



**Totara Valley Irrigation Limited**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

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## Report on the Engagement to Compile Financial Statements

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For the Year Ended 30 June 2014

### COMPILATION REPORT TO THE DIRECTORS

#### Reporting Scope

On the basis of information that you provided we have compiled, in accordance with "Service Engagement Standard Number 2: Compilation of Financial Information", the financial statements of Totara Valley Irrigation Limited for the year ended 30 June 2014 as set out on the following pages.

Totara Valley Irrigation Limited is exempt for the purpose of the Financial Reporting Act 1993. The financial statements of the company have been prepared in accordance with Section 12 of that Act, and with the Financial Reporting Order 1994.

#### Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the financial reporting basis stated above is appropriate to meet your needs and for the purpose that the financial statements were prepared. The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

#### No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information that you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

#### Independence

We are not independent of Totara Valley Irrigation Limited because Quantum Advantage Limited is a Shareholder of QA Trustees 2012 Limited which is a Shareholder of Riverholme Pastures Limited which is a Shareholder of Totara Valley Irrigation Limited.

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Quantum Advantage Limited

Chartered Accountants & Business Advisors

Timaru

16 September 2014

## Directory

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As at 30 June 2014

<b>Nature of Business</b>	Irrigation Water Supply	
<b>Directors</b>	Ian Russell Blakemore Brent Isbister Daniel Kelly Thomas C Lambie Alvin Reid Daniel I Williams Phillip Mark Robins James Sutherland McKeown	
<b>Shareholders</b>	Stromness Group Limited	176 Ordinary A Shares 30 Ordinary E Shares
	P M Robins	18 Ordinary A Shares 62 Ordinary E Shares
	James H Fraser	158 Ordinary A Shares 186 Ordinary E Shares
	J S & S McKeown	40 Ordinary A Shares 60 Ordinary E Shares
	Raumea Farms Limited	125 Ordinary A Shares 100 Ordinary E Shares
	Ian J Esler	20 Ordinary A Shares
	David G Blakemore	80 Ordinary A Shares
	Ian Russell Blakemore	28 Ordinary A Shares 40 Ordinary E Shares
	Opawa Enterprises Limited	53 Ordinary A Shares 147 Ordinary E Shares
	P M Hanna	12 Ordinary A Shares 4 Ordinary E Shares
	Yvonne Williams	52 Ordinary A Shares
	Onstream Dairies Limited	122 Ordinary A Shares 98 Ordinary E Shares
	Monument Road Farm Limited	120 Ordinary A Shares 145 Ordinary E Shares
	Riverholme Pastures Limited	94 Ordinary A Shares 36 Ordinary E Shares
	Meadowvale Ltd	354 Ordinary A Shares 74 Ordinary E Shares
	Nichola J Whearty	20 Ordinary A Shares
	David B Lundie	210 Ordinary A Shares

## Directory (continued)

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As at 30 June 2014

<b>Chairman</b>	Brent McGregor Isbister
<b>Secretary</b>	Peter James Clarke
<b>Accountants</b>	Quantum Advantage Limited Chartered Accountants & Business Advisors 4C Sefton Street East Timaru
<b>Bankers</b>	ANZ Bank 15 Church Street Timaru 7910
<b>Solicitors</b>	RSM Law Barristers & Solicitors 17 Strathallan Street Timaru 7910
<b>IRD Number</b>	070-481-898
<b>Company Number</b>	907341

Totara Valley Irrigation Limited

## Annual Report

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### For the Year Ended 30 June 2014

The board of directors submit their annual report including the financial statements for Totara Valley Irrigation Limited for the year ended 30 June 2014.

The shareholders of Totara Valley Irrigation Limited have exercised their right under section 211(3) of the Companies Act 1993 and unanimously agreed that this annual report need not comply with any of paragraphs (a) and (e) - (j) of section 211(1).


#### Auditor

A unanimous resolution was passed by the Shareholders at the last annual meeting that no auditor be appointed.

