

olympic**winter**institute
OF AUSTRALIA

annualreport

2008

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Appendix A – Annual Financial Report



overview



The Olympic Winter Institute of Australia (OWI) operates sport programs in Olympic Winter Games program events, targeting preparation and training for, and participation in the highest level of international competition. The key aim of the current programs is to develop and prepare elite Australian athletes for qualification to, and competition in, the 2010 Olympic Winter Games in Vancouver, Canada.

The OWI was created by the Australian Olympic Committee (AOC) in 1998. The sport programs are operated together with the Australian Institute of Sport as the 'AIS Winter Sport Program'. The activities of the OWI are supported by its principal partner the Australian Sports Commission (ASC).



chairman's review



The aim of the Olympic Winter Institute of Australia continues to be to develop and prepare elite Australian athletes for their participation in Olympic Winter Games, World Championships and World Cup events in Olympic Winter Program and World Championship sports.

The major highlights of the year were the record-breaking fifth World Cup aerial skiing title of Jacqui Cooper and the record-equalling third consecutive mogul skiing title collected by Dale Begg-Smith. The year also represented the tenth year of operation for the Institute, with a total of 20 medals being achieved by eight athletes across seven disciplines. These remarkable results demonstrate the growing strength of winter sports in Australia and that we are on target to achieve great success at the Olympics Winter Games in Vancouver 2010.

During the year, thirty five scholarship athletes competed on the international stage at World Cup and World Championship events. The Institute achieved many milestones during this period and I am delighted to report on some of the highlights.

Olympic Champion Dale Begg-Smith had a remarkable season, collecting three gold and two silver medals, taking his career tally of victories to 15 and securing his third consecutive mogul skiing title. By matching the achievement of French legend Edgar Grospiron in winning three consecutive titles and also holding the Olympic crown, Begg-Smith has confirmed his status as one of the legends of the sport.

Aerial skiing veteran Jacqui Cooper produced the best season of her career, winning five events on the way to her fifth title. She ended the season with 24 World Cup victories, seven ahead of the next most prolific winner in the history of the sport. Team-mate Lydia Lassila finished in second place on the World Cup standings for the fourth time in her career; it was the third time in the past six years that Australia had achieved the number one and number two world rankings at the end of the season.

Tatiana Borodulina became the first Australian woman to claim a short track medal, skating to bronze in the 500m at the World Cup in Salt Lake City. She added a sixth placing in 1000m at the same event and a fifth in the 500m in Quebec City. In other highlights, Lachlan Hay produced his first top ten result, finishing ninth in the 1500m in Torino.

Scholarship athlete Alex Pullin joined Australia's ever-expanding list of winter sports medalists, winning bronze in a snowboard cross World Cup in Japan. He went on to finish the season ranked 13th in the world, a career best for the 20-year-old, while team-mate Damon Hayler ended the season three spots further back in 16th position.

The outstanding performances of Jenny Owens in the sport of ski cross have resulted in the Institute deciding to take on the management of a ski cross program in 2008-2009. The sport will make its Olympic debut at



Vancouver 2010 and Jenny has announced herself as a strong contender, claiming her first podium during the past World Cup season, a silver medal in Flaine, France, and backing that up four days later with a bronze in Kreischberg, Austria.

In more good news, Australia's curling team finished in sixth place at the World Curling Championships, remaining on track for a place in the 10-nation field at the 2010 Vancouver Olympics and achieving the best-ever result in Australia's history of curling competition. I am pleased to announce that the Institute has been able to provide the team financial as well as administrative support during the past year and that this support will continue throughout 2008 as they endeavour to seal an historic first Olympic curling berth. I look forward to the team's upcoming performance at the Pacific Championships and wish them much luck.

I would like to take this opportunity for a special welcome to Dean Gosper as he joins the Board of Directors. Dean has been appointed to the role of Vice-Chairman and brings with him a wealth of sporting knowledge. In particular, Dean's five year term as President of Ski and Snowboard Australia (SSA) will hold him in good stead as we head towards Vancouver 2010.

AOC and OWI Director Ian Chesterman has been appointed Chef de Mission of the 2010 Australian Olympic Winter Games Team. Ian has led the past three Australian winter teams, and we are hopeful of building further on the success of the past. The 2010 OWG Chef de Mission Seminar is scheduled to take place in Vancouver during February 2009.

The National Ice Sport Training Centre at Melbourne Docklands is in its final stages of planning for development. The project has Victorian State Government funding of \$10M and developer ING has recently announced that considerable progress has been made towards a total commitment to, and the establishment of, an international-standard ice skating facility which would, in addition, be the official headquarters of the OWI.

The success of our athletes and programs during the past year could not have been achieved without the ongoing vital and valuable support of our partners, sponsors and suppliers.

I would like to thank the AOC for its guidance and financial support and also take this opportunity to congratulate the AOC and President John Coates on the outstanding performance of the Australian team at the 2008 Beijing Olympic Games.

The ASC, as a major partner, makes an extremely important contribution to the continued success achieved in winter sports. The Australian Institute of Sport (AIS) is integral to the performance of Institute programs; I would like to express my thanks to Professor Peter Fricker OAM and his Sport Science and Athlete Service teams who all assist the coaching staff towards achieving the best possible preparation of our athletes. We also appreciate Peter's contribution as a Board Member of the OWI.

I would also like to highlight the valuable work of the National Talent Identification and Development Department (NTID) and specifically the efforts of General Manager, Jason Gulbin. It is thanks to this commitment to winter sport that the Short Track Speed Skating Program has been able to adopt South Korean methodologies into their training schedule via the Korean Concept initiative. This initiative can be directly linked to the bronze medal performance of Tatiana Borodulina at the Salt Lake City World Cup.

The New South Wales Institute of Sport (NSWIS) and the Victorian Institute of Sport (VIS) also continue to play a crucial role by providing athlete services in their states, operating the World Cup Alpine Skiing Program (NSWIS) and the underpinning programs in the sports of snowboarding and mogul skiing (NSWIS) and aerial skiing (VIS).

Thank you also to the Australian ski resorts who provide training facilities for our teams. I was delighted to see very strong resort visitation early in the season and look forward to this trend continuing through September.



Karbon has continued to be the official race and outerwear supplier of the Institute, and XTM the supplier of gloves and accessories. Karbon and XTM work closely with the OWI in product research and development, and our athletes and coaches continue to be extremely impressed by the both the appearance and the technical quality of the products.

I thank our CEO Geoff Lipshut and the administration staff, coaching staff and support staff for their hard work, dedication and commitment to winter sports in Australia.

I sincerely thank the Board members of the OWI for their continued support and loyalty and, most importantly, the athletes for their dedication and hard work, I wish them the best of luck for the coming season.



