



Consolidated Financial Statements  
For the Year Ended  
30 June 2016

# RAKIURA MAORI LANDS TRUST

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Notes	Year Ended 30/06/2016 \$	Year Ended 30/06/2015 \$
<b>Continuing Operations</b>			
Revenue	4	88,647	62,703
Investment Income	5	316,347	251,800
Other gains and losses	6	(76,144)	123,765
Depreciation Expense	9	(60,328)	(64,348)
Trust Administration Expenditure		(154,752)	(157,066)
Owners Administration Expenditure		(37,471)	(48,316)
Investing Activity Expenditure		(48,435)	(9,988)
Governance Expenditure		(70,080)	(81,289)
Project Expenditure		(12,337)	(22,726)
Other Expenses		(100,361)	(101,520)
Profit (loss) Before Tax		(154,914)	(46,985)
Income Tax Benefit	7.1	55,204	592
Profit (loss) for the year from continuing operations		(99,710)	(46,393)
<b>Profit (loss) for the year</b>		<b>(99,710)</b>	<b>(46,393)</b>
<b>Other Comprehensive Income</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
<i>Exchange differences on translating foreign operations</i>			
Net fair value loss on available-for-sale financial assets during the year		(132,503)	-
<i>Available for sale financial assets</i>			
Net fair value gain on available-for-sale financial assets during the year		115,269	(22,846)
Other comprehensive income for the year, net of income tax		(17,234)	(22,846)
<b>Total comprehensive income (loss) for the year</b>		<b>(116,944)</b>	<b>(69,239)</b>
<i>Profit for the year attributable to:</i>			
Special Funds & Reserves		605,057	107,954
Retained Earnings		(704,767)	(154,347)
		(99,710)	(46,393)
<i>Total comprehensive income for the year attributable to:</i>			
Special Funds & Reserves		605,057	107,954
Retained Earnings		(722,001)	(177,193)
		(116,944)	(69,239)

# RAKIURA MAORI LANDS TRUST

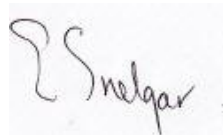
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Notes	Year Ended 30/06/2016 \$	Year Ended 30/06/2015 \$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	678,952	718,695
Investments	10	5,398,667	1,612,531
Deferred tax assets	7.4	5,037	7,413
Investment in Joint Operations		7,188	2,606
<b>Total non-current assets</b>		<b>6,089,844</b>	<b>2,341,245</b>
<b>Current assets</b>			
Trade and other receivables	13	38,458	37,928
Current Tax Assets	7.3	10,024	8,170
Other current assets	12	18,901	25,796
Cash and cash equivalents	18	1,209,696	5,122,986
		1,277,079	5,194,880
Assets classified as held for sale	8	117,899	138,687
<b>Total current assets</b>		<b>1,394,978</b>	<b>5,333,567</b>
<b>Total assets</b>		<b>7,484,822</b>	<b>7,674,812</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Other reserves	14	5,830,463	5,992,671
Retained Earnings	15	(1,539,154)	(834,387)
Equity attributable to trust		4,291,309	5,158,284
<b>Total equity</b>		<b>4,291,309</b>	<b>5,158,284</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	7.4	22,354	79,934
<b>Total non-current liabilities</b>		<b>22,354</b>	<b>79,934</b>
<b>Current liabilities</b>			
Trade and other payables	17	82,157	92,090
Unclaimed dividends	16	3,087,481	2,344,504
<b>Total current liabilities</b>		<b>3,171,159</b>	<b>2,436,594</b>
<b>Total liabilities</b>		<b>3,193,513</b>	<b>2,516,528</b>
<b>Total equity and liabilities</b>		<b>7,484,822</b>	<b>7,674,812</b>