For and on behalf of the Board

  
\_\_\_\_\_  
Director

Date 16-10-14

  
\_\_\_\_\_  
Director

Date 16.10.14

## Statement of Financial Performance

For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
<b>Operating Revenue</b>			
Water Charges		177,513	126,074
<b>Less Direct Costs</b>			
Electricity		981	744
Monitoring Costs		20,003	17,268
Repairs & Maintenance		6,392	141,446
Pond Charges		48,028	48,004
<b>Total Direct Costs</b>		<b>75,404</b>	<b>207,462</b>
<b>Gross Surplus (Deficit)</b>		<b>102,109</b>	<b>(81,388)</b>
<b>Other Income</b>			
Dividends Received		50	51
Interest Received		8,105	29,505
<b>Total Other Income</b>		<b>8,155</b>	<b>29,556</b>
<b>Gross Surplus (Deficit) after Other Income</b>		<b>110,264</b>	<b>(51,832)</b>
<b>Less Expenses</b>			
<b>Administration Expenses</b>			
Accountancy Fees		1,881	2,491
Legal Fees - Deductible		-	758
Management Fees		13,650	14,000
Secretarial & Postage		5,823	6,969
		<b>21,354</b>	<b>24,217</b>
<b>Overhead Expenses</b>			
Insurance		1,226	1,919
<b>Finance Expenses</b>			
Bank Fees & Charges		262	140
Interest - Bank Overdraft		-	1
Interest - IRD Use of Money		32	-
Interest Paid - Loans		23,444	21,747
Interest Paid - Other Entities		-	692
		<b>23,739</b>	<b>22,579</b>
<b>Non Cash Expenses</b>			
Depreciation		48,827	52,708
<b>Total Expenses</b>		<b>95,145</b>	<b>101,423</b>
<b>Net Surplus (Deficit)</b>		<b>15,118</b>	<b>(153,256)</b>

These financial statements are to be read in conjunction with the accompanying Notes and the compilation report. These statements have been compiled without undertaking an audit or review engagement.

## Statement of Movements in Equity

For the Year Ended 30 June 2014

	2014	2013
	\$	\$
<b>Revenues and Expenses</b>		
Net Surplus (Deficit)	15,118	(153,256)
Movement in Asset Revaluation Reserve	442,161	-
<b>Total Recognised Revenues and Expenses</b>	<b>457,279</b>	<b>(153,256)</b>
<b>Contributions</b>		
1,400 Ordinary A Shares	-	115,500
1,264 Ordinary E Shares	-	111,600
	-	<b>227,100</b>
Equity at the Beginning of the Year	732,729	658,885
<b>Equity at the End of the Year</b>	<b>1,190,009</b>	<b>732,729</b>
<b>Movements in Retained Earnings</b>		
Opening Balance	(254,416)	(101,161)
<b>Plus:</b>		
Net Surplus	15,118	-
<b>Less:</b>		
Net Deficit	-	153,256
<b>Retained Earnings Closing Balance</b>	<b>(239,298)</b>	<b>(254,416)</b>

**Statement of Financial Position**

As at 30 June 2014

	Note	2014 \$	2013 \$
<b>Current Assets</b>			
Cash & Bank Balances	6	195,198	65,143
Income Tax Receivable	4	495	513
GST Receivable		2,541	4,594
Related Parties	7	-	90,467
<b>Total Current Assets</b>		<b>198,234</b>	<b>160,716</b>
<b>Non Current Assets</b>			
Property, Plant & Equipment	8	1,230,000	836,666
<b>Total Assets</b>		<b>1,428,234</b>	<b>997,383</b>
<b>Current Liabilities</b>			
Sundry Creditors	9	2,344	5,094
<b>Non Current Liabilities</b>			
Term Loans - Secured	10	235,882	259,559
<b>Total Liabilities</b>		<b>238,225</b>	<b>264,653</b>
<b>Net Assets</b>		<b>1,190,009</b>	<b>732,729</b>
<b>Equity</b>			
<b>Paid up Share Capital</b>			
1,400 Ordinary A Shares		299,717	299,717
1,264 Ordinary E Shares		687,429	687,429
<b>Total Paid up Share Capital</b>	11	<b>987,146</b>	<b>987,146</b>
Accumulated Losses	12	(239,298)	(254,416)
Asset Revaluation Reserve	13	442,161	-
<b>Total Equity</b>		<b>1,190,009</b>	<b>732,729</b>

For and on behalf of the board:

