



# 2015 ANNUAL REPORT







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## AIMS & OBJECTIVES OF THE TRUST

The stimulation of public interest in, and care for, the beauty, history and character of the Otago Peninsula. The preservation of the natural attractions of the Otago Peninsula and protection of its flora and fauna. The development of tourist attractions, public and recreational services on the Otago Peninsula so that the public may obtain the maximum use and enjoyment of the area in a way that will not detract from or destroy its beauty or character.

## RECORD OF APPRECIATION

- Members of the Fort Taiaroa education and resource sub-committee
- Members of the Pukekura Trust
- Department of Conservation
- Members of the Education Advisory Board
- Ben Fentiman and Otago Polytechnic arboriculture students
- University of Otago
- Bunny Rathbone and the Otago Herb Society
- Fletcher Trust
- Westpac
- The Community Trust of Otago
- Air New Zealand Kids Restore
- Ruud Kleinpaste
- Mary Hellyer
- Korako Karetai Trust
- Te Rūnanga o Ōtākou
- Pukekura Management Group





## NOTICE OF MEETING

The 49th Annual Meeting of the Otago Peninsula Trust will be held in the Chalet restaurant at Glenfalloch, Dunedin on Wednesday 30th March 2016 at 6.00pm. Light refreshments will be served prior to the meeting at 5.30pm.

## BUSINESS

1. Notice of meeting.
2. Confirmation of the Minutes of the 48th Annual Meeting held on Wednesday the 25th March 2015
3. To receive, consider and adopt the Report of the Trustees and the Financial Statements for the twelve months ending 30th September 2015. To elect to the Board trustees for the following year. Mr Simon Hibbert and Mr Ross Smith retire by rotation and, being eligible, both offer themselves for re-election.
4. To record the appointment of Auditors and empower the Trustees to fix their remuneration.
5. To consider any other matters which may properly be brought to the meeting.

The Trustees have great pleasure in presenting the 49th Annual Report of the Otago Peninsula Trust for the year ended 30 September 2015.



**Trustee: W H Dawson**  
Secretary





# TRUSTEES' REPORT

## FINANCIAL PERFORMANCE

The Trustees report that for the year ended 30th September 2015, the Trust recorded a surplus before depreciation of \$65,249. After a deduction of \$141,232 in depreciation a deficit of \$75,983. This was against a budgeted deficit of \$96,452. This compares to a deficit of \$292,998 for the financial year ending September 2014.

## TAIAROA HEAD

The 2014-15 season has continued the trend of increased visitor activity at both the Royal Albatross Centre and Blue Penguins Pukekura. As was reported for the previous two financial years, the Blue Penguins Pukekura operation has been managed by the Otago Peninsula Trust under contract alongside our Albatross and Historic Fort Taiaroa tours at the Royal Albatross Centre situated on Pukekura.

There continue to be shared opportunities with both businesses operating out of the Royal Albatross Centre. Networking with other operators was further highlighted through the development of the Sundowner Package that launched in August 2015. This package offers a Monarch Wildlife Cruise, a Unique Taiaroa Tour, a traditional meal and a Pukekura Penguin Tour, with all transfers and travel from Dunedin included as part of the package. As well as being a great partnership between the three operators, it also enhances the Otago Peninsula Trust transport division, which introduced its own 14 seater minibus service in early 2015. This service that is marketed under the 'Unique Tiki' and 'Penguin Tiki' names has shown steady growth throughout the year.

The viewing opportunities in this reporting period were magnificent with five nests visible from the Richdale Observatory. 26 chicks successfully fledged from the headland. During the season there was an official renaming of the Stewart Island Shags that nest beneath the reserve, now being referred to as the Otago Shags.

Total income for the Royal Albatross Centre for the 2015 financial year was \$1,726,351, against \$1,479,688 the previous year. Income from Shop was \$277,950 (\$239,259 FY14) and the Café at \$338,414 (\$293,341 FY14) The balance of the revenue came from tour operations

and education through our Learning Experiences Outside the Classroom (LEOTC) programmes. Our education programmes are a core means of meeting the educational objectives of the trust.