For and on behalf of the Trust, dated 7 October 2016



Simon Gomez  
Kaiwhakahaere



Eliza Snelgar  
Hekeretari

# RAKIURA MAORI LANDS TRUST

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

	Land management reserve \$	Owners register administration reserve \$	Lords River section distribution reserve \$	Trust administration reserve \$	Available-for- sale revaluation reserve \$	Foreign Currency translation reserve \$	Section 218 reserve \$	Retained Earnings \$	Attributable to members of the trust \$
<b>Balance as at 1 July 2014</b>	2,710,544	75,637	713,778	1,214,197	22,846	-	1,170,561	(680,040)	5,227,523
Profit for the year	6,904	(44,711)	34,019	-	(22,846)	-	111,742	(154,347)	(69,239)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	6,904	(44,711)	34,019	-	(22,846)	-	111,742	(154,347)	(69,239)
<b>Balance as at 30 June 2015</b>	2,717,448	30,926	747,797	1,214,197	-	-	1,282,303	(834,387)	5,158,284
Profit for the year	16,110	(30,926)	2,234	486,363	-	-	131,276	(704,767)	(99,710)
Other comprehensive income for the year, net of income tax	-	-	-	-	115,269	(132,503)	-	-	(17,234)
<b>Total comprehensive income for the year</b>	16,110	(30,926)	2,234	486,363	115,269	(132,503)	131,276	(704,767)	(116,944)
Payment of dividends	-	-	(750,031)	-	-	-	-	-	(750,031)
<b>Balance as at 30 June 2016</b>	2,733,558	-	-	1,700,560	115,269	(132,503)	1,413,579	(1,539,154)	4,291,309

# RAKIURA MAORI LANDS TRUST

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

Notes	Year Ended 30/06/2016 \$	Year Ended 30/06/2015 \$
<b>Cash flows from operating activities</b>		
Interest received	132,015	247,352
Dividends Received	188,465	-
Receipts from customers	86,806	146,134
Payments to suppliers and employees	(427,774)	(471,870)
<b>Cash generated from operations</b>	<b>(20,488)</b>	<b>(78,384)</b>
Interest paid	-	-
Income Taxes Paid	(1,854)	-
<b>Net cash generated by operating activities</b>	<b>(22,342)</b>	<b>(78,384)</b>
<b>Cash flows from investing activities</b>		
Payments to acquire investments	(4,003,033)	(2,256,323)
Proceeds on sale/maturity of investments	129,961	5,903,818
Payments for property, plant and equipment	(13,827)	(38,113)
Proceeds from disposal of property, plant & equipment	3,005	11,500
<b>Net cash (used in)/generated by investing activities</b>	<b>(3,883,894)</b>	<b>3,620,882</b>
<b>Cash flows from financing activities</b>		
Payments to Beneficial Owners	(7,054)	(15,616)
<b>Net cash used in financing activities</b>	<b>(7,054)</b>	<b>(15,616)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3,913,290)</b>	<b>3,526,882</b>
Cash and cash equivalents at the beginning of the year	5,122,986	1,596,104
<b>Cash and cash equivalents at the end of the year</b>	<b>1,209,696</b>	<b>5,122,986</b>

# RAKIURA MAORI LANDS TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016

## 1 GENERAL INFORMATION

These financial statements are for Rakiura Maori Lands Trust (the Trust) and its subsidiaries (together the Group).

## 2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 Basis of Preparation

The consolidated financial statements of Rakiura Maori Lands Trust have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). Rakiura Maori Lands Trust is a profit oriented entity for the purposes of complying with NZ GAAP. The consolidated financial statements comply with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime ('NZ IFRS-RDR').

#### NZ IFRS – reduced disclosure regime

The Group has applied External Reporting Board Standard A1 Accounting Standards Framework (For-profit Entities) (XRB A1). The Group qualifies for NZ IFRS-RDR as it does not have public accountability and is not a large for-profit public sector entity. The Group has elected to apply NZ IFRS-RDR and has applied the applicable disclosure concessions.

#### Statutory Base

Rakiura Maori Lands Trust is a Trust formed under the Te Ture Whenua Maori Act 1993 and is a reporting entity for the purposes of the Financial Reporting Act 2013.