*B. M. Bleh*

Director

Date 16-10-14

*J. R. Bleh*

Director

Date 16-10-14

### Depreciation Schedule

For the Year Ended 30 June 2014

	RATE & % PVT TYPE USE	Cost on HAND	OPENING WDV	ADDITIONS	DATE of ADDITION	SALE PRICE	PARTSALE PRICE	PROFIT (LOSS)	DISPOSAL DATE	Cost GAIN/LOSS	DEPN	ACCUM DEPN	PRIVATE DEPN	ACCUM PRIVATE	CLOSING WDV
<b>Development &amp; Upgrade 2010</b>															
Pipes	9.00D	20,855	14,894	-	1-Dec-09	-	-	-	-	-	1,340	7,301	-	-	13,554
Power Supply & Electrical	12.00D	22,547	14,451	-	1-Jan-10	-	-	-	-	-	1,734	9,830	-	-	12,717
Earthmoving	4.80D	110,650	93,980	-	1-Mar-10	-	-	-	-	-	4,511	21,181	-	-	89,469
Fencing/Building	11.40D	50,761	34,302	-	1-Apr-10	-	-	-	-	-	3,910	20,369	-	-	30,392
Consultancy	4.80D	4,650	3,933	-	1-Feb-10	-	-	-	-	-	189	906	-	-	3,744
Engineering	4.80D	31,995	27,062	-	1-Feb-10	-	-	-	-	-	1,299	6,232	-	-	25,763
Pipes	9.00D	8,807	6,190	-	1-Oct-09	-	-	-	-	-	557	3,174	-	-	5,633
Earthmoving	4.80D	15,155	12,764	-	1-Jan-10	-	-	-	-	-	613	3,004	-	-	12,151
Pipes	9.00D	1,258	884	-	1-Oct-09	-	-	-	-	-	80	454	-	-	804
Earthmoving	4.80D	1,980	1,647	-	1-Oct-09	-	-	-	-	-	79	412	-	-	1,568
Earthmoving	4.80D	3,000	2,495	-	1-Oct-09	-	-	-	-	-	120	625	-	-	2,375
Engineering	4.80D	4,241	3,644	-	1-Jun-10	-	-	-	-	-	175	772	-	-	3,469
Contingencies	4.80D	451	378	-	1-Dec-09	-	-	-	-	-	18	91	-	-	360
Consents	4.80D	1,001	836	-	1-Nov-09	-	-	-	-	-	40	205	-	-	796
		<b>277,351</b>	<b>217,460</b>	-		-	-	-	-	-	<b>14,665</b>	<b>74,556</b>	-	-	<b>202,795</b>

### Development & Upgrade

Consents	4.80D	3,976	2,570	-	1-Jul-08	-	-	-	-	-	123	1,529	-	-	2,447
Earthmoving	4.80D	16,770	10,807	-	1-Jul-08	-	-	-	-	-	519	6,482	-	-	10,288
Earthmoving	4.80D	10,917	7,032	-	1-Jul-08	-	-	-	-	-	338	4,223	-	-	6,694
Engineering	4.80D	21,307	13,745	-	1-Jul-08	-	-	-	-	-	660	8,222	-	-	13,085
Earthmoving	4.80D	39,936	35,042	-	1-Nov-10	-	-	-	-	-	1,682	6,576	-	-	33,360
ESC Modem	50.00D	1,617	921	-	1-Feb-11	-	-	-	-	-	161	1,457	-	-	160
Earthmoving	4.80D	22,505	19,584	-	1-Sep-10	-	-	-	-	-	940	3,861	-	-	18,644
Engineering	4.80D	26,529	23,472	-	1-Jan-11	-	-	-	-	-	1,127	4,184	-	-	22,345
Fencing	9.10D	2,813	2,183	-	1-Nov-10	-	-	-	-	-	199	829	-	-	1,984
Isbister Bridge	9.10D	945	740	-	1-Dec-10	-	-	-	-	-	67	272	-	-	673
Fencing	9.10D	2,209	1,715	-	1-Nov-10	-	-	-	-	-	156	650	-	-	1,559
Earthmoving	4.80D	36,624	32,402	-	1-Jan-11	-	-	-	-	-	1,555	5,777	-	-	30,847
Syphon	4.80D	1,935	1,739	-	1-May-11	-	-	-	-	-	83	279	-	-	1,656
Engineering	4.80D	2,882	2,539	-	1-Dec-10	-	-	-	-	-	122	465	-	-	2,417
Bridge	9.10D	2,830	2,214	-	1-Dec-10	-	-	-	-	-	202	818	-	-	2,012
Pipes	9.00D	13,315	10,450	-	1-Dec-10	-	-	-	-	-	940	3,805	-	-	9,510

These financial statements are to be read in conjunction with the accompanying Notes and the compilation report. These statements have been compiled without undertaking an audit or review engagement.



