



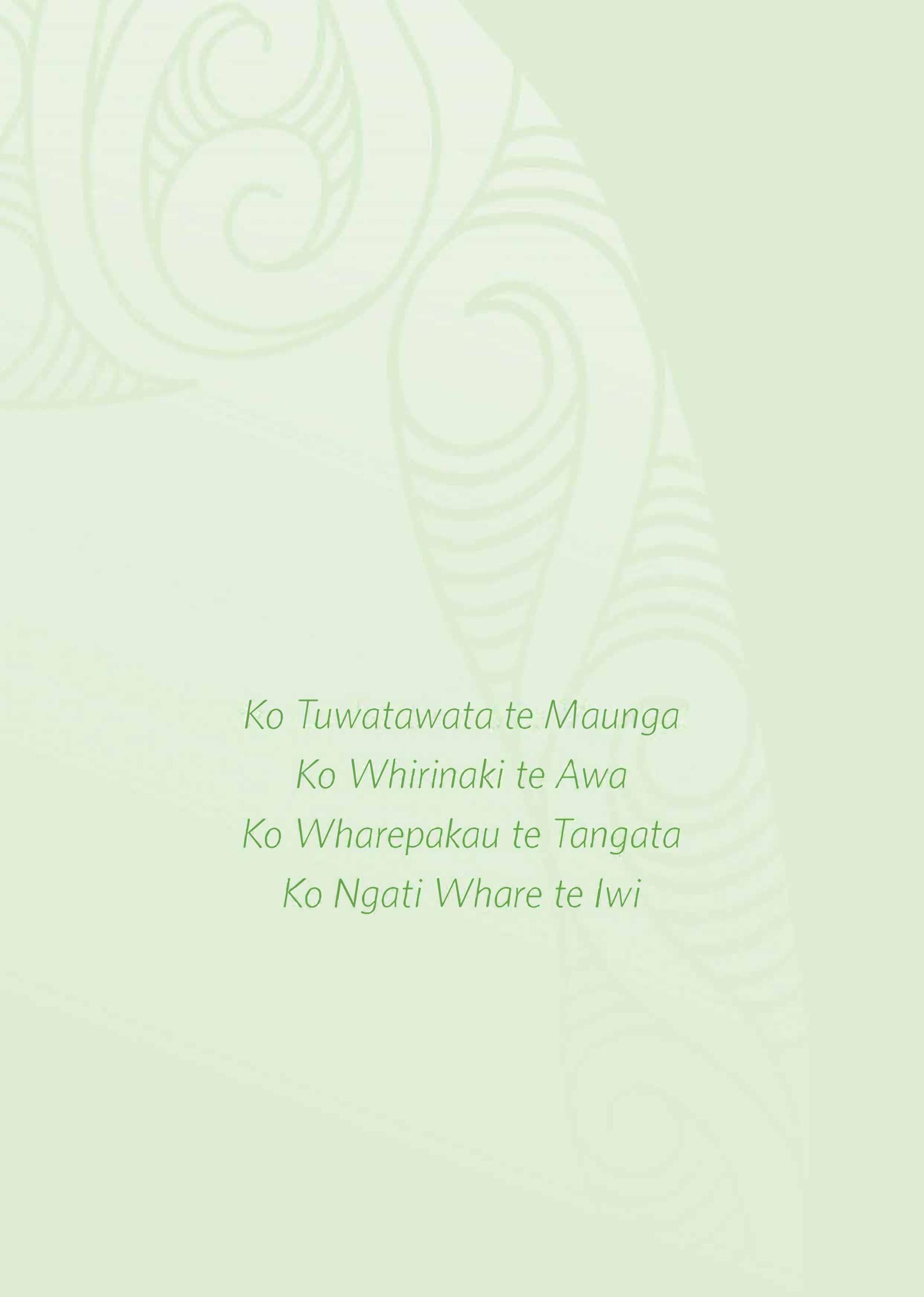
**NGATI WHARE  
HOLDINGS**  

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**LIMITED**

Annual Report

**2016**



*Ko Tuwatawata te Maunga  
Ko Whirinaki te Awa  
Ko Wharepakau te Tangata  
Ko Ngati Whare te Iwi*

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# AGENDA



NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Board of Directors will be held at the office of GHA, Rotorua on Monday 19 December 2016 at 1pm.

1. Karakia/Mihi
2. Apologies
3. Chairman's Report
4. Minutes of Previous Annual General Meeting
5. Audited Annual Financial Reports for the year ended 30 June 2016
6. Appointment of Auditor
7. General Business

# CHAIRMAN'S REPORT



Tena Koutou Katoa

## Ngati Whare Holdings Limited: Directors Annual report to 30<sup>th</sup> June 2016

Ngati Whare Holdings Limited is pleased to present the company's Annual Report for the twelve month period ending 30<sup>th</sup> June 2016.

It has been another very good trading period for Ngati Whare Holdings.

Highlights for the period include the continued instigation of employment opportunities, and the undertaking of Department of Conservation work contracts in the Whirinaki Forest, the strong performance of our investment in Kakano and most significantly the building and establishment of our indigenous nursery at Minginui.

As the Nursery was not officially opened until well after balance date I will report fully on its operations at next year's AGM.

However, I can say that the nursery construction went extremely well, our contractual relationship with SCION is blossoming, the nursery is full of plants and people, and Ngati Whare is in a very strong position to capitalise on the significant upsurge in demand for native tree stocks.

The board wishes to acknowledge the huge efforts of Mere George and significant input of Bronco Carson during the establishment phase; together with a wave of positive support from the local community.

The Minginui nursery is very much a community project which we hope will bring significant employment and overall economic prosperity back to the village.