The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013.

#### Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available for sale financial assets at fair value through other comprehensive income.

The preparation of financial statements in conformity with NZ IFRS-RDR requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

#### 2.1.1 Changes in accounting policy and disclosures

The Group changed its accounting policies on 1 July 2015 to include NZ IAS 21 *The Effects of Changes in Foreign Exchange Rates* and to remove NZ IAS 2 *Inventories*. There is no impact on comparative figures of these changes in accounting policies. There are no further changes in accounting policies for the 2016 financial year.

## 2.2 Consolidation

### (a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions and balances between Group entities are eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Joint arrangements

The group applies NZ IFRS 11 to all joint arrangements. Under NZ IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Rakiura Maori Lands Trust has assessed the nature of its joint arrangements and determined them to be joint operations.

### 2.3 Property, Plant and Equipment

The land owned by Rakiura Maori Lands Trust on Stewart Island (legally administered by the Trustees on behalf of the Beneficial Owners) was vested to the Trust under the Te Ture Whenua Maori Land Act 1993. The land was vested for nil consideration and as such is recorded at nil cost. Land and Buildings owned by Rakiura Maori Lands Trust, but not vested to the Trust under the Te Ture Whenua Maori Land Act 1993 are recorded at historical cost less accumulated depreciation. All other property, plant and equipment is stated at historical cost less aggregate depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Land is not depreciated. Permits are depreciated using the straight-line method to allocate their cost to their residual values over the life of the permit. Depreciation on other assets is calculated using the diminishing value method to allocate their cost to their residual values over their estimated useful lives, unless the asset is not in use, as follows:

Buildings and Structures	2-40%
Property Improvements	4.8-12%
Office Equipment	10-48%
Computer Equipment and Software	10-60%
Plant & Equipment	4-80%
Vessel	13-48%
Motor Vehicles	12-30%
Cafe Equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.4).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other Income' in the income statement.

### 2.4 Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

### 2.5 Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

### 2.6 Investments

The group classifies its financial assets in the following categories: held-to-maturity investments, loans and receivables, and available-for-sale financial assets.

(a) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the group has the positive intent and ability to hold to maturity. Held-to-maturity investments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any

impairment losses. Amortisation of held-to-maturity investments is presented in the profit or loss within 'Finance costs'. Assets in this category are included in non-current assets unless the investment matures within 12 months of the end of the reporting period.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Groups loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet.

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in held-to-maturity investments or loans and receivables. Available-for-sale financial assets are initially recognised at fair value plus transaction costs for all financial assets. They are included in non-current assets unless the investment matures or the trustees intend to dispose of it within 12 months of the end of the reporting period.

Subsequent to initial recognition, they are measured at fair value and changes therein are recognised in other comprehensive income and presented in the available-for-sale revaluation reserve in equity. They are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership, and on derecognition the gain or loss accumulated in equity is reclassified to profit or loss.

## 2.7 Foreign Currencies

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences on retranslation of available-for-sale equity investments which are recognised in other comprehensive income (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss).

## 2.8 Impairment of Financial Assets

(a) Assets carried at amortised cost

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the assets original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against held-to-maturity investments. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(b) Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value,



less any impairment loss recognised previously in profit or loss. Changes in impairment provisions attributable to application of the effective interest method are reflected as a component of interest income.

## **2.9 Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## **2.10 Current and deferred income tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Trustees periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. They establish provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent it is probable that the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## **2.11 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met as described below. The group bases its estimate of return on historical results, taking into consideration they type of customer, the type of transactions and the specifics of each arrangement.

### **(a) Sales of services**

The group sells access to their land for hunting purposes. For sales of services, revenue is recognised in the accounting period in which the services are rendered, by reference to the dates of the trip.

## 2.12 Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired receivables is recognised using the original effective interest rate.