Depreciation Schedule (continued)

For the Year Ended 30 June 2014

	RATE & % PVT	USE	Cost on HAND	OPENING WDV	ADDITIONS	DATE of ADDITION	SALE PRICE	PARTSALE PRICE	PROFIT (LOSS)	DISPOSAL DATE	Cost GAIN/LOSS	DEPN	ACCUM DEPN	PRIVATE DEPN	ACCUM PRIVATE	CLOSING WDV
Earthmoving	4.80D		36,702	32,204	-	1-Nov-10	-	-	-	-	-	1,546	6,044	-	-	30,658
Earthmoving	4.80D		7,224	6,233	-	1-Jul-10	-	-	-	-	-	299	1,290	-	-	5,934
Earthmoving	4.80D		11,277	9,813	-	1-Sep-10	-	-	-	-	-	471	1,935	-	-	9,342
Earthmoving	4.80D		14,957	13,233	-	1-Jan-11	-	-	-	-	-	635	2,359	-	-	12,598
Earthmoving	4.00D		8,370	7,903	-	1-Feb-12	-	-	-	-	-	316	783	-	-	7,587
Design Siphon	4.00D		2,790	2,516	-	1-Jul-11	-	-	-	-	-	101	315	-	-	2,415
Earthmoving	4.00D		109,688	102,504	-	1-Nov-11	-	-	-	-	-	4,100	11,284	-	-	98,404
Earthmoving	4.00D		34,482	32,223	-	1-Nov-11	-	-	-	-	-	1,289	3,548	-	-	30,934
Earthmoving	4.00D		115,717	108,138	-	1-Nov-11	-	-	-	-	-	4,326	11,905	-	-	103,812
Fencing	10.00D		2,677	2,229	-	1-Oct-11	-	-	-	-	-	223	671	-	-	2,006
Concrete Weir	4.00D		792	743	-	1-Dec-11	-	-	-	-	-	30	79	-	-	713
Earthmoving	4.00D		12,610	12,233	-	1-Oct-12	-	-	-	-	-	489	866	-	-	11,744
			<b>564,337</b>	<b>496,528</b>	-		-	-	-	-	-	<b>22,699</b>	<b>90,508</b>	-	-	<b>473,829</b>
<b>Plant and Equipment</b>																
Irrigation Races	9.00D		153,742	39,223	-	1-Jan-99	-	-	-	-	-	3,530	118,049	-	-	35,693
Culverts	4.80D		71,863	35,233	-	1-Jan-99	-	-	-	-	-	1,691	38,321	-	-	33,542
Pipes	9.00D		59,027	15,059	-	1-Jan-99	-	-	-	-	-	1,355	45,323	-	-	13,704
Fencing	9.10D		4,120	1,034	-	1-Jan-99	-	-	-	-	-	94	3,180	-	-	940
Logger	15.00D		756	86	-	1-Feb-00	-	-	-	-	-	13	683	-	-	73
2004 Upgrade	11.40D		16,587	5,210	-	1-Dec-03	-	-	-	-	-	594	11,971	-	-	4,616
Didymo Screen	15.60D		55,400	26,833	-	1-Dec-08	-	-	-	-	-	4,186	32,753	-	-	22,647
			<b>361,495</b>	<b>122,678</b>	-		-	-	-	-	-	<b>11,463</b>	<b>250,280</b>	-	-	<b>111,215</b>
<b>Revaluation</b>																
Revaluation per Peter Seed Report	.00D		442,161	-	442,161	15-Mar-14	-	-	-	-	-	-	-	-	-	442,161
			<b>442,161</b>	-	<b>442,161</b>		-	-	-	-	-	-	-	-	-	<b>442,161</b>
<b>TOTAL</b>			<b>1,645,344</b>	<b>836,666</b>	<b>442,161</b>		-	-	-	-	-	<b>48,827</b>	<b>415,344</b>	-	-	<b>1,250,000</b>

These financial statements are to be read in conjunction with the accompanying Notes and the compilation report. These statements have been compiled without undertaking an audit or review engagement.

## Notes to and forming part of the Financial Statements

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For the Year Ended 30 June 2014

### 1 Statement of Accounting Policies

#### Reporting Entity

Totara Valley Irrigation Limited is a company incorporated in New Zealand and registered under the Companies Act 1993 and an exempt company for the purposes of the Financial Reporting Act 1993.

