 2013

| | Opening Accum Depn | Depreciation | Disposals | Depreciation Claw-back on improved Assets | Closing Balance |
|--|-----------------------|------------------|----------------------|--|---------------------|
| Ski Lifts | \$9,390,247 | \$644,431 | - | - | \$10,034,678 |
| Buildings and Fixtures | \$6,507,826 | \$821,111 | - | - | \$7,328,937 |
| Car Parks and Roads | \$1,705,665 | \$193,137 | - | - | \$1,898,802 |
| Motor Vehicles | \$4,887,175 | \$599,032 | (\$1,419,612) | - | \$4,066,595 |
| Plant and Equipment | \$11,470,835 | \$1,705,361 | - | - | \$13,176,196 |
| Total Property, Plant and Equipment | \$33,961,748 | 3,963,072 | (\$1,419,612) | - | \$36,505,208 |

30th 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 |
| Total Property, Plant and Equipment | \$31,549,765 | \$3,887,664 | - | (\$1,475,681) | \$33,961,748 |

Balance as at 30th April:

| | |
|---|---------------------|
| Net Carrying Value as at 30 th April 2013: | \$53,506,539 |
| Net Carrying Value as at 30 th April 2012: | \$54,814,308 |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For year ended 30th April 2013

5. INTANGIBLE ASSETS

| 30th April 2013 | Opening Cost | Additions | Disposals | Transfers | Closing Cost |
|-----------------------------------|---------------------|------------------|------------------|------------------|---------------------|
| Intangible Assets | \$636,962 | \$27,531 | - | - | \$664,493 |
| | \$636,962 | \$27,531 | - | - | \$664,493 |

| | | | | | |
|--|------------------|------------------|---|---|------------------|
| | \$482,325 | \$154,637 | - | - | \$636,962 |
| | \$482,325 | \$154,637 | - | - | \$636,962 |

| 30th April 2013 | Opening Accum Amort | Amortisation | Disposals | Transfers | Closing Balance |
|-----------------------------------|--------------------------------|---------------------|------------------|------------------|----------------------------|
| Intangible Assets | \$329,115 | \$121,443 | - | - | \$450,558 |
| | \$329,115 | \$121,443 | - | - | \$450,558 |

| | | | | | |
|--|------------------|------------------|---|---|------------------|
| | \$219,601 | \$109,514 | - | - | \$329,115 |
| | \$219,601 | \$109,514 | - | - | \$329,115 |

Balance as at 30 April:

Net Carrying Value as at 30th April 2013: **\$213,935**

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

6. TRADE AND OTHER PAYABLES

| | 2013 | 2012 |
|-------------------------------------|--------------------|--------------------|
| Trade Creditors | \$831,776 | \$1,005,644 |
| Short Term Employee Entitlements | \$400,373 | \$216,110 |
| Deferred Revenue Season Passes | \$6,169,400 | \$6,206,476 |
| Other Accruals and Sundry Creditors | \$1,632,441 | \$1,965,329 |
| | \$9,033,990 | \$9,393,559 |

The Deferred Revenue relates to Season Pass sales during October 2012 and April 2013 for the 2013 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.

The company has an unused letter of credit in the amount of \$74,093 at 30 April 2013. The letter of credit was established for 31 July 2013 in the favor of a supplier of clothing and rental equipment. As security for the letter of credit RAL have pledged assets held by a financial institution at 30 April 2013.

7. OTHER FINANCIAL LIABILITIES

| | 2013 | 2012 |
|-----------------------------------|-----------------|------------------|
| Lease Liability | \$184,658 | \$355,789 |
| Less Current Portion | \$163,990 | \$171,184 |
| Total Long Term Lease Liabilities | \$20,668 | \$184,605 |

| | | |
|---------------------|------------------|------------------|
| Lease Liability | | |
| Within 1 Year | \$163,990 | \$171,184 |
| Between 1 - 2 Years | \$20,668 | \$163,937 |
| Between 2 - 3 Years | - | \$20,668 |
| | \$184,658 | \$355,789 |

Interest charges on finance leases and lease liabilities were \$24,704 (2012: \$22,152) and are included in Finance Costs on the Statement of Comprehensive Income. Security over these assets exists until repayment in full.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For year ended 30th April 2013

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 borrowing are 6.76 % (2012: 7.01%).