## 2.13 Unclaimed Dividends

Unclaimed dividends arise where the beneficiaries of declared dividends have not come forward or where the balance of the dividend payable is less than \$10. These are recorded at the original dividend payable.

## 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 3.1 Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There were no estimates and assumptions made that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## 4 REVENUE

The following is an analysis of the Group's revenue for the year from continuing operations.

Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
	\$	\$
Revenue from the rendering of services	64,717	51,413
Other income	23,930	11,290
	<u>88,647</u>	<u>62,703</u>

## 5 INVESTMENT INCOME

Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
	\$	\$
<b>Continuing Operations</b>		
<b>Interest Income</b>		
Bank Deposits	22,926	12,565
Held-to-maturity investments	104,956	239,235
	<u>127,882</u>	<u>251,800</u>
Dividends from Equity Investments	188,465	-
	<u>316,347</u>	<u>251,800</u>

## 6 OTHER GAINS AND LOSSES

	Notes	Year Ended 30/06/2016 \$	Year Ended 30/06/2015 \$
<b>Continuing operations</b>			
<b>Income:</b>			
Gain on disposal of other investments		-	106,002
Cumulative gain reclassified from equity on disposal of available-for-sale investments		14,907	22,846
		<u>14,907</u>	<u>128,848</u>
<b>Expenses:</b>			
Loss on disposal of property, plant and equipment		(11,026)	(5,083)
Cumulative loss reclassified from equity on disposal of available-for-sale investments		(80,025)	-
		<u>(91,051)</u>	<u>(5,083)</u>
Total other gains and losses		<u>(76,144)</u>	<u>123,765</u>

## 7 INCOME TAXES RELATING TO CONTINUING OPERATIONS

### 7.1 Income tax recognised in profit or loss

	Notes	Year Ended 30/06/2016 \$	Year Ended 30/06/2015 \$
<b>Current Tax</b>			
In respect of the current year		3,905	-
Benefit arising from previously unrecognised tax losses, tax credits or temporary differences of a prior period		(3,905)	-
		<u>-</u>	<u>-</u>
<b>Deferred Tax</b>			
In respect of the current year		(55,204)	(592)
		<u>(55,204)</u>	<u>(592)</u>
Total income tax benefit recognised in the current year relating to continuing operations		<u>(55,204)</u>	<u>(592)</u>

The income tax benefit for the year can be reconciled to the accounting profit as follows:

	Notes	Year Ended 30/06/2016 \$	Year Ended 30/06/2015 \$
Profit (loss) before tax from continuing operations		(154,914)	(46,985)
Income tax expense calculated at 17.5% (2015: 17.5%)		(27,110)	(8,222)
Effect of income that is exempt from taxation		5,089	-
Effect of expenses that are not deductible in determining taxable profit		16,791	184
Effect of unused tax losses and tax offsets not recognised as deferred tax assets		5,230	7,446
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets		(55,204)	-
		<u>(55,204)</u>	<u>(592)</u>
Income tax benefit recognised in profit or loss (relating to continuing operations)		<u>(55,204)</u>	<u>(592)</u>

## 7.2 Income tax recognised in other comprehensive income

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Total current tax		-	-

## 7.3 Current tax assets and liabilities

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
<b>Current tax assets</b>			
Tax refund receivable		10,024	8,170
		10,024	8,170
<b>Current tax liabilities</b>			
Income tax payable		-	-
		-	-

## 7.4 Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Deferred tax assets		5,037	7,413
Deferred tax liabilities		(22,354)	(79,934)
		(17,317)	(72,521)

	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Acquisitions /Disposals	Closing balance
	\$	\$	\$	\$	\$
<b>2016</b>					
<b>Deferred tax (liabilities)/assets in relation to</b>					
Property, plant and equipment	(79,934)	57,580	-	-	(22,354)
Provisions	7,413	(2,376)	-	-	5,037
	(72,521)	55,204	-	-	(17,317)

