

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

Managed Investment Scheme SCH11747

FINANCIAL STATEMENTS **FOR THE YEAR ENDED** **31 MARCH 2024**

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SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

Managed Investment Scheme SCH11747

DIRECTORY FOR THE YEAR ENDED 31 MARCH 2024

General Partner: Silverwood Corporation Limited (362973)
NZBN 9429039548511

Nature of Business: Land Owner

Business Address: C/- Tiedemann & Partners
PO Box 84-101
Westgate, Auckland 0657

Registered Office: Geoff Bowker CA
Level 3, 142 Broadway
Newmarket, Auckland 1023

Board of Directors: Peter Bradney Bould
Anthony Sydney Loveday
Peter Tiedemann

IRD Number: 119-590-858

Bankers: Bank of New Zealand
Auckland

Solicitors: Claymore Partners Limited
Auckland

Auditor: KPMG
Hamilton

Statutory Supervisor: Covenant Trustee Company Ltd
Auckland

Independent Auditor's Report

To the Partners of Silverwood Land 2015 Limited Partnership

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Silverwood Land 2015 Limited Partnership (**Limited Partnership**) on pages 5 to 20 present fairly, in all material respects:

- i. The Limited Partnership's financial position as at 31 March 2024 and its financial performance and cash flows for the year ended on that date;

In accordance with New Zealand Equivalents to International Financial Reporting Standards issued by the New Zealand Accounting Standards Board and International Financial Reporting Standards issued by the International Accounting Standards Board.

We have audited the accompanying financial statements which comprise:

- The statement of financial position as at 31 March 2024;
- The statements of comprehensive income, changes in net assets attributable to partners and cash flows for the year then ended; and
- Notes, including a summary of material accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Limited Partnership in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

Our firm has also provided other services to the Limited Partnership in relation to the share registry assurance engagement. This matter has not impaired our independence as auditor of the Limited Partnership. The firm has no other relationship with, or interest in, the Limited Partnership.

Emphasis of matter

We draw attention to Note 1 in the financial statements, which describes that the financial statements have not been prepared on a going concern basis, as it is the Limited Partnership's intention to wind up the partnership

once the last lot of land is sold, before the required wind-up date of 31 March 2027. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements in the current period. These matters were addressed in the context of our audit opinion of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other information

The Directors of the General Partner, on behalf of the Limited Partnership, are responsible for the other information included in the entity's financial statements. Other information includes the directory. Our opinion on the financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Use of this independent auditor's report

This independent auditor's report is made solely to the Partners as a body. Our audit work has been undertaken so that we might state to the Partners those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partners as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of the Directors for the financial statements

The Directors of the General Partner, on behalf of the Limited Partnership, are responsible for:

- the preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand (being New Zealand Equivalents to International Financial Reporting Standards) issued by the New Zealand Accounting Standards Board and International Financial Reporting Standards issued by the International Accounting Standards Board;
- implementing necessary internal control to enable the preparation of a set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objective is:

- 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 independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-2/>

This description forms part of our independent auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Murray Dunn.

For and on behalf of



KPMG
Hamilton
13 June 2024

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024	2023
		\$	\$
Sale Lot 1(S)	1	380,000	-
Claim Payments	1	1,055,393	3,873,000
Total Revenue		1,435,393	3,873,000
Cost of Land - Lot 1		(181,834)	(196,972)
Cost of Land - Lot 6		(85,918)	-
High Court Costs		(44,763)	(175,690)
Total Direct Costs		(312,516)	(372,662)
Total Gross Margin		1,122,877	3,500,338
Administrative and Operating Expenses	2	(211,441)	(174,740)
Marketing Costs	2	(7,129)	(15,349)
Directors Deferred Management Fees Paid	5	(147,141)	(329,926)
Directors Deferred Management Fees Provision	5	51,395	(104,312)
Total Expenses		(314,315)	(624,327)
Operating Profit (Loss)		808,562	2,876,011
Financing Income	3	46,269	1,035,836
Net Profit Before Tax		854,831	3,911,848
Net Profit (Loss) after Tax and		854,831	3,911,848
Total Comprehensive Income for the year		854,831	3,911,848

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO PARTNERS
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024	2023
		\$	\$
Net Assets at the beginning of the Year		1,214,406	633,991
Net Profit / (Loss) after Tax and Total Comprehensive Income for the Year		854,831	3,911,848
Capital Distribution to Partners	9	(1,013,851)	(3,041,553)
Tax Credit transferred to Partners		(12,955)	(289,880)
Net Assets at the end of the Year		<u>1,042,431</u>	<u>1,214,405</u>



SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

		2024	2023
	Note	\$	\$
Current Assets			
Cash at Bank		875,715	1,250,785
GST		35,160	94,467
Land Stock	4	340,100	510,150
Total Current Assets		<u>1,250,975</u>	<u>1,855,403</u>
Total Assets			
		<u>1,250,975</u>	<u>1,855,403</u>
Current Liabilities			
Trade Payables		38,295	225,563
Sundry Payables and Accruals		27,000	29,000
Unit Holder		1,564	193,353
Deferred Directors Remuneration and Management Fee	5	141,685	193,080
Total Current Liabilities		<u>208,544</u>	<u>640,996</u>
Total Liabilities excluding Net Assets Attributable to Partners			
		<u>208,544</u>	<u>640,996</u>
Net Assets Attributable to Partners			
		<u>1,042,431</u>	<u>1,214,406</u>
Total Liabilities and Net Assets Attributable to Partners			
		<u>1,250,975</u>	<u>1,855,403</u>

For and on behalf of the Partnership and the Board of Directors

Director:  Peter Bould
Date: 13-Jun-24

Director:  Peter Tiedemann
Date: 13-Jun-24

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

		2024	2023
	Note	\$	\$
<u>Cash Flows from Operating Activities</u>			
<i>Cash was provided from:</i>			
Sale Lot 1(S)		366,938	-
Claim Cost Settlements		1,055,393	3,873,000
Bank Interest Received		46,269	5,391
Interest Received		-	1,030,439
GST refunds		134,879	63,301
		1,603,479	4,972,131
<i>Cash was applied to:</i>			
Bank Charges		(879)	(174)
Payments to Suppliers		(611,934)	(534,678)
Payments to Directors and Management for Deferred Fees	5	(147,141)	(349,779)
RWT Tax paid		(12,955)	(289,873)
		(772,910)	(1,174,503)
Net Cash from Operating Activities	7	830,570	3,797,628
<u>Cash Flows from Financing Activities</u>			
<i>Cash was applied to:</i>			
Capital Payment to Partners		(1,205,640)	(2,873,239)
Net Cash used in Financing Activities		(1,205,640)	(2,873,239)
Net increase/(decrease) in Cash during the year		(375,070)	924,389
Opening Cash balance		1,250,786	326,397
Ending Cash carried forward		875,716	1,250,786
Comprising:			
Cash at Bank		875,715	1,250,785
		875,715	1,250,785

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Reporting entity

Silverwood Land 2015 Limited Partnership ("the Partnership"), previously known as Silverwood Forest Corporation Limited and Company - Land Partnership, is a Limited Partnership registered under the Limited Partnerships Act 2008.

The Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013 ("the Acts") are effective for the Partnership. Silverwood Corporation Limited registered a Managed Investment Scheme SILVERWOOD LAND 2015 LIMITED PARTNERSHIP (SCH11747) on the 15th of December 2016 and received its Certificate of Registration of Managed Investment Scheme ('MIS') on that date under Clause 14, Schedule 2 of the Financial Markets Conduct Act 2013. On the 30th of November 2016 the 'Financial Markets Conduct (Silverwood Land 2015 Limited Partnership) Exemption Notice 2016' was received and on the 28th of February 2017 all Unit Holders were sent the required follow up document: 'Reliance on exemptions granted by the Financial Markets Authority' which includes the 'wind up plan' where Silverwood Corporation Limited undertakes to distribute net proceeds before winding up The Partnership on or before 31 March 2021. Due to delays in completing the Transmission Gully Motorway an extension to 31 March 2024 was requested in April 2020 which was subsequently approved by way of Financial Markets Conduct (Silverwood Land 2015 Limited Partnership) Exemption Notice 2021 which came into force on 21 May 2021 and was revoked on the close of 31 March 2024. The full details appear on the FMA's website and were announced in the Gazette following 21 May 2021. Due to a Real Estate market slow down and the Porirua City Council District Plan review reducing interest of potential buyers of the balance of Silverwood's land an extension to 31 March 2027 was requested in July 2023 which was subsequently approved by way of Financial Markets Conduct (Silverwood Land 2015 Limited Partnership) Exemption Notice 2024 -11345 which came into force on 1 April 2024 and will be revoked on the close of business 31 March 2027. The full details appear on the FMA's website and were announced in the Gazette, see <https://gazette.govt.nz/notice/id/2024-sl1345>

Basis of Preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable financial reporting standards, as appropriate for for-profit oriented entities. The financial statements comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Per the information above, as published in the government Gazette 26 March 2024 Silverwood Land 2015 Limited Partnership is required to wind-up on 31 March 2027.