The financial statements of the company have been prepared in accordance with Section 12 of that Act, and with the Financial Reporting Order 1994.

#### Statement of Compliance and Basis of Preparation

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by the company, with the exception that certain assets as specified below have been revalued. The information is presented in New Zealand dollars.

#### Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied:

(a) **Revenue**

Revenue is recognised when it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably.

(b) **Expenses**

Expenses have been classified on their business function.

(c) **Property, Plant & Equipment**

Property, Plant & Equipment are recognised at cost less aggregate depreciation. Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007. Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year.

(d) **Income Tax**

The income tax expense recognised in the Statement of Financial Performance is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years.

(e) **Goods and Services Taxation (GST)**

Revenues and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

(f) **Changes in Accounting Policies**

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from previous financial statements.

**Notes to and forming part of the Financial Statements (continued)**
**For the Year Ended 30 June 2014**

<b>2 Revenue</b>	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Operating Revenue</b>		
Water Charges	177,513	126,074
<b>Other Income</b>		
Dividends Received -South Canterbury Power Trust	50	51
Interest Received - ANZ	1,638	1,699
Interest Received - D B Lundie	3,312	12,869
Interest Received - Raumea Farms Limited	3,155	14,937
<b>Total Other Income</b>	<b>8,155</b>	<b>29,556</b>
<b>Total Revenue</b>	<b>185,668</b>	<b>155,630</b>
<b>3 Tax Reconciliation</b>	<b>2014</b>	<b>2013</b>
	\$	\$
Surplus (Deficit) before Income Tax	15,118	(153,256)
<b>Permanent Differences</b>		
Imputation Credits	19	20
Tax Losses Brought Forward	(254,468)	(101,161)
Losses from Conversion of ICA Credits	(69)	(71)
<b>Total Permanent Differences</b>	<b>(254,517)</b>	<b>(101,212)</b>
<b>Total Loss</b>	<b>(239,399)</b>	<b>(254,468)</b>
<b>4 Income Tax</b>	<b>2014</b>	<b>2013</b>
	\$	\$
Opening Balance	(513)	(524)
<b>Plus:</b>		
Refunds	513	524
<b>Less:</b>		
RWT Paid	495	513
<b>Income Tax (Receivable)</b>	<b>(495)</b>	<b>(513)</b>
<b>5 Imputation Credits</b>	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Imputation Credit Account at Tax Rate 28%</b>		
Opening Balance	533	524
<b>Plus:</b>		
Imputation Credits Attached to Dividends Received	19	20
Interest RWT Received	495	513
	<b>514</b>	<b>533</b>
<b>Less:</b>		
Income Tax Refunded	513	524
<b>Total Imputation Credits</b>	<b>534</b>	<b>533</b>

These financial statements are to be read in conjunction with the accompanying Notes and the compilation report. These statements have been compiled without undertaking an audit or review engagement.

**Notes to and forming part of the Financial Statements (continued)**

For the Year Ended 30 June 2014

6 Cash & Bank Balances	2014	2013
	\$	\$
<b>Bank Account Balances</b>		
ANZ: Business Current Account	12,225	28,317
ANZ: Business Premium Call Account	182,973	36,826
<b>Total Cash &amp; Bank Balances</b>	<b>195,198</b>	<b>65,143</b>

7 Related Parties	2014	2013
	\$	\$
Shareholder Loan - D B Lundie	-	41,984
Shareholder Loan - Raumea Farms Limited	-	48,482
<b>Total Receivables from Related Parties</b>	<b>-</b>	<b>90,467</b>

8 Property, Plant & Equipment	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
<b>Property, Plant &amp; Equipment 2014</b>	\$	\$	\$	\$
Development & Upgrade 2010	277,351	14,665	74,556	202,795
Development & Upgrade	564,337	22,699	90,508	473,829
Plant and Equipment	361,495	11,463	250,280	111,215
Revaluation	442,161	-	-	442,161
<b>Total Property, Plant &amp; Equipment</b>	<b>1,645,344</b>	<b>48,827</b>	<b>415,344</b>	<b>1,230,000</b>