The Centre initiated an energy conservation strategy, with a significant investment in the changeover to LED lighting throughout the building. This along with continued commitment to improving the Centre's environmental outcomes ensured it has retained the 'Qualmark Enviro Gold' status.

The success of the partnership the Otago Peninsula Trust has with the Department of Conservation should also be heralded. Pukekura has been recognised as having the only colony of Red-billed Gulls in New Zealand not in decline. This Red-billed Gull colony is situated on land leased by the Otago Peninsula Trust adjacent to the Taiaroa Head Scientific Reserve. The staff have had to find innovative solutions to the challenges that large congregations of seabirds provide. With the joint efforts of both organisations, there is a continued increase in nesting pairs which stretches from Saddle Battery up to the access path to the Richdale Observatory.

## GLENFALLOCH GARDEN

The garden team is to be congratulated on achieving amazing results with reduced staff hours due to a staff member resigning to train as an arborist. The gardeners have been working closely with the restaurant management to ensure the best possible Glenfalloch experience. There have been many favorable comments from the public on the beautiful setting. The garden has been producing some magnificent flowers for the restaurant and the vegetable and herb gardens are a real asset.

In June Dunedin had a major weather event. The huge amount of rain caused the pond to overflow and created damage to paths, rock walls and storm water pipes. The pond was full to the top of silt, rocks and debris. This took some time to dig out and dispose of. A number of sections of the creek retaining walls had to be repaired and paths resurfaced. The storm water pipe from the Chalet has been replaced.

Otago Polytechnic Arboriculture students have visited on occasions throughout the winter to remove trees and carry out general tree maintenance. A small *Macrocarpa* was removed from the car park to increase the harbour view from the lawns.

The Trust took part in a Malcam Trust program employing one of their workers for 4 months.

A large new advertising sign has replaced the sign on Portobello Road and the new bike trailer has been moved around the city to promote Glenfalloch.





A decision was made to remove the garden from the New Zealand Gardens Trust, as there has been a change in focus with the Trust taking on the restaurant business. The opportunity to revisit this is available at any stage.

There were a number of events in the garden, such as The Cadbury Chocolate Carnival, which included a Fairy Party, bringing to the garden lots of beautifully dressed fairies and pixies who had a wonderful time. The Gnome Hunt run in the school holidays was well received. The International Rhododendron Annual Conference was held in Dunedin in October 2014 and the Garden was inundated with 235 delighted rhododendron fans.

The Matai tree was registered on the New Zealand Notable tree register on 18th September 2015. The Matai tree is believed to be in excess of 1000 years old and is 13.40 metres tall, making it the third tallest Matai in the South Island registered on the website.

#### **FRIENDS OF THE GARDEN**

'Friends of the Garden' was established in April 2015, an initiative suggested at the March AGM. Members meet at the Homestead at 9.30 on the last Monday of every month. The Glenfalloch team are very appreciative of the generosity of the volunteers that offer their time. The group finishes the morning's work with tea and scones and a chat. Members of the group have assisted in helping with our Cadbury Festival events that were held in July and have also volunteered to help with the 'Great Nature Challenge at Glenfalloch' education program for visiting school groups.

#### **GLENFALLOCH CHALET RESTAURANT**

The 2014/2015 financial year was the first full year under the Trust management. In that time there were some key staffing changes resulting in the employment of a new Restaurant Manager and Head Chef. The new menus have been well received and both the function business and casual dining have been gradually increasing.

In April 2015 a full refit of the windows in the chalet was completed to achieve better heat retention through double-glazing. This has made a big difference to the ambience in the Chalet as well as achieving significant energy cost savings. The opportunity to reconfigure the windows at the front of the building was also taken, allowing for better indoor/outdoor flow for dining, weddings and private functions.

#### **GLENFALLOCH PROJECT**

In August an application was submitted to the Lotteries Environment and Heritage Committee for funding to undertake a full feasibility study for the wider Glenfalloch Green project. Unfortunately the application was unsuccessful in that funding round.

The future of the Homestead was yet again discussed during the year. It was agreed that an updated conservation plan should be obtained in consultation with the DCC heritage planner and Heritage NZ. An application to DCC Heritage fund for the update of the conservation plan was successful, and \$5,000 was granted toward the project.

