

Financial Statements

WIRI LICENSING TRUST
For the year ended 31 March 2016

Prepared by Campbell Tyson Limited

Contents

3	Directory
4	Approval of Financial Report
5	Statement of Financial Position
6	Statement of Changes in Equity
7	Statement of Comprehensive Income
8	Statement of Cash Flows
9	Statement of Accounting Policies
15	Notes to the Financial Statements

Directory

WIRI LICENSING TRUST

For the year ended 31 March 2016

Settlement

1972

IRD Number

13-582-076

Nature of Business

Bar, Gaming & Commercial Rental

Location of Business

254 Roscommon Road
Wiri
New Zealand

Trustees

A Johnson - Chairperson
S Cattle - Deputy Chair
K Penney
R McLean
D White
G Dalton

Bankers

ASB Bank Limited
Property Finance Unit

Solicitors

Kempsweir Lawyers
Central Park
Greenlane
Auckland

Chartered Accountant

Campbell Tyson Limited
Level 2
1 Wesley Street
Pukekohe 2120

Auditor

Audit New Zealand
For and on behalf of the Auditor General

Approval of Financial Report

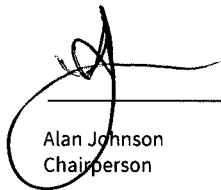
WIRI LICENSING TRUST

For the year ended 31 March 2016

The Trustees are pleased to present the approved financial report including the historical financial statements of WIRI LICENSING TRUST for year ended 31 March 2016.

APPROVED

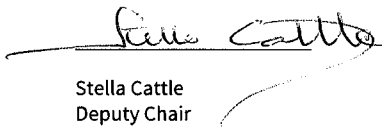
For and on behalf of the Trustees



Alan Johnson
Chairperson

27/9/2016

Date



Stella Cattle
Deputy Chair

27/9/2016

Date

Statement of Financial Position

WIRI LICENSING TRUST

As at 31 March 2016

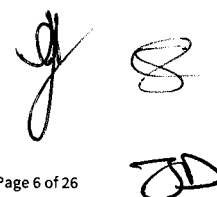
	NOTES	31 MAR 2016	31 MAR 2015
Assets			
Current Assets			
Cash & Cash Equivalents	6	342,249	324,920
Debtors & Other Receivables	7	57,468	113,867
Inventory	8	19,221	17,562
Taxation	15	-	50
Total Current Assets		418,938	456,399
Non-Current Assets			
Property, Plant and Equipment	21	1,905,090	1,829,628
Investment Property	10	23,610,000	22,810,000
Intangibles Assets	9	57,814	62,281
Total Non-Current Assets		25,572,904	24,701,909
Total Assets		25,991,842	25,158,308
Liabilities			
Current Liabilities			
Employee Entitlements of Annual Leave		18,933	21,028
Trade and Other Payables	11	186,907	251,937
Borrowings	12	4,100,000	100,000
Income received in advance		35,944	32,975
Taxation	15	3,605	-
Total Current Liabilities		4,345,389	405,940
Non-Current Liabilities			
Deferred Tax	15	926,886	932,708
Borrowings	12	2,458,088	6,558,088
Total Non-Current Liabilities		3,384,974	7,490,796
Total Liabilities		7,730,363	7,896,736
Net Assets		18,261,479	17,261,572
Trust Equity and Reserves			
Trust Equity		17,305,983	16,399,220
Asset Revaluation Reserve		955,496	862,352
Total Trust Equity and Reserves		18,261,479	17,261,572

Statement of Changes in Equity

WIRI LICENSING TRUST

For the year ended 31 March 2016

	2016	2015
Trust Capital		
Opening Balance	17,261,572	15,706,579
Comprehensive Income		
Total Comprehensive Income for Year	999,907	1,554,993
Transfer to Asset Revaluation Reserve	(93,144)	(66,817)
Increase Asset Revaluation Reserve		
Asset Revaluation Reserve (62200)	93,144	66,817
Total Increase Asset Revaluation Reserve	93,144	66,817
Total Comprehensive Income	999,907	1,554,993
Total Trust Capital	18,261,479	17,261,572

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Statement of Comprehensive Income