	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Acquisitions /Disposals	Closing balance
	\$	\$	\$	\$	\$
<b>2015</b>					
<b>Deferred tax (liabilities)/assets in relation to</b>					
Property, plant and equipment	(82,578)	2,644	-	-	(79,934)
Provisions	9,465	(2,052)	-	-	7,413
	(73,113)	592	-	-	(72,521)

## 7.5 Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
	\$	\$
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
- tax losses	2,839,615	2,745,894
	<u>2,839,615</u>	<u>2,745,894</u>

## 8 ASSETS CLASSIFIED AS HELD FOR SALE

Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
	\$	\$
Vessel (i)	117,899	138,687
	<u>117,899</u>	<u>138,687</u>
Liabilities associated with assets held for sale	-	-

(i) The group intends to dispose of the vessel, and improvements to that vessel that it no longer utilises in the next 12 months. The vessel is moored in Halfmoon Bay, Stewart Island, and was previously used in charter operations that ceased in 2011.

## 9 PROPERTY, PLANT AND EQUIPMENT

Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
	\$	\$
<b>Carrying amounts of:</b>		
Freehold Land	5,426	5,426
Buildings & Huts	521,811	545,608
Property Improvements	49,541	50,649
Office Equipment	924	1,205
Computer Equipment & Software	10,490	15,388
Plant & Equipment	34,187	43,542
Vessel	3,868	2,096
Motor Vehicles	3,931	5,064
Café Equipment	39,766	40,644
Permits	2,326	2,598
Capital Work in Progress	6,682	6,475
	<u>678,952</u>	<u>718,695</u>

	Balance at 1 July 2015	Additions	Disposals	Reclassified as held for sale	Balance at 30 June 2016
<b>Cost</b>	\$	\$	\$	\$	\$
Freehold Land	5,426	-	-	-	5,426
Buildings & Huts	693,033	-	-	-	693,033
Property Improvements	70,733	1,372	-	-	72,105
Office Equipment	18,357	-	(252)	-	18,105
Computer Equipment & Software	207,815	4,635	(5,767)	-	206,683
Plant & Equipment	85,022	7,613	(19,135)	-	73,500
Vessel	2,620	-	-	3,954	6,574
Motor Vehicles	24,464	-	-	-	24,464
Café Equipment	46,408	-	(224)	-	46,184
Permits	6,972	-	-	-	6,972
Capital Work in Progress	6,475	5,887	(5,680)	-	6,682
<b>Total</b>	<u>1,167,325</u>	<u>19,507</u>	<u>(31,058)</u>	<u>3,954</u>	<u>1,159,728</u>

	Balance at 1 July 2015	Eliminated on Disposal of Assets	Depreciation Expense	Eliminated on reclassification as held for sale	Balance at 30 June 2016
	\$	\$	\$	\$	\$
<b>Accumulated Depreciation</b>					
Freehold Land	-	-	-	-	-
Buildings & Huts	147,425	-	23,797	-	171,222
Property Improvements	20,084	-	2,480	-	22,564
Office Equipment	17,152	(158)	187	-	17,181
Computer Equipment & Software	192,427	(3,999)	7,765	-	196,193
Plant & Equipment	41,480	(7,191)	5,024	-	39,313
Vessel	524	-	19,016	(16,834)	2,706
Motor Vehicles	19,400	-	1,132	-	20,532
Café Equipment	5,764	-	654	-	6,418
Permits	4,374	-	273	-	4,647
<b>Total</b>	448,630	(11,348)	60,328	(16,834)	480,776

## 10 INVESTMENTS

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Debt securities		1,446,114	862,274
Equity securities		3,107,405	257
Property		699,984	-
Term Deposits		-	750,000
Unit funds		145,164	-
		5,398,667	1,612,531

## 11 SUBSIDIARIES

Name of subsidiary	Principle Activity	Year Ended 30/06/2016	Year Ended 30/06/2015
Rakiura Wildlife Experiences Limited	Hunting	100%	100%