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

The financial statements for the year ended 31 March 2024 have therefore been prepared on a basis other than going concern and the Partnership has continued to apply the requirements of NZ IFRS taking into consideration that the Partnership is not intended to continue in the foreseeable future.

In preparing the financial statements the likelihood that all assets will be realised, and all liabilities will be settled in the next financial year is reflected. The basis for estimating the recoverable value of assets is firstly through the assets' remaining economic benefits subsequent to the balance date.

Remaining assets will be realised in the normal course of operations until the Partnership is wound-up, and assets distributed to the Partners. The remaining liabilities will be settled and other liabilities arising from the winding-up of the Partnership are also expected to be settled either in the subsequent financial year or at the latest by 31 March 2027. The winding-up of the Partnership is dependant on the sale of the remaining land stock and assets distributed to the Partners.

As set out in Note 4, The High Court of New Zealand, Wellington registry, announced its judgement in the Silverwood's compensation application for land taken by The Crown (NZTA and PCC) for the Transmission Gully motorway intersection and the Waitangirua and Whitby link roads. As a result Silverwood has been paid for these lots. Of the remaining lots Lot 1 South (section 7) was sold and Lot 6 South (section 10) and Lot 6 North (section 9) continue to be for sale. For further information refer to Note 11. Court costs claims were settled in this financial year. This settled the land takes and damage claims made since 2013.

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Presentation currency

The financial statements are presented in New Zealand Dollars (NZD), the Partnership's functional currency.

Measurement base

The financial statements have been prepared on a historical cost basis, unless highlighted in the specific accounting policies and notes.

Use of estimates and judgements

The preparation of financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant assumptions and estimates is provided in the relevant accounting policy or is provided in the relevant note.

The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Subsequent actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected.

Significant judgement or estimation is applied in the following area:

a: Land Stock and Land Improvements: Estimation is used to determine the cost per lot of land still owned by the Partnership (see Note 4).

b: Contingent Asset: A brief description is provided and, due to uncertainties, no value is attached. (Refer to Note 4).

Specific accounting policies

a. Land Stock Improvements

Land Stock Improvements are collectively held as inventory and measured at the lower of cost or net realisable value. Net realisable value is established by independent valuation where appropriate. At 15 March 2024, a registered valuer has reported a fair value for Silverwood's land to be \$729,000

b. Net Assets Attributable to Partners

These funds consist of Partner units in the Partnership that were used to finance the Partnership, which are subject to certain restrictions per the Silverwood Land 2015 Limited Partnership Deed of Participation.

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Specific accounting policies (continued)

c. Revenue

Revenue is measured based on the consideration in a contract with a purchaser and excludes amounts collected on behalf of third parties. The partnership recognises revenue when it transfers control over a property to a purchaser.

Revenue on sales Land Stock is recognised when legal title to the land passed to the purchaser. Where the sale of Land Stock has been invoiced to the customer, but legal title to the land had not passed to the customer, GST already paid on behalf of the customer was included within Trade Receivables. The actual recognition of revenue and passage of legal title to the customer occurred simultaneously.

Revenue from Claim Payments is recognised when the control of land is transferred to the Crown. The Crown has claimed the land for the development of Transmission Gully Motorway and two Link Roads. Settlements for final compensation, in excess of the original claim payment is recognised when received due to unknown timing and amounts.

d. Financing Income

Interest income is recognised in profit or loss as it is earned, using the effective interest method.

e. Income Tax

There is no tax payable by the Partnership. Each Partner is individually liable for the tax on their respective share of the income from the Partnership. Following the issue of the Partnership's audited Financial Statements, the Partnership issues its annual Tax Letter to its Unit Holders which sets out the relevant items to declare per unit.

f. Goods and Services Tax

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST where applicable.

g. Impairment

The carrying amounts of the Partnership's tangible assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Estimated recoverable amount is the greater of their fair value less costs to sell and value in use. If the estimated recoverable amount of an asset is less than its carrying amount, the asset is written down to its estimated recoverable amount and an impairment loss is recognised in profit or loss.

Impairment losses are reversed when there is a change in the estimated recoverable amount of the asset concerned such that recoverable amount is in excess of current carrying amount. This reversal is also through profit or loss, and the reversal is limited to bringing the asset in question to its original cost.