Geoffrey J Henke AO
Chairman



3. OWI Board of Directors

Directors

| | |
|-----------------------------|--|
| Geoffrey Henke AO | Chairperson |
| Dean Gosper | Vice-Chairperson (appointed 27/11/2007) |
| Craig Phillips | Secretary General, Australian Olympic Committee |
| Steven Bradbury OAM | Athlete Representative |
| Alisa Camplin OAM | Athlete Representative |
| Ian Chesterman | Chef de Mission, 2010 Australian Olympic Winter Games Team |
| Rino Grollo | Chairman, Buller Ski Lifts |
| Ryan Stokes | Chief Executive Officer, Pacific Publications |
| Professor Peter Fricker OAM | Director, Australian Institute of Sport |

Alternates

| | |
|---------------|-----------------------------|
| Monica Grollo | Alternate for Rino Grollo |
| Nick Hunter | Alternate for Peter Fricker |

Company Secretary

| | |
|----------------|----------------------------------|
| Michael Mercer | Director, AOC Corporate Services |
|----------------|----------------------------------|

4. OWI Management, Staff and Consultants

Administration

| | |
|-----------------|---|
| Geoff Lipshut | Chief Executive Officer |
| Alex Bunting | Administration, Office & Accounts Manager |
| Alana Rybicki | Sport Program Operations |
| Andrew Pattison | IT & Communications Officer – Part-time |

Coaching & Sport Program Staff

| | |
|----------------|--|
| Steve Desovich | Mogul Skiing – Head Coach |
| Michel Roth | Aerial Skiing – World Cup Coach |
| Jerry Grossi | Aerial Skiing – Technical Coach |
| Belinda Price | Aerial Skiing – Scholarship Coach |
| Ben Wordsworth | Snowboard – Head Coach |
| Ann Zhang | Short Track Speed Skating – Head Coach |
| Anthony Khoury | Acrobatic Skill Coordinator and Coach |

Consultants

| | |
|---------------|---|
| Peter Hogg | Physiotherapy & Athlete Services Coordinator |
| Barbara Meyer | Sports Psychologist/Athlete Performance – Aerial Skiing Program |
| Barry White | Media & Communications Manager |



aerial skiing



Team Manager & Physiotherapist: Ashley Merkur
Sports Psychologist: Barbara Meyer
World Cup Coach: Michel Roth
Technical Coach: Jerry Grossi
Scholarship Coach: Belinda Price

The Aerial Skiing Program conducted water ramp training at the Utah Olympic Park during the Northern Hemisphere summer, while emerging athletes trained domestically at Mt Buller. From November to March the World Cup team competed on the FIS World Cup circuit. All other athletes utilised facilities at the Ski and Snowboard Australia Water Jump Park in Victoria and Snowbasin Ski Resort in Utah, USA. The World Cup program experienced a change in coaching staff and relocated on-snow training to Switzerland during December after agreeing to a joint coaching arrangement with the Swiss Program.

AIS

The AIS plays a significant role in the Aerial Skiing Program, most importantly in the preparation and rehabilitation of athletes. The AIS Performance Analysis Unit also supports the coaching staff in the continuing development of specialised video analysis skills and equipment.

Scholarship athletes

Jacqui Cooper
Elizabeth Gardner
Lydia Lassila
David Morris

Denita Mudge
Bree Munro
Jennifer Schaefer

Training venues

- Ski & Snowboard Australia Water Jump Park
- AIS, Canberra
- VIS, Melbourne
- Mettmenstetten Water Jump, Switzerland
- Utah Olympic Park (water and snow jump), Park City, Utah, USA
- Mt Buller
- Snowbasin, Utah, USA

World Championships

Jacqui Cooper won a bronze medal at the World Championships in Madonna di Campiglio, Italy, in March 2007. Team-mate Elizabeth Gardner also represented Australia, finishing in 10th place.

Competition Highlights

Jacqui Cooper produced the best season of her career, winning five events and finished the season with a fifth World Cup title.

Lydia Lassila returned from injury to re-join the Flying Kangaroos. Lydia finished the season in second place on the World Cup standings for the fourth time in her career, collecting four podiums and two other top five placings from nine events.



Jacqui and Lydia, together with Elizabeth Gardner, who finished the season with a number eight world ranking, claimed the 2008 Nation's Cup aerial skiing crown for Australia.

Sponsors

Mt Buller, home of the Australian Aerial Skiing Team, is a valuable supporter of the OWI and of winter sports in Australia. Buller Ski Lifts provides cash sponsorship as well as training facilities at the resort for the team.

The OWI would like to thank Rino Grollo and family for their continued personal support.

Underpinning Program

The VIS is the program partner institute, providing subsidy funding for a coach for the Development Aerial Skiing Program, and a domestic base for the AIS World Cup Team athletes.

SUMMARY OF MEDAL RESULTS

WORLD CUP

| EVENT | Date | Medal |
|---------------------------|------------|--------------------------------|
| WC Lianhua Mountain China | 21.12.2007 | Gold (Cooper) Silver (Lassila) |
| WC Lianhua Mountain China | 22.12.2007 | Gold (Cooper) |
| WC Lake Placid USA | 19.01.2008 | Gold (Cooper) |
| WC Mount Gabriel Canada | 27.01.2008 | Bronze (Lassila) |
| WC Deer Valley USA | 01.02 2008 | Silver (Cooper) |
| WC Cypress Canada | 10.02.2008 | Gold (Cooper) Silver (Lassila) |
| WC Inawashiro Japan | 17.02.2008 | Gold (Cooper) |
| WC Davos Switzerland | 07.03.2008 | Silver (Lassila) |



alpine skiing



World Cup Technical Coaching: Combined British National Team Arrangement

The World Cup Alpine Skiing Program is operated as a combined program of the National Federation and NSWIS, together with the AIS/OWI. The program has a relationship with the Alpine British Team that allows Australia's World Cup athletes to share resources and training facilities during the World Cup season.

Scholarship Athletes

Jono Brauer
Craig Branch

Training Venues

Thredbo Ski Resort
Perisher Blue
NSW Sport and Recreation Centre Jindabyne

Competiton Highlights

Craig Branch had a strong season with two personal best results in downhill and super G, collecting the first World Cup points of his career in downhill. Craig achieved two top 30 World Cup placings and another five top 40 placings.

Craig also won a bronze medal in super G at the Canadian National Championships in Whistler, the site of the 2010 Olympic alpine events.

Unfortunately, team-mate Jono Brauer's 2007/08 was plagued by injury, with a persistent patella tendon problem ending his season after some promising early form. Jono had surgery in February and then undertook injury rehabilitation. He resumed on-snow training during the 2008 Australian domestic season.



figure skating



The OWI operates an individual scholarship Figure Skating Program. The scholarships are issued to leading Australian athletes and divided into funding levels based on likely qualification for selection to the next Olympic Winter Games team.

Scholarship Athletes

Sean Carlow
 Nicholas Ferdandez
 Cheltzie Lee
 Tina Wang

Training Venues

Canterbury Ice Rink
 Acacia Ridge Ice Rink

Competition Highlights

ISU Junior Grand Prix
 Cheltzie Lee - 6th place

Four Continents
 Tina Wang – 19th place
 Nicholas Fernandez – 17th place

SUMMARY OF WORLD CHAMPIONSHIP RESULTS

World Junior Championships

| | | |
|----------------|----------|-----------------|
| Sofia Bulgaria | 23.02.08 | 23 Cheltzie Lee |
|----------------|----------|-----------------|

World Championships

| | | |
|-----------------------|------------|----------------|
| WCH Gothenburg Sweden | 20.03.2008 | 37 Tina Wang |
| WCH Gothenburg Sweden | 22.03.2008 | 35 Sean Carlow |



mogul skiing



Head Coach: Steve Desovich

The Mogul Skiing Program trains on snow at the World Cup mogul course at Perisher Blue during the Australian winter and is based at the Jindabyne Sport and Recreation facility for accommodation and all off-snow activities.

The team competes on the FIS World Cup circuit from November to March and additional camps take place in Whistler, Canada, Park City, USA, Zermatt, Switzerland and Ruka, Finland.