### CNI Iwi Holdings

Following a Judicial review earlier this year, it is hoped resolution of mana whenua over the Kaingaroa forest ,via adjudication, will be achieved this calendar year.

### Financial Performance:

Gross income of \$2,697,065 for the period was \$1,350,166 or over 100% greater than budgeted Income. This is primarily due to the resolution to the Crown Agreed Portion (CAP) as it related to Kaingaroa forest, reasonable ACE trading and increased profit from the Kakano investment.

This income excludes an additional amount of \$1,180,717 representing the increase in the value of the Kakano investment. For accounting purposes this increase is now recorded as other comprehensive income in the Statement of Profit or Loss and Other Comprehensive Income.

Total Comprehensive Income for the year is \$2,739,540 compared to the 15 month result for 2015 of \$5,280,084.

The Kakano investment continues to be very pleasing and is to a large extent based on the bold decision to make such a large investment in the Kaingaroa forest via Kakano. The fact that this investment falls within Ngati Whare's rohe is equally pleasing.

With lower prevailing interest rates combining with equity investments performing at lower returns to those previously enjoyed, early in the financial year the board took the opportunity to cash up some equities and reduce term debt to under \$3.4 million.

Total expenses for the current year were \$710,148 compared to \$901,240 in 2015, a reduction of \$191,092. This is a result of reduced interest costs due to the repayment of debt. Expenditure this year was slightly higher than budget by \$2,439 primarily due to costs associated with the development of the Indigenous nursery in Minginui.

Overall profit after tax was \$1,765,449 compared to the 15 month result for 2015 of \$2,172,600.

This good result is, as earlier explained, partly the result of resolving the CAP, reasonable ACE trading continued profit from the Kakano investment and the significant reduction in costs due to the repayment of debt.

**Dividend:**

The profitability of the company resulted in a corresponding dividend payable to the Runanga of \$620,959.

**Balance Sheet:**

Total assets increased from \$23,948,625 in 2015 to \$24,811,508 in 2016. This is boosted by the Kakano investment value uplift as well as investment in the development in the Indigenous Nursery in Minginui.

Net Assets increased from \$18,082,517 to \$20,309,768 an increase of \$2,227,251.

This is a particularly pleasing value uplift.

If the present value of the CNI rental stream, referred to in the notes to financial statements, as being \$9,489,000, is added to the above figure, total assets of the holdings company would exceed \$34,000,000.

**Outlook:**

**Investment Opportunities:**

It is the view of the board that the holdings company is in a good position to make further direct investments and we are continually on the lookout for those types of investments that meet our criteria.

**Management:**

Our thanks go to Mere George and her team at GHA, for exemplary service.

The board and management continue to work very well together.

Nāku noa,  
Rick Braddock  
Chairman  
Ngati Whare Holdings Limited

# MINUTES



## MINUTES OF THE ANNUAL GENERAL MEETING OF NGATI WHARE HOLDINGS LTD HELD AT THE GHA BOARD ROOM ON 17 DECEMBER 2015 AT 11AM

Present: Rick Braddock, Ian Hulton, Pene Olsen, Lena Brew, Kohiti Kohi, Daryl Christie.

In Attendance: Mere George (Manager/Accountant) and Sharon Nikora (Kaiwhakahaere a Roopu).

### 1. OPENING:

1.1. Rick welcomed all to the hui. Kohiti opened the hui with a karakia and mihi.

### 2. APOLOGIES:

2.1. Lance Taurua, Robert Wiri and Bronco Carson (Late)

### 3. CHAIRMAN'S REPORT:

3.1. The chairman's report was tabled as read. Rick presented the Ngati Whare Holdings highlights for 2015.

3.2. Rick provided those present with an update on the meeting with Minister Finlayson. Rick advised that the Minister is in support of the project.

#### 3.3. Tourism:

Kohiti highlighted the importance of the marae in the company's tourism plans. Rick updated the board regarding the tourism options with treetop tours, and a partnership with Ngai Tahu.

3.4. Daryl thanked the board for the dividend received. Daryl asked if we were able to confirm what the support from the Minister looks like. Rick confirmed this detail is still to be discussed, but the nursery project cannot wait for the outcome of a third party funder. Ngati Whare Holding's financial position is reasonable.

#### Resolution 1:

*"To adopt the chairman's report"*

Moved: Daryl Christie

Second: Kohiti Kohiti

**CARRIED**

### 4. MINUTES:

#### Resolution 2

*"That the minutes of the meeting held on 15 August 2014 are true and correct"*

Moved: Daryl Christie

Second: Lena Brew

**CARRIED**

### 5. AUDITED FINANCIAL REPORTS 30 JUNE 2015:

- 5.1. Rick highlighted the performance of the Kakano Investment. Rick briefly discussed the changes taking place with management structure of Kaingaroa Timberlands.
- 5.2. Rick presented possible future investment opportunities and invited the board to bring opportunities to the Ngati Whare Holdings board to investigate.
- 5.3. The board were informed of Rick's scholarship to two Minginui young people – Cane Moses and Deloris Moses.
- 5.4. Daryl asked given the nursery losses will the Ngati Whare Holdings have cash to take up Landcorp options. Rick clarified the losses are actually cash flow requirements while the plant stock grows.
- 5.5. Rick confirmed they can cash flow the nursery and take advantage of any future opportunities. There is negative cash flow while the stocks grow but it is across three to four years which is manageable.
- 5.6. Discussion ensued regarding falling trees in the Whirinaki and taking advantage of the assets.

**New Action Point:** *Discuss options regarding fallen trees and asset utilisation of finances"*

## 6. FINANCIAL REPORTS:

- 6.1. Mere presented the financial reports and answered questions from the board.