In April the Board agreed in principle to explore the possibility of undertaking a restoration project of the Potters Cottage with accommodation being a possible option. As a Category II listed building it required consultation with Heritage NZ. Chris Naylor visited the site in August and provided a helpful brief to use as a basis for exploring the sustainable use of the building.

#### **GLENFALLOCH GREEN BIKES**

The Glenfalloch Green Bike hire base is now in the old Garden Café building. Bike Hire Opening hours are Monday to Sunday 9 – 3.30pm. Bike hire has picked up momentum since it was first set up in February 2014. The most popular ride appears to be from Glenfalloch to Taiaroa Head, enjoying stop-offs at attractions and for coffee along the way. Sandfly Bay has become an increasing popular destination with many in the 20-30 age group. There have been a number of emails from cruise ship passengers enquiring on our Bike Hire/Transport package. Passengers can take a \$75 day package with pick up from the ship in the Trust's shuttle van, getting dropped off at Glenfalloch for their Bike ride on the Otago Peninsula and then picked up and returned back to the ship, or the Octagon.

#### **PHOTO COMPETITION**

The Otago Peninsula Photography Contest is hosted by the Royal Albatross Centre with the help of a range of partners including the Otago Peninsula Trust, Blue Penguins Pukekura, Glenfalloch Gardens, Monarch Wildlife Cruises, Portobello Motels and the Department of Conservation.

The contest is held each year to engage with the local residents and visitors to the area and allow them to share their impressive photography skills. It provides entrants with the opportunity to celebrate the beauty of the Otago Peninsula's unique wildlife, scenery and people by using some impressive photography techniques, creative lighting and interesting subjects.

The winners are combined into a calendar which showcases some of the fantastic entries that are received including the top five as voted by users on social networks. This year's supreme winner, was decided by renowned photographer Stephen Jaquiere.

For 2015 the Supreme Award went to Butch Velasquez with a beautiful photograph of a Spring Sunset at Otago Peninsula.



### MEMBERSHIP

As at September 2014 the Trust had 323 members. We thank those members for their support.

### FLETCHER HOUSE

A large part of this financial year has seen the Fletcher House Car park been lent out to the City as a detour and site office for the ongoing Turnbull's Bay slip repair. On completion of the repairs the car park was repaired and the whole area given a new coat of chip seal, signage resurrected and gardens reinstated. Herbie Perks our beloved gardener retired; he spent over 20 years of his time caring for the garden beds, fruit trees, hedges, lawns and external maintenance of Fletcher House. Herbie has certainly left some pretty big shoes to fill!

### EDUCATION PROGRAMME

#### OPT Education Programme – 2014/15 Annual Report

Over 1100 school students from 49 primary and secondary schools from Dunedin and southern New Zealand took part in the Otago Peninsula Trust's education program from July 1, 2014 to June 30, 2015. Thanks to funding from the **Ministry of Education's Learning Experience Outside the Classroom** (LEOTC) schools are able to visit the Royal Albatross Centre at a reduced entry fee. The program also involves many teachers and parents, home school groups, international students and tertiary groups.

The curriculum linked programmes provide primary and secondary students with a rich learning experience, opportunities to interact with experts and up-close viewing of unique wildlife. Some schools visit the Centre to learn about the local environment while on school camp in Dunedin while other schools have a more specific focus on birds, flight, conservation, sustainability, Māori culture, and more. Secondary programmes link closely with the biology curriculum and look at courtship behaviour, conservation management and human impact. The albatross and penguin monitoring and the albatross tracking research provide excellent opportunities to address the Nature of Science strand in the curriculum and build science capabilities.

The **Toroa Award**, Coastal Otago Youth Conservation Award, was restructured this year to provide Otago Peninsula schools with the support necessary to carry out conservation projects on the Otago Peninsula. That means that the schools submit their conservation ideas and the ones selected are given financial support from the Otago Peninsula Trust and ranger support from the Department of Conservation to carry out the project. The award is designed to extend the learning that occurs at the Royal Albatross Centre and encourage involvement by students on projects that are long term, student led, address local conservation and provide real life teaching and learning opportunities.

The **Planting for Penguins** program has involved over 1400 students from schools in the Dunedin region over the last three years. From clearing weeds in the wind and rain to digging holes in frozen ground installing penguin houses on a steep hillside, the students had many challenges. However, three years down the track the results of their efforts are clearly visible. Over 6000 plants have been planted with over 80% survival rate. And it is not just the plants that have grown. One teacher described the real value of the project as *"...allowing our children to have the opportunity to work alongside experts and be empowered by the fact that their actions could make a difference."* Back in the classroom the students shared their knowledge and become ambassadors for the Blue Penguins. Many wrote poems and stories for school newsletters and blog posts, gave presentations at school assemblies, shared photos and produced videos. This year a **public planting day** provided opportunity for students that have been involved in the Penguin Program in previous years to share the experience with their family and observe how the plants had grown and the site had changed.





With the revegetation of the Pilots Beach reserve complete, the project direction is starting to shift. The programme is joining forces with the **Otago Peninsula Biodiversity Group** to provide opportunities for schools to learn more about the diversity of wildlife living the region. Important baseline data about the vegetation, associated bug and skink population and of course the birds will be collected. With the number of nesting pairs of Blue Penguins in the area increasing each year, it can confidently be said that thanks to the support of Kids Restore New Zealand and the Air NZ Environment Trust, the actions of these students have made Pukekura a home that Blue Penguins want to come back to!

The education programme is extending its reach with the development of a nature trail at Glenfalloch Gardens. Called the **Great Nature Challenge**, primary/intermediate students will explore the garden in small groups and complete short challenges that will highlight how we can co-exist with nature and live sustainably. It is hoped to have the new program available for schools in 2016.

#### **FORT TAIAROA EDUCATION & RESOURCE COMMITTEE**

The committee this year has comprised seven volunteers, five of whom were involved most weeks on Tuesdays and Fridays at the Resource Centre on the second floor of the Otago Daily Times Building in Stuart Street.

The main task of collating, indexing and digitising reports, records and artefacts pertaining to Taiaroa Head and Coastal Defences in NZ has continued. A number of large collections have been processed this year including material from Allan Wright, Dick Skinner, Jack Caradus, Pat Graham, Dave Veart, Tony Harris, and Geoff Ellis. This is in addition to our own accumulated records which are being worked through.

A very comprehensive collection of newspaper cuttings, relating to the Otago Peninsula Trust and Taiaroa Head, dating from 1880 to 2014 took one committee member nine months work to sort, list, photograph, duplicate and enter into the database which now has in excess of 10,000 entries detailing many thousands of records. A major piece of research using the Appendices to the Journals of the House of Representatives (which has been carried out by one member at home over the past several years) has now been completed with all relevant reports indexed and selected references printed and digitised.

The trophy gun which has been stored at Glenfalloch for several years and had gradually been deteriorating has at last found a home at the Portobello Museum. The Saddle Battery gun barrel which was excavated from the Queens Gardens and restored by the Antique Arms Association featured in the Toitu Otago Settlers museum's exhibition.

#### **COLINSWOOD BUSH**

The Colinswood Bush project, to restore and enhance

Colinswood Bush in the process of natural recovery is a joint initiative with the land owner, DOC and the Otago Peninsula Trust.

Paul Pope resigned as convenor of the Colinswood Bush sub-committee in 2015 and as yet we do not have a replacement for this volunteer position.

Mike Hazel has continued to undertake limited weed, possum and other control works on the site.

#### **PUKEKURA BLUE PENGUIN JOINT VENTURE – (OTAGO PENINSULA TRUST AND KORAKO KARETAI TRUST)**

The Trust has a 50% interest in the Pukekura Trust, a joint venture with the Korako Karetai Trust. This venture has been successfully meeting the Kaitiaki responsibilities in Takiharuru (Pilots Beach), which operates the Blue Penguins Pukekura visitor experience at Pilots Beach.

The Pukekura Blue Penguin venture has provided a surplus for the 2014/15 financial year of \$43,281 of which 50% can be called upon by the Otago Peninsula Trust.

To continue development without compromising the quality visitor experience a target has been set of 80 visitors per evening. The permit for the site has a maximum of 100 visitors on the platform at any one time.

The Pukekura Trust is pleased to report a continued increase in the number of breeding pairs of Little Penguins in the colony. The number of nesting pairs this season was 208, up from 186 the year before. It follows a similar increased trend from the previous year. This is a good indication that the work of the Trust is both improving the habitat and the breeding success of the Little Blue Penguin in the colony.

#### **NOTE OF THANKS**

I would like to thank my fellow trustees for their support over the 2014/2015 financial year. This group give their time freely and their contribution is invaluable to the governance of the Otago Peninsula Trust.

I would also like to personally thank the Management team and staff who the Trust rely on to ensure the day to day operations of the Trust run smoothly.

The Trust is also grateful to the many people and organisations within the community who freely support its work.

It has been a privilege to have been the chairman over the last year.

**Ross Smith**  
Chair, Otago Peninsula Trust

# STATEMENT OF FINANCIAL RESPONSIBILITY

FOR THE YEAR ENDED 30 SEPTEMBER 2015

The Trustees are responsible for preparing the financial statements and ensuring that they comply with generally accepted accounting practice in New Zealand, and fairly reflect the financial position of the Trust as at 30 September 2015 and the results of its operations and cash flows for the year ended on that date.

The Trustees consider that the financial statements of the Trust have been prepared using appropriate accounting policies, 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 with generally accepted accounting practice in New Zealand.

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 are pleased to present the financial statements of the Otago Peninsula Trust for the year ended 30 September 2015.

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**Trustee: Ross Smith**  
22 January 2016



**Trustee: W H Dawson**  
22 January 2016





# STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 SEPTEMBER 2015



	Note	2015 \$	2014 \$
<b>INCOME</b>			
Taiaroa Heads		1,726,351	1,479,688
Glenfalloch		620,238	121,964
		2,346,589	1,601,652
<b>LESS DIRECT COSTS</b>			
Taiaroa Heads		1,347,963	1,262,619
Glenfalloch		763,463	320,489
		2,111,426	1,583,108
<b>OPERATING SURPLUS</b>		235,163	18,544
<b>LESS ADMINISTRATION EXPENSES</b>			
Trust administration		331,497	327,627
Audit fees		9,460	7,562
Depreciation	2	141,232	142,522
Loss On Disposal		4,449	-
Glenfalloch project fees		10,000	3,054
Ministry of Education expenses		34,278	36,493
		530,916	517,257
<b>OPERATING DEFICIT BEFORE SUNDRY INCOME AND INTEREST</b>		(295,753)	(498,713)
<b>ADD SUNDRY INCOME</b>			
Ministry of Education grants received		19,999	19,999
Schools programmes		14,279	16,493
Interest received		8,003	11,112
Members' subscriptions		5,534	7,598
Other revenue		170,761	130,397
Other donations		1,195	1,605
Other grants		-	18,510
<b>TOTAL SUNDRY INCOME</b>		219,771	205,715
<b>NET DEFICIT FOR THE YEAR</b>		(75,983)	(292,998)



# STATEMENT OF MOVEMENTS IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2015



	2015 \$	2014 \$
Net Deficit for the year	(75,983)	(292,998)
<b>TOTAL RECOGNISED REVENUES AND EXPENSES</b>	(75,983)	(292,998)
<b>EQUITY AT BEGINNING OF YEAR</b>	1,581,836	1,874,834
<b>EQUITY AT END OF YEAR</b>	1,505,853	1,581,836

## STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2015

	Note	2015 \$	2014 \$
<b>EQUITY</b>		1,505,853	1,581,836
Represented by:			
<b>CURRENT ASSETS</b>			
Cash on hand		3,740	3,336
Bank		232,205	164,371
Debtors and prepayments		76,771	34,292
Inventory		76,694	61,044
Goods and services tax		1,585	31,604
		390,994	294,647
<b>CURRENT LIABILITIES</b>			
Trade creditors		217,738	192,496
Income received in advance		39,503	2,609
Employee entitlements		87,785	67,547
Education programme grant		21,184	14,510
		366,209	277,162
<b>WORKING CAPITAL</b>		24,785	17,486
<b>NON CURRENT ASSETS</b>			
Advance receivable - The Pukekura Trust	8	113,740	115,152
Property, Plant and Equipment			
Glenfalloch	2	467,768	469,271
Tairaroa Heads	2	899,559	979,928
		1,481,067	1,564,351
<b>NET ASSETS</b>		1,505,853	1,581,836



# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2015



	Note	2015 \$	2014 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash was provided from:			
Receipts visitors & customers		2,304,110	1,660,506
Membership subscriptions		5,534	7,598
Grants		-	18,510
Donations		1,195	1,605
School programme funding		34,278	36,493
Other revenue		170,761	130,397
		2,515,878	1,855,109
Cash was applied to:			
Payments to suppliers and employees		(2,393,243)	(1,992,587)
		(2,393,243)	(1,992,587)
<b>NET CASH (OUTFLOWS) FROM OPERATING ACTIVITIES</b>	3	122,634	(137,478)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash was applied to:			
Purchase of Property, Plant and Equipment		(63,811)	(111,533)
Pukekura Trust		1,412	40,498
Interest income		8,003	11,112
<b>NET CASH OUTFLOWS FROM INVESTING ACTIVITIES</b>		(54,396)	(59,923)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash flows from financing activities		-	-
<b>NET (DECREASE) IN CASH HELD</b>		68,238	(197,401)
<b>OPENING CASH BROUGHT FORWARD</b>		167,707	365,108
<b>CLOSING CASH</b>		235,945	167,707
<b>REPRESENTED BY:</b>			
<b>CASH ON HAND</b>		3,740	3,336
<b>BANK</b>		232,205	164,371
		235,945	167,707



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2015



## 1. STATEMENT OF ACCOUNTING POLICIES

The entity reporting is the Otago Peninsula Trust. The financial statements have been prepared in accordance with generally accepted accounting practice. The Otago Peninsula Trust is a Charitable Trust incorporated under the Charitable Trusts Act 1957.

### MEASUREMENT BASE

The financial statements have been prepared on the basis of historical cost.

### SPECIFIC ACCOUNTING POLICIES

The following specific accounting policies which materially affect the statement of financial performance and position have been adopted:

#### DEBTORS

Debtors are stated at expected realisable value.

#### INVENTORIES

Inventories are stated at the lower of cost and net realisable value, using a first-in, first-out basis.

#### PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

Property, Plant and Equipment is stated at cost less accumulated depreciation. Depreciation has been calculated using the following rates:

Buildings	2.5 - 20%	straight line
Plant & Equipment	10 - 40%	straight line/diminishing value
Cafeteria plant	10 - 33%	straight line/diminishing value
Furniture & fittings	10 - 20%	diminishing value
Admin office equipment	20 - 40%	straight line/diminishing value
Permanent displays	10 - 33%	straight line/diminishing value
Gun complex	10%	diminishing value
Vehicles	20%	diminishing value
Closed circuit television	12.5 - 33%	straight line/diminishing value

Gains and losses on disposal of plant and equipment are included in the statement of financial performance in the year disposed.

### INCOME TAX

The Trust is registered with the Charities Commission and is therefore exempt from Income Tax.

### REVENUE

Revenue comprises amounts received under contract for projects to be completed. Grants received are recognised in the statement of financial performance when the requirements under the grant agreement are met. Any grants for which the requirements under the grant agreement have not been completed are claimed as liabilities until the conditions have been fulfilled.

Revenue also comprises amounts received and receivable for goods and services supplied to customers in the ordinary course of business.

### GOODS AND SERVICES TAX

The financial statements have been prepared using GST exclusive figures, except for Accounts Receivable and Accounts Payable, which have been stated at their GST inclusive value.

### SUBSCRIPTIONS

Subscriptions revenues are accounted for on a cash basis.

### DIFFERENTIAL REPORTING

The Trust qualifies for differential reporting exemptions as it is not considered large, nor is it publicly accountable in terms of the Framework for Differential Reporting.

All available exemptions have been taken advantage of except for the following:

- FRS 10 Statement of Cashflows
- FRS 19 Accounting for Goods and Services Tax

### CHANGES IN ACCOUNTING POLICIES

All policies have been applied on a basis consistent with those used in previous years. Certain comparative balances have been restated to conform to the current year's presentation.