WIRI LICENSING TRUST

For the year ended 31 March 2016

	NOTES	2016	2015
Income			
Bar & Wholesale Sales		362,937	388,308
Gaming Machine Site Rental		147,917	147,275
Rental Income		1,237,610	953,638
Other Operating Income	1	4,116	3,070
Other Income	1	2,291	1,209
Investment Property Revaluation Gain/Loss	10	801,956	1,551,036
Total Income		2,556,826	3,044,536
Total Income			
		2,556,826	3,044,536
Expenses			
Cost of Sales		135,609	155,041
Personnel Costs	2	354,867	411,080
Depreciation & Amortisation		46,806	49,171
Other Expenses	5	734,514	685,566
Finance Costs		349,215	271,621
Total Expenses		1,621,012	1,572,478
Profit/(Loss) Before Taxation			
		935,814	1,472,058
Taxation and Adjustments			
Income Tax Expense		29,051	(16,118)
Total Taxation and Adjustments		29,051	(16,118)
Profit/(Loss) After Tax			
		906,763	1,488,176
Other Comprehensive Income			
Asset Revaluation - Roscommon Rd (PPE)		106,144	76,817
Tax on Revaluation		(13,000)	(10,000)
Total Other Comprehensive Income		93,144	66,817
Total Comprehensive Income			
		999,907	1,554,993

Handwritten signatures and initials, including a large signature on the left and initials 'JB' on the right.

Statement of Cash Flows

WIRI LICENSING TRUST

For the year ended 31 March 2016

	2016	2015
Cash Flows from Operating Activities		
Receipts from providing goods or services	363,314	374,990
Interest, dividends and other investment receipts	2,291	1,001
Cash receipts from other operating activities	1,386,533	1,105,750
Income Tax Refunded	-	11,216
GST	112,568	(99,513)
Payments to suppliers and employees	(1,189,378)	(1,454,458)
Income Tax Paid	(44,218)	(49)
Interest Paid on Borrowings	(349,560)	(264,877)
Total Cash Flows from Operating Activities	281,551	(325,940)
Cash Flows from Investing Activities		
Payments to acquire property, plant and equipment	(164,222)	(3,834,577)
Total Cash Flows from Investing Activities	(164,222)	(3,834,577)
Cash Flows from Financing Activities		
Repayments of loans borrowed from other parties	(100,000)	(5,098,537)
Proceeds from loans borrowed from other parties	-	9,575,937
Total Cash Flows from Financing Activities	(100,000)	4,477,400
Net Increase/ (Decrease) in Cash	17,329	316,882
Cash Balances		
Cash and cash equivalents at beginning of period	324,920	8,038
Cash and cash equivalents at end of period	342,249	324,920
Net change in cash for period	17,329	316,882



Statement of Accounting Policies

WIRI LICENSING TRUST

For the year ended 31 March 2016

Reporting Entity

These are the financial statements of Wiri Licensing Trust. Wiri Licensing Trust is a Licensing Trust constituted under and governed by the Sale and Supply of Alcohol Act 2012 and domiciled in New Zealand.

The financial statements are of a single trust which has been designated a for profit entity for financial reporting purposes.

The objective of the Trust is to maximise profits from its tavern and property portfolio to enable it to distribute as much funds as sustainably possible to its community. The Trust owns the following commercial properties:

- 639 Great South Road, Manukau City
- 185-187 Great South Road, Manurewa

They also own a tavern trading as 'Our Local' situated at 254 Roscommon Road Wiri.

The financial statements of the trust are for the year ended 31 March 2016. The financial statements were authorised for issue by the Trustees on 27 September 2016.

Basis of Preparation

Statement of Compliance

These financial statements have been prepared in accordance with the requirements of the Sale and Supply of Alcohol Act 2012 and Generally Accepted Accounting Practice in New Zealand.

The trust is eligible and has elected to report in accordance with Tier 2 for-profit Accounting Standards (NZ IFRS RDR) and has applied disclosure concessions.

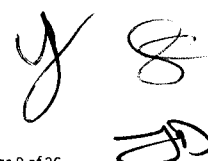
These financial statements are the first financial statements presented in accordance with the Tier 2 for profit accounting standards. The material adjustments arising on transition to the new NZ IFRS RDR standards are explained in note 20.

Measurement Base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of investment property, land and buildings.

Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar (\$1). The functional currency of the Trust is New Zealand dollars.



Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. Cost is determined on a first in, first out basis.

Critical Accounting Estimates and Assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- Property Revaluations
- Note 10 provides information about the estimates and assumptions exercised in the measurement of revalued land, buildings, and infrastructure.

Property Plant and Equipment Useful Lives and Residual Values

At each balance date the Trust reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the Trust to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by the Trust, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life of residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the statement of comprehensive income and carrying amount of the asset in the statement of financial position. The Trust minimises the risk of this estimation uncertainty by:

- Physical inspection of assets;
- Asset replacement programs;
- Review of second hand market prices for similar assets; and
- Analysis of prior assets sales.