The program incorporated acrobatic training, with athletes further developing their skills on the trampoline and also on water ramp facilities. This has been a recent change to the training emphasis, made necessary by the sport's evolution towards a higher degree of difficulty in the jumps component.

AIS

The AIS physiology and strength and conditioning staff have played a key role in the physical testing and training programs for the mogul squad. The sports medicine department has assisted with the recovery and rehabilitation of Ramone Cooper and Michael Robertson from injury.

AIS PhD scholar Jason Harding has coordinated all testing and strength camps as required.

Scholarship Athletes

Dale Begg-Smith
Ramone Cooper
Michael Robertson

Training Venues

- Perisher Blue's world class mogul course 'Toppa's Dream'
- NSW Sport and Recreation Jindabyne
- Utah Olympic Park, USA
- Ski & Snowboard Australia Water Jump
- Ruka, Finland
- AIS, Canberra
- Zermatt, Switzerland

Competition Highlights

Dale Begg-Smith collected three gold and two silver medals during the season, taking his career tally of victories to fifteen and collecting his third straight World Cup title.

Ramone Cooper struggled with injury during his second World Cup season. Ramone's highlight was posting his first top ten, an eighth place in Lake Placid, USA. A persistent patella tendon injury hampered his performance for much of the remainder of the season, and the Perisher Blue 19-year old returned to Australia for surgery after the Japan leg of the circuit. Michael Robertson was unable to participate in competition due to injury, but attended the Deer Valley, USA, event during late January.

Underpinning Program

The Mogul Skiing Underpinning Program is operated by the NSWIS in conjunction with SSA and is based at Jindabyne Sport and Recreation. The



NSWIS program operates closely with the AIS/OWI program during Australian autumn and winter activities, sharing facilities, a common technical direction and synchronising training wherever

possible. Head Coach Steve Desovich and NSWIS coach Peter Topalovic work very closely together on all aspects of both programs.

SUMMARY OF MEDAL RESULTS

WORLD CUP

| EVENT | Date | Medal |
|---------------------|------------|---------------------|
| WC Lake Placid USA | 18.01.2008 | Silver (Begg-Smith) |
| WC Lake Placid USA | 20.01.2008 | Gold (Begg-Smith) |
| WC Inawashiro Japan | 16.02.2008 | Gold (Begg-Smith) |
| WC Are Sweden | 07.03.2008 | Gold (Begg-Smith) |
| WC Are Sweden | 08.03.2008 | Silver (Begg-Smith) |



short track speed skating



Head Coach: Ann Zhang

The Short Track Speed Skating Program operates a men's relay and women's individual program and men's relay program for senior World Cup athletes. The program is based in Brisbane and trains at Acacia Ridge Ice Rink. The program aims to provide the best possible training opportunity to each scholarship athlete to effectively prepare them for success in World Cup, World Championship and Olympic qualification competitions.

It was a challenging year for the short track team due to athlete illnesses that prevented the men's relay team competing in the ISU World Cup series and at the World Championships. However, team members still achieved a number of most promising, and in some cases excellent, results in the individual events. The scholarship year ended very strongly in the Republic of Korea in an intensive and specialist ASC NTID training initiative.

AIS

The AIS physiology department plays a key role in the development of the strength and conditioning direction and dry land programs of the short track athletes.

Under the second year of its NTID program and funding agreement, the Short Track Speed Skating Program continued incorporating Korean-methodology training techniques into its training systems, with the team conducting a three week camp in South Korea,

sharing ice and training with a number of the world's leading athletes, technical experts and coaching staff.

Scholarship Athletes

Alix-Myra Anderson
Jeremy Beck
Tatiana Borodulina
Lachlan Hay
Alex Merriman
Elliott Shriane

Training Venues

- Acacia Ridge Ice Rink, Qld
- Castle Hill Ice Rink, NSW
- Salt Lake City, USA
- Mo Doing Ice Rink, Seoul, Republic of Korea
- Bormio, Italy
- AIS, Canberra
- QAS, Brisbane

Competition Highlights

Tatiana Borodulina became the first female Australian short track team member to win a World Cup medal, finishing in third place in Salt Lake City, USA, after taking a sixth place in the previous event in Canada. Lachlan Hay achieved a ninth place finish in the 1500m at the World Cup in Torino, Italy.

Jeremy Beck placed 14th in the 1500m at the Harbin, China World Cup while Alix-Myra Anderson finished in 15th place in the 1500m at the same event.



WORLD CUP MEDALS

Individual

EVENT

Date

Medal

WC Salt Lake City, USA

08-10.02.2008

Bronze (Tatiana Borodulina)



skeleton



Head Coach: Terry Holland

The OWI/AIS operates a Women's Skeleton Program targeting the qualification of the maximum number of athletes to the 2010 Olympic Games. The program utilises the expertise of the ASC NTID program and selects athletes from a talent identification camp primarily focusing on former track, beach and surf athletes. The program operates with three athletes at World Cup level and an additional four athletes at Europa Cup/Continental Cup level.

The Skeleton Program finished the season with two sliders in the world's top ten for the first time ever. Emma Lincoln-Smith was the best performed of the three athletes, ending the season ranked eighth in the world after a string of top ten placings. Michelle Steele was two places further back at tenth on the World Cup points table, a fifth placing being her best result for the season. The third member of the team, Melissa Hoar, finished 14th on the World Cup standings.

AIS

The program utilises the expertise of the AIS and NTID staff to manage team activities during overseas training camps and World Cup competition. AIS PhD student Nicola Bullock, based in Canberra, coordinates all strength and conditioning, training and testing activities as required.

The Skeleton Program has a unique funding model. Major targetted contributions from both ASC NTID and AIS make the program possible.

Scholarship Athletes – World Cup

Melissa Hoar
Emma Lincoln-Smith
Michelle Steele

Scholarship Athletes – Continental Cup

Lucy Chaffer
Renee McCabe (retired Jan 2008)
Teniele Richards
Amilia Wallace

Training Venues

- AIS, Canberra
- Calgary Ice House, Canada

Competition Highlights

Emma Lincoln-Smith was the best performed athlete of the season, achieving a personal best result of seventh place at two World Cup events and finishing in the top 10 at five World Cup events. Michelle Steele achieved a fifth placing at the first World Cup of the season in Calgary, Canada, and followed this up with three other top 10 results. Melissa Hoar was hampered by injury during the season but maintained a world ranking of 14th.

World Championships

Emma Lincoln-Smith and Michelle Steele represented Australia at the World Championships in St Moritz, Switzerland, in January. Michelle finished in sixth place and Emma in 12th place.

snowboard halfpipe/sbx



Head Coach: Ben Wordsworth

In 2007-2008 the Snowboard Program combined its halfpipe and snowboard cross operation to best utilise physiotherapy support, wax technician and coaching resources. The program is based at the Jindabyne Sport and Recreation facility and trains at Perisher Blue during the domestic season.

The program works closely with the NSWIS/SSA underpinning halfpipe program, which had great success during the year, with Nathan Johnstone achieving a World Cup bronze medal in only the third World Cup start of his career.

Unfortunately, both female halfpipe athletes (Holly Crawford and Hannah Trigger) were injured prior to the first World Cup event of the season and returned to Australia for surgery. The snowboard cross athletes, Damon Hayler and Alex Pullin, completed the full World Cup circuit successfully.

AIS

The AIS has played a key role in the strength and conditioning, training and testing programs of the snowboard athletes. Both teams have utilised the facilities very effectively, with camps conducted four times a year focusing on physiology, strength and acrobatics, nutrition, psychology and sports medicine services.