	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
<b>Property, Plant &amp; Equipment 2013</b>	\$	\$	\$	\$
Development & Upgrade 2010	277,351	15,953	59,891	217,460
Development & Upgrade	564,337	23,861	67,809	496,528
Plant and Equipment	361,495	12,894	238,817	122,678
<b>Total Property, Plant &amp; Equipment</b>	<b>1,203,183</b>	<b>52,708</b>	<b>366,517</b>	<b>836,666</b>

9 Payables & Accruals	2014	2013
	\$	\$
<b>Accounts Payable</b>		
Sundry Creditors	2,344	5,094
<b>Total Payables &amp; Accruals</b>	<b>2,344</b>	<b>5,094</b>

10 Term Loans - Secured	2014	2013
	\$	\$
<b>Term Loan: ANZ Bank</b>		
Total Outstanding	235,882	259,559
<b>Total Term Loans - Secured</b>	<b>235,882</b>	<b>259,559</b>

Notes to and forming part of the Financial Statements (continued)

For the Year Ended 30 June 2014

	2014	2013
<b>11 Share Capital</b>	<b>\$</b>	<b>\$</b>
<b>1,400 Ordinary A Shares</b>		
Opening Balance	299,717	184,217
Movements	-	115,500
<b>Closing Balance</b>	<b>299,717</b>	<b>299,717</b>
<b>1,264 Ordinary E Shares</b>		
Opening Balance	687,429	575,829
Movements	-	111,600
<b>Closing Balance</b>	<b>687,429</b>	<b>687,429</b>
<b>Total Share Capital</b>	<b>987,146</b>	<b>987,146</b>
<b>12 Accumulated Losses</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	(254,416)	(101,161)
Plus:		
Net Surplus	15,118	-
Less:		
Net Deficit	-	153,256
<b>Accumulated Losses Closing Balance</b>	<b>(239,298)</b>	<b>(254,416)</b>
<b>13 Reserves</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Asset Revaluation Reserve</b>		
Opening Balance	-	-
Plus:		
Asset Revaluation	442,161	-
<b>Closing Balance</b>	<b>442,161</b>	<b>-</b>
<b>Total Reserves</b>	<b>442,161</b>	<b>-</b>

**14 Contingent Liabilities**

The Company has no contingent liabilities as at 30 June 2014, (2013 Nil).

**15 Capital Commitments**

The Company has no capital commitments as at 30 June 2014, (2013 Nil).

## Directors' Dividend Recommendation

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Resolutions of Directors passed by entry in the Minute Book pursuant to the constitution of the Company on the \_\_\_\_\_.

**Dividends:**

Resolved that the Directors' recommend to the shareholders that no dividends are paid or declared out of the retained profits of the Company for the year ended 30 June 2014.

H. M. [Signature]

Director

10-10-14

J. R. [Signature]

Director

16.10.14

(Being all the directors of the Company)

## Resolutions of Directors

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Resolved this \_\_\_\_\_ as a resolution of the directors passed by an entry in the Minute Book pursuant to the constitution of the Company, that:

- Annual Financial Statements:** Resolved that the financial statements of the Company for the year ended 30 June 2014 as prepared by Quantum Advantage Limited now be approved for adoption by the shareholders.
- Remuneration Determination:** Resolved that the total remuneration to be paid or credited to the persons set out in the previous Resolution and any other working director or shareholder as remuneration for their services to the company for the year ended 30 June 2015 shall be precisely quantified once the Financial Performance of the company for the year ending 30 June 2015 has been determined. However that total remuneration shall not be less than the greater of:
- a) The net surplus of the company (before deducting the directors and shareholders and entities remuneration) OR
  - b) The total amounts as shown in the resolution above plus in each case all drawings taken by each person during the year ended 30 June 2015
- Unless in either event the directors shall at the time and in their own absolute and sole discretion agree to accept such lesser sums. Amounts paid to and drawings taken by each person during that year are treated as part payment of their remuneration. This resolution shall also apply to the following income year unless changed by a subsequent board resolution.
- Fair Value:** The Directors certify that in their opinion the above remuneration payable to those persons who are directors is fair to the company, on the grounds that it is commensurate with the experience, time, effort, dedication, responsibilities, connections, expertise, stress, risks, leadership, past inadequate remuneration, lack of employment and specific skills provided to the company by the recipient/s.
- Dividend Recommendation:** Resolved that no dividend be provided for by the Company for the year ended 30 June 2014.
- Advances to the Company:** If there are any amounts owing by the company to any directors, shareholder or other related party during the years ended 30 June 2014 or 30 June 2015, the company will pay interest at a rate which, in the opinion of the Directors, is fair to the company and reflects the risk to the lender unless the lender agrees to accept a lesser or zero rate.
- Advances from the Company:** Any amounts owing to the company by any director, shareholder or other related party as shown in the financial statements for the year ending 30 June 2014, and any other advances made during the years end 30 June 2015 and 30 June 2016 are approved. The company will charge interest at a rate, which in the opinion of the Directors, is fair to the company and which is not less than the rate prescribed by the Inland Revenue Department for Fringe Benefit Tax purposes.



