



GUNYANG SKI LODGE LIMITED
ACN 110 585 656

Gunyang AGM 2019

NOTICE IS HEREBY GIVEN that the 15th Annual General Meeting of **Gunyang Ski Lodge Limited** will be held in the Nangamay Room at City Tattersalls Club 198 Pitt Street Sydney at 6.00 p.m. on Wednesday, 23 October, 2019

Chairman Letter

The 2019 Ski Season in Thredbo has been a real success. The snow conditions, the village and Gunyang have all played their part to ensure a winter of alpine enjoyment for families and enthusiasts alike.

The overarching takeaway from this ski season at Gunyang has been that shareholders and their families have used the lodge more than in recent times.

The board has been focused on four main areas -

- **the Guest experience**

This year we appointed a booking officer - Danielle Stevenson - to take over the total guest experience for Gunyang, assisting shareholders and guest with bookings, managing cleaners, repairs and other service providers to ensure the accommodation is ready to be enjoyed by every guest when they arrive and throughout their stay at Gunyang.

The new booking system has been widely adopted with 98% of all bookings occurring on line and 2% with assistance from Danielle.

- **the Facility**

Feedback on the works undertaken last year on the facility has been meet with positive feedback across the board. Our focus over the summer will be to focus on a number of smaller / softer issues - Pictures & Beds.

The conversion of the quiet room to include a large smart TV has been very much appreciated by guest young and old.

- **The Financial Compass**

The principal activity of Gunyang is to maintain and operate the ski lodge for the benefit of shareholders, and to encourage skiing for shareholders and non-shareholders. As Gunyang is a not-for-profit entity under Australian Accounting Standards, the financial goal for directors is to ensure that we meet the principal activity of Gunyang in a financially astute manner whereby the statutory net profit approximates zero each year. As statutory financial accounts

include depreciation – effectively a sinking fund for the company to pay for repairs, maintenance and capital expenditure – the target cash profit should be equal to the annual depreciation amount (~\$35,000 for FY18). This enables Gunyang to reinvest back into the asset for the benefit of shareholders.

The budget for 2019/20 is built based on the above, and with the assumption that member usage will continue at current occupancy levels.

- **and Compliance to laws, regulations and Director obligations.**

We continue to ensure that the Gunyang, the directors and shareholders honour and comply with the laws, regulations and commitments that are in effect be it - Articles of Gunyang Association, the Kosciuszko Thredbo lease, Building and Fire codes, Insurance and Director ASIC obligations.

The year ahead

Rates - After careful consideration - on occupancy trends, income forecasts and cost expectations - the rates for next year are summarised as follows:

- Members Booking Rates have increased by 5%.
- Non Members Rate have also increased by 5%.
- Assigned Members rates are now approximately 150% of Members rates.
- Subscription fees have increased from \$200 to \$250 (+GST), the first increase in many years.
- Full Details of 2020/2021 rates can be found on the website.

Occupancy - The board is actively looking to secure additional occupancy of Gunyang during Summer and other key periods where activities in the village encourage people to visit. We can already see positive usage activity during December and January.

Carparking - given the absolute scarcity of car parking we are looking at possible solutions to protect the spaces from being occupied by non guests.

Wifi - remains challenging, but this is a Thredbo village issue.

My final reflection for the year is that Gunyang is in great shape. We welcome your feedback on any issues or opportunities to improve. The board works hard, meeting monthly to ensure we are keeping very focused on ensuring that Gunyang is a club that offers the best alpine experience for its guests.

Many thanks

JOHN QUINN

Dated 2nd October, 2019