Additionally PhD scholar Jason Harding, based at the AIS, has been working with the Snowboard Program on biomechanical start gate analysis and the development/improvement of start techniques for the snowboard cross athletes.

Scholarship Athletes

Halfpipe

Holly Crawford
Hannah Trigger

Snowboard Cross

Damon Hayler
Alex Pullin

Training Venues

- Perisher Blue
- Colorado, USA
- Whistler, Canada
- Sport and Recreation Jindabyne
- Mt Hood, USA
- Snowpark, New Zealand

Competition Highlights

Alex Pullin, in his debut year as a scholarship athlete, made his first World Cup podium, collecting a bronze medal in Gujo-Gifu, Japan. Alex was ranked as high as seventh in the world during the middle of the season. Damon Hayler finished fourth at the AOC benchmark event in Sungwoo, Republic of Korea.

Underpinning Program

NSWIS

The Snowboard Halfpipe Underpinning Program is operated by the NSWIS in conjunction with SSA, and is based at Jindabyne Sport and Recreation and Perisher Blue.



SUMMARY OF MEDAL RESULTS

WORLD CUP

| EVENT | Date | Medal |
|----------------------|------------|-----------------------------------|
| BWC Gujo-Gifu, Japan | 24/02/2008 | Bronze (Alex Pullin) |
| Stoneham, Canada | 09/03/2008 | Bronze (Nathan Johnstone - NSWIS) |



6. Australian Olympic Committee

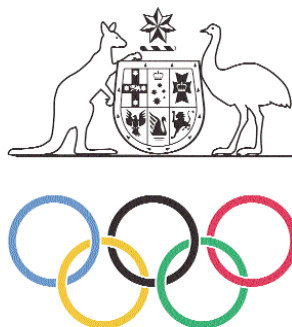
The AOC has the exclusive responsibility for the representation of Australia at the Olympic Games. To help achieve Australian team objectives, the AOC provides funding to National Federations, athletes and coaches.

Olympic Winter Institute of Australia

AOC funding to the OWI was \$750,000 p.a. in 2007/08. This will increase to \$1 million p.a. in 2008/09 and 2009/10.

International Competition Grants

AOC funding will be put towards the costs of international competition in the sum of \$3000 per athlete and official for 2007/08, 2008/09 and 2009/10. This funding will be based on the teams which, or number of athletes who, are likely to be selected for membership of the 2010 Australian Olympic Winter Team. The OWI received \$114,000 during 2007-2008 on behalf of qualified National Federations.



Australian Olympic Committee



7. Program Partner

Australian Institute of Sport

The AIS is a world centre of excellence for the training and development of elite athletes and coaches. It has two main sections: AIS Sports Programs and Sports Science and Medicine.

Winter Sports is one of the 35 sport programs of the AIS.

The AIS is the premier Olympic Training Centre in the country and allows scholarship athletes and coaches access to the best Sports Medicine and Sports Science and Athlete Services support. Direct funding is provided for the operation of the sport programs. In 2007-2008, the OWI received a total of \$545,000 in direct program funds (including \$100,000 in targeted funds for the Skeleton Program).

Australian Sports Commission

The Australian Government supports winter sports through High Performance Grants and specifically-targeted funds given to the National Sporting Organisations/Federations as follows:

- Ski and Snowboard Australia
- Australia Ice Racing Inc.

In turn, the NSO/NFs transfer to the OWI an agreed portion of these grants to contribute to the funding of sport programs operated by the AIS/OWI.

During 2007-2008, the OWI received \$536,000 in high performance grants and targeted funds.

ASC NTID

The Short Track Speed Skating Program was awarded a four year program and corresponding grant for training in Korea with a specific Asian-regions focus. \$50,000 was provided for this initiative in 2007-2008.

The Skeleton Program received \$250,000 of targeted funding as a NTID initiative. ASC NTID staff assume the major responsibility for the day-to-day sport program operations.



Australian Government
Australian Sports Commission



Australian Institute of Sport



8. Suppliers

Karbon

Karbon supplies custom made outer wear, training apparel and technical race wear to the OWI teams. Karbon is committed to providing the very best competition apparel to service the extreme conditions faced by winter sports athletes.

Mitsubishi

After securing an agreement with the AOC to become the category sponsor for the 2008, 2010 and 2012 Australian Olympic Teams, Mitsubishi was named the Official Vehicle of the OWI for the same period. Two Mitsubishi Pajero vehicles have been supplied to the OWI for program use in Australia.

DonJoy

DonJoy provides support to the OWI for its sport programs, and specific support to athletes with a wide range of leading specialist medical and sports bracing products.

XTM

Athletes and coaches work with XTM to develop custom-made gloves. XTM also provides a range of accessories to OWI teams. XTM products are continually evolving and making use of new technology and athlete-based research.



Olympic Winter Institute of Australia Ltd

ABN: 97083236659

Registered Office:

C/O

The Australian Olympic Committee
Level 3, 1 Atchison Street
St Leonards NSW 2065



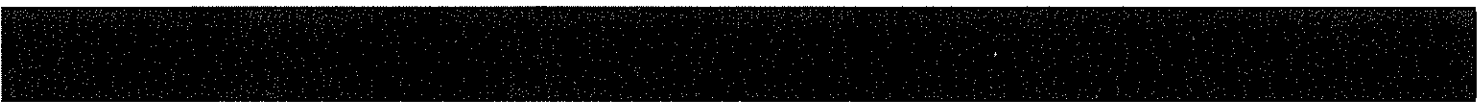
Principal Place of Business:

The Olympic Winter Institute of Australia
Level 1, 1-3 Cobden Street
South Melbourne Vic 3205



Olympic Winter Institute of Australia Limited

ABN 97 083 236 659



Annual Financial Report
for the year ended 30 June 2008

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DIRECTORS' REPORT

Your directors submit their report for the year ended 30 June 2008.

DIRECTORS

The names of the company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

- **Geoff Henke AO** – Chairman, Life member of the International Ski Federation (FIS)
- **Steven Bradbury OAM** – Olympic athlete.
- **Ian Chesterman** – Director of Sportcom Pty Ltd, Member of the Executive of the Australian Olympic Committee Inc, Chef de Mission Olympic Winter Team and Chairman of the Audit Committee.
- **Craig Phillips** – Secretary General of Australian Olympic Committee.
- **Rino Grollo** – Director of Australian Alpine Academy Pty Ltd, Director of Australian Ski Academy Pty Ltd, Director of Buller Ski Lifts Limited, Director of Grollo Pty Ltd.
- **Peter Fricker OAM** – Director of the Australian Institute of Sport.
- **Alisa Camplin OAM** – Director Australian Sports Commission, Ambassador for the Australia Sport Commission's National Talent Identification and Development program.
- **Ryan Stokes** – Chairman of Pacific Magazines Pty Ltd.
- **Dean Gosper** – Vice Chairman, President of Ski and Snowboard Australia (**appointed 25 November 2007**)
- **Monica Grollo** – (Alternate Director for Rino Grollo) – Director of Buller Ski Lifts Limited, Director of Grollo Australia Pty Ltd, Director of Gro-Set Pty Ltd.
- **Nick Hunter** – (Alternate Director for Peter Fricker) – Group Sports Manager Australian Institute of Sports, Director of Australian National University Sport and Recreation Association Council.