### **Resolution 3:**

*"To approve the financial reports for the year ended 30 June 2015"*

Moved: Daryl Christie

Second: Kohiti Kohiti

**CARRIED**

## 7. APPOINTMENT OF AN AUDITOR:

### **Resolution 4:**

*"Iles Casey to be reappointed as auditors for the financial year ended 30 June 2016"*

Moved: Daryl Christie

Second: Pene Olsen

**CARRIED**

## 8. GENERAL BUSINESS:

### 8A. Minginui Indigenous Nursery

- 8.1. Mere and Rick presented the nursery presentation.
- 8.2. Daryl asked if we have analysed exist points should things go pear shaped. Rick and Mere confirmed that they have not done this formerly, but will keep an eye on each milestone and look to mitigate risks.
- 8.3. Daryl asked if the Minister confirmed that he would pay what we are asking. Rick confirmed the Minister did not as he has no budget to do so but would support this by providing letters of support to other departments to fund the project.
- 8.4. Discussion ensued regarding other nurseries in the rohe. Ian confirmed that we could share technology. Rick commented that he would hope the others would too.

**Resolution 5:**

*"To approve that Ngati Whare Holdings commit \$900,000 for the establishment of an indigenous nursery in Minginui"*

Moved: Daryl Christie

Second: Kohiti Kohiti

**CARRIED**

8.5. It was noted that there will be further reports and calls for working capital. Ngati Whare Holdings Limited will regularly report on progress at each stage.

**8B. Mana Whenua**

8.1. Ngati Whare and Ngati Manawa will start discussions about Matea.

8.2. Bronco gave an update on the meeting that was called today.

8.3. Discussion ensued regarding separate titles.

8.4. Tuhoē didn't attend so the hui was more of a general discussion.

**9. CLOSURE:**

9.1. Meeting was closed at 12.08pm for lunch.

**These minutes are confirmed as true and correct:**

**Sign:** \_\_\_\_\_

**Date:** \_\_\_\_\_

# Annual Financial Statements

Ngati Whare Holdings Limited

For the year ended 30 June 2016

# Contents

3. Independent Auditor's Report
4. Entity Information
5. Statement of Profit or Loss and Other Comprehensive Income
6. Statement of Financial Position
7. Statement of Changes in Equity
8. Statement of Cash Flows
9. Notes to the Financial Statements



INDEPENDENT AUDITOR'S REPORT

**To the Shareholders of Ngati Whare Holdings Limited**

We have audited the financial statements of Ngati Whare Holdings Limited on pages 5 to 22, which comprise the statement of financial position as at 30 June 2016, and the statement of profit and loss and other 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 shareholders as a body. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in the 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, this report or any of the opinions we have formed.

*Directors' Responsibility for the Financial Statements*

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand, and for such internal control as the 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 Responsibility*

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 (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 and fair presentation of financial statements and 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 accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

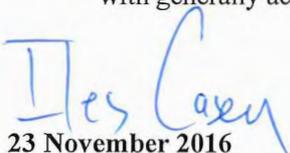
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Ngati Whare Holdings Limited.

*Opinion*

In our opinion, the financial statements on pages 5 to 22;

- comply with generally accepted accounting practice in New Zealand, and
- fairly present, in all material aspects the financial position of Ngati Whare Holdings Limited as at 30 June 2016 and its financial performance and cash flows for the year ended on that date, in accordance with generally accepted accounting practice in New Zealand.



23 November 2016  
1081 Hinemoa Street  
Rotorua

# Entity Information

## Ngati Whare Holdings Limited

For the year ended 30 June 2016

### Nature of business

Commercial Iwi Entity

### Postal address

PO Box 1712, Rotorua

### Registered office

Te Runanga o Ngati Whare

Civic Square

Murupara

### Directors

David Carson

Ian Hulton

Richard Braddock

### Shareholders

David Carson (director)

Pene Olsen (trustee of Te Runanga o Ngati Whare Trust)

### Accountants

GHA Ltd

Chartered Accountants

PO Box 1712, Rotorua

### Auditors

Iles Casey

Chartered Accountants

1081 Hinemoa Street, Rotorua

### Solicitors

Kahui Legal

32 Waring Taylor Street

Wellington

# Statement of Profit or Loss and Other Comprehensive Income

## Ngati Whare Holdings Limited

For the year ended 30 June 2016

	Notes	2016	2015
		\$	\$
<b>Revenue</b>			
Contract revenue	6	86,751	82,532
Other revenue	7	570,906	1,342,102
Investment income	8	229,734	251,337
Share of equity accounted investee profit	20	418,108	609,485
CNI Distribution	22	1,391,566	1,050,830
<b>Total Revenue</b>		<b>2,697,065</b>	<b>3,336,286</b>
<b>Expenses</b>			
Contract expenses	6	80,184	126,072
Administration expenses	9	349,941	397,211
Interest		209,682	372,085
Nursery expenses	10	52,687	-
Other expenses	11	13,907	4,127
Depreciation of property, plant and equipment	17	3,747	1,745
<b>Total Expenses</b>		<b>710,148</b>	<b>901,240</b>
<b>Operating Profit/(loss)</b>		<b>1,986,917</b>	<b>2,435,046</b>
<b>Other Items</b>			
<b>Profit/(loss) before tax</b>		<b>1,986,917</b>	<b>2,435,046</b>
Income tax expense	12	221,468	262,447
<b>Profit/(loss) for the year</b>		<b>1,765,449</b>	<b>2,172,600</b>
<b>Other comprehensive income, net of income tax</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Share of equity accounted investee other comprehensive income	20	1,180,717	3,766,647
Income tax related to the above	12	(206,626)	(659,163)
		<b>974,091</b>	<b>3,107,484</b>
<b>Total other comprehensive income for the year</b>		<b>974,091</b>	<b>3,107,484</b>
<b>Profit for the year attributable to:</b>			
Owners of the Company		<b>1,765,449</b>	<b>2,172,600</b>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the Company		<b>2,739,540</b>	<b>5,280,084</b>