The trust has not made significant changes to past assumptions concerning useful lives and residual values. The carrying amounts of property, plant and equipment are disclosed in note 21.

Property, Plant and Equipment

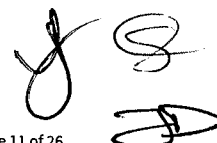
Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Trust and the cost of them can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

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Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of comprehensive income. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Depreciation

Depreciation of property, plant and equipment is calculated using the diminishing value method. Rates are determined utilising the depreciation rates provided for the purpose of income taxation. The rates are as follows:

- Buildings - Roscommon Road
 - 4% Diminishing value depreciated using remaining useful life
- Plant and Equipment
 - 7.5% - 60.0% Diminishing value depreciated using income tax value
- Fixtures, Fittings and Office Equipment
 - 7.5% - 48.0% Diminishing value depreciated using income tax value
- Motor Vehicles
 - 36.0% Diminishing value depreciated using income tax value

Revaluation

Operational land and buildings are revalued on a three yearly valuation cycle on the basis described below. All other asset classes are carried at depreciated historical cost less impairment. The carrying values of revalued items are assessed annually by independent valuers to ensure that they do not differ materially from fair value. If there is evidence supporting a material difference, then the asset is revalued.

Operational land and buildings are valued at fair value as determined from market-based evidence by an independent valuer. Assumptions include evaluation of a willing buyer/seller and evaluation of a reasonable period within which to negotiate a sale. The method of valuation is market value due to site location, its good condition and the performance of the bar operation. The most recent valuation was performed by Michael Clark from Seagar & Partners as at 31 March 2016.

Investment Properties

Investment Properties Land and Buildings are valued annually at fair value. The valuation was carried out by Michael Clark from Seagar & Partners as at 31 March 2016. Gains or losses arising from the fair value of Investment Properties are recorded in the Statement of Comprehensive Revenue and Expenses.

Intangible Assets

Software Acquisition and Development

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. They are written off over the useful economic life of the software (2 - 5 years) on a diminishing value basis.

Costs associated with maintaining computer software programs are recognised as an expense when incurred.

Staff training costs are recognised as an expenses when incurred.

Lease Inducement Payments

Lease inducement payments are amortised over the life of the lease (8-10 years).

Impairment of Assets

Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs to sell and value in use.

The value in use for cash generating assets is the present value of expected future cash flows.

If an assets carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised in other comprehensive income to the extent the impairment loss does not exceed the amount in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive income and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in the surplus or deficit.

Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Trust prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Trust has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Employee Benefits

Employee Benefits that the Trust expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include wages and salaries accrued up to balance date, annual leave earned to, but not taken at balance date, and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences.

Sick leave, annual leave, vested long service leave, non vested long service leave and retirement gratuities expected to be settled within 12 months of the balance date, are classified as a current liability. All other employee benefits are classified as a non current liability.

Provisions

A provision is recognised for future expenditure of an uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

Financial Instruments

Financial Assets

Wiri Licensing Trust's financial assets include its cash, short term deposits, various receivables and loans and advances. The Trust recognises financial assets when it becomes party to a contract. These assets may be classified into one of the following categories depending on the Trust's intention to hold them and the nature of the investments. The categories of financial assets held by the Trust are described below and the Trust has not made any transfers between categories during the year:

- Financial assets at fair value through profit and loss
- Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking.
- Loans and receivables
- Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking.

Financial Liabilities

Wiri Licensing Trust's financial liabilities include its payables and borrowings. The Trust recognises financial liabilities when it becomes party to a contract. All financial liabilities are recognised initially at fair value and, in the case of payables, loans and borrowings, net of directly attributable transaction costs. Subsequent measurement and presentation depend on the category of the financial liability as follows:

- Financial liabilities at fair value through profit and loss
 - Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Gains or losses on liabilities held for trading are recognised in profit and loss.
- Financial liabilities at amortised cost
 - After initial recognition, these types of financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in surplus or deficit when the liabilities are derecognised through the effective interest rate amortisation process. The effective interest rate amortisation is included as finance costs in surplus or deficit. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.
 - This category generally applies interest-bearing loans and advances (including concessionary loans) and borrowings from banks and other external parties. This category also includes trade and other payables which are unsecured and usually paid within 30 days of recognition; due to their short-term nature they are not discounted.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- General Trust Equity
 - General trust equity is a combination of the accumulated funds of the trust and the original contribution of funds by the settlors.
- Asset Revaluation Reserve
 - This reserve relates to the revaluation of property, plant and equipment to fair value.



Notes to the Financial Statements

WIRI LICENSING TRUST

For the year ended 31 March 2016

	2016	2015
1. Income		
Other Operating Income		
Games, Cigarettes and Other Income	4,116	3,070
Total Other Operating Income	4,116	3,070
Other Income		
Interest Received	1,550	490
Dividends Received	740	719
Total Other Income	2,291	1,209
	2016	2015

2. Personnel Costs		
General Wages and Salaries	345,077	397,806
Kiwisaver Employer Contribution	9,790	13,273
Total Personnel Costs	354,867	411,080

3. Key Management Personnel

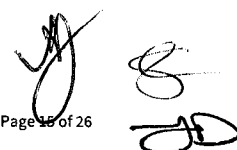
	2016	2015
Trustees		
Members	6	6
Remuneration	39,900	36,000
	2016	2015

Executive Management Team

Full-Time Equivalent Members	2	1
Remuneration	63,342	112,466

Brett Wilson replaced Steve Wilkinson as the General Manager of Wiri Licensing Trust during May 2015.

	2016	2015
4. Remuneration		
Alan Johnson - Chairperson	21,000	21,000
Rangi McLean - Trustee	3,000	2,700
Ken Penney - Trustee	3,900	2,700
Stella Cattle - Deputy Chairperson	4,800	3,900
Duncan White - Trustee	3,300	2,700
Grant Dalton - Trustee	3,900	3,000
Total Remuneration	39,900	36,000



Trustees are paid \$300 each for attendance to each board meeting. The chairperson receives an honorarium of \$21,000 per annum. The general manager is considered key management personnel.

	2016	2015
5. Other Expenses		
Accountancy Fees	24,320	23,332
Auditors Remuneration	27,500	28,000
Board Member Remuneration	39,900	36,000
Body Corporate Levies	32,995	32,884
Doubtful Debts	31,474	-
Electricity	21,301	25,446
Entertainment Acts	28,883	26,274
Land Rates	41,093	69,782
Professional and Legal Fees	99,974	124,418
Repairs & Maintenance	203,567	120,302
Sponsorship	32,586	16,407
Other Expenses	150,920	182,721
Total Other Expenses	734,514	685,566
	2016	2015

6. Cash & Cash Equivalents		
Cash Float - Our Local	36,369	29,942
ASB - WLT Gaming Account	8,873	2,831
ASB - Wiri Trust Account	92,116	292,385
ASB - Wiri Savings Account	206,016	-
ASB Business Visa	(1,125)	-
ASB Business Visa (Steve)	-	(239)
Total Cash & Cash Equivalents	342,249	324,920
	2016	2015

7. Debtors & Other Receivables		
Bonds	1,174	1,174
Goods and Services Tax	-	95,885
Prepayments	7,903	9,834
Provision for Doubtful Debts	(31,474)	-
Trade Debtors	79,865	6,973
Total Debtors & Other Receivables	57,468	113,867
	2016	2015

8. Inventory		
Alcohol, Food & Merchandise	19,221	17,562
Total Inventory	19,221	17,562

There was stock wastage of \$1,727 recorded during the year.

	2016	2015
9. Intangible Assets		
Computer Software & Website		
Original Cost	6,333	2,838
Accumulated Ammortisation	(2,831)	(2,822)
Current Year Amortisation	(353)	(9)
Total Computer Software & Website	3,149	7
Lease Inducement Payments		
Lease Inducement Payments	66,304	66,304
Accumulated Amortisation	(4,031)	-
Current Year Amortisation	(7,609)	(4,031)
Total Lease Inducement Payments	54,665	62,274
Total Intangible Assets	57,814	62,281

The lease inducement payment to NZ Liquor Merchants Limited (Super Liquor) has a carrying amount as at 31 March 2016 of \$22,871. This asset has a remaining amortisation period of 6 years and 7 months. The asset will be fully amortised by September 2024.

The lease inducement payment to the NZ Racing Board (TAB) has a carrying amount as at 31 March 2016 of \$17,663. This asset has a remaining amortisation period of 6 years and 6 months. The asset will be fully amortised by October 2022.

10. Investment Property

The valuation of investment property was performed by Michael Clark, an independent valuer from Seagar & Partners (Manukau) Ltd. Seagar & Partners (Manukau) Ltd are experienced valuers with extensive market knowledge in the types and location of investment properties owned by Wiri Licensing Trust.

	2016	2015
Investment Property Summary		
Opening Fair Value of Land and Buildings	22,810,000	17,355,000
Additions	(1,956)	3,903,964
Revaluation Increase	801,956	1,551,036
Total Investment Property Summary	23,610,000	22,810,000

	2016	2015
Income and Expenses Summary		
Rental revenue	1,237,610	953,638
Operational expenses from property generating revenue	579,658	594,042

Leases

Assets leased to third parties under operating leases are included in investment properties in the Statement of Financial Position. They are revalued annually to determine fair value. The trust has operating leases for 639 Great South Road Manukau and 185-187 Great South Road Manurewa as follows:

639 Great South Road Manukau - Area A

NZ Liquor Merchants Limited – 10 year lease expires 2 November 2024 with 10 year ROR
 NZ Racing Board Limited – 8 year lease expires 24 October 2022 with 8 year ROR
 Classic Bakehouse (Manukau) Limited – 6 year lease expires 19 October 2020 with 6 year ROR
 Noodle Canteen Limited – 8 year lease expires 26 October 2022 with 8 year ROR
 Subway Real Estate Limited – 8 year lease expires 17 October 2022 with 8 year ROR

639 Great South Road Manukau - Area B

Restaurant Brands Limited – 12 year lease expires 2 December 2026 with 8 year ROR

639 Great South Road Manukau - Area C

BNZ Branch Properties Limited - 6 year lease expires 16 December 2021 with 3 year ROR

639 Great South Road Manukau - Area D

Common access way. The costs are shared with NZ Liquor Merchants Limited and Wiri Licensing Trust

639 Great South Road Manukau - Area E

Icon Concepts Limited - 3 year lease expires 31 August 2017
 Saver Supermarket Manukau Limited - 3 year lease expires 19 April 2018 with 3 year ROR

639 Great South Road Manukau - Area F

Victa Limited - Expires 30 June 2017 plus ROR for 3 years

639 Great South Road Manukau - Area G

Common parking area. The costs are shared with NZ Liquor Merchants Limited and Wiri Licensing Trust

639 Great South Road Manukau - Area H

Vacant Land. These costs are absorbed by Wiri Licensing Trust

639 Great South Road Manukau - Area W

Wendco (NZ) Limited - 20 year lease expires 8 April 2021

185-187 Great South Road Manurewa

Chadha 2014 Holdings Limited - Expires 30 September 2018 with 3 year ROR

	2016	2015
11. Trade and Other Payables		
Trade Creditors	60,457	45,283
TTCF	13,236	1,602
Goods and Services Tax	24,233	-
Accruals	88,981	205,052
Total Trade and Other Payables	186,907	251,937

	2016	2015
12. Borrowings		
Non Current		
ASB Bank Limited - Loan 03	1,783,088	1,783,088
ASB Bank Limited - Loan 92-035	-	4,000,000
VTM Trust	775,000	875,000
Less: Current Portion of Non Current Liabilities	(100,000)	(100,000)
Total Non Current	2,458,088	6,558,088

	2016	2015
Current		
Current Portion of Non Current Liabilities	100,000	100,000
ASB Bank Limited - Loan 92-035	4,000,000	-
Total Current	4,100,000	100,000

Interest Terms and Security of Secured Loans

The ASB Bank Limited Loan 03 has a current interest rate of 4.295%. The interest rate was reset to 4.085% on 4 April 2016. It is repayable on 17 April 2017. The loan was drawn on 2 February 2015 as part of a refinance.

The ASB Bank Limited Loan 17 was refinanced into the ASB Bank Limited Loan 03 on 7 April 2015. The loan was drawn on 10 March 2015 to fund the Carl's Jnr building.

The ASB Bank Limited Loan 92-035 has a current interest rate of 5.330%. It is repayable on 24 February 2017. The loan was drawn on 2 February 2015 to repay the ASB Bank Limited Development Funding Facility after the completion of the development at 639 Great South Road Manukau (Ronwood Avenue Sleeve Retail Development). The repayment date of this loan is expected to be renegotiated with ASB Bank Limited.

The ASB Bank Limited loans are secured as follows:

- Deed of Assignment of all leases of Trust Property 639 Great South Road Manukau.
- A first registered all obligations mortgage over the property 639 Great South Road Manukau, being the land comprised in the certificate of title 25A/65 Lot 27 DP 68770.
- A first registered all obligations mortgage over the property 254 Roscommon Road Manukau, being the land comprised in the certificate of title 108C/627 Lot DP 176526.

The Vendor Finance Loan from VTM Trust has a current interest rate of 6.000% (2015: 6.000%). It is repayable in 7 years from 1 December 2011. The loan was drawn on 1 December 2011 to finance the purchase of 185-187 Great South Road, Manurewa.