PRINCIPAL ACTIVITIES

The principal activities of Olympic Winter Institute of Australia Limited ("OWIA") during the financial year were to develop and prepare elite Australian athletes for their participation in Olympic Winter Games, World Championships and World Cups in Olympic winter sports.

DIRECTORS' REPORT

RESULTS AND DIVIDENDS

For the year ended 30 June 2008, OWIA recorded a loss of \$1,496 (2007: profit of \$37,396). This year's loss was expected to be far greater however some program savings occurred in Mogul skiing, Snowboard Half pipe and Short Track Speed skating.

A loss was forecast in the budget for the past two financial years however additional Australian Sport Commission Grant were received in 2007, resulting in a profit for the year ended 30 June 2007.

During the year OWIA operated elite winter sport programs to best prepare the athletes to compete at the 2007-2008 World Cup and World Championships in the sports of Aerial Skiing, Alpine Skiing, Mogul Skiing, Snowboard Half Pipe, Snowboard Cross, Short Track Speed Skating, Figure Skating, Skeleton and Curling.

This past season was the second year of the Olympic quadrennium towards the 2010 Olympic Winter Games to be held in Vancouver, Canada. This was also the tenth year of operation for OWIA.

During the year, Dale Begg-Smith won the FIS Mogul World Cup Title for the third consecutive year and Jacqui Cooper claimed a record breaking fifth World Cup Aerial Title. In total Australian athletes claimed 21 World Cup medals, achieved by eight athletes from the sports of Aerial Skiing, Mogul Skiing, Snowboard Cross, Ski Cross, and Short Track Speed Skating, and Ski Halfpipe. The clear objective of OWIA is focusing resources on the areas where the best results and medals can be achieved at the Vancouver Olympic Winter Games in 2010.

In total, OWIA had 35 athletes (2007: 35) on scholarships during the second year of this Olympic quadrennium.

No dividends were paid or declared during the financial year. The company is precluded from paying dividends by part 1, clause 3 of its Constitution.

SIGNIFICANT EVENTS AFTER BALANCE DATE

There have been no significant events occurring after reporting date, which may affect either the company's operations or results of those operations or the company's state of affairs.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

OWIA will continue to pursue its objectives being to develop and prepare elite Australian athletes for their participation in Olympic Winter Games, World Championships and World Cups in Olympic winter sports.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The company has insured the Directors and Officers for any wrongful act committed by them in their capacity as Directors and Officers of the company. Under the policy, the premium is confidential and not to be disclosed in the company's annual report.

DIRECTORS' REPORT continued

DIRECTORS' MEETINGS

The number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

| | Directors' Meetings |
|--|---------------------|
| Number of meetings held: | 3 |
| Number of meetings attended: | |
| G. Henke | 3 |
| S. Bradbury | 1 |
| I. Chesterman | 3 |
| C. Phillips | 2 |
| R. Grollo | 0 |
| P. Fricker | 2 |
| A. Camplin | 3 |
| R. Stokes | 0 |
| D. Gosper – appointed 25 November 2007 | 2 of 2 |
| M. Grollo (alternate for R. Grollo) | 2 |
| N. Hunter (alternate for P. Fricker) | 1 |

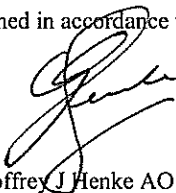
AUDITOR INDEPENDENCE

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act is set out on page 4.

AUDIT COMMITTEE

OWIA's Audit Committee comprises Ian Chesterman (Chairman) and Michael Mercer (Company Secretary). The Audit Committee operates under a charter approved by the Board. The primary purpose of the Audit Committee is to assist the Board in fulfilling its responsibilities with respect to the company's system of internal controls, maintaining proper accounting records, producing reliable financial information and conducting business in an ethical manner.

Signed in accordance with a resolution of the directors.

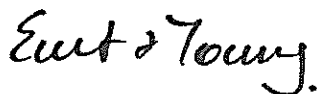


Geoffrey J Henke AO
Director

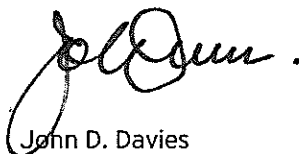
Melbourne, 15 October 2008

Auditor's Independence Declaration to the Directors of Olympic Winter Institute of Australia Limited

In relation to our audit of the financial report of Olympic Winter Institute of Australia Limited for the financial year ended 30 June 2008, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct

A stylized, handwritten signature of the Ernst & Young firm.

Ernst & Young

A handwritten signature of John D. Davies.

John D. Davies

Partner

Melbourne

15 October 2008

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

| | Note | 2008 | 2007 |
|--|------|----------------|---------------|
| | | \$ | \$ |
| REVENUE FROM OPERATIONS | 3 | 2,490,464 | 2,752,769 |
| Depreciation and amortisation expense | 4 | (21,852) | (50,469) |
| Finance costs expense | | - | - |
| Other expenses | 4 | (2,470,108) | (2,664,904) |
| PROFIT/(LOSS) BEFORE INCOME TAX FROM OPERATIONS | | (1,496) | 37,396 |
| Income Tax Expense | 2(n) | - | - |
| NET PROFIT/(LOSS) AFTER TAX FROM OPERATIONS | | (1,496) | 37,396 |

Olympic Winter Institute of Australia Limited

BALANCE SHEET

AS AT 30 JUNE 2008

| | Note | 2008 | 2007 |
|--------------------------------------|-------|----------------|----------------|
| | | \$ | \$ |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 5 | 163,555 | 143,223 |
| Trade and other receivables | 6 | 604,621 | 479,682 |
| Other assets | 7 | 17,385 | 9,570 |
| TOTAL CURRENT ASSETS | | 785,561 | 632,475 |
| NON-CURRENT ASSETS | | | |
| Plant and equipment | 8 | 60,251 | 45,032 |
| TOTAL NON-CURRENT ASSETS | | 60,251 | 45,032 |
| TOTAL ASSETS | | 845,812 | 677,507 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 9 | 352,290 | 194,849 |
| Provisions | 10(a) | 99,323 | 68,132 |
| TOTAL CURRENT LIABILITIES | | 451,613 | 262,981 |
| NON-CURRENT LIABILITIES | | | |
| Provisions | 10(b) | 8,983 | 27,814 |
| TOTAL NON CURRENT LIABILITIES | | 8,983 | 27,814 |
| TOTAL LIABILITIES | | 460,596 | 290,795 |
| NET ASSETS | | 385,216 | 386,712 |
| EQUITY | | | |
| Retained profits | | 385,216 | 386,712 |
| TOTAL EQUITY | | 385,216 | 386,712 |

Olympic Winter Institute of Australia Limited

STATEMENT OF CHANGES IN EQUITY

| FOR THE YEAR ENDED 30 JUNE 2008 | Retained Earnings | Total |
|--|------------------------------|----------------|
| At 1 July 2006 | 349,316 | 349,316 |
| Profit for the year | 37,396 | 37,396 |
| At 30 June 2007 | <u>386,712</u> | <u>386,712</u> |
| At 1 July 2007 | 386,712 | 386,712 |
| Loss for the year | (1,496) | (1,496) |
| At 30 June 2008 | <u>385,216</u> | <u>385,216</u> |

Olympic Winter Institute of Australia Limited

CASH FLOW STATEMENT

| FOR THE YEAR ENDED 30 JUNE 2008 | Note | 2008 \$ | 2007 \$ |
|---|------|-----------------|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers and related parties | | 2,269,479 | 2,516,522 |
| Payments to suppliers and employees | | (2,236,540) | (2,475,740) |
| NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES | 13 | 32,939 | 40,782 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property and equipment | | 22,848 | 1,067 |
| Interest received | | 15,964 | 11,962 |
| Acquisition of property and equipment | | (51,419) | (56,360) |
| NET CASH FLOWS USED IN INVESTING ACTIVITIES | | (12,607) | (43,331) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | | | |
| Cash and cash equivalents at the beginning of the period | | 143,223 | 145,772 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 5 | 163,555 | 143,223 |

Olympic Winter Institute of Australia Limited

Notes to the Financial Statements

30 JUNE 2008

1. CORPORATE INFORMATION

The annual report covers Olympic Winter Institute of Australia Limited ("OWIA") as an individual entity. The entity's functional and presentation currency is Australian Dollars.