# Statement of Financial Position

## Ngati Whare Holdings Limited

As at 30 June 2016

	Notes	2016	2015
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	15	1,929,729	2,053,545
Trade and other receivables	16	30,697	19,221
Goods and services tax		53,955	6,409
Income tax refund due		37,903	-
<b>Total Current assets</b>		<b>2,052,284</b>	<b>2,079,175</b>
<b>Non-current assets</b>			
Investments in joint ventures	20	14,180,461	13,212,571
Property, plant and equipment	17	78,280	7,686
Intangible assets	21	2,286,149	2,286,149
Available for sale financial assets	18	296,423	296,423
Financial assets at fair value through profit or loss	19	5,354,644	5,996,321
Other non-current assets	23	563,267	70,300
<b>Total Non-current assets</b>		<b>22,759,224</b>	<b>21,869,450</b>
<b>Total Assets</b>		<b>24,811,508</b>	<b>23,948,625</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	24	179,005	57,663
Related party advances	30	124,946	124,896
Income tax payable		-	24,386
<b>Total Current liabilities</b>		<b>303,951</b>	<b>206,945</b>
<b>Non-current liabilities</b>			
Borrowings	25	3,332,000	5,000,000
Deferred tax liability	14	865,789	659,163
<b>Total Non-current liabilities</b>		<b>4,197,789</b>	<b>5,659,163</b>
<b>Total Liabilities</b>		<b>4,501,740</b>	<b>5,866,108</b>
<b>Net assets</b>		<b>20,309,768</b>	<b>18,082,517</b>
<b>Equity</b>			
Capital		11,500,000	11,500,000
Reserves	28	4,501,697	3,527,606
Retained earnings		4,308,070	3,054,912
<b>Total Equity</b>		<b>20,309,768</b>	<b>18,082,517</b>

For and on behalf of the Committee of Board:



Chairman



Director

Date

# Statement of Changes in Equity

## Ngati Whare Holdings Limited

For the year ended 30 June 2016

	Contributed share capital	Reserves	Retained earnings	Total equity
	\$		\$	\$
<b>Opening balance 1 July 2015</b>	<b>11,500,000</b>	<b>3,527,606</b>	<b>3,054,912</b>	<b>18,082,517</b>
Net Profit for the year	-	-	1,765,449	1,765,449
Other comprehensive income	-	974,091	-	974,091
Payment of dividends	-	-	(512,291)	(512,291)
<b>Closing equity 30 June 2016</b>	<b>11,500,000</b>	<b>4,501,697</b>	<b>4,308,070</b>	<b>20,309,768</b>
<b>Opening balance 1 April 2014</b>	<b>11,500,000</b>	<b>420,122</b>	<b>2,147,312</b>	<b>14,067,434</b>
Net Profit for the year	-	-	2,172,600	2,172,600
Other comprehensive income	-	3,107,484	-	3,107,484
Payment of dividends	-	-	(1,265,000)	(1,265,000)
<b>Closing equity 30 June 2015</b>	<b>11,500,000</b>	<b>3,527,606</b>	<b>3,054,912</b>	<b>18,082,517</b>

# Statement of Cash Flows

## Ngati Whare Holdings Limited

For the year ended 30 June 2016

	Notes	2016	2015
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from customers and annual catch entitlements		312,258	642,101
Payments to suppliers and employees		(914,978)	(538,867)
<b>Cash generated from operations</b>		<b>(602,720)</b>	<b>103,234</b>
Investment income		1,627,487	1,310,821
Income taxes		(283,757)	(192,143)
Net GST		(33,773)	36,260
<b>Total Cash flows from operating activities</b>		<b>707,237</b>	<b>1,258,172</b>
<b>Cash flows from investing activities</b>			
Payments to acquire property, plant and equipment		(40,061)	(9,431)
Receipts from investments in joint ventures		630,935	863,347
Proceeds from disposal of investments		971,718	1,045,960
<b>Total Cash flows from investing activities</b>		<b>1,562,592</b>	<b>1,899,876</b>
<b>Cash flows from financing activities</b>			
Borrowings repaid		(1,668,000)	-
Finance charges paid		(213,354)	(359,076)
Dividends paid		(512,291)	(1,265,000)
<b>Total Cash flows from financing activities</b>		<b>(2,393,645)</b>	<b>(1,624,076)</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>		<b>(123,816)</b>	<b>1,533,972</b>
<b>Cash Balances</b>			
Cash and cash equivalents at beginning of the year	15	2,053,545	519,573
Cash and cash equivalents at end of the year	15	1,929,729	2,053,545
<b>Net change in cash for the year</b>		<b>(123,816)</b>	<b>1,533,972</b>

# Notes to the Financial Statements

Ngati Whare Holdings Limited  
For the year ended 30 June 2016

## 1. General information

The financial report includes the financial statements and notes of Ngati Whare Holdings Limited. The Company is a profit-orientated entity incorporated in New Zealand and registered under Companies Act 1993.

The Company is a wholly-owned subsidiary of Te Runanga o Ngati Whare Trust.

These financial statements were approved and authorised for issue by the Board of Directors on 21 October 2016.

## 2. Statement of compliance and reporting framework

The Company has adopted the New Zealand equivalents to International Financial Reporting Standards - Reduced Disclosure Regime ("NZ IFRS – RDR") as set out in the External Reporting Board's "Accounting Standards Framework".