## 12 OTHER ASSETS

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Inventory		-	-
Prepayments		18,901	25,796
		18,901	25,796

## 13 TRADE AND OTHER RECEIVABLES

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Trade Receivables		13,902	10,443
Other receivables		24,556	27,485
		38,458	37,928

## 14 RESERVES

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Land Management Reserve	14.1	2,733,558	2,717,448
Owners Register Administration Reserve	14.2	-	30,926
Lords River Section Distribution Reserve	14.3	-	747,797
Trust Administration Reserve	14.4	1,700,560	1,214,197
Section 218 Reserve	14.5	1,413,579	1,282,303
Available-for-Sale Revaluation Reserve	14.6	115,269	-
Foreign Currency Translation Reserve	14.7	(132,503)	-
		<u>5,830,463</u>	<u>5,992,671</u>

### 14.1 Land Management Reserve

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Balance at beginning of year		2,717,448	2,710,544
Inflation/Capital Adjustments		16,110	6,904
Balance at end of year		<u>2,733,558</u>	<u>2,717,448</u>

The Land Management Reserve is set aside to satisfy the Trust's obligation under the Land Management Plan to maintain the land and pests in perpetuity. The Land Management Reserve is inflation adjusted annually to preserve the original reserve set aside. The restoration work on the Neck was subsidised from this reserve.

### 14.2 Owners Register Administration Reserve

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Balance at beginning of year		30,926	75,637
Inflation/Capital Adjustments		-	3,605
Costs Paid From		(30,926)	(48,316)
Balance at end of year		<u>-</u>	<u>30,926</u>

The Owners Register Administration Reserve is set aside to cover the costs associated with maintaining the owners register under the Trust deed. The Owners Register Administration Reserve is inflated by a notional annual return on capital less the actual costs of running the owners database.

### 14.3 Lords River Section Distribution Reserve

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Balance at beginning of year		747,797	713,778
Inflation/Capital Adjustments		2,234	34,019
Payment of Dividends		(750,031)	-
Balance at end of year		<u>-</u>	<u>747,797</u>

The Lords River Section Distribution Reserve is set aside for future distributions to owners of the Lords River land blocks. The Lords River Section Distribution Reserve is inflated by a notional return on capital, and is subject to top ups as the trustees determine.

#### 14.4 Trust Administration Reserve

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Balance at beginning of year		1,214,197	1,214,197
Inflation/Capital Adjustments		486,363	-
Balance at end of year		1,700,560	1,214,197

The Trust Administration Reserve is set aside to ensure the existence of the Trust now and into the future. The Trust Administration Reserve is adjusted depending on the annual result less transfers to other reserves, including top ups as determined by the trustees in order for the trust to survive in perpetuity.

#### 14.5 Section 218 Reserve

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Balance at beginning of year		1,282,303	1,170,561
Interest on unclaimed funds		131,276	111,742
Balance at end of year		1,413,579	1,282,303

The Section 218 Reserve is set aside under the Te Ture Whenua Maori Act 1993. The Section 218 Reserve is adjusted each year for interest on unclaimed dividends and can be used for projects specifically permitted under Section 218 as approved by the Trustees.

#### 14.7 Available-for-Sale Revaluation Reserve

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Balance at beginning of year		-	22,846
Net fair value gain on available-for-sale assets during the year		130,176	106,002
Net fair value gain on available-for-sale assets reclassified to profit or loss		(14,907)	(128,848)
Balance at end of year		115,269	-

The Available-for-Sale revaluation reserve includes net fair-value gains on available-for-sale investments. Net fair value losses on available-for-sale investments are offset in this reserve to the extent that the original gains were included in the reserve.

#### 14.6 Foreign Currency Translation Reserve

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Balance at beginning of year		-	-
Exchange differences arising on translating foreign operations		(132,503)	-
Balance at end of year		(132,503)	-

The Foreign Currency Translation reserve includes all foreign currency differences arising from the translation of foreign currency financial assets.