	2016	2015
13. Equity		
General Trust Equity		
Opening Balance	16,399,220	14,911,044
Profit/(Loss) for the year	906,763	1,488,176
Total General Trust Equity	17,305,983	16,399,220
Asset Revaluation Reserve		
Opening Balance	862,352	795,535
Property Revaluation Gain/(Loss) for the year	93,144	66,817
Total Asset Revaluation Reserve	955,496	862,352
Total Equity	18,261,479	17,261,572

14. Contingencies

On April 2004 the Trust entered into a Deed of Settlement with Auckland Council (formally Manukau City Council). It was agreed that the Trust is indebted to the Council for 50% of the market value of its investment property situated at 639 Great South Road Manukau, being areas A to H and W.

However the Council agreed to forebear from making demand for repayment unless the Trust defaults by:

- Borrowing, secured by first mortgage secured on the land, an amount of more than 50% of the current market value of the land.
- Winding up the Trust or appointing a provisional liquidator or statutory manager for the Trust.
- Selling all or part of the land without the Council's written consent.
- Failing to meet a payment or obligation under the Deed of Settlement and failing to remedy the breach within 21 days or notice from the council.

This contingency is calculated to be \$11,650,000 (\$11,250,000 as at 31 March 2015) being 50% of the market value as recorded in the Statement of Financial Position.

Wiri Licensing Trust and the Auckland Council are engaged in a legal case with Wendco (NZ) Limited regarding a resource consent notification. The legal case is ongoing pending on a Supreme Court hearing against a Court of Appeal decision allowing Wendco (NZ) Limited's appeal.

15. Income Tax

	2016	2015
Components of Tax Expense		
Current Tax Expense	47,873	-
Deferred Tax Expense	(18,822)	(16,118)
Total Components of Tax Expense	29,051	(16,118)
	2016	2015
Relationship Between Tax Expenses and Accounting Profit		
Net Profit/(Loss) for the year before tax	935,814	1,472,058
Tax at 28%	262,028	412,176
Plus/(Less) tax effect of:		
Non Deductible Expenditure	36,100	1,713
Investment Property Land Revaluation	(250,253)	(413,889)
Deferred Tax Adjustment	(18,822)	(16,118)
Tax Expense	29,054	(16,118)
	2016	2015
Deferred Tax Assets/(Liabilities)		
Property, Plant & Equipment		
Opening Balance	(953,000)	(943,000)
Charged to surplus or deficit	25,000	-
Charged to Other Comprehensive Income	(13,000)	(10,000)
Total Property, Plant & Equipment	(941,000)	(953,000)
Tax Losses		
Opening Balance	14,404	-

Notes to the Financial Statements

Charged to surplus or deficit	(14,404)	14,404
Total Tax Losses	-	14,404
Employee Entitlements		
Opening Balance	5,888	4,174
Charged to surplus or deficit	(587)	1,714
Total Employee Entitlements	5,301	5,888
Doubtful Debts		
Opening Balance	-	-
Charged to surplus or deficit	8,813	-
Total Doubtful Debts	8,813	-
Total Deferred Tax Assets/(Liabilities)	(926,886)	(932,708)
	2016	2015

16. Guarantees

Westpac New Zealand Limited - Payroll Letter of Credit	30,550	30,550
Total Guarantees	30,550	30,550

As at balance date, guarantees totaling \$30,550 had been entered into with Westpac New Zealand Limited and arranged with ASB Bank Limited.

17. Commitments

Operating Leases as Lessee

The Trust leases property, plant and equipment in the normal course of its business. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

2016 Operating Commitments	< 1 Year	1 - 5 Years	>5 Years	Total
Beer System - Beer Systems and Maintenance	1,440	600	-	2,040
Photocopier - Advaro Limited	1,704	3,976	-	5,680
2016 Operating Commitments	Term (months)	Months Expired	Months left	Monthly Payment
Beer System - Beer Systems and Maintenance	24	7	17	120
Photocopier - Advaro Limited	48	8	40	142
2015 Operating Commitments	< 1 Year	1 - 5 Years	>5 Years	Total
Our Local Photocopier - MARAC Finance	1,215	-	-	1,215

	2016	2015
Operating Leases as Lessee Expense		
Beer System - Beer Systems and Maintenance	840	-
Photocopier - Advaro Limited	1,136	-
Our Local Photocopier - MARAC Finance	1,215	1,620
Total Operating Leases as Lessee Expense	3,191	1,620

The above minimum lease payments were recognised as an expense during the year ended 31 March 2016. There were no sublease payments or contingents rents recognised as an expense during the period. There are no clauses for contingent rents within the contracts for the Operating Leases the Trust is engaged in. There is no sublease component to the Operating Leases.

Operating Leases as Lessor

The Trust lets Investment Property in the normal course of its business. The future aggregate minimum lease payments receivable under non-cancellable operating leases are as follows:

2016

2015

18. Sponsorship Paid

Activ8 Sports	435	-
Age Concern Counties Manukau Inc.	1,000	-
Anand Isher Educational & Community Trust	500	-
Andrew Lesa	300	-
ASB Polyfest	1,000	-
Attitude North Island	-	400
Auckland Cambodian Youth and Recreational Trust	297	-
Auckland Parapalegic & Physically Disabled Association Inc.	1,500	-
Clendon Juniors Touch	1,000	870
Clendon Residents Group	-	435
Counselling Services Centre	-	680
Counties Manukau Sport Foundation	500	500
Counties Manukau Victims Support	1,000	-
Counties Manukau Zone of NZRL Inc.	1,000	-
Family Start Manukau	500	-
Foundation for Youth Development	1,000	500
Girls Guides: Totara View District	500	-
Graeme Dingle Foundation	500	-
He Poutama Awhina Club Netball	500	-
JC Spartans Inc.	868	-
Katie's Mission to Clean Up	435	-
Kohiwi Road Playcentre	-	435
Leabank Court	-	557
Leabank Court Residents Group	-	174
Liam Jacobson	-	870

Handwritten signatures and initials, including a large signature and the initials 'EF'.

Notes to the Financial Statements

	2016	2015
Maich Road Teaching Gardens	486	-
Mangere Arts Centre	-	423
Manukau Indian Association Inc.	600	-
Manurewa Amateur Athletic & Harrier Club	500	-
Manurewa Marae	500	-
Manurewa Methodist Church	1,000	-
Manurewa Tongan Methodist Church	500	-
Manurewa Youth Workers Network	500	-
Mountfort Park Water Polo Club	-	435
New Foundations Trust	435	500
Papatoetoe Caring Community Trust	1,000	1,800
Randwick Park Residents Association Inc.	500	500
Rawiri Residents Association	500	500
Safer Aotearoa Family Violence Prevention Network	3,000	-
SoulStep Display Marching Team	500	-
South Asian Trust Inc.	-	750
Ta'imua Youth Ministries	-	435
Te Huarahi Hou Incorporated Society	2,000	-
Te Kamaka Matauranga Kohanga Reo	-	500
Te Kura Kaupapa o Manurewa	500	-
Te Whakaora Tangata	1,580	480
Te Wharekura o Manurewa Whanau Trust	1,000	-
The Polyfest Trust	-	1,000
Tui Road Playcentre	-	500
Urban Neighbours of Hope NZ Trust	450	500
Waimahia Inlet Residents Association Inc.	500	-
Waimahia Intermediate School	1,000	-
Wattledowns Residents & Ratepayers Association	500	500
Weymouth Boating Club Inc.	1,000	-
Weymouth Playcentre	700	534
Weymouth Residents & Ratepayers Association	-	631
Whanua Ora Community Clinic	-	1,000
Youthline (Manukau)	500	-
Total Sponsorship Paid	32,586	16,407

The process for approving sponsorship includes a procedure where the sponsored party completes a sponsorship application form. This application form provides the Wiri Licensing Trust with confirmation of the goods and services tax registration status of the sponsored party. As such, some sponsorship payments are stated exclusive of goods and services tax whilst others are stated inclusive of goods and services tax.

	2016	2015
19. Financial Instruments		
Financial Assets		
Loans and Receivables		
Cash and Cash Equivalents	343,374	325,159
Debtors and Other Receivables	88,943	17,982
Total Loans and Receivables	432,317	343,141
Total Financial Assets	432,317	343,141

2016

2015

Financial Liabilities**Financial Liabilities at Amortised Cost**

Creditors and Other Payables	182,733	273,204
Secured Loans	6,558,088	6,658,088
Total Financial Liabilities at Amortised Cost	6,740,821	6,931,292
Total Financial Liabilities	6,740,821	6,931,292

20. Adjustments to the Comparative Year Financial Statements

Wiri Licensing Trust transitioned from NZ IFRS Differential Reporting to the NZ IFRS RDR Reporting on 1 April 2015. Wiri Licensing Trust has adjusted its comparative year financial statements for the year ended 31 March 2015 due to transition to the new NZ IFRS RDR accounting standards. Significant changes to the Financial Statements include the inclusion of a Statement of Cashflows and accounting for deferred tax assets and liabilities. Adjustments affecting values in the prior period are shown in the table below:

Effect on Statement of Financial Position

Opening Balance - 1 April 2014	Diff Rep	Adjustment	RDR
Deferred tax asset/(liability)	-	(938,826)	(938,826)
Retained Earnings	15,881,871	(970,826)	14,911,044
Revaluation Reserve	763,535	32,000	795,535
Total		(938,826)	

Comparative balance - 31 March 2015	Diff Rep	Adjustment	RDR
Deferred tax asset/(liability)	-	(932,708)	(932,708)
Retained Earnings	17,353,929	(954,708)	16,399,220
Revaluation Reserve	840,352	22,000	862,352
Total		(932,708)	

Effect on Statement of Comprehensive Income

Comparative balance - 31 March 2015	Diff Rep	Adjustment	RDR
Net Surplus before Tax	1,472,058		1,472,058
Tax Expense	-	16,118	16,118
Net Surplus after Tax	1,472,058		1,488,176
Asset Revaluation Gain	76,817		76,817
Tax on Revaluation	-	(10,000)	(10,000)
Total Other Comprehensive Income	76,817		66,817

WIRI LICENSING TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

21 PROPERTY PLANT AND EQUIPMENT

	31/03/2015	1/04/2015	Accumulated Depn and impairment changes	Carrying amount	1/04/2015	Additions	Disposals/Revaluations	Depn	Gain/Loss on disposal	31/03/2016	Cost/Valuation	Accumulated Depn	Carrying Amount
2016													
Office Equipment - Trusty Fullback	1,040	(973)	(973)	67	-	-	-	(27)	-	1,040	(1,000)	40	
Fixtures & Fittings - Trusty Fullback	50,725	(26,447)	(26,447)	24,278	-	-	-	(2,878)	-	50,725	(29,325)	21,400	
Plant & Equipment - Trusty Fullback	36,415	(28,826)	(28,826)	7,589	-	-	-	(1,951)	-	36,415	(30,777)	5,638	
Roscommon Road	1,710,000	-	-	1,710,000	-	106,144	-	(16,144)	-	1,800,000	-	1,800,000	
Plant & Equipment - Our Local	338,015	(269,773)	(269,773)	68,242	8,163	-	-	(12,386)	-	346,178	(282,159)	64,019	
Motor Vehicles	23,212	(22,466)	(22,466)	746	-	-	-	(268)	-	23,212	(22,734)	478	
Office Furniture & Equipment - Our Local	85,631	(66,944)	(66,944)	18,687	-	-	-	(5,181)	-	85,631	(72,125)	13,506	
Computer Equipment	704	(687)	(687)	17	-	-	-	(9)	-	704	(696)	9	
	2,245,742	(416,116)	(416,116)	1,829,626	8,163	106,144	-	(38,844)	-	2,343,905	(438,816)	1,905,090	

21 PROPERTY PLANT AND EQUIPMENT

	31/03/2014	1/04/2014	Accumulated Depn and impairment changes	Carrying amount	1/04/2014	Additions	Disposals/Revaluations	Depn	Gain/Loss on disposal	31/03/2015	Cost/Valuation	Accumulated Depn	Carrying Amount
2015													
Office Equipment - Trusty Fullback	1,040	(928)	(928)	112	-	-	-	(45)	-	1,040	(973)	67	
Fixtures & Fittings - Trusty Fullback	50,725	(23,161)	(23,161)	27,564	-	-	-	(3,286)	-	50,725	(26,447)	24,278	
Plant & Equipment - Trusty Fullback	36,415	(26,021)	(26,021)	10,394	-	-	-	(2,805)	-	36,415	(28,826)	7,589	
Roscommon Road	1,650,000	-	-	1,650,000	-	76,818	-	(16,818)	-	1,710,000	-	1,710,000	
Plant & Equipment - Our Local	333,670	(255,237)	(255,237)	78,433	4,345	-	-	(14,536)	-	338,015	(269,773)	68,242	
Motor Vehicles	23,212	(22,047)	(22,047)	1,165	-	-	-	(419)	-	23,212	(22,466)	746	
Office Furniture & Equipment - Our Local	73,479	(59,738)	(59,738)	13,741	12,152	-	-	(7,206)	-	85,631	(66,944)	18,687	
Computer Equipment	704	(670)	(670)	34	-	-	-	(17)	-	704	(687)	17	
	2,169,245	(387,802)	(387,802)	1,781,443	16,497	76,818	-	(45,132)	-	2,245,742	(416,116)	1,829,626	

VALUATION

LAND AND BUILDINGS

Land and Buildings are valued at fair value using market based evidence based on its highest and best use with reference to comparable land and buildings values. The most recent valuation of land was performed by a registered independent valuer, Seagar & Partners (Manukau) Ltd. and the valuation is effective as at 31 March 2016.