## 2. PROPERTY, PLANT AND EQUIPMENT

2015	Cost \$	Accum Depn \$	Current Depn \$	Book Value 2015 \$
<b>TAIAROA HEADS</b>				
Buildings	1,898,252	1,087,500	54,685	810,752
Plant and equipment	182,503	144,847	15,751	37,656
Cafeteria plant	81,038	64,656	5,083	16,382
Furniture and fittings	22,951	21,663	192	1,288
Permanent displays	540,931	519,788	4,722	21,143
Gun complex	201,008	188,670	1,371	12,338
Vehicles (cart)			-	-
Closed circuit television				-
	2,926,683	2,027,124	81,804	899,559

# NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 30 SEPTEMBER 2015



2015	Cost \$	Accum Depn \$	Current Depn \$	Book Value 2015 \$
<b>GLENFALLOCH</b>				
Land	16,720	-	-	16,720
Buildings	774,228	462,071	21,039	312,157
Car park and roading	193,720	149,031	6,747	44,689
Entrance displays	16,163	6,210	690	9,953
Plant & equipment	62,260	42,583	11,020	19,677
Restaurant plant & equipment	156,701	116,432	9,632	40,269
Restaurant furniture & fittings	15,467	12,696	308	2,771
Cafe furniture and fittings				-
Administration office equipment	38,540	17,008	9,992	21,532
Colinswood building and equipment				-
	1,273,799	806,031	59,428	467,768

The latest Government Valuation as at 1 July 2014 for Glenfalloch Land and Improvements is \$600,000 and \$870,000 respectively.

Westpac has registered First Mortgage over the Trust's properties at 430 Portobello Road, Dunedin as well as 55 Sandymount, Otago Peninsula, Dunedin.

2014	Cost \$	Accum Depn \$	Current Depn \$	Book Value 2014 \$
<b>TAIAROA HEADS</b>				
Buildings	1,901,504	1,036,650	61,400	864,854
Plant and equipment	233,188	180,684	9,660	52,504
Cafeteria plant	93,483	72,745	6,009	20,738
Furniture and fittings	27,276	25,701	237	1,575
Permanent displays	599,000	572,554	5,005	26,446
Gun complex	202,101	188,290	1,535	13,811
Vehicles (cart)	5,946	5,946	-	-
Closed circuit television	6,321	6,321	-	-
	3,068,819	2,088,891	83,846	979,928

2014	Cost \$	Accum Depn \$	Current Depn \$	Book Value 2014 \$
<b>GLENFALLOCH</b>				
Land	16,720	-	-	16,720
Buildings	737,605	441,035	21,056	296,570
Car park and roading	193,721	142,287	7,873	51,434
Entrance displays	16,164	5,520	690	10,644
Plant & equipment	52,861	32,435	21,159	20,426
Restaurant plant & equipment	150,835	109,596	3,272	41,239
Restaurant furniture & fittings	26,287	23,129	2,355	3,158
Cafe furniture and fittings	7,336	7,297	10	39
Administration office equipment	49,181	20,010	1,210	29,171
Colinswood building and equipment	7,004	7,134	1,051	-130
	1,257,714	788,443	58,676	469,271



# NOTES TO THE FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 30 SEPTEMBER 2015



## 3. OPERATING CASH FLOW RECONCILIATION TO NET SURPLUS

	2015 \$	2014 \$
Net (Deficit)	(75,983)	(292,998)
Add: Non cash items		
- Income classified as investing activities	(8,003)	(11,113)
- Depreciation	141,231	142,521
- Loss On Disposal	4,449	-
- Glenfalloch Professional Fees	-	3,053
	137,678	(134,463)
Add movements in working capital items:		
Debtors & Prepayments	(42,479)	58,855
Inventory	(15,650)	(12,838)
GST payment	30,019	(13,138)
Restricted Grants	6,675	5,517
Creditors	25,240	(28,772)
Income in Advance	36,895	2,609
Employee entitlements	20,239	8,826
	60,936	21,059
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>122,634</b>	<b>(137,478)</b>

## 4. CAPITAL COMMITMENTS

The Trust had no capital commitments as at 30 September 2015 (2014: \$nil).

## 5. CONTINGENT LIABILITIES

There are no contingent liabilities as at 30 September 2015 (2014: \$nil).