The financial report of OWIA for the year ended 30 June 2008 was authorised for issue in accordance with a resolution of the Directors on 15 October 2008.

OWIA is a company limited by guarantee that is incorporated and domiciled in Australia.

The registered office of OWIA is located at:

The Australian Olympic Committee
Level 3, 1 Atchison Street
St Leonards NSW 2065

The principal place of business of OWIA is located at:

Olympic Winter Institute of Australia
Level 1, 1-3 Cobden Street
South Melbourne VIC 3205

The principal activities of OWIA during the financial year were to develop and prepare elite Australian athletes for their participation in Olympic Winter Games, World Championships and World Cups in Olympic winter sports.

The entity employed 9 employees as at 30 June 2008 (2007: 8 employees).

Notes to the Financial Statements continued

30 June 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

In the Directors' opinion, the company is not a reporting entity because there are no users dependent on such information as contained in general purpose financial reports.

This is a special purpose financial report, which has been prepared for the purpose of distribution to the members of the company as well as to the Australian Olympic Committee for internal management information purposes and to comply with the company's constitution. The Directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

The financial report has been prepared in accordance with AASB 101 *Presentation of Financial Statements*, AASB 107 *Cash Flow Statements*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1031 *Materiality* and AASB 1048 *Interpretation and Application of Standards*, and other applicable Accounting Standards and Urgent Issues Group Interpretations with the exception of the disclosure requirements of the following:

- AASB 7: *Financial Instruments Disclosures*
- AASB 114: *Segment Reporting*
- AASB 116: *Plant and Equipment*
- AASB 117: *Leases*
- AASB 119: *Employee Benefits*
- AASB 124: *Related Party Disclosures*
- AASB 136: *Impairment of Assets*
- AASB 137: *Provisions, Contingent Liabilities and Contingent Assets*

The financial report is prepared in accordance with the historical cost convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information is reclassified where appropriate to enhance comparability.

Notes to the Financial Statements continued

30 June 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Statement of compliance

Australian Accounting Standards and Urgent Issue Group Interpretations that have recently been issued or amended but are not yet effective have not been adopted by OWIA for the annual reporting period ending 30 June 2008 are outlined in the table below:

| Reference | Title | Summary | Application date of standard | Impact on Parent financial report | Application date for Company |
|------------------------------------|--|--|------------------------------|---|------------------------------|
| AASB 8 and AASB 2007-3 | Operating Segments and consequential amendments to other Australian Accounting Standards | New standard replacing AASB 114 Segment Reporting, which adopts a management reporting approach to segment reporting. | 1 January 2009 | AASB 8 is a disclosure standard so will have no direct impact on OWIA as this standard can be scoped out in note 2. | 1 July 2009 |
| AASB 101 (Revised) and AASB 2007-8 | Presentation of Financial Statements and consequential amendments to other Australian Accounting Standards | Introduces a statement of comprehensive income. Other revisions include impacts on the presentation of items in the statement of changes in equity, new presentation requirements for restatements or reclassifications of items in the financial statements, changes in the presentation requirements for dividends and changes to the titles of the financial statements. | 1 January 2009 | These amendments are only expected to affect the presentation of the OWIA's financial report and will not have a direct impact on the measurement and recognition of amounts disclosed in the financial report. OWIA has not determined at this stage whether to present a single statement of comprehensive income or two separate statements. | 1 July 2009 |

Notes to the Financial Statements continued

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Statement of compliance (continued)

| Reference | Title | Summary | Application date of standard | Impact on Parent financial report | Application date for Parent |
|------------------------|-----------------------|--|---|---|-----------------------------|
| AASB 2008-5 and 2008-6 | Improvements to IFRSs | The improvements project is an annual project that provides a mechanism for making non-urgent, but necessary, amendments to IFRSs. The IASB has separated the amendments into two parts: Part I deals with changes the IASB identified resulting in accounting changes; Part II deals with either terminology or editorial amendments that the IASB believes will have minimal impact. | 1 January 2009 except for amendments to IFRS 5, which are effective from 1 July 2009. | OWIA has not yet determined the extent of the impact of the amendments, if any. | 1 July 2009 |

The special purpose financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS).

(c) Significant accounting judgements, estimates and assumptions

The company's accounting policies do not contain significant accounting judgements or significant accounting estimates and assumptions that would have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period.

(d) Cash or cash equivalents

Cash and short-term deposits in the Balance Sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

Notes to the Financial Statements continued

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Trade and other receivables

Trade receivables, which generally have 30 to 90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

(f) Inventory

Inventories are measured at the lower of cost and net realisable value. At times inventory is received from suppliers as part of sponsorship agreements. Upon receipt of this inventory, revenue is recognised in the Income Statement. When inventory is distributed, the carrying amount of those inventories shall be recognised as an expense.

Any inventory not used at year end has a net realisable value of zero.

OWIA only received inventory from Karbon during the 2007-2008 financial year.

Notes to the Financial Statements continued

30 JUNE 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Plant and equipment

Acquisition

Items of plant and equipment are recorded at cost or, in the case of donations and sponsorship contributions in kind, at fair value at the time of donation or contribution less accumulated depreciation and any impaired value.

Depreciation

Depreciation is calculated on a straight-line basis over their expected effective lives using the rates considered appropriate to each class of asset.

| | 2008 | 2006 |
|------------------------|-----------|-----------|
| Computer equipment | 2-4 years | 2-4 years |
| Motor vehicles | 5 years | 5 years |
| Furniture and fittings | 13 years | 13 years |
| Sporting equipment | 2 years | 2 years |

Low cost assets

For assets that have been acquired for less than \$1,000 these assets will be depreciated in full in the year of purchase.

Low value assets

For assets with a written down value equal to or below \$1,000 during the financial year, these assets will be depreciated in full in that year.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value. An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the Income Statement in the cost of sales line item.

Notes to the Financial Statements continued

30 JUNE 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Employee leave benefits

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(i) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid and arise when the company becomes obliged to make future payments in respect of the purchase of these goods and services.

Trade payables are non-interest bearing and are usually settled on 30 day terms. Other payables, other than credit card liabilities are non-interest bearing.

(j) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Grant revenue

All significant grant contributions are recorded as revenue at either the time of contribution or when the services are utilised.

Sponsorship revenue

Sponsorship received in the form of cash is recognised when it is received.

Revenue received in the form of value in kind sponsorship is recognised to match expenditure on program services as incurred.

Interest

Revenue is recognised when the company's right to receive payment is established.

Notes to the Financial Statements continued

30 JUNE 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Foreign currencies

Both the functional and presentation currency of OWIA is Australian dollars.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the Income Statement.

(l) Borrowing costs

Borrowing costs are recognised as an expense when incurred.