These financial statements are general purpose financial statements that have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable financial reporting standards as appropriate for profit-orientated entities. The Company has elected to report under NZ IFRS – Reduced Disclosure Regime of the External Reporting Board as the Company is a for-profit Tier 2 entity for financial reporting purposes on the basis that it does not have public accountability and is not a large for-profit public sector entity. The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013

## 3. Changes in accounting policies

### 3.1.1 *New and revised standards that are effective for these financial statements*

The Company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 01 April 2015. The Company has not early adopted any other standards, interpretations or amendments that have been issued but are not yet effective.

The nature and effect of these changes are noted below. Although these new standards and amendments applied for the first time in 2016, they did not have a material impact on the annual financial statements of the Company. The nature and the impact of each new standard or amendment is described below.

## 4. Summary of accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

### 4.1 Functional and presentation currency

The financial statements are presented in New Zealand dollars (\$). All numbers presented have been rounded to the nearest dollar.

### 4.2 Revenue

Revenue is measured by reference to the fair value of consideration received or receivable. The Company recognises revenue when it can be reliably measured, it is probable that future economic benefits will flow to the Company.

#### 4.2.1 *Interest and dividend income*

Interest income is recognised when it is received, with an adjustment at year end to recognise interest due but not received (accrual basis) using the effective interest method. Dividend income is recognised at the time the right to receive payment is established.

### 4.3 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

# Notes to the Financial Statements

Ngati Whare Holdings Limited  
For the year ended 30 June 2016

## 4.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

## 4.5 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

## 4.6 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

## 4.7 Taxation

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

### 4.7.1 Current income tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, Inland Revenue and relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

### 4.7.2 Deferred tax

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Company's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

# Notes to the Financial Statements

Ngati Whare Holdings Limited  
For the year ended 30 June 2016

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

## 4.8 Financial instruments

### 4.8.1 Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

### 4.8.2 Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Loans and receivables
- Financial assets at Fair Value through Profit or Loss ("FVTPL")
- Held-to-Maturity ("HTM") investments
- Available-for-Sale ("AFS") financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for credit losses. Discounting is omitted where the effect of discounting is immaterial. The Company's receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

#### Financial assets at FVTPL

Financial assets at FVTPL include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The Company has elected to designate investments in managed portfolio funds as FVTPL.

#### HTM investments

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as HTM if the Company has the intention and ability to hold them until maturity.

HTM investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in profit or loss.

The Company has not elected to designate any assets as HTM.

# Notes to the Financial Statements

Ngati Whare Holdings Limited  
For the year ended 30 June 2016

## AFS financial assets

AFS financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Company's AFS financial assets include investment in Aotearoa Fisheries Limited.

All AFS financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the AFS reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income. Interest is calculated using the effective interest method and dividends are recognised in profit or loss within investment income.

The Company's financial liabilities include trade and other payables.

## **4.9 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

## **4.10 Goods and services tax (GST)**

All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

## **4.11 Property, plant and equipment**

Motor vehicles, office equipment and plant and equipment are initially recognised at acquisition cost, including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Board of Directors. These assets are subsequently measured using the cost model (cost less subsequent depreciation and impairment losses).

Depreciation is recognised on a diminishing value basis to write down the cost of the assets over their estimated useful lives. The following rates are applied:

- Motor vehicles: 30%
- Plant and equipment: 13% - 40%
- Office equipment: 50%

Material residual value estimates and estimates of useful lives are updated as required, or at least annually.

Gains or losses arising on the disposal of building fit out, furniture and fittings, office equipment and plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

## **4.12 Investment in joint ventures**

Joint ventures are those entities over whose activities the Company has joint control, established by a binding agreement and requiring unanimous consent for strategic financial and operating decisions.

Joint ventures that are structured in a separate vehicle are classified jointly-controlled-entities and are accounted for using the equity method (as detailed above for associates). The Company's investment in Kakano Investment Limited Partnership has been designated as jointly-controlled-entity.

Investments in joint ventures are accounted for using the equity method whereby they are recognised initially at cost, and adjusted for share of profit (or loss) and share of changes in Other Comprehensive Income.

# Notes to the Financial Statements

Ngati Whare Holdings Limited

For the year ended 30 June 2016

## 5. Critical judgements in applying accounting policies

When preparing the financial statements, the Board of Directors undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

### 5.1 Estimation uncertainty

#### Impairment

In assessing impairment, the Board of Directors estimates the recoverable amount of each asset based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to the determination of suitable discount rate. The Company recognised no impairment of assets in 2016 (2015: \$Nil).

#### Useful lives of depreciable assets

The Board of Directors reviews its estimates of useful lives of depreciable assets at each reporting date, based on the expected utility of assets.