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Specific accounting policies (continued)

h. Financial Instruments

Financial risk management objectives and policies

Classification and measurement of financial assets

The Partnership classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Partnership's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Classification and measurement of financial liabilities

Financial liabilities continue to be measured at amortised cost.

Impairment of financial assets

The NZ IFRS 9 impairment requirements are based on an expected credit loss model. The Partnership applies the simplified approach for trade and other receivables, which requires the lifetime expected credit losses to be applied when measuring the loss allowance.

Recognition and measurement

Financial assets and financial liabilities are recognised when the Partnership becomes a party to the contractual provisions of the financial instruments. At initial recognition, financial liabilities are measured at fair value and subsequently at amortised cost using the effective interest method.

- (i) Cash and cash equivalents include cash in hand, deposits held on call with banks, short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.
- (ii) Receivables and payables are initially recorded at fair value and subsequently carried at amortised cost using the effective interest method. Due allowance is made for impaired receivables (doubtful debts).

i. Cash Flows

For the purpose of the cash flow statement, cash and cash equivalents includes cash deposits held at call with banks, net of bank overdrafts.

j. Provisions

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

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. NET LAND RELATED REVENUE	2024	2023
	\$	\$
Final Settlement related to land taken by the Crown	1,055,393	3,873,000
Land Sale (Lot 1 S)	380,000	-
	1,435,393	3,873,000
 2. TOTAL EXPENSES	2024	2023
	\$	\$
Auditor's Remuneration - Financial Statements	26,000	27,500
Auditor's Remuneration - Unit Holder Register	2,000	1,500
Meeting and filing IRD and audit requirements	56,774	42,188
AGM, SGM and directors/managers travel expenses	13,783	8,416
Directors Fees	36,524	34,071
Meeting and filing statutory requirements for Unit Holder Register	34,138	41,743
Meeting and filing statutory requirements for FMA	25,045	11,401
Legal Fees for land transactions	17,177	7,921
Total Expenses	211,441	174,740
 Marketing Costs	7,129	15,349
Total Marketing Costs	7,129	15,349
 3. FINANCING INCOME	2024	2023
	\$	\$
Gross Interest Income (mainly for settlement delays)	46,269	1,035,836
	46,269	1,035,836

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

4. LAND STOCK	2024	2023
	\$	\$
Land Stock held solely by the Partnership	340,100	510,150
	<u>340,100</u>	<u>510,150</u>

All land held by the Partnership is for sale and is classified as Land Stock and accounted for in accordance with NZ IAS 2 - Inventories.

All remaining Land Stock is carried at cost of \$340,100 (2023: \$510,150). Lot 1 South was sold during the financial year (section 7). The remaining two land holdings includes Lot 6 South (section 10), and Lot 6 North (section 9). These two are separate titles to facilitate future sales and because the Waitangirua Link Road separates them. Effective 1 April 2023 Silverwood is no longer a going concern. We established a Fair Value as at 15 March 2024 which Tim Truebridge, registered valuer, set at \$729,000 for audit purposes.

Contingent asset in relation to past Land Stock taken and Cost Claim

On 16 December 2022 The High Court of New Zealand, Wellington Registry, announced its judgement in the Silverwood's compensation application (NZHC 3483) for land taken by The Crown (NZTA and PCC) for the Transmission Gully motorway intersection and the Waitangirua and Whitby link roads. In the judge's conclusion: Silverwood's appeal succeeds. As a result the decision of the Land Valuation Tribunal is set aside and quashed. Substituted, Silverwood is to be paid for Lots 3 and 4 \$5,855,000. For details see NZHC 3483. The Crown's cross-appeal is dismissed in its entirety. Net of earlier receipts Silverwood received late February 2023 a further \$4,155,305 for land taken and interest. Directors immediately initiated and advised unit holders and actioned a \$3.00 per unit distribution to all unit holders that had confirmed their details. By 31 March 2023 94% of the Silverwood 15th Distribution had been paid. Subsequently the Silverwood's Cost Claims were settled in this financial year and again directors initiated a prompt \$1 per unit Distribution (#16). at the 31 March 2024 all unit holders had received all distribution dues, except for one who sadly had passed.

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

5. DEFERRED DIRECTORS' AND MANAGEMENT FEE

Since the 2007 Financial Year full provisions have been made for the estimated liability for Directors and Management Fees in the Statement of Financial Position and Statement of Comprehensive Income.