(m) Leases

Company as a lessee

Operating lease payments are recognised as an expense in the Income Statement on a straight-line basis over the lease term.

(n) Income tax

OWIA is classified as a sporting organisation under ITAA 1997 section 50-45 and is therefore exempt from income tax.

(o) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(p) Value in kind

In kind goods and services shall be valued at the fair market value of the goods and services.

The fair market value is the equivalent best customer cash price of the same goods and services. Consistent with accounting standards the basis of accounting for non-monetary transactions is the same as for monetary transactions. The actual value in kind (VIK) revenue recognised will match in dollar value to the cost charged to the OWIA program that utilised the VIK goods and services in lieu of spending cash.

Items of value in kind include uniforms and the use of motor vehicles.

Notes to the Financial Statements continued

| 30 JUNE 2008 | Note | 2008 | 2007 |
|--|------|------------------|------------------|
| | | \$ | \$ |
| 3. REVENUE | | | |
| Revenues from operations | | | |
| Revenue: | | | |
| AOC program grants | | 864,000 | 855,028 |
| Australian Institute of Sport grants | | 545,000 | 445,000 |
| National Federation ASC High Performance grants | | 553,000 | 548,500 |
| ASC funds and National talent identification and development | | 280,000 | 610,455 |
| Sponsorships | | 228,183 | 253,449 |
| IOC Solidarity | | - | 6,437 |
| Other | | 16,895 | 20,450 |
| Net foreign currency gain | | 431 | 421 |
| Interest received | | 15,964 | 11,962 |
| Other revenue | | 1,281 | - |
| Profit on sale of fixed assets | | 8,500 | 1,067 |
| Total revenues from operations | | 2,513,254 | 2,752,769 |

Notes to the Financial Statements continued

| 30 JUNE 2008 | Note | 2008 | 2007 |
|---|------|------------------|------------------|
| | | \$ | \$ |
| 4. EXPENSES | | | |
| Expenses from operations | | | |
| Expenses: | | | |
| Depreciation of non-current assets | | | |
| Plant and equipment | | 21,852 | 50,469 |
| Total depreciation of non-current assets | | 21,852 | 50,469 |
| Other expenses | | | |
| Curling | | 21,570 | - |
| Aerial Skiing Program | | 345,484 | 399,309 |
| Alpine Skiing Program | | 130,226 | 130,419 |
| Mogul Skiing Program | | 240,134 | 284,696 |
| Figure Skiing Program | | 42,990 | 38,534 |
| Snowboarding Program | | 250,522 | 249,456 |
| Short Track Speed Skating Program | | 284,534 | 322,633 |
| Snowboard Cross Program | | - | 34,287 |
| Skeleton Program | | 330,742 | 338,313 |
| VIK | | 176,440 | 201,064 |
| Administration, service staff and other | | 670,256 | 666,193 |
| | | 2,492,898 | 2,664,904 |
| Total expenses from operations | | 2,514,750 | 2,715,373 |

5. CASH AND CASH EQUIVALENTS

| | | |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | 163,555 | 143,223 |
| | 163,555 | 143,223 |

Reconciliation to Cash Flow Statement

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise the following at 30 June:

| | | |
|--------------------------|----------------|----------------|
| Cash at bank and on hand | 67,408 | 117,612 |
| Short term deposits | 96,147 | 25,611 |
| | 163,555 | 143,223 |

Notes to the Financial Statements continued

| 30 JUNE 2008 | Note | 2008 | 2007 |
|---|------|----------------|----------------|
| | | \$ | \$ |
| 6. TRADE AND OTHER RECEIVABLES (CURRENT) | | | |
| Accounts receivable | | 604,621 | 479,682 |
| | | <u>604,621</u> | <u>479,682</u> |
| 7. OTHER ASSETS (CURRENT) | | | |
| Prepayments | | 11,876 | 5,509 |
| Deferred expenditure | | 5,509 | 4,061 |
| | | <u>17,385</u> | <u>9,570</u> |

Notes to the Financial Statements continued

| 30 JUNE 2008 | Note | 2008 | 2007 |
|--------------------------------------|------|---------------|---------------|
| | | \$ | \$ |
| 8. PLANT AND EQUIPMENT | | | |
| Computer equipment | | | |
| At cost | | 80,866 | 66,974 |
| Accumulated depreciation | | (71,712) | (59,487) |
| | | <u>9,154</u> | <u>7,487</u> |
| Motor vehicles | | | |
| At cost | | 134,781 | 126,383 |
| Accumulated depreciation | | (92,335) | (97,830) |
| | | <u>42,446</u> | <u>28,553</u> |
| Furniture and fittings | | | |
| At cost | | 4,546 | 4,546 |
| Accumulated depreciation | | (1,635) | (1,294) |
| | | <u>2,911</u> | <u>3,252</u> |
| Sporting equipment | | | |
| At cost | | 46,003 | 44,374 |
| Accumulated depreciation | | (40,263) | (38,634) |
| | | <u>5,740</u> | <u>5,740</u> |
| Total property and equipment at cost | | 266,196 | 242,277 |
| Accumulated depreciation | | (205,945) | (197,245) |
| Total written down amount | | <u>60,251</u> | <u>45,032</u> |

Notes to the Financial Statements continued

| 30 JUNE 2008 | Note | 2008 | 2007 |
|--|------|----------|----------|
| | | \$ | \$ |
| 8. PLANT AND EQUIPMENT (cont'd) | | | |
| Movement in non-current assets | | | |
| <i>Computer equipment</i> | | | |
| Balance at the beginning of the year | | 7,487 | 8,044 |
| Additions | | 13,893 | 11,706 |
| Depreciation expense | | (12,226) | (12,263) |
| Balance at the end of the year | | 9,154 | 7,487 |
| <i>Motor vehicles</i> | | | |
| Balance at the beginning of the year | | 28,553 | 20,904 |
| Additions | | 35,897 | 19,000 |
| Disposals | | (14,348) | - |
| Depreciation expense | | (7,656) | (11,351) |
| Balance at the end of the year | | 42,446 | 28,553 |
| <i>Furniture and fittings</i> | | | |
| Balance at the beginning of the year | | 3,252 | 3,593 |
| Additions | | - | - |
| Depreciation expense | | (341) | (341) |
| Balance at the end of the year | | 2,911 | 3,252 |
| <i>Sporting equipment</i> | | | |
| Balance at the beginning of the year | | 5,740 | 6,600 |
| Additions | | 1,629 | 25,654 |
| Depreciation expense | | (1,629) | (26,514) |
| Balance at the end of the year | | 5,740 | 5,740 |

Notes to the Financial Statements continued

| 30 JUNE 2008 | Note | 2008 | 2007 |
|--|------|----------------|----------------|
| | | \$ | \$ |
| 9. TRADE AND OTHER PAYABLES (CURRENT) | | | |
| Trade payables | | 121,256 | 77,295 |
| Unearned income | | 82,500 | - |
| Other payables | | 148,534 | 117,554 |
| | | <u>352,290</u> | <u>194,849</u> |
| 10(a). PROVISIONS (CURRENT) | | | |
| Employee leave benefits | | 99,323 | 68,132 |
| | | <u>99,323</u> | <u>68,132</u> |
| 10(b). PROVISIONS (NON-CURRENT) | | | |
| Employee leave benefits | | 8,983 | 27,814 |
| | | <u>8,983</u> | <u>27,814</u> |
| 11. REMUNERATION OF DIRECTORS | | | |
| Directors' remuneration | | - | - |
| No directors were paid directors' fees, directly or indirectly during the year | | | |

Notes to the Financial Statements continued

| 30 JUNE 2008 | Note | 2008 | 2007 |
|--------------|------|------|------|
| | | \$ | \$ |

12. COMMITMENTS AND CONTINGENCIES

Leasing commitments

Operating leases (non-cancellable) - company as lessee

Minimum lease payments [a]

| | | | |
|---|--|--------|--------|
| - not later than one year | | 24,068 | 24,859 |
| - later than one year and not later than five years | | 24,852 | 53,124 |
| - later than five years | | - | - |

Aggregate lease expenditure contracted for at reporting date

| | | | |
|--|--|--------|--------|
| | | 48,920 | 77,983 |
| | | 48,920 | 77,983 |

Notes

- (a) These commitments represent payments due by OWIA on their leased premise in South Melbourne under a non-cancellable operating lease. There is two years left remaining on the current lease agreement.

