PISA ALPINE CHARITABLE TRUST

c/o Cruickshank Pryde
Unit 23
Gorge Road Retail Centre
159 Gorge Road
Queenstown 9300
New Zealand

PACT Report to QLDC – October 2016

PACT Performance

PACT has achieved a surplus of $89,636 for the 2015/2016 season. The year (ending 31 March 2016) was a particularly strong season due to excellent snow conditions as well as being a Winter Games year. In addition, we are seeing a steady increase in patronage.

Past surpluses have been applied to a range of developments that are set out as follows:

1) Lee Debt

The purchase of the trading operation was funded by two loans from the Lees. The first loan for $150,000 was repaid from surpluses made over the first 3 years. The second loan of $132,500 was repaid out substantial donations from other Lee family members. Both of the debts are now fully repaid.

2) Asset improvements

Various assets have needed investment as follows:

a) Purchase of a new skidoo $16,000
b) Major overhaul of the groomer (circa $40,000)
c) Upgrade of our rental ski stock to improve customer experience (totalling $61,265 as at March 2016)
d) Hut upgrades with new mattresses, new fires donated by Yunca and the new deck at the Meadow Hut built by volunteers over last summer.

e) Our snow shoe equipment has been upgraded and trails established and signed.
f) There has been a redevelopment of our tubing area to separate it from skiing and offer more interest and enjoyment to visitors that just want a snow experience.
g) Maps covering mountain biking, X-Country skiing and snowshoeing have been developed and published.
h) We now have a webcam installed that can be accessed from the website (thanks to Peak Projects Ltd who were the generous sponsors)
i) The website has been upgraded and the Snow Farm team have improved our social media presence.
j) Also the Wanaka Biathlon Club have steadily upgraded their range including an improved shooting platform and a new storage hut. They have worked closely with the Snow Farm on their safety programme.

Snow Farm NZ Limited

The trading operations that take place on the Snow Farm land are accounted for in PACT's 100% owned charitable subsidiary - Snow Farm NZ Limited. During the year the following key events took place.

a) General Manager

The Snow Farm Board appointed a new General Manager (Nikki Holmes) on a permanent basis. The aim is to address an increase in summer time activities to complement the winter season.

b) Staff

The team building process has resulted in most of last year's crew returning.

c) Programmes and Events

School programmes have also grown and numbers of school children in the 2015 winter reached a record at 1359.

Snow Farm staff have supported youth programmes and Club camps.

The Merino Muster was supported with staff, grooming services and becoming part of the Worldloppet that has put the race more firmly on the world stage.

The joint initiative between Merino Muster and the Snow Farm led to a multisport training programme which is now an established group of keen cross trainers.

d) Skier days

Numbers have been growing steadily although the 2017 season numbers will be down due to the late start (70 days open during the winter season compared to 90 days in the 2016 financial year)

Skier Days	Year				
	2013	2014	2015	2016	% Inc
4001 · Daily Passes	1377	1607	1524	3076	102%
4003 · Season Passes	900	1420	1210	1210	0%
4007 · Schools Programmes	1143	1163	1017	1359	34%
4009 · Visiting Teams/Groups	640	1130	470	1190	153%
4011 · Ski Tourers	114	90	126	201	60%
4018 · Snow Shoe Tours	0	11	3	6	100%
4029 · Dog Sledge Fees	43	227	217	409	88%
4030 · Tubing/Sledding	255	843	1182	2434	106%
4031 · Hut -Summer	0	0	0	1	-
4040 · Snow Bike Revenue	0	0	0	57	-
Grand Total	4472	6491	5749	9943	73%

Foreign teams continue to use the facility as an ideal time on snow during their summers.

MERINO MUSTER LTD.

The effort made to join the Worldloppet X-Country race circuit has resulted in significant increases in skiers especially in the 42Km event. Total entrants increase from 161 in 2014 to 275 in the 2015 race.

The support from the QLDC through grants for new assets like the finish towers and the flag poles has changed the presence of the race. The improving numbers and the International place it now holds has led to an invitation for the race to be part of the Audi Quattro Winter Games in 2017.

Further funding will be needed for new small huts to support the isolated feed stations but they will then be also useful as warming huts for Snow Farm customers.

Attendance at the Worldloppet AGM has been consistent since the initial successful application and the contacts and promotion of the Snow Farm venue has been invaluable for both the race and the Snow Farm.