Credit Risk

Credit Risk is the risk of failure of a debtor or counterparty to honor 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 \$2,009,458 (2012: \$349,794).

The following table details the forward foreign currency exchange (FC) contract as at 30th April 2013, the net movements in the Fair Value of Derivatives were (\$14,677) (2012: \$2,856) and are included in Other Income on the Statement of Comprehensive Income.

| | Average Exchange Rate | Foreign Currency 2013 | Contract Value 2013 NZ | Fair Value NZ |
|-------------------------|--------------------------|--------------------------|---------------------------|------------------|
| Cash Flow Hedges | | | | |
| Buy Euro | . | | | |
| Less than 3 months | \$0.65 | 1,139,028 | 1,752,350 | 1697 |
| Buy USD | | | | |
| Between 3 and 6 months | \$0.80 | 204,864 | 257,108 | 15,836 |
| | | 1,343,892 | 2,009,458 | 17,533 |

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 (2012: \$50,000) available and a flexible facility of \$5,200,000 (2012: \$5,200,000) 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 \$1,973,347 (2012: \$1,926,527), the additional \$50,000 overdraft facility is not being utilised.

2013

| <u>Financial Assets</u> | < 1 Year | 1 – 5 Years | 5 + Years | Total |
|------------------------------------|--------------------|--------------------|-----------|--------------------|
| Cash at Bank | \$1,973,347 | - | - | \$1,973,347 |
| Trade and Other Receivables | \$37,945 | - | - | \$37,945 |
| Life Pass Finance Plan | \$146,622 | - | - | \$146,622 |
| Season Pass Receivable | \$913,824 | - | - | \$913,824 |
| Fair Value of Derivatives | \$17,533 | - | - | \$17,533 |
| Total Assets | \$3,089,271 | | | \$3,089,271 |
| <u>Financial Liabilities</u> | | | | |
| Accounts Payable | \$2,864,589 | - | - | \$2,864,589 |
| Lease Liability | \$163,990 | \$20,668 | - | \$184,658 |
| Current Portion of Term Borrowings | \$773,990 | - | - | \$773,990 |
| Term Borrowings | - | \$4,323,909 | - | \$4,323,909 |
| Total Liabilities | \$3,802,569 | \$4,344,577 | | \$8,147,146 |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For year ended 30th April 2013

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 | \$143,718 | - | - | \$143,718 |
| Life Pass Finance Plan | \$364,075 | \$109,986 | - | \$474,061 |
| Fair Value of Derivatives | \$2,856 | - | - | \$2,856 |
| Total Assets | \$2,437,176 | \$109,986 | - | \$2,547,162 |
| | | | | |
| <u>Financial Liabilities</u> | | | | Total |
| Accounts Payable | \$3,187,083 | - | - | \$3,187,083 |
| 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 |
| Total Liabilities | \$4,132,483 | \$5,573,526 | - | \$9,706,009 |

Categories of Financial Instruments

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

2013

| <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 | \$1,973,347 | - | - | - | \$1,973,347 |
| Trade and Other Receivables | - | - | \$37,945 | - | \$37,945 |
| Season Pass Receivables | - | - | \$913,824 | - | \$913,824 |
| Life Pass Finance Plan | - | - | \$146,622 | - | \$146,622 |
| Fair Value Movement in Derivatives | - | \$17,533 | - | - | \$17,533 |
| Total Assets | \$1,973,347 | \$17,533 | 1,098,391 | - | \$3,089,271 |
| | | | | | |
| <u>Financial Liabilities</u> | | | | | Total |
| Accounts Payable | - | - | - | \$2,864,590 | \$2,864,590 |
| Lease Liability | - | - | - | \$184,658 | \$184,658 |
| Borrowings | - | - | - | \$4,500,000 | \$4,500,000 |
| Total Liabilities | - | - | - | \$7,549,248 | \$7,549,248 |

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 | - | - | \$143,718 | - | \$143,718 |
| Life Pass Finance Plan | - | - | \$474,061 | - | \$474,061 |
| Fair Value Movement in Derivatives | - | \$2,856 | - | - | \$2,856 |
| Total Assets | \$1,926,527 | \$2,856 | \$617,779 | - | \$2,547,162 |
| | | | | | |
| <u>Financial Liabilities</u> | | | | | Total |
| Accounts Payable | - | - | - | \$3,187,083 | \$3,187,083 |
| Lease Liability | - | - | - | \$355,789 | \$355,789 |
| Borrowings | - | - | - | \$5,250,000 | \$5,250,000 |
| Total Liabilities | - | - | - | \$8,792,872 | \$8,792,872 |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For year ended 30th April 2013

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

Borrowings

During 2013 the Company was not subject to an event review under the terms of its loan agreement with the ANZ Bank New Zealand Limited. The Company has an agreement to secure a loan to the value of \$1,752,350 to meet its obligations under the forward exchange contract dated 1st July 2013 for the purchase of Groomers from Ski Industries 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 and sold to companies in which Directors and Management have an interest:

- Duncan Fraser: Engineering services were purchased from Acme engineering Limited a company in which Duncan Fraser, the Chairman, is the Managing Director and a shareholder. The services that were acquired from this company relate to repairs to the Parklane Chairlift. \$2,449 was paid to Acme Engineering Limited during the year (2012 \$19,507). Of this amount none was outstanding at year end.
- Kevin Stanley: Building services were acquired and sales made to 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 30th April 2013, Stanley Construction was paid \$24,462. (2012 \$207,632) Of this amount none was outstanding at year end. Life Passes were sold to Stanley Construction to the value of \$31,050. (2012 nil). This amount had been fully paid at year end.
- Chris Thrupp: Land and Buildings were leased from a company in which Chris Thrupp, General Manager Operations, 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 30th April 2013, Red Sand was paid \$54,528. (2012 \$61,240). Of this amount none was outstanding at year end.
- Dave Mazey: Rental and Retail purchases to the value of \$120,550 were purchased from a company of which the son of Dave Mazey, Chief Executive Officer, is an employee and shareholder. (2012 \$201,761). 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

| | 2013 | 2012 |
|--|-------------|-------------|
| Estimated capital expenditure contracted for at balance date but not provided for, was for the purchase of groomers, snowmaking machines and replacement rental equipment. | \$2,083,551 | \$349,974 |

Operating Lease Commitments

Lease commitments under non-cancelable operating leases:

| | | |
|--|-----------|-------------|
| Not later than one year | \$490,840 | \$349,702 |
| Later than one year and not later than two years | \$316,848 | \$323,254 |
| Later than two years and not later than five years | \$745,590 | \$801,770 |
| Later than five years and not later than ten years | \$981,699 | \$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 30th April 2013

11. AUDIT REMUNERATION – Other Advisory Services

Other Advisory Services provided by Deloitte for the 2013 year are for fees in relation Share Register work undertaken by Dan Williams

12. DIRECTORS' FEES

Over the two years 2012 and 2013 rate of fees paid to Directors remained unchanged.

13. SEASON PASS RECEIVABLE

In October 2012 the company sold 2013 Season passes on a 50/50 split payment agreement. The second payment is due from customers on 15th May 2013. The value of expected receipts as at the 30th April 2013 was \$913,824.

14. SUBSEQUENT EVENTS

In 2013 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 2013, 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 2013, 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 2013:

- 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
10 August 2013
Wellington, New Zealand

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 Steve's Bowl
- 52 Tennant's Headwall
- 53 Aeroplane Gully
- 54 Yankee Sialom
- 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 Hut Flat Carpet Lift
- 8 Rockgarden Chair
- 9 Hut Flat Rope Tow
- 10 Centennial Chair
- 11 Nose Dive
- 12 Waterfall Express Chair
- 13 Waterfall T-Bar
- 14 Knoll Ridge T-Bar
- 15 The Valley T-Bar

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.



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's Bar & Café
- 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. Signposts, cables, trees and other hazards.
- CLOSED**
Areas marked with this sign are closed to all users. Violators may have skiing or boarding privileges suspended.
- CAUTION**
Areas marked with this sign require caution. These signs denote rocks, ice, charging cables, etc.
- SKI AREA BOUNDARY**
This sign denotes the area beyond may be hazardous and no persons to be in this area.
- HAZARDOUS AREA**
This sign denotes the area beyond may be hazardous and no persons to be in this area.

THE SNOW RESPONSIBILITY CODE

1. STAY IN CONTROL AT ALL TIMES. Know your ability, start easy, be able to stop and avoid other people.
2. PEOPLE BEHIND YOU HAVE THE RIGHT OF WAY. The skier or snowboarder downhill of you has the right of way. Also look above before entering a trail.
3. ONLY USE AREA SIGNAGE. Stay on track for your safety, keep out of closed areas.
4. LOOK BEFORE YOU LEAN. Stop before you lean. When stopping, try to move to the side of the trail and where you can be seen from above.
5. SHIP WARE YOU CAN BE SEEN. Equipment must be secured while walking or standing. Breaks or handles must be used.
6. DON'T USE WHAT YOU WANT. Equipment must be secured while walking or standing. Breaks or handles must be used.
7. STAY ON SCENE. If you are involved in, or witness, an accident, remain at the scene and identify yourself to Ski Patrol.
8. REMAIN SAFE RESPECT. From the lift line, to the slopes and through the park.

KEEP TO THE CODE
KEEP TO THE CODE
KEEP TO THE CODE



TUROA SKI AREA - TRAIL MAP

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 Raosline
- 27 Bread Run
- 28 Elevator Shaft
- 29 Little Bowl
- 30 Snowbird
- 31 Blackhand
- 32 Hamilton's
- 33 Muzzazone
- 34 Triangle

EXPERT TRAILS

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



THE SNOW RESPONSIBILITY CODE

1. STAY IN CONTROL AT ALL TIMES. Know your ability, stay sober, be able to stop and avoid other people.
2. REMAIN SEATED YOU ARE THE BEST AT WORK. The skier or boarder downhill of you has the right of way, also look above before entering a trail.
3. OBEY ALL SKI AREA SIGNAGE. Signs are there for your safety, keep out of closed areas.
4. LOOK BEFORE YOU LEAN. Scope jumps first, ensure the area is clear of others, use a partner as a fall partner.
5. STOP WHERE YOU CAN BE SEEN. When stopping, try to move to the side of the trail and where you can be seen from above.
6. DON'T LEAN WHAT YOU USE. Equipment must be secured while walking or standing. Brakes or leashes must be used.
7. STAY ON SCENES. If you are involved in, or witness, an accident, remain at the scene and identify yourself to Ski Patrol.
8. RESPECT OTHERS RESPECT. From the lift line to the slopes and through the park.

NEED TO THE GOOD THE SNOW RESPONSIBILITY CODE

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

- ### LEGEND
- 1 Ski Patrol - First Aid
 - 2 Toilets
 - 3 Food & Beverage
 - 4 Vertical Retail Shop
 - 5 Parking
 - 6 Information & Sales
 - 7 Urgent Care Clinic
 - 8 Snow School
 - 9 Rentals
 - 10 Sliding Area
 - 11 Family Friendly Trails
 - 12 Slow Zones
 - 13 Water Hazard
 - 14 Alpine Cafe & Bar
 - 15 Snowflake Cafe
 - 16 Giant Cafe
 - 17 Expert Areas
 - 18 Ski Area Boundary

SAFETY SIGNAGE

- DANGER** Area marked with this sign requires a permit for skiing or snowboarding. Signs indicate cliffs, hole and other hazards.
- CLOSED** Area marked with this sign is closed to all motor vehicles. Visitor may have illegal or dangerous privileges suspended.
- CAUTION** Area marked with this sign requires caution. The sign indicates a hazard, such as a steep slope, hole, or other hazard.
- SKI AREA BOUNDARY** There are no safety services or medical facilities on the mountain beyond this point. You are on a mountain and a backcountry area.
- HAZARDOUS AREA** The sign indicates that the area may be hazardous and no person is to be in this area.

- 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, halfquarter pipes, and other constructed or natural terrain features. You are responsible for familiarising yourself with the terrain and obeying all instructions, warnings and signage.

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.

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
High Noon 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
High Noon 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