Staff and coaching commitments

These commitments represent staff and coaching payments contracted for at reporting date but not recognised as liabilities. These staff and coaching commitments are expected to be settled as follows:

| | | | |
|---|--|---------|---------|
| - not later than one year | | 428,407 | 411,295 |
| - later than one year and not later than five years | | 428,825 | 857,232 |
| - later than five years | | - | - |

Aggregate staff and coaching payments contracted for at reporting date

| | | | |
|--|--|---------|-----------|
| | | 857,232 | 1,268,527 |
| | | 857,232 | 1,268,527 |

Notes to the Financial Statements continued

| 30 JUNE 2008 | Note | 2008 | 2007 |
|--------------|------|------|------|
| | | \$ | \$ |

13. STATEMENT OF CASH FLOWS

Reconciliation of net profit/(loss) after tax to net cash flows from operations

| | | |
|--|-----------|----------|
| Net profit/(loss) | (1,496) | 37,396 |
| Adjustments for | | |
| Depreciation of non-current assets | 21,852 | 50,469 |
| Profit on sale of non-current assets | (8,500) | (1,067) |
| Interest received | (15,964) | (11,962) |
| Changes in assets and liabilities (Increase)/Decrease | | |
| Trade receivables | (124,939) | (21,733) |
| Other assets | (7,815) | 2,354 |
| Trade and other payables | 157,441 | (29,527) |
| Provisions | 12,360 | 14,852 |
| Net cash from/(used in) operating activities | 32,939 | 40,782 |

Notes to the Financial Statements continued

30 JUNE 2008

14. DIRECTOR AND EXECUTIVE DISCLOSURES

Under part 2, clause 31 of the Constitution, no Director will be paid remuneration for their services to the Company as Directors. Loans to directors are allowed under part 2, clause 34 of the Constitution though there were no loans provided to directors during the year.

15. RELATED PARTY DISCLOSURES

(a) The names of the directors of the company in office during the financial year and until the date of this report were:

- Geoff Henke
- Steven Bradbury
- Ian Chesterman
- Craig Phillips
- Rino Grollo
- Peter Fricker
- Alisa Camplin
- Ryan Stokes
- Dean Gosper*
- Monica Grollo (Alternate – Rino Grollo)
- Nick Hunter (Alternate – Peter Fricker)

* Appointed 25 November 2007.

Director-related entity transactions:

Mr Rino Grollo is a director of Buller Ski Lifts Limited, which provided sponsorship of \$30,000. This amount was unpaid at year end (with \$25,000 subsequently received).

Mr Ian Chesterman is a director of Sportcom Pty Ltd. OWIA contracted Sportcom Pty Ltd for media, communication and publication consulting services to the value of \$24,626 at terms more favourable than commercial terms and conditions.

Mr Ian Chesterman is an Executive Member and Mr Craig Phillips is the Secretary General of the Australian Olympic Committee, which provided sponsorship and grants of \$864,000 to OWIA. Of this amount, \$137,500 was unpaid at year end (subsequently received).

Professor Peter Fricker is the Director of the Australian Institute of Sport, which through the Australian Sports Commission provided funding and grants of \$825,000 to OWIA. Of this amount, \$26,125 was unpaid at year end (subsequently received).

Mr Dean Gosper is a director of Ski and Snowboard Australia. OWIA received \$491,000 in high performance funding from Ski and Snowboard Australia during the year. Of this \$264,528 was unpaid at year end (\$228,800 subsequently received).

Notes to the Financial Statements continued

| Note | 2008 | 2007 |
|---|--------|--------|
| | \$ | \$ |
| 16. AUDITOR'S REMUNERATION | | |
| Amounts received or due and receivable by the auditors of OWIA for: | | |
| - audit of financial statements of the entity | 15,000 | 13,905 |
| - other services in relation to the entity | - | - |
| | 15,000 | 13,905 |
| | 15,000 | 13,905 |

17. EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events subsequent to balance date requiring disclosure.

18. MEMBERS' CONTRIBUTION LIABILITY

Every member of OWIA undertakes to contribute to the property of the company, in the event of the company being wound up while they are a member, or within a year after they cease to be a member, for payment of debts and liabilities of the company contracted before they ceased to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding \$20. This is as per part 1, clause 5 of the entity's Constitution.

19. ECONOMIC DEPENDENCY

A large proportion of the revenue from operating activities of OWIA is dependant upon grants from the Australian Olympic Committee and Commonwealth Government, through the Australian Sports Commission.

Olympic Winter Institute of Australia Limited

DIRECTORS' DECLARATION

The Directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In accordance with a resolution of the directors of Olympic Winter Institute of Australia Limited, I state that:

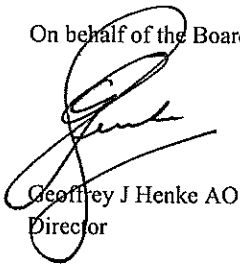
In the opinion of the directors:

- (a) the financial statements and notes of the company presents fairly in accordance with:
 - (i) the accounting policies described in Note 2 to the financial statements; and
 - (ii) complying with Accounting Standards in Australia to the extent described in Note 2 to the financial statements and Corporations Regulations; and

- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Board.

On behalf of the Board



Geoffrey J Henke AO
Director

Melbourne, 15 October 2008

Independent auditor's report to the members of Olympic Winter Institute of Australia Limited

We have audited the accompanying special purpose financial report of Olympic Winter Institute of Australia Limited (the 'company'), which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 2 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the *Corporations Act 2001* and are appropriate to meet the needs of the members. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. These policies do not require the application of all Accounting Standards and other mandatory financial reporting requirements in Australia.

Auditor's Responsibility

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

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

The financial report has been prepared for distribution to the members for the purpose of fulfilling the directors' financial reporting requirements under the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

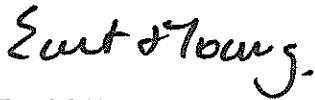
Independence

In conducting our audit we have met the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

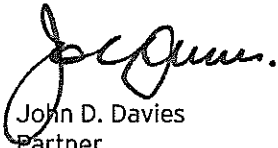
Auditor's Opinion

In our opinion the financial report of Olympic Winter Institute of Australia Limited is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the financial position of Olympic Winter Institute of Australia Limited as at 30 June 2008 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and
- b) complying with Australian Accounting Standards to the extent described in Note 2 to the financial statements and complying with the *Corporations Regulations 2001*.



Ernst & Young



John D. Davies
Partner

Melbourne
15 October 2008