	2024	2023
	\$	\$
Opening balance	193,080	88,768
Change during the year through profit and loss	95,746	434,238
Paid during the year	(147,141)	(329,926)
Closing balance	141,685	193,080

A written agreement exists which determines the calculation of this liability, effective 1 April 2006. It was established in consideration for a reduction in Directors' fees from that date, such that the Directors each accrue 1/111th of any increase in Partnership Funds from 31 March 2006, and in addition Peter Tiedemann specifically will receive an additional 7/111th of the same amount, after adjusting the increase in Partnership Funds for Capital Repayments to Partners, Resident Withholding Tax, and before taking account of the deferred directors' and management fees. This agreement was reached following consultations with the Partnership's Solicitor and in agreement with the Statutory Supervisor and was discussed in 2007 and 2008 and subsequently approved by Partners at the 2009 AGM.

The liability is therefore calculated as 11/111th of the difference between the 31 March 2006 Partnership Funds (\$4,844,773) and the current periods Partnership Funds of \$1,042,431 (\$1,214,406) after adding back Capital Repayments Payable to Partners in the period since 31 March 2006, a total of \$19,156,898 (\$18,130,085) (see Note 9), inclusive of Resident withholding Tax distributed over recent years to Partners, and also adding back the movement for these deferred Directors' and Management Fees of \$147,141 (\$-329,926).

The deferred fees are only payable once distributions to Partners have exceeded the Partnership equity as at 31 March 2006, which amounted to \$4,844,773 or \$4,623 per unit of a total of 1,048 units at the time. The 6th Distribution added to earlier distributions and RWT distributed exceed the 31 March 2006 equity.

	2024	2023
	\$	\$
Equity at 31 March 2024	1,042,431	1,214,406
Distributions (see Note 9)	19,156,898	18,130,085
Deferred fees accrued or paid so far added back	1,746,049	1,533,945
Total Equity before distributions and deferred fees	21,945,378	20,878,436
Less 1 April 2006 Equity	(4,844,773)	(4,844,773)
Amount subject to deferred fee calculation	17,100,605	16,033,663
11/111 for total deferred fees	1,694,654	1,598,908
Deferred fees paid so far	(1,552,969)	(1,405,828)
Provision for future deferred fees	\$ 141,685	193,080

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

6. RELATED PARTY TRANSACTIONS

i) Related Party Relationships

The Partnership considers the Directors to be related parties of the Partnership, along with any businesses in which the Directors of the Partnership (or close family relations thereof) have significant influence, including the parties whose transactions are noted below.

ii) Related Party Transactions

During the year the Partnership obtained consultancy services and disbursements from suppliers who are related parties by virtue of common control and directorships. The values of the transactions were as follows, net of GST:

Net Invoices received for the Partnership from:	Director	2024	2023
Peter Bould CA Limited -dir. fee	P Bould	12,176	11,357
Peter Bould CA Limited-FMA & exp	P Bould	4,881	2,181
Peter Bould CA Limited - Deferred Fee	P Bould	13,595	30,415
Tiedemann & Partners for administration	P Tiedemann	33,589	31,676
Tiedemann & Partners for Deferred Fee	P Tiedemann	13,595	30,415
Wholesale Products Trading Limited -dir. fee	P Tiedemann	12,176	11,357
Wholesale Products Trading Limited -FMA & exp	P Tiedemann	103,596	110,304
Wholesale Products Trading Limited - High Court Costs	P Tiedemann	8,583	26,710
Wholesale Products Trading Limited - Deferred Management	P Tiedemann	95,165	212,908
Valley Management Services Limited -dir. fee	T Loveday	12,176	11,357
Valley Management Services Limited -FMA & exp	T Loveday	1,235	1,098
Valley Management Services Limited -Deferred Fee	T Loveday	13,595	30,415
		<u>324,361</u>	<u>510,193</u>

During the year the Partnership also incurred costs of \$5,035 (2023:\$4,187) from John Bould - Land Consultant (related to Peter Bould through a close family member). There was \$1,375 outstanding as at 31st March 2024 (2023: \$440). Other transactions with related parties are disclosed as appropriate within these financial statements.

iii) Distribution to Partners:

Late February 2023 Silverwood Directors declared a \$3 per unit distribution (#15) and by 31 March 2023 all unit holders, except for 26 holders that had not completed requested data, had been paid all their distributions. Related deferred fees have been paid. In December 2023 Silverwood directors declared a \$1 per unit distribution (#16) and by 31 March 2024 all but one unit holder had received all their dues. Deferred fees were paid in January 2024.

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

7. RECONCILIATION OF NET PROFIT / (LOSS) WITH CASH FLOWS FROM OPERATