

**Clutha Licensing Trust**

**Annual Report  
For the Year ended 31 March 2018**

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**For the Year ended 31 March 2018**

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■ ■ Contents

■	Directory	3
■	Approval by Trustees	4
■	Independent Auditors' Report	5-7
■	Statement of Cash Flows	8
■	Statement of Financial Performance	9
■	Statement of Comprehensive Income	10
■	Statement of Changes in Equity	10
■	Statement of Financial Position	11
■	Notes to the Financial Statements	12-30

# Clutha Licensing Trust

## Directory As at 31 March 2018

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**Nature of Business:**

Hotelier & Liquor Retailers

**Trust Members:**

S Morris – President  
S McKenzie – Vice – President  
B Cross  
R Agnew  
J Lyders  
I Carruthers  
N Gardener  
T McIntosh  
D Robertson - Dunn

**Accountants:**

Shand Thomson Ltd, P O Box 2, Balclutha

**Bankers:**

ANZ Bank, 33 Clyde Street, Balclutha  
Bank of New Zealand, P O Box 24, Balclutha

**Solicitors:**

Sumpter Moore, P O Box 89, Balclutha

**Inland Revenue Department:**

Clutha Licensing Trust

010-070-481

## Clutha Licensing Trust

### Approval by Trustees As at 31 March 2018

The trustees of Clutha Licensing Trust here present the financial statements for the year ended 31 March 2018.

The trustees are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice, which give a true and fair view of the financial position of the Trust as at 31 March 2018 and the results of its operations for the year ended on that date.

The Trustees consider the financial statements of the Trust have been prepared using accounting policies which have been consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Trustees believe that proper accounting records have been kept which enable with reasonable accuracy, the determination of the financial position of the Trust and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

The Trustees consider that they have taken adequate steps to safeguard the assets of the Trust, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

The trustees do not have the power to amend the financial statements after issue.



**S Morris**  
President

For and on behalf of the Trustees

Dated: *25<sup>th</sup> July 2018*

**S McKenzie**  
Vice-President

## Independent Auditor's Report

### To the readers of Clutha Licensing Trust's financial statements for the year ended 31 March 2018

The Auditor-General is the auditor of Clutha Licensing Trust (the Trust). The Auditor-General has appointed me, Ian Lothian, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Trust, on his behalf.

#### Opinion

We have audited the financial statements of the Trust on pages 8 to 30, that comprise the statement of financial position as at 31 March 2018, the statement of financial performance, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the Trust:

- present fairly, in all material respects:
  - its financial position as at 31 March 2018; and
  - its financial performance and cash flows for the year then ended;
- comply with generally accepted accounting practice in New Zealand in accordance with New Zealand equivalents to International Financial Reporting Standards with reduced disclosure requirements.

Our audit was completed on 25 July 2018. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Members and our responsibilities relating to the financial statements, and we explain our independence.

#### Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

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

### **Responsibilities of the Members for the financial statements**

The Members are responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Members are responsible for such internal control as they determine is necessary to enable them to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Members are responsible, on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Members are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Members resolve to amalgamate or liquidate the Trust, or to cease operations, or have no realistic alternative but to do so.

The Members' responsibilities arise from the Sale and Supply of Alcohol Act 2012.

### **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Members.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Members and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

## **Independence**

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standards 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.



Ian Lothian  
Audit New Zealand  
On behalf of the Auditor-General  
Dunedin, New Zealand

## Clutha Licensing Trust

### Statement of Cash Flows For the Year Ended 31 March 2018

	Note	2018 \$	2017 \$
<b>Cash Flows from Operating Activities</b>			
<b>Cash was Provided from:</b>			
Receipts from Customers		9,514,506	9,011,105
Interest Received		3,729	9,353
Dividends Received		11,297	12,064
		9,529,532	9,032,521
<b>Cash was Applied to:</b>			
Payments to Suppliers and Employees		8,928,062	8,506,477
Interest Paid		8,508	22,248
Taxation Paid		88,288	32,611
		9,024,858	8,561,337
<b>Net Cash Inflow from Operating Activities</b>		504,674	471,184
<b>Cash Flow from Investing Activities</b>			
<b>Cash was Provided from:</b>			
Proceeds on Sale of Property, Plant and Equipment		-	8,109
Sale of Investments		552	638
		552	8,747
<b>Cash was Applied to:</b>			
Purchase of Other Financial Assets		100,183	-
Purchase of Property, Plant and Equipment		201,095	252,025
		301,278	252,025
<b>Net Cash Inflow/(Outflow) from Investing Activities</b>		(300,726)	(243,278)
<b>Cash Flows from Financing</b>			
<b>Cash was Provided from:</b>			
Proceeds from Borrowing		-	-
<b>Cash was Applied to:</b>			
Settlement of Debt		300,000	-
<b>Net Cash Inflow/(Outflow) from Financing Activities</b>		(300,000)	-
Net Increase/(Decrease) in Cash Held		(96,052)	227,906
Add Opening Cash Brought Forward		1,231,819	1,003,913
<b>Ending Cash Carried Forward</b>	22	1,135,767	1,231,819