FUTURE PLANS

As at 31 March 2016, consolidated fixed assets were $184,635 and available cash (ie. cash less all liabilities) was $122,235. This meant that the trust's consolidated equity was $306,870. A Balance Sheet and Income and Expenditure is attached for your information.

This is a sound platform on which to deliver our future plans, which includes developing another hut as well as possibly our own lodge facility. We are also very aware that the groomer is nearing the end of its life and we are developing plans to replace our groomer within 2 years.

With 5 winter seasons now behind us, PACT and its subsidiaries are now well established for the future.

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Tom Pryde

Chairman

Pisa Alpine Charitable Trust

Registered Charity CC42514

PISA ALPINE CHARITABLE TRUST

CONSOLIDATED AND PARENT STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED MARCH 31, 2016

	Note	Consolidated 2016 $	Consolidated 2015 $	Parent 2016 $	Parent 2015 $
Revenue					
Grants and Donations		52,939	106,232	10,509	30,098
Trail Usage		183,436	108,144		
Equipment Hire		70,255	46,297	-	500
Events and Programmes		71,592	53,311		
Hut Income		23,288	17,490		
Dog Sledge Income		29,494	16,017		
Retail Sales		21,499	6,703		
Location Fees		41,253	22,972		
Interest Income		2,428	1,368	432	501
		496,184	378,534	10,941	31,099
Less:					
Costs of Sales		15,805	9,906		
Events Costs		32,832	61,903	6,503	15,912
Retail Costs of Sale		19,062	4,600	-	-
		67,699	76,409	6,503	15,912
Gross Profit		428,485	302,125	4,438	15,187
Expenses					
Staff Related Costs		141,086	111,180		
Marketing Costs		11,501	4,934		
Grooming Costs		61,188	9,868		
Rent		20,355	20,655		
Insurances		12,990	12,133		
Transport Costs		9,014	13,834		
Ski Rental Replacements		17,852	20,475		
Other Costs		20,056	24,052	7,946	11,509
Total Expenses		294,042	217,131	7,946	11,509
Net Operating Surplus		**134,443**	**84,994**	**(3,508)**	**3,678**
Depreciation		44,807	74,924	-	-
Surplus/(deficit)		**89,636**	**10,070**	**(3,508)**	**3,678**

CONSOLIDATED AND PARENT STATEMENT OF MOVEMENT IN EQUITY

AS AT MARCH 31, 2016

	Consolidated 2016 $	Consolidated 2015 $	Parent 2016 $	Parent 2015 $
EQUITY AS AT 1 APRIL	212,234	202,164	241,022	237,344
Net Surplus (Deficit)	89,636	10,070	(3,508)	3,678
TOTAL RECOGNISED REVENUES AND EXPENSES FOR THE YEAR	89,636	10,070	(3,508)	3,678
Movement in Revaluation Reserve	5,000		5,000	
EQUITY AS AT 31 MARCH	306,870	212,234	242,514	241,022

PISA ALPINE CHARITABLE TRUST

CONSOLIDATED AND PARENT COMPANY STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2016

	Note	Consolidated		Parent	
		2016	2015	2016	2015
		$	$	$	$
EQUITY					
Revaluation reserves		175,000	170,000	175,000	170,000
Retained earnings		131,870	42,234	67,514	71,022
		306,870	212,234	242,514	241,022
LOANS			37,505		-
TOTAL EQUITY		306,870	249,739	242,514	241,022
Represented by:					
NON CURRENT ASSETS					
Property plant and equipment		184,635	224,442	175,000	170,000
		184,635	224,442	175,000	170,000
CURRENT ASSETS					
Cash at Kiwibank		189,169	57,192	19,914	23,546
Petty Cash			200		
Accounts receivable		1,373	552		-
Inventories		-	6,060		
GST receivable		6		7	
Loan to Subsidiary				54,015	54,015
Other Current Assets		-	1,372		
		190,548	65,376	73,936	77,561
CURRENT LIABILITIES					
Creditors and accruals		1,819	1,246		102
GST payable		6,545	2,519		-
Other Current Liabilities		59,949	36,314	6,422	6,437
		68,313	40,079	6,422	6,539
WORKING CAPITAL		122,235	25,297	67,514	71,022
		306,870	249,739	242,514	241,022