## 6. TAIAROA HEADS LAND

The Trust leases the land at Taiaroa Heads from the Dunedin City Council for a nominal rent. The terms of the leases are for an initial period of 33 years (expires 2024) with two 33 year right of renewals.

The Trust has significant leasehold assets situated on the land (refer note 3) and operates the Royal Albatross Centre from the site.

## 7. MANAGEMENT AND ADMINISTRATION CONTRACTS

Otago Peninsula Trust is the manager of The Fletcher House for The Fletcher Trust. The Fletcher Trust has paid the Trust a management fee of \$7,800 (2014: \$7,800) for the year.

The Trust had previously agreed to act as the vehicle for the administration of the Lance Richdale Trust biography project. The Trust received grants on behalf of the Lance Richdale Trust, as well as providing administrative services at no cost. The project is nearing completion.

As these activities are not part of the Trusts business, these amounts are not reported in the Trust's financial statements. Separate statements are supplied to the respective Committees, and the financial statements of the Fletcher House are supplied to The Fletcher Trust.

## 8. RELATED PARTY

Simon Hibbert, who is a trustee of the Trust, was a director of CommArc Consulting Limited, which provides administrative and information technology support services to the Trust. Simon ceased to be a director of CommArc Consulting Limited in March 2015. These services were provided on a normal arm's length basis.

The Pukekura Trust is a related party due to the Trust's ability to appoint 50% of the trustees. At balance date, the Trust had advanced an unsecured sum of \$113,740 (2014: \$115,152) to the Pukekura Trust. The Trustees of Otago Peninsula Trust have given an undertaking that repayment of this amount will be subordinated in favour of all other creditors of the Pukekura Trust and have undertaken to provide sufficient financial assistance to the Pukekura Trust as is needed to enable the Pukekura Trust to continue its operations and fulfil its financial obligations now and for the next twelve months.

The following amounts were received from Pukekura Trust for services provided by Otago Peninsula Trust:

Admin/Financial Services	12,276
Management Fee	101,401
Commission on Sales	28,154

As at 30 September 2015, \$24,000 was receivable from the Pukekura Trust.

## 9. TOTAL REVENUE

Total revenue recognised by the Trust for the year ended 30 September 2015 was \$2,566,360 (2014: \$1,807,367).

## INDEPENDENT AUDITOR'S REPORT

**To the Trustees of Otago Peninsula Trust**

### **Report on the Financial Statements**

We have audited the financial statements of Otago Peninsula Trust on pages 7 to 12, which comprise the statement of financial position as at 30 September 2015, the statement of financial performance, statement of movements in equity and statement of cash flows, for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Trustees' Responsibility for the Financial Statements*

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand; and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

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

Other than in our capacity as auditor we have no relationship with, or interests in, the Otago Peninsula Trust.

#### *Opinion*

In our opinion, the financial statements on pages 7 to 12 present fairly, in all material respects, the financial position of the Otago Peninsula Trust as at 30 September 2015, and its financial performance and cash flows for the year then ended in accordance with generally accepted accounting practice in New Zealand.



**Crowe Horwath New Zealand Audit Partnership**  
CHARTERED ACCOUNTANTS  
4 February 2016



## DIRECTORY

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Website [www.glenfalloch.org.nz](http://www.glenfalloch.org.nz)

## TRUSTEES AND MANAGEMENT

### TRUSTEES:

Mr Ross Smith	<i>Chairperson</i>
Mr Simon Hibbert	<i>Deputy Chairperson</i>
Mr Bill Dawson	<i>Secretary</i>
Mrs Judy Bell	
Dr John Jillett	
Mr Jason Walker	
Mr David Jaquiere	<i>Co-opted</i>

### MANAGEMENT:

Mrs Robyn McDonald	<i>Chief Executive, Otago Peninsula Trust</i>
Mr Hoani Langsbury	<i>Manager Operations Taiaaroa Head</i>
Ms Sophie Barker	<i>Marketing Manager, Otago Peninsula Trust</i>

### AUDITORS:

Crowe Horwath

### BANKERS:

Westpac

### SOLICITORS:

Anderson Lloyd Lawyers  
Chen Palmer

### ACCOUNTANTS:

Deloitte