**15 RETAINED EARNINGS**

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Retained Earnings		(1,539,154)	(834,387)
Balance at beginning of year		(834,387)	(680,040)
Profit attributable to trust		(99,710)	(46,393)
Transfers to reserves		(605,057)	(107,954)
Balance at end of year		(1,539,154)	(834,387)

**16 UNCLAIMED DIVIDENDS**

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Balance at beginning of year		2,344,504	2,360,120
Distributions released during the year		(7,054)	(15,616)
Distributions declared during the year		750,031	-
Balance at end of year		3,087,481	2,344,504

**17 TRADE AND OTHER PAYABLES**

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Trade payables		50,852	48,498
Other payables		31,305	43,592
		82,157	92,090

**18 CASH AND CASH EQUIVALENTS**

	Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
		\$	\$
Cash on hand and demand deposits		226,880	4,671,149
Foreign currency accounts		232,816	-
Short-term deposits		750,000	451,837
		1,209,696	5,122,986

## 19 FINANCIAL ASSETS

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

	Note	Designated at fair value	Held-to- maturity	Loans and receivables	Available -for-sale	Total carrying amount
<b>30 June 2016</b>						
Cash and cash equivalents	18	-	-	459,696	-	459,696
Trade and other receivables	13	-	-	38,458	-	38,458
Term Deposits	18	-	750,000	-	-	750,000
Property	10	-	-	-	699,984	699,984
Unit funds	10	-	-	-	145,164	145,164
Investment securities						
Debt securities	10	-	1,446,114	-	-	1,446,114
Equity securities	10	-	-	-	3,107,405	3,107,405
		-	2,196,114	498,154	3,952,553	6,646,821
<b>30 June 2015</b>						
Cash and cash equivalents	18	-	-	5,122,986	-	5,122,986
Trade and other receivables	13	-	-	37,928	-	37,928
Term Deposits	10	-	750,000	-	-	750,000
Unit funds	10	-	-	-	-	-
Investment securities						
Debt securities	10	-	862,274	-	-	862,274
Equity securities	10	-	-	-	257	257
		-	1,612,274	5,160,914	257	6,773,445

## 20 RELATED PARTY TRANSACTIONS

Balances and transactions between the Trust and its subsidiary, which are related parties of the Trust, have been eliminated on consolidation and are not disclosed in this note.

Honorariums are paid to the Trustees in accordance with the approval of the owners present at prior AGMs. In addition, meeting fees are paid to Trustees, as is reimbursement of travel. The total expense recorded to Trustees during the 2016 financial year was \$44,250 (2015 \$52,000).

## 21 OPERATING LEASE ARRANGEMENTS

### 21.1 Leasing arrangements

Operating leases have been entered into for the rental of eftpos terminals. The Group does not have an option to purchase the terminals at the expiry of the lease period.

### 21.2 Non-cancellable operating lease commitments

Notes	Year Ended 30/06/2016	Year Ended 30/06/2015
	\$	\$
No later than 1 year	-	417
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	-	417

## 22 COMMITMENTS FOR EXPENDITURE

No commitments for expenditure exist for the Group at balance date (2015 Nil).

## 23 CONTINGENT LIABILITIES

No contingent liabilities exist for the Group at balance date (2015 Nil).

**24 EVENTS AFTER THE REPORTING PERIOD**

In August 2016 the Trust entered into an agreement for the sale of the Vessel "*Matariki*" with settlement taking place in September 2016.

In September 2016 the Trust entered into an agreement for the sale of their premises at 88 Gore Street, Bluff, with settlement taking place in October 2016.

Post balance date the subsidiary entity, Rakiura Wildlife Experiences Limited, entered into a joint tourism venture with Real Journeys.

**25 AUDIT OF THE FINANCIAL STATEMENTS**

At the 2015 AGM on 4<sup>th</sup> October 2015 the beneficial owners voted to remove the requirement for the financial statements to be audited.

**26 APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved by the trustees and authorised for issue on 7 October 2016.