## Clutha Licensing Trust

### Statement of Financial Performance For the Year Ended 31 March 2018

	Note	2018 \$	2017 \$
<b>Revenue</b>			
Liquor		6,830,871	6,571,859
Food		1,745,633	1,602,549
Accommodation		662,309	612,789
		9,238,813	8,787,197
<b>Cost of Sales</b>		4,821,149	4,641,050
<b>Gross Margin</b>		4,417,664	4,146,147
<b>Plus Other Revenue</b>			
Other Income	3	350,188	294,897
Dividends Received		11,297	12,064
Interest Received		4,813	9,353
		366,298	316,314
<b>Less Other Expenses</b>			
ACC Levies		20,713	23,086
Accounting and Secretarial fees		30,630	28,000
Audit Fees	6	43,500	68,500
Depreciation	29	521,688	525,267
Donations		21,067	12,228
Honorarium and Expenses	13	41,956	37,651
Insurance		54,102	50,206
Interest		8,508	22,248
Legal Fees		5,066	930
Other Expenses	4	1,412,063	1,211,394
Salaries & Wages		2,515,478	2,522,918
		4,674,771	4,502,428
Gain on Sale of Property, Plant & Equipment		(191)	8,109
<b>Profit (Loss) before Taxation</b>		109,000	(31,859)
Taxation	2	16,586	4,684
<b>Profit (Loss) after Taxation</b>		92,414	(36,543)

## Clutha Licensing Trust

### Statement of Comprehensive Income For the Year Ended 31 March 2018

	Note	2018 \$	2017 \$
Profit (Loss) after Taxation		92,414	(36,543)
<b>Other Comprehensive Income</b>			
Revaluation of Other Financial Assets	11	(729)	810
Revaluation of Property, Plant & Equipment	29	-	930,558
Deferred Tax on Revaluation of Buildings	2	-	(207,356)
		(729)	724,012
<b>Total Comprehensive Income</b>		91,685	687,469

### Statement of Changes in Equity For the Year Ended 31 March 2018

	2018 \$	2017 \$
Equity at the Beginning of the Period	6,827,203	6,139,734
Profit (Loss) for the Period	92,414	(36,543)
Other Comprehensive Income (Loss)	(729)	724,012
Total Comprehensive Income for the Period	91,685	687,469
<b>Equity at End of Period</b>	6,918,888	6,827,203

## Clutha Licensing Trust

### Statement of Financial Position For the Year Ended 31 March 2018

	Note	2018 \$	2017 \$
<b>Trust Equity</b>			
Reserves	14	6,918,888	6,827,203
<b>Total Trust Equity</b>		<u>6,918,888</u>	<u>6,827,203</u>
<b>Represented by:</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	22	1,135,767	1,231,819
Other Financial Assets	11	100,000	-
Accounts Receivable	7	326,924	258,269
Assets Held for Sale	26	274,193	-
Prepayments		26,967	31,090
Inventory	8	946,985	847,729
		<u>2,810,836</u>	<u>2,368,907</u>
<b>Non Current Assets</b>			
Property, Plant and Equipment	29	6,654,521	7,274,822
Capital Works in Progress		-	73,336
Other Financial Assets	11	115,490	116,771
Intangible Assets	24	4,091	3,908
		<u>6,774,102</u>	<u>7,468,837</u>
<b>Current Liabilities</b>			
Accounts Payable and Accruals	9	1,109,693	1,089,521
Employee Entitlements	10	294,635	288,062
Taxation Due	2	88,271	68,005
ANZ Bank Loans	12	-	300,000
		<u>1,492,599</u>	<u>1,745,588</u>
<b>Non Current Liabilities</b>			
Employee Entitlements	10	26,484	26,018
Deferred Tax Liability	2	1,146,967	1,238,935
		<u>1,173,451</u>	<u>1,264,953</u>
<b>Net Assets</b>		<u>6,918,888</u>	<u>6,827,203</u>

## Clutha Licensing Trust

### Notes to the Financial Statements For the Year ended 31 March 2018

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#### Note 1 – Summary of Accounting Policies

##### Statement of Compliance

The Clutha Licensing Trust ("The Trust or CLT") is a profit orientated entity, and is a Licensing Trust operating under the Sale & Supply of Alcohol Act 2012. The Trust is a registered Trust incorporated 1955 and domiciled in Balclutha. The Trust operates entities that operate in the hospitality sector providing bars, restaurants and accommodation services.

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZGAAP"). The statements comply NZ IFRS reduced disclosure regime, and other Financial Reporting Standards, as appropriate for profit orientated entities. Under the terms of the Accounting Standards Framework issued by the External Reporting Board (XRB) the Trust has designed itself a Tier 2 for profit entity and therefore applies the Tier 2 Accounting Standards (NZ IFRS Reduced Disclosure Regime). The Trust is eligible to report under the Tier 2 for profit standards because it does not have public accountability and is not large. The Trust has applied disclosure concessions.

##### Basis of Preparation

These financial statements are for the Clutha Licensing Trust only. The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain Land, Buildings and Financial Instruments.

Cost is based on the fair value of the consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 March 2018 and the comparative information presented in these financial statements for the year ended 31 March 2017.

The financial statements are presented in New Zealand dollars rounded to the nearest whole dollar, except for Note 29 Property, Plant and Equipment which is rounded to the nearest thousand.

The going concern assumption has been adopted in the preparation of these financial statements. The relevance of the going concern assumption is explained in Note 25 to these financial statements.

##### Changes in Accounting Policy

There have been no changes in accounting policies from the 2017 year.

### Critical Judgements Estimates and Assumptions

In the application of NZ IFRS management is required to make judgements, estimates, and assumptions about carrying values of assets and liabilities that are not really apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period of the revision and future periods if the revision affects both current and future periods.

### Key Sources of Estimation Uncertainty

Judgements made by management in the application of NZ IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

#### ■ Key Sources of Estimation Uncertainty include:

- Estimating the remaining useful life of various items of property, plant and equipment  
If the useful life does not reflect the actual consumption of benefits of the asset, the Trustees could be over or under estimating the depreciation charge recognised as an expense in the statement of financial performance.
- Allowance for impairment loss  
Management assess the likelihood of recovery of accounts receivable which are outstanding beyond normal contractual terms. A general or specific impairment loss is determined based on this assessment.
- Determination of fair value  
Certain financial assets are recognised and measured at fair value. Where active markets exist, fair value is based on quoted market prices. Where there is no active market, fair value may be determined by the use of other valuation techniques. Changes in assumptions used in the valuation techniques could affect the reported fair value of the financial assets.

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 measurable under the circumstances.

The principal accounting policies applied in the preparation of the financial report are set out below. These policies have been consistently applied unless otherwise stated.

### Property, Plant, and Equipment

Land and buildings are measured at fair value. Fair value is determined on the basis of an independent valuation prepared by external valuation experts every two years, based on a discounted cash flows or capitalisation of net income (as appropriate). The fair values are recognised in the financial statements of the Trust, and are reviewed at the end of each reporting period to ensure that the carrying value of the land and buildings is not materially different from their fair values.

Any revaluation increase arising on the revaluation of land and buildings is credited to the asset revaluation reserve, except to the extent that it reserves a decrease for the same asset previously recognised as an expense in profit or loss, in which case the increase is credited to the statement of financial performance to the extent of the decrease previously charged. A decrease in the carrying amount arising on the revaluation of land and buildings is changed as an expense in profit or loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to any previous revaluation of the asset.

Depreciation on the revalued buildings is charged to the statement of financial performance. On the subsequent sale or retirement of a revalued property, the attributable revaluation reserve, net of any related deferred taxes, is transferred directly to retained earnings.

All other property, plant and equipment is stated at historical cost less accumulated depreciation and any allowance for impairment. Cost includes all expenditure that is directly attributable to the acquisition of the item.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land.

Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation:

Buildings & Fit-outs	3 – 40 years
Leasehold Improvements	10 – 40 years
Office Equipment	5 – 10 years
Furniture & Fittings	5 – 10 years
Carpet & Vinyl	5 – 10 years
Plant & Equipment	15 years
Motor Vehicles	4 - 15 years

#### Borrowing Costs

All borrowing costs are recognised in the Statement of financial performance in the period in which they are incurred.

#### Impairment of Assets

At each balance sheet date, the Trust reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Trust estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately unless the asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

## Employee Benefits

### ■ Short Term Benefits

Employee benefits that the Trust expects 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 salaries and wages accrued up to balance date, annual leave entitlement but not yet taken at balance date, annual leave accrual at balance date, and long services leave entitlements accrued by having reached a particular threshold.

### ■ Long Term Benefits

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave have been calculated on an actuarial basis.

The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of and contractual entitlements information; and
- The present value of the estimated future cash flows. A discount rate of 5% and an inflation rate of 2.5% were used. The discount rate and inflation rate are estimates based on the current market conditions.

## Revenue Recognition

Revenue is measured at the fair value of the consideration received and represents rental received and property expenses recovered in the normal course of business. The following specific recognition criteria must be met before revenue is recognised:

### ■ Food and Beverage

Revenue from the sale of food and beverage is recognised at the time the food and beverage is provided and the sale is not conditional on any further actions of the Trust.

### ■ Accommodation

Revenue from accommodation is recognised when the accommodation is utilised and the Trust is entitled to invoice.

### ■ Dividend and Interest Revenue

Dividends from investments are recognised when the right to receive payment has been established.

Interest revenue is accrued on a time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

## Taxation

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable differences. Deferred tax assets are recognised to the extent that it is probably that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using the tax rates that have been enacted at balance date.

Current and deferred tax are charged or credited to surplus or deficit, except when it relates to items charged or credits directly to equity, in which case the tax is dealt with in equity.

## GST

All items in the balance sheet are stated exclusive of GST, with the exception of receivables and payables, which include GST. All items in the statement of financial performance are stated exclusive. Where GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the cash flow statement on a net basis. The GST component of cash flows arising from investing and financial activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

## Inventory

Inventories held for sale or used in production of goods and services on a commercial basis are valued at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business. Cost of inventories is based on the first-in, first out basis.

## Financial Instruments

Financial assets and financial liabilities are recognised on the Trust's Statement of Financial Position when the Trust becomes a party to the contractual provisions on the instrument. Regular purchases and sales of financial assets are recognised on trade date - the date on which the Trust commits to purchase or sell the asset.

### ■ Cash & Cash Equivalents

Cash and cash equivalents comprise cash on hand, short term deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### ■ Accounts Receivable

Accounts receivable are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irreducible amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the assets carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

### ■ Accounts Payable

Accounts payable are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method. These amounts represent liabilities for goods and services provided to the Trust prior to the end of the financial year, which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade payables are considered to be the same as their fair values, due to their short term nature.



#### ■ Other Financial Assets

The Trust's investments in shares are classified as "available for sale" and stated at fair value except where the range of fair value estimates is significant and probabilities of estimates cannot be reasonably assured, whereon the investments are valued at cost less impairment.

The fair value of investments in shares traded in an active market is based on quoted market bid prices at the balance sheet date. The fair value of investments not traded on an active market is determined using valuation techniques. Where the fair value of investments in shares cannot be reliably measured (on the basis that only a range of fair values could be determined and the probability of the various estimates in the range could not be determined without further information from the entity being valued and this information has been sought and access to that information refused), the investments in shares will be valued at cost.

After initial recognition, investments in shares at fair value are subsequently measured at their fair value, with gains and losses recognised in the Statement of Comprehensive Income. On de-recognition the cumulative gain or loss previously recognised in equity is recognised in the Statement of Comprehensive income.

Investments in shares are those intended to be held long term or are for strategic purposes included in non-current assets unless management intends to dispose of these within 12 months of the balance date. The Trust has short term deposits which are classified as loans and receivables. These are non-derivative financial assets with fixed or determinable payments that are not quotes in the active market. In this category the Trust has term deposits with maturity dates of greater than three months.

#### ■ Operating Lease Payments

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Payments made under operating leases are recognised in the Statement of financial performance on a straight line basis over the term of the lease. Lease incentives received are recognised in the Statement of financial performance as an integral part of the total lease expense. Minimum lease payments are apportioned between the finance charge and the reduction of any outstanding liability. Finance charges are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### ■ Donations

Donations are recognised through the statement of financial performance when they are approved by the Trustees and paid.

#### Intangible Assets

The Trust holds liquor licences for all its establishments. These are issued for periods 3 years, and are recognised as an intangible asset. Their cost is amortised on a straight line basis over their 3 year useful life.

The trust also holds a lifetime license for software subscription. This is not amortised, but assessed for impairment.

#### Cashflow Statement

Definition of terms used in the cash flow statement:

- Cash and cash equivalents includes cash on hand, deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.
- Operating activities include all transactions that are not investing or financing activities.
- Investing activities are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets.
- Financing activities are those activities relating to changes in the equity and debt capital structure of the Trust and those activities relating to the cost of servicing the Trust's capital.

## Note 2 – Income Taxes

	<b>2018</b>	<b>2017</b>		
	\$	\$		
■ <b>Tax Calculation</b>				
The prima facie income tax expense on pre-tax accounting surplus(deficit) reconciles to the income tax expense in the financial statements as follows				
Profit before Income Tax	109,000	(31,859)		
Income Tax Expense Calculated at 28%	30,520	(8,920)		
Permanent Differences	532	3,637		
Deferred Taxation Adjustment	(14,466)	9,967		
<b>Taxation Expenses</b>	<u>16,586</u>	<u>4,684</u>		
<b>Analysis of Taxation Expenses</b>				
Current Taxation	108,554	80,919		
Deferred Taxation	(91,968)	(76,235)		
	<u>16,586</u>	<u>4,684</u>		
■ <b>Deferred Tax</b>	<b>Opening Balance</b>	<b>Charged to Income</b>	<b>Charged to Other Comprehensive Income</b>	<b>Closing Balance</b>
	\$	\$	\$	\$
<b>2018</b>				
<b>Deferred Tax Liability</b>				
Property, Plant and Equipment	1,308,599	(95,381)	-	1,213,218
Intangible Assets	1,094	(1,094)	-	-
Employee Entitlements	(70,758)	4,507	-	(66,251)
	<u>1,238,935</u>	<u>(91,968)</u>	<u>Nil</u>	<u>1,146,967</u>
<b>2017</b>				
<b>Deferred Tax Liability</b>				
Property, Plant and Equipment	1,176,257	(75,014)	207,356	1,308,599
Intangible Assets	1,336	(242)	-	1,094
Employee Entitlements	(69,779)	(979)	-	(70,758)
	<u>1,107,814</u>	<u>(76,235)</u>	<u>207,356</u>	<u>1,238,935</u>
■ <b>Taxation Provision Improvements</b>				
<b>Opening Balance</b>		68,005		19,696
<b>Plus</b>				
Current Taxation		108,554		80,919
		<u>176,559</u>		<u>100,615</u>
<b>Less</b>				
Taxation Paid		87,188		29,873
Dividend RWT		4		-
Resident Withholding Tax		1,096		2,737
		<u>88,288</u>		<u>32,610</u>
<b>Closing Balance</b>		<u>88,271</u>		<u>68,005</u>

**Note 3 – Other Income**

	<b>2018</b>	<b>2017</b>
	\$	\$
Gaming Machine Income	235,165	196,661
Equipment Rental	6,609	11,822
Rentals	75,812	54,568
Rebates	4,800	4,800
Sundry Income	27,802	27,046
	<u>350,188</u>	<u>294,897</u>

**Note 4 – Other Expenses**

	<b>2018</b>	<b>2017</b>
	\$	\$
Advertising	34,860	42,260
Bank Fees	48,702	46,323
Cleaning & Rubbish	39,791	43,651
Commissions Paid	46,856	51,855
Computer Expenses	19,354	15,905
Electricity & Heating	303,838	301,019
Entertainment	35,794	46,744
Franchise Payments	41,064	40,168
Hospitality	26,393	27,267
Impairment of Capital Work in Progress	60,304	-
Laundry	56,337	47,896
Printing & Stationery	22,906	23,853
Rates	37,027	35,838
Rentals	57,452	58,166
Repairs & Maintenance	296,996	161,326
Sky TV	47,940	48,426
Telephone	33,020	45,537
Motor Vehicle Expenses	38,027	41,246
Other Expenses	165,402	133,914
	<u>1,412,063</u>	<u>1,211,394</u>

**Note 5 – Key Management Personnel Compensation**

The compensation of the General Manager being the only key management personnel of the Trust is set out below:

	<b>2018</b>	<b>2017</b>
	\$	\$
Short term employee benefits	106,523	111,790
Other long term employee benefits	8,852	7,932
Expenses for Defined Contribution Plans (Employer's Kiwisaver Contribution)	3,036	3,093
	<u>118,411</u>	<u>122,815</u>

Employees of the Trust (section 335(4)(b)(ii) of the Sale & Supply of Alcohol Act 2012)

Number of employees and former employees of the Trust who received in excess of \$100,000 by way of remuneration during the financial year are as follows:

**Remuneration Band**

\$110,000 - \$120,000

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**Note 6 – Remuneration to Auditors**

	<b>2018</b>	<b>2017</b>
	\$	\$
Audit fees for financial statement audit for the Audit NZ	43,500	43,500
Audit NZ recoveries for the 2016 financial statements audits	-	3,500
Audit NZ recoveries for the 2015 financial statements audits	-	21,500
	<u>43,500</u>	<u>68,500</u>

The auditor of the Clutha Licensing Trust is "Audit New Zealand" on behalf of the Auditor General.

**Note 7 – Accounts Receivable**

	<b>2018</b>	<b>2017</b>
	\$	\$
Trade receivables	278,067	225,843
Sundry receivables and accruals	48,857	32,426
	<u>326,924</u>	<u>258,269</u>

No interest is charged on trade receivables

Aged trade receivables

	<b>2018</b>	<b>2017</b>
	\$	\$
0 – 30 days	\$268,645	\$219,708
30 – 60 days	\$5,398	\$7,757
60 – 90 days	\$3,529	\$501
Over 90 days	\$495	\$(2,123)

**Note 8 – Inventories**

	<b>2018</b>	<b>2017</b>
	\$	\$
Liquor	891,310	792,022
Food	55,675	55,707
	<u>946,985</u>	<u>847,729</u>

**Note 9 – Accounts Payable & Accruals**

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables re considered to be the same as their fair values, due to their short term nature.

	<b>2018</b>	<b>2017</b>
	\$	\$
Trade creditors	933,861	921,316
Goods & services tax	83,799	78,337
Accrued expenses	92,033	131,640
	<u>1,109,693</u>	<u>1,131,293</u>

Aged trade payables

	<b>2018</b>	<b>2017</b>
	\$	\$
0 – 30 days	\$930,285	\$923,428
30 – 60 days	\$3,840	\$878
60 – 90 days	\$Nil	\$14
Over 90 days	\$(264)	\$(3,004)

**Note 10 – Employee Entitlements**

	<b>2018</b>	<b>2017</b>
	\$	\$
<b>Current Portion</b>		
Salaries and wages accrued	56,341	41,773
Provision for holiday pay	229,593	235,514
Provision for long service leave	8,702	10,775
	<u>294,636</u>	<u>288,062</u>
<b>Non current portion</b>		
Provision for long service leave	26,484	26,018

The provision for Holiday Pay represents employee entitlements for annual and long service leave which have “vested” in the employee. Provision for long service leave represents unvested entitlements. These amounts are uncertain at balance date and the amounts have been included at the best estimate of the liability.

**Note 11 – Other Financial Assets**

	<b>2018</b>	<b>2017</b>
	\$	\$
<u>Current Other Financial Assets</u>		
At fair value:		
Term Deposits	100,000	-
	<u>100,000</u>	<u>-</u>
<u>Non Current Other Financial Assets</u>		
At fair value:		
Shares in DB South Brewery Ltd (i)	111,453	112,182
Shares in Super Liquor Holdings Ltd (i)	2,500	2,500
Investments in Foodstuffs	1,537	2,089
	<u>115,490</u>	<u>116,771</u>

These investments are designated as “Available for sale” financial instruments. Because of the nature of the shares and the fact that there is no active market, the Trust has elected to continue to use cost price (apart from DB South Island Brewery Ltd shares) as an approximation of fair value.

**Interest Rates**

The weighted average effective interest rates on financials assets were:

	<b>2018</b>	<b>2017</b>
Other Financial Assets – Current	3%	-
Short Term Deposit		

The Trust holds 48,634 (2017 48,634) ordinary shares issued by DB South Island Brewery Ltd. This holding represents less than 1% of the 7,200,000 shares issued by the company.

The shares have been valued on the basis of the value per share of the total net assets of DB South Island Brewery Ltd.

Under IFRS 13 the shares have been valued unobservable inputs under level 3 fair value hierarchy. The Trust deems that this is a more appropriate valuation method.

The shares have been valued at \$2.29 (2017 \$2.31) a share resulting in a decrease in the value of the shares by \$729 with the decrease reducing to the share revaluation reserve.

The valuation is effective from 31 December 2017 being the balance date of DB South Island Brewery Ltd. There is nothing to suggest that there has been any material movement in the share value since.

	\$	\$
Opening Value at 1 April 2017	112,182	111,372
Devaluation	729	810
Closing Value at 31 March 2018	<u>111,453</u>	<u>112,182</u>

The revaluation is shown as "other comprehensive income" in the Statement of Comprehensive Income.

#### Note 12 – Non Current Liabilities (Secured)

	Interest Rate	Expiry Date	\$	\$
ANZ Bank Loan	N/A	N/A	-	300,000
			<u>Nil</u>	<u>300,000</u>

Clutha Licensing Trust has complied with the financial covenants of its borrowing facilities during the 2018 and 2017 reporting periods. Under the terms of the borrowing facilities, the Trust is required to comply with the following financial covenants:

- EBITDA is required to be  $\geq$  2.5:1 to interest costs

The trust has complied with this covenant throughout the reporting period.

#### Note 13 – Remuneration of Trustees

Fees and expenses paid to Board members during the year:

	2018 \$	2017 \$
Presidents Honorarium	18,000	12,750
Board Members Fees and Expenses	23,956	24,901
	<u>41,956</u>	<u>37,651</u>

**Note 14 - Reserves**

	2018 \$	2017 \$
Retained Earnings (a)	3,544,927	3,452,513
Revaluation Reserve (b)	3,373,961	3,374,690
	<u>6,918,888</u>	<u>6,827,203</u>

**(a) Retained Earnings**

	2018 \$	2017 \$
Opening Balance	3,452,513	3,489,056
Profit (Loss) after Taxation	92,414	(36,543)
<b>Closing Balance</b>	<u>3,544,927</u>	<u>3,452,513</u>

**(b) Revaluation Reserve**

	2018 \$	2017 \$
Opening Balance	3,374,690	2,650,678
Revaluation of Property, Plant & Equipment	-	930,558
Revaluation of Other Financial Assets	(729)	810
Deferred Tax on Revaluation of Buildings	-	(207,356)
<b>Closing Balance</b>	<u>3,373,961</u>	<u>3,374,690</u>

The asset revaluation reserve arises on the revaluation of land and buildings. If a revalued property is sold the portion of the asset revaluation reserve which is effectively realised as part of that transaction is transferred directly to retained earnings.

**Note 15 – Capital Commitments**

There were no capital commitments at 31 March 2018 (2017 \$nil)

**Note 16 – Contingent Liabilities and Assets**

There were contingent liabilities at 31 March 2018 (2017 \$20,000) as the Clutha Licensing Trust has a bank guarantee of \$20,000 to the TAB with \$5,000 for each of the sites: Hotel South Otago, White Horse Inn, Catlins Inn, and Bridge Tavern.

In recent years employers in the private and public sectors in New Zealand have begun to identify the potential for significant payroll issues in relation to holiday pay entitlements, as covered by the Holidays Act 2013 and employment agreements. There is a particular risk for employers with rostered employees working on varying work shifts and numbers of hours. The financial effect for Clutha Licensing Trust cannot to be quantified based on the information currently available. The Trust will endeavour to quantify the effect of any under- or over-payments of holiday pay as soon as the legal position has been clarified.

There were no contingent assets (2017 \$nil).

### Note 17 – The Trusts Charitable Foundation

The Clutha Licensing Trust operates gaming machines in its outlets on behalf of the Trusts Charitable Foundation. Periodically the Trust applies for the proceeds less administration expenses for distribution to organisations within the community served by the Trust. Funds available for distribution at 31 March 2018 for TTCF Ltd were \$232,355 (2017 \$248,260).

Funds held by the Trusts Charitable Foundation are separate from and do not form part of these financial statements.

### Note 18 – Operating Leases

Non-cancellable operating lease commitments:

	2018	2017
	\$	\$
Not later than one year	52,644	43,927
Later than one year and no later than five years	69,268	48,333
Later than five years	-	-
	<u>121,912</u>	<u>92,261</u>

### Note 19 – Related Party Transactions

During the period there have been related party purchases between Clutha Licensing Trust and board members as follows:

- Blair Cross being a director and shareholder of Kai Point Coal Ltd with transactions totalling \$nil (2017 \$69). There were no outstanding amounts owing at balance date (2017 \$nil). Kai Point Coal provides coal to the Trust.
- Blair Cross being a director and shareholders of McLellan Freight Ltd with transactions totalling \$1,724 (2017 \$291). There was \$130 owing at balance date (2017 \$66). McLellan Freight Ltd provides freight services to the Trust.
- Robert Agnew being the owner of Milton Butchery with transactions totalling \$40,374 (2017 \$41,771). There was \$4,621 owing at balance date (2017 \$3,607). Milton Butchery provides meat to the restaurants operated by the Trust.
- Steve Morris being the owner of Steve Morris Joinery with transactions totalling \$326 (2017 \$1,057). There was \$nil (2017 \$115) owing at balance date. Steve Morris provides joinery services to the Trust.
- Neville Gardner being a committee member of Balclutha Golf Club with transactions totalling \$150 (2017 \$nil). There was \$nil owing at balance date (2017 \$nil). Balclutha Golf Club purchases liquor from the trust.

During the period there have been related party sales between Clutha Licensing Trust and board members as follows:

- Blair Cross being a director and shareholder of Kai Point Coal Ltd with transactions totalling \$883 (2017 \$2,274). There were no outstanding amounts owing at balance date (2017 \$306). Kai Point Coal provides coal to the Trust.
- Blair Cross being a director and shareholders of McLellan Freight Ltd with transactions totalling \$1,910 (2017 \$1,026). There was \$700 owing at balance date (2017 \$134). McLellan Freight Ltd provides freight services to the Trust.
- Steve Morris being the owner of Steve Morris Joinery with transactions totalling \$nil (2017 \$173). There was \$nil (2017 \$nil) owing at balance date. Steve Morris provides joinery services to the Trust.
- Neville Gardner being a committee member of Balclutha Golf Club with transactions totalling \$20,418 (2017 \$12,360). There was \$1,340 (2017 \$4,408) owing at balance date. Balclutha Golf Club purchases liquor from the trust.



- Robert Agnew being a committee member of Toko Golf Club with transactions totalling \$10,148 (2017 \$8,669). There was \$950 (2017 \$629) owing at balance date. Toko Golf Club purchases liquor from the trust.

All amounts are exclusive of GST. All transactions with related parties were on an arms length basis. The trust has the Auditor General's approval under the Local Authorities (Members Interests) Act 1968 until the 31<sup>st</sup> March 2019, for the trustee Robert Agnew to be interested in these transactions with the Trust.

#### Note 20 – Franchise Commitments

Non-cancellable franchise commitments:

	2018 \$	2017 \$
Not later than one year	35,400	32,000
Later than one year and no later than five years	96,050	36,250
Later than five years	-	-
	<u>131,450</u>	<u>68,250</u>

#### Note 21 – Subsequent Events

An unconditional agreement for the sale of the Bridge Tavern land, buildings and chattels was dated 29<sup>th</sup> March 2018, with settlement date of the 14<sup>th</sup> of May 2018, for a total sale price less costs to sell being \$307,263.

There were no other significant events that occurred after balance date (2017 \$nil)

#### Note 22 – Cash & Cash Equivalents

	2018 \$	2017 \$
Bank accounts	1,033,837	1,152,460
Imprest accounts & ATM's	101,930	79,359
	<u>1,135,767</u>	<u>1,231,819</u>

The bank has perfected security interest in all present and after acquired property of Clutha Licensing Trust.

#### Note 23 – Grants Paid

The Trust has not made any grants during the year (2017 \$nil).

#### Note 24 – Intangible Assets

The Trust holds liquor licences for all its establishments. These are issue for periods of 3 years, and are recognised as intangible assets. Their cost is amortised on a straight line basis over their 3 useful life.

The trust also holds a lifetime license for a Team Viewer subscription. This is not amortised, but assessed for impairment.

	2018	2017
	\$	\$
<b>Liquor Licenses</b>		
<b>Cost</b>		
Opening Balance	29,235	25,660
Renewal of Licences	4,950	3,575
Closing Balance	<u>34,185</u>	<u>29,235</u>
<b>Accumulated Depreciation &amp; Impairment Losses</b>		
Opening Balance	26,118	20,889
Renewal of Licences	4,767	5,229
Impairment Losses	-	-
Closing Balance	<u>30,884</u>	<u>26,118</u>
Carrying Amount	<u>3,301</u>	<u>3,117</u>
<b>Software Licenses</b>		
Opening Balance	791	-
Software Licenses	-	791
Carrying Amount	<u>791</u>	<u>791</u>

#### Note 25 – Going Concern Assumption

The Trust's accounting policy is to adopt the going concern assumption in the preparation of the financial statements. To the best of the Trustees knowledge and belief, the Trust has adequate resources to continue operations for the foreseeable future.

The Trust is actively seeking to reverse recent trading losses and to deliver better returns to our stakeholders through:

- Retaining and strengthening our skilled labour base;
- Seeking stakeholder feedback about the current operations of the Trust's businesses and properties, and actioning plans to improve our range of hospitality offerings;
- Progressing our current complete review of Trust's premises, with a view to their improvements and development, in line with market requirements;
- Working in line with the new Sale and Supply of Liquor Act 2012 requirements and reduced driver breath levels with a commitment to the provision of an acceptable (but controlled) courtesy coach service from all our premises; and
- Continuing to support community groups and organisations in South Otago through the Trusts Community Foundation Limited, and through direct distributions from the Trust to community groups within our district.

## Note 26 – Assets Held for Sale

At balance date, the trust held the property, plant and equipment at Clyde Terrace, Kaitangata (the Bridge Tavern) for sale. The asset should be measured at the lower of the carrying value and fair value less costs to sell. The asset is valued on the balance sheet at \$274,193, which is the net carrying value as at the 28<sup>th</sup> February 2018. The agreement for Sale and Purchase was dated the 29<sup>th</sup> of March 2018, with a settlement date of 14<sup>th</sup> May 2018 for a total sale price less costs to sell being \$307,263.

## Note 27 - Financial Instruments

### Credit Risk

Financial instruments which potentially subject the Trust to concentrations of credit risk consist principally of cash, short term deposits, receivables and investments. The Trust places its cash and short term investments with high credit rated financial institutions. There are no collateral securities to support financial investments due to the quality of the receivables and investments dealt with.

### Fair Value

Cash, short term deposits, receivables, accounts payable and short term borrowings have a carrying amount that is equivalent to their fair value.

### Currency & Interest Rate Risk

There is no currency risk as all transactions are in New Zealand dollars. Short term deposits are used to minimise interest risk. There are no off balance sheet financial instruments at balance date, nor have there been any during the financial year.

### Categories of Financial Instruments

The following table summaries the categories of the Trust's financial instruments:

2018	Available for sale financial assets	Loans & receivables	Financial liabilities at amortised cost	Total carrying value	Fair value
<b>Financial Assets</b>					
Trade & Other Receivables	-	326,924	-	326,924	326,924
Cash & Cash Equivalents	-	1,135,767	-	1,135,767	1,135,767
Short Term Bank Deposits	-	100,000	-	100,000	100,000
Other Financial Assets	115,490	-	-	115,490	115,490
<b>Financial Liabilities</b>					
Trade & Other Payables	-	-	1,109,692	1,109,692	1,109,692
Borrowings	-	-	-	-	-
<b>2017</b>					
	Available for sale financial assets	Loans & receivables	Financial liabilities at amortised cost	Total carrying value	Fair value
<b>Financial Assets</b>					
Trade & Other Receivables	-	258,269	-	258,269	258,269
Cash & Cash Equivalents	-	1,231,819	-	1,231,819	1,231,819
Short Term Bank Deposits	-	-	-	-	-
Investments	116,771	-	-	116,771	116,771
<b>Financial Liabilities</b>					
Trade & Other Payables	-	-	1,131,293	1,131,293	1,131,293
Borrowings	-	-	300,000	300,000	300,000

## Financial Instruments

The Trust's financial assets include assets available for sale, cash, short-term deposits, and various receivables. The Trust recognises financial assets when it becomes party to a contract. These assets may be classified into the categories of financial assets depending of the Trust's intention to hold them and the nature of the investments.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through surplus or deficit, transaction costs that are attributable to the acquisition of the financial asset. The subsequent measurement and presentation of the financial assets will vary depending on their category.

Available for sale financial assets are also held by the Trust in the years reported have been designated into the following classification, "loans and receivables". Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and these comprise cash and cash equivalents, trade and other receivables and short-term deposits. The financial assets are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The Trust's financial liabilities are classified as "financial liabilities measured at amortised cost", which are subsequently measured at amortised cost using the effective interest method. Financial liabilities at amortised cost comprise trade and other payables.

At each reporting date, the Trust assesses whether the financial assets are impaired and when there is objective evidence of impairment, the carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in surplus or deficit.

For financial assets carried at amortised cost, the criterion used to determine whether objective evidence of impairment exists is the asset's collectability. Collectability of trade receivables is reviewed on an ongoing basis at an operating unit level. An impairment provision is recognised when there is objective evidence that the Company will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 90 days overdue, for which no suitable repayment arrangements have been achieved, are considered objective evidence of impairment.

A financial asset is derecognised primarily when: (a) the rights to receive cash flows from the asset have expired, or (b) the Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party.

The bank has security in all present and after acquired property of Clutha Licensing Trust.

## Note 28 – Statement of Cash Flows

	2017	Cash flows	Acquisitions	Non cash changes Foreign Exchange Movements	Fair value Changes
Long Term Borrowings	300,000	(300,000)	-	-	-
<b>Total liabilities from financing activities</b>	<b>300,000</b>	<b>(300,000)</b>	-	-	-

**Note 29 – Property, Plant & Equipment**

2018	Cost/ Valuation	Accumulated Depreciation & Impairment	Carrying Amount	Current Year Additions	Current Year Assets included in a Disposal Group Classified as Held for Sale and Other Disposals	Current Year Impairment Charges	Current Year Depreciation Expense	Revaluation Surplus	Depreciation Reversal on Disposal	Cost Revaluation	Accumulated Depreciation & Impairment	Accumulated Carrying Amount
	1 Apr 2017 \$000	1 Apr 2017 \$000	1 Apr 2017 \$000	\$000	\$000	\$000	\$000	\$000	\$000	31 Mar 2018 \$000	31 Mar 2018 \$000	31 Mar 2018 \$000
Land	1,300	-	1,300	-	25	-	-	-	-	1,275	-	1,275
Buildings	5,350	-	5,350	56	237	-	310	-	-	5,169	310	4,859
Leasehold Imprvmts	218	113	105	-	-	-	10	-	-	218	123	95
Carpet & Vinyl	227	210	17	-	-	-	4	-	-	215	214	1
Furniture & Fittings	1,074	948	126	16	1	-	28	-	-	1,100	976	124
Office Equipment	425	310	115	22	-	-	88	-	-	444	395	49
Plant	1,917	1,678	239	46	11	-	63	-	-	1,952	1,744	208
Vehicles	315	292	23	38	-	-	18	-	-	326	283	43
Linen & Crockery	96	96	-	-	-	-	-	-	-	96	96	-
	<b>\$10,922</b>	<b>\$3,647</b>	<b>\$7,275</b>	<b>\$178</b>	<b>\$274</b>	<b>\$Nil</b>	<b>\$521</b>	<b>\$Nil</b>	<b>\$Nil</b>	<b>\$10,795</b>	<b>\$4,141</b>	<b>\$6,654</b>

**Note 29 – Property, Plant & Equipment (continued)**

2017	Cost/ Valuation	Accumulated Depreciation & Impairment	Carrying Amount	Current Year Additions	Current Year Assets included in a Disposal Group Classified as Held for Sale and Other Disposals	Current Year Impairment Charges	Current Year Depreciation Expense	Revaluation Surplus	Depreciation Reversal on Disposal	Cost Revaluation	Accumulated Depreciation & Impairment	Accumulated Carrying Amount
	1 Apr 2016 \$000	1 Apr 2016 \$000	1 Apr 2016 \$000	\$000	\$000	\$000	\$000	\$000	\$000	31 Mar 2017 \$000	31 Mar 2017 \$000	31 Mar 2017 \$000
Land	1,110	-	1,110	-	-	-	-	190	-	1,300	-	1,300
Buildings	5,705	906	4,799	112	-	-	302	741	-	5,350	-	5,350
Leasehold Imprvmts	195	105	90	24	-	-	8	-	-	218	113	105
Carpet & Vinyl	227	203	24	-	-	-	7	-	-	227	210	17
Furniture & Fittings	1,058	907	151	16	-	-	40	-	-	1,074	948	126
Office Equipment	403	227	176	22	-	-	83	-	-	425	310	115
Plant	1,863	1,618	245	58	4	-	66	-	4	1,917	1,678	239
Vehicles	332	290	42	-	17	-	19	-	17	315	292	23
Linen & Crockery	96	96	-	-	-	-	-	-	-	96	96	-
	<b>\$10,989</b>	<b>\$4,352</b>	<b>\$6,637</b>	<b>\$232</b>	<b>\$21</b>	<b>\$Nil</b>	<b>\$525</b>	<b>\$931</b>	<b>\$21</b>	<b>\$10,922</b>	<b>\$3,647</b>	<b>\$7,275</b>