# Notes to the Financial Statements

## Ngati Whare Holdings Limited

For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
<b>6 Contract revenue</b>			
<b>Contract revenue</b>			
DOC contract revenue		76,941	82,532
Te Pua o Whirinaki contract revenue		9,810	-
<b>Total contract revenue</b>		<b>86,751</b>	<b>82,532</b>
<b>Contract expenses</b>			
DOC Contract wages		62,044	102,868
Other DOC contract expenses		9,556	23,204
Te Pua o Whirinaki wages		7,295	-
Other Te Pua o Whirinaki contract expenses		1,289	-
<b>Total contract expenses</b>		<b>80,184</b>	<b>126,072</b>
Operating profit from DOC contracts		5,341	(43,540)
Operating profit from Te Pua o Whirinaki contract		1,226	-
<b>Total operating profit from contracts</b>		<b>6,567 -</b>	<b>43,540</b>
<b>7 Other revenue</b>			
Aotearoa Fisheries		6,377	8,772
Crayfish Quota		196,310	394,314
CNIHL Cultural Lands		-	125,264
Movements in fair value through P&L assets		330,041	796,202
Paua Ace income		30,178	16,713
Settlement quota		8,000	-
Sundry income		-	837
		<b>570,906</b>	<b>1,342,102</b>
<b>8 Investment income</b>			
Interest income		38,974	54,670
Dividends from equity investments		52,042	40,796
PIE income		138,718	155,871
<b>Total investment income</b>		<b>229,734</b>	<b>251,337</b>
<b>9 Administration expenses</b>			
Accountancy fees		22,956	26,781
Administration services		-	8,448
Audit fees		4,000	4,000
Conference expenses		1,810	5,939
Consultancy		26,241	19,144
Chairman's fees	30	20,000	25,000
Directors' fees	30	72,000	78,000
Directors' fees additional meetings	30	27,880	20,900
Directors' professional development		7,037	4,351
Insurance		2,712	5,006
Investment management fees		61,845	99,840
Overhead contribution - Te Runanga o Ngati Whare		17,019	-
Management services		58,499	70,056
Travel expenses		15,273	25,351
Other administration expenses		12,669	4,395
		<b>349,941</b>	<b>397,211</b>

# Notes to the Financial Statements

## Ngati Whare Holdings Limited

For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
<b>10 Nursery expenses</b>			
Advertising		8,132	-
Rents		5,500	-
Wages & salaries		35,111	-
Other nursery expenses		3,944	-
<b>Total nursery expenses</b>		<b>52,687</b>	<b>-</b>
<b>11 Other expenses</b>			
Fisheries expenses		12,467	4,127
Hikoi expenses		1,440	-
<b>Total other expenses</b>		<b>13,907</b>	<b>4,127</b>
<b>12 Income tax expense</b>			
<b>Profit before income tax</b>		<b>1,986,917</b>	<b>2,435,046</b>
<b>Income tax using Maori Authority tax rate of 17.5%</b>		<b>347,710</b>	<b>426,133</b>
Tax effect of amounts which are not deductible (claimable) in calculating taxable income:			
Imputation tax credits		2,086	1,525
Quick sales		(6,012)	6,490
FIF income		-	3,234
Overseas tax credits		312	271
Financial arrangement income		(198)	163
Non taxable income		(108,726)	(165,109)
		<b>235,173</b>	<b>272,707</b>
Imputation credits		(11,922)	(8,714)
Overseas tax credits		(1,782)	(1,547)
<b>Income tax expense (income)</b>		<b>221,468</b>	<b>262,447</b>
<b>Represented by:</b>			
Current tax		221,468	262,447
Deferred tax		-	-
<b>Total income tax expense (income)</b>		<b>221,468</b>	<b>262,447</b>
Deferred tax expense (income) recognised directly in other comprehensive income		206,626	659,163
<b>13 Maori Authority Credit Account</b>			
Opening balance		182,202	249,679
Provisional tax paid		25,375	39,619
Terminal tax paid/(refunded)		24,559	(45,918)
RWT credits		14,742	13,011
Maori authority credits		108,667	185,430
Maori authority credits attached to distributions		(219,080)	(268,333)
Imputation credits		11,922	8,714
<b>Closing balance</b>		<b>148,387</b>	<b>182,202</b>

# Notes to the Financial Statements

## Ngati Whare Holdings Limited

For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
<b>14 Deferred tax</b>			
Deferred tax liabilities		865,789	659,163
<b>2015</b>	<b>Opening balance</b>		<b>Closing balance</b>
Share of equity accounted associates other comprehensive income		-	659,163
<b>2016</b>	<b>Opening balance</b>		<b>Closing balance</b>
Share of equity accounted associates other comprehensive income		659,163	865,789
		<b>659,163</b>	<b>865,789</b>

## 15 Cash and cash equivalents

Cash and cash equivalents at the end of the year as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

Cash at bank - NZD	1,786,597	844,958
Cash in managed portfolio funds	143,132	195,012
Term deposits	-	1,013,575
<b>Total cash and cash equivalents</b>	<b>1,929,729</b>	<b>2,053,545</b>

## 16 Trade and other receivables

Trade receivables	30,697	13,035
Accrued interest	-	6,186
<b>Total Trade and other receivables</b>	<b>30,697</b>	<b>19,221</b>

# Notes to the Financial Statements

## Ngati Whare Holdings Limited

For the year ended 30 June 2016

### 17 Property, plant and equipment

	Motor vehicles	Plant & equipment	Office equipment	Total
Cost of valuation	\$	\$	\$	\$
<b>Balance at 1 Jul 2014</b>	-	-	-	-
<b>Balance at 30 Jun 2015</b>	2,609	6,822	-	9,431
Additions	38,663	34,280	1,398	74,341
<b>Balance at 30 Jun 2016</b>	41,272	41,102	1,398	83,772
	Motor vehicles	Plant & equipment	Office equipment	Total
Accumulated depreciation	\$	\$		\$
<b>Balance at 1 Jul 2014</b>	-	-	-	-
<b>Balance at 30 Jun 2015</b>	376	1,369	-	1,745
Depreciation expense	1,637	1,993	117	3,747
<b>Balance at 30 Jun 2016</b>	2,013	3,362	117	5,492
Net book value at 30 June 2015	2,233	5,453	-	7,686
<b>Net book value at 30 June 2016</b>	39,259	37,740	1,281	78,280
			2016	2015
			\$	\$
Depreciation of property, plant and equipment			3,747	1,745

# Notes to the Financial Statements

## Ngati Whare Holdings Limited

For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
<b>18 Available for sale financial assets</b>			
<b>Unlisted securities</b>			
Aotearoa Fisheries Limited shares		296,423	296,423
<b>Total unlisted securities</b>		<b>296,423</b>	<b>296,423</b>
<b>Total Available-for-sale financial assets</b>		<b>296,423</b>	<b>296,423</b>

### Fair value measurement

The above unlisted shares are not traded in an active market but are classified as available-for sale financial assets and stated at cost at the end of each reporting period. The directors have reviewed the value of the above shares and believe it represents the fair value of the shares.

During the 2013 year, Aotearoa Fisheries Limited declared a bonus share issue of \$141,257 to release excess Maori Authority Credits to shareholders. As the bonus shares were issued to existing shareholders on a pro-rata basis for tax purposes, the bonus issue had no impact on the share capital. An additional 103 bonus shares were allocated to the company, resulting in a total shareholding of 2016 shares held at 31 March 2014.

### 19 Financial assets at fair value through profit or loss (FVTPL)

Craigs investment portfolio	1,964,301	1,330,805
Milford asset management	2,896,666	2,690,432
NZ Asset Management portfolio	493,677	1,975,084
<b>Total Financial assets at FVTPL</b>	<b>5,354,644</b>	<b>5,996,321</b>

### 20 Investments in joint ventures

#### Kakano Investments Limited Partnership

Kakano Investments Limited Partnership is a Limited Liability Partnership created by six North Island iwi to buy a 2.5% stake in Kaingaroa Timberlands, New Zealand's largest forestry business. Ngati Whare Holdings holds 15.9% of the shares in the partnership carrying a value of \$14,180,461.

Opening balance of investment	13,212,571	9,722,193
Share of partnership profit	418,108	609,485
Share of partnership other comprehensive income	1,180,717	3,766,647
Distributions received	(419,396)	(574,758)
Capital distributions received	(211,539)	(310,997)
	<b>14,180,461</b>	<b>13,212,571</b>

### 21 Intangible assets

Crayfish quota	1,526,500	1,526,500
Paua quota	635,950	635,950
Fisheries settlement quota	123,699	123,699
<b>Total intangible assets</b>	<b>2,286,149</b>	<b>2,286,149</b>

#### Crayfish and Paua quota

There is a clause in the contract between Ngati Whare Holdings Limited and Aotearoa Fisheries that provides Aotearoa Fisheries Limited the right to purchase the quota at fair market value. Aotearoa Fisheries Limited also had an irrecoverable Right of First Refusal over the disposal of this quota.

During the 2011 financial year, Te Runanga o Ngati Whare purchased crayfish and paua quota from Aotearoa Fisheries on behalf of Ngati Whare Holdings Limited. The total value of these purchases was \$1,751,950 excluding GST. In 2014, Ngati Whare Holdings Limited purchased additional paua quota at a cost of \$410,500.

The Directors do not consider these to be impaired.

# Notes to the Financial Statements

## Ngati Whare Holdings Limited

For the year ended 30 June 2016

	Notes	2016	2015
		\$	\$

### 21 Intangible assets - continued

#### Fisheries settlement quota

On 30 March 2009, a deed of transfer and warranty was signed between Te Runanga o Ngati Whare, as the mandated Iwi organisation (MIO), and Te Ohu Kaimoana, in recognition of the Ngati Whare Iwi Fisheries settlement under the Maori Fisheries Act 2004. On 28 May 2009 Ngati Whare received:

Total cash settlement		617,419	
Fisheries settlement quota valued at		123,699	
Aotearoa Fisheries Limited shares valued at		296,423	
		<u>1,037,541</u>	

In accordance with section 16 1 c of the Maori Fisheries Act 2004, Ngati Whare Holdings has received and hold, on behalf of Te Runanga o Ngati Whare as the MIO, all settlement quota and income shares allocated by Te Ohu Kaimoana. The total cash settlement transferred by Te Ohu Kaimoana has been retained by Te Runanga o Ngati Whare.

### 22 CNI Iwi Holdings Limited

Ngati Whare Holdings Limited holds 225 unpaid shares in CNI Iwi Holdings Limited. CNI Iwi Holdings Limited was established by the CNI Iwi Collective (comprising eight Iwi within the Central North Island area) for the purpose of settling the historical CNI Forest Land Claims.

CNI Iwi Holdings Limited currently hold the CNI Forests Land on Trust for the CNI Iwi Collective and will facilitate the transfer of future CNI Forest rental income to the Iwi within the collective by way of distribution.

In 2013 Ngati Whare Holdings Limited engaged Esperance Capital Limited to provide a valuation of the CNI Iwi Holdings Limited asset by determining the present value of Ngati Whare Holdings Limited's future Crown forest licence income. Based on the findings of the valuation Esperance considers that the arm's length, current market valuation of Ngati Whare Holdings Limited's distributions from CNIHL was \$9,489,000 as at 31 March 2013. No further valuations have been obtained since this date.

### 23 Other assets

#### Other assets - non-current

Minginui Nursery Project	540,057	47,090
Whirinaki Forest Project	23,210	23,210
<b>Total Other assets</b>	<b>563,267</b>	<b>70,300</b>

### 24 Trade and other payables

Trade payables	160,599	35,592
Accrued wages	-	3,633
PAYE Payable	6,137	2,497
Interest accrual	12,269	15,941
<b>Total Trade and other payables</b>	<b>179,005</b>	<b>57,663</b>

Trade payables are unsecured and are usually paid within 30 days of recognition.

# Notes to the Financial Statements

## Ngati Whare Holdings Limited

For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
<b>25 Borrowings</b>			
<b>Secured - at amortised cost</b>			
Bank loans		3,332,000	5,000,000
		<b>3,332,000</b>	<b>5,000,000</b>

The Westpac bank loan was used to purchase shares in Te Kakano Whakatipu Limited Partnership in 2014. The loan is interest only, with the interest only period expiring on the 27 May 2021. The maturity date of the loan is the 27 May 2021. A first and exclusive security agreement to be granted by Ngati Whare Holdings Limited.

### 26 Contingent liabilities

At balance date there were no known contingent liabilities (2015:\$Nil). Ngati Whare Holdings Ltd has not granted any securities in respect of liabilities payable by any other party whatsoever.

### 27 Commitments for expenditure

Ngati Whare Holdings Limited committed up to \$1,000,000 towards Minginui Nursery development. To date \$540,055 has been spent on the project.

### 28 Reserves

<u>Share of equity accounted investee other comprehensive income</u>			
Balance at beginning of the year		3,107,484	-
Share of equity accounted investee other comprehensive income		1,180,717	3,766,647
Deferred tax		(206,626)	(659,163)
<b>Balance at end of the year</b>		<b>4,081,575</b>	<b>3,107,484</b>
<u>AFL Shares</u>			
Balance at beginning of the year		296,423	296,423
<b>Balance at end of the year</b>		<b>296,423</b>	<b>296,423</b>
<u>Fisheries Settlement Quota</u>			
Balance at beginning of the year		123,699	123,699
<b>Balance at end of the year</b>		<b>123,699</b>	<b>123,699</b>
<b>Total Reserves at beginning of the year</b>		<b>3,527,606</b>	<b>420,122</b>
<b>Total Reserves at end of the year</b>		<b>4,501,697</b>	<b>3,527,606</b>

# Notes to the Financial Statements

## Ngati Whare Holdings

For the year ended 30 June 2016

### 29 Financial assets and liabilities

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows.

	Loans and receivables	AFS**	FVTPL***	Other financial liabilities	Total carrying amount	Fair value
2016	\$	\$		\$	\$	\$
Cash and cash equivalents	1,929,729	-	-	-	1,929,729	1,929,729
Trade and other receivables	30,697	-	-	-	30,697	30,697
Managed portfolio funds	-	-	5,354,644	-	5,354,644	5,354,644
Equity securities	-	296,423	-	-	296,423	296,423
	1,960,426	296,423	-	-	7,611,493	7,611,493
Trade and other payables *	-	-	-	166,736	166,736	166,736
	-	-	-	166,736	166,736	166,736
2015	\$	\$		\$	\$	\$
Cash and cash equivalents	2,053,545	-	-	-	2,053,545	2,053,545
Trade and other receivables	19,221	-	-	-	19,221	19,221
Managed portfolio funds	-	-	5,996,321	-	5,996,321	5,996,321
Equity securities	-	296,423	-	-	296,423	296,423
	2,072,766	296,423	5,996,321	-	8,365,510	8,365,510
Trade and other payables *	-	-	-	38,089	38,089	38,089
	-	-	-	38,089	38,089	38,089

\* excluding non-financial liabilities

\*\* available for sale assets

\*\*\* fair value of assets through profit and loss

### 30 Related party transactions

The following balances were outstanding at the end of the reporting period:

	Amounts owed to related parties	
	2016	2015
	\$	\$
Te Runanga o Ngati Whare	124,946	124,896

The loan from Te Runanga o Ngati Whare is interest free and repayable on demand.

During the year, the company entered into the following related party transactions:

David Carson, a Director, is also the Chairman of Te Runanga o Ngati Whare.

Payments of \$119,880 have been made to the Directors and Chairman for services provided, excluding travel (2015:\$123,900)

	2016	2015
Rick Braddock	59,000	62,400
Bronco Carson	34,000	35,500
Ian Hulton	26,880	26,000
<b>Total</b>	<b>119,880</b>	<b>123,900</b>

# Notes to the Financial Statements

## Ngati Whare Holdings

For the year ended 30 June 2016

### **30 Related party transactions - continued**

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Directors fees also include fees associated with Directorships on CNI Iwi Holdings Limited, CNI Iwi Land Management Limited and Te Kakano Whakatipu Limited.

During the year Ngati Whare Holdings Ltd distributed \$512,291 to Te Runanga o Ngati Whare (2015:\$1,265,000).

During the year, payments totalling \$Nil (2015:\$8,448) were made to Te Runanga o Ngati Whare for provision of administration and support services. There were no outstanding amounts for these services provided. During the year Ngati Whare Holdings Limited reimbursed Te Runanga o Ngati Whare for vehicle and professional liability and material damage insurance of \$2,712 (2015:\$5,006)

Recovery of billed overhead contributions of \$17,019 (2015:\$13,569) was made to Te Runanga o Ngati Whare.

David Carson and Richard Braddock, Directors of the Company Board, hold Directors positions in CNI Iwi Holdings Limited, a company which Ngati Whare Holdings Limited currently holds 4.7125% shares. In 2016 Ngati Whare Holdings received \$1,391,566 of annual rentals from CNI Iwi Holdings Limited as part of the CNI Forest Land Collective Deed of Settlement (2015: \$1,050,830). Richard Braddock also holds Directors positions in CNI Iwi Land Management Limited and Te Kakano Whakatipu Limited.

Mere George, Director of GHA Limited, is also the General Manager of Ngati Whare Holdings Limited. GHA Limited were paid for management services \$58,499 (2015:\$70,056) and also provided accounting services for the company of \$22,956 (2015:\$26,781) \$8,333 is owing at year end for these services (2015:\$5,775.29)

All related party transactions are completed at arm's length. No related party debts have been forgiven or written off during the year.

### **31 Events after the balance date**

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There have been no events subsequent to balance date that would have material impact on these financial statements.

# NOTES