Director



(Being all the directors of the Company)

Director

## Resolution of Shareholders

---

Resolved this \_\_\_\_\_ as a resolution of the shareholders signed for the purposes of becoming an entry in the Minute Book of the Company, pursuant to Section 122 of the Companies Act 1993, in lieu of an Annual Meeting.

- Annual Financial Statements:** Resolved that the annual report and Financial Statements of the Company for the year ended 30 June 2014 showing a surplus after tax of \$15,118 having been received and approved by the Board of Directors, now be received and adopted by the Company.
- Directors:** Resolved that the present directors continue in office.
- Disclosure:** Resolved that the items required to be disclosed in the annual report pursuant to paragraphs (a), and (e) to (j) of Section 211 (1) of the Companies Act 1993 need not be disclosed in the next annual report.
- Auditors:** Resolved that no auditor be appointed for the following year.
- Completion of Financial Statements:** Resolved that the Directors have up to nine months from balance date to complete the Financial Statements.



Stromness Group Limited

Shareholder

\_\_\_\_\_

P M Robins

Shareholder

\_\_\_\_\_

James H Fraser

Shareholder

\_\_\_\_\_

J S & S McKeown

Shareholder

\_\_\_\_\_

Raumea Farms Limited

Shareholder

**Resolution of Shareholders (continued)**

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\_\_\_\_\_  
Ian J Esler

Shareholder

\_\_\_\_\_  
David G Blakemore

Shareholder



\_\_\_\_\_  
Ian Russell Blakemore

Shareholder

\_\_\_\_\_  
Opawa Enterprises Limited

Shareholder

\_\_\_\_\_  
P M Hanna

Shareholder

\_\_\_\_\_  
Yvonne Williams

Shareholder

\_\_\_\_\_  
Onstream Dairies Limited

Shareholder

\_\_\_\_\_  
Monument Road Farm Limited

Shareholder

Totara Valley Irrigation Limited

## Resolution of Shareholders (continued)

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\_\_\_\_\_  
Riverholme Pastures Limited

Shareholder

\_\_\_\_\_  
Meadowvale Ltd

Shareholder

\_\_\_\_\_  
Nichola J Whearty

Shareholder

\_\_\_\_\_  
David B Lundie  
(Being all the shareholders of the Company)

Shareholder

# Income & Tax Summary for Totara Valley Irrigation Limited

IR4

Tax Year 2014

Balance Date 30-Jun-14

[070-481-898]

## Income

Interest	8,105.00
Dividends	69.00
Business/Rental Activity	6,963.00

**Total Income** **15,137.00**

## Deductions:

Loss B/Fwd - Claimed	254,467.50	
		<b>(254,467.50)</b>

**Loss Carried Forward** **(\$239,330.50)**

**Income Tax Payable thereon** **\$0.00**

## Less:

<b>Imputation Credits</b>	19.41	Amount Claimed	0.00	<b>\$0.00</b>
		Converted to Loss 69.32 ( unclaimed 19.41 / 0.2800 )		
				<b>\$0.00</b>

## Less:

Interest RWT	491.46	
Dividend Withholding Tax	3.46	
		<b>494.92</b>

**Residual Income Tax** **(\$494.92)**

Provisional Tax Paid **\$0.00**

**Calculated TAX REFUND** **(\$494.92)**

## Payment Schedule :

	Calculated Amount Due	Payments	Adjustments	Balance Due
2014 Terminal Tax/(Refund)	(494.92)	0.00	0.00	
		<b>REFUND</b>		<b>(494.92)</b>
		<b>Total Due</b>		<b>(494.92)</b>

Not Liable for 2015 Provisional Tax.

Loss to Carry Forward to 2015 tax year. **\$239,399.82**

Prepared by Quantum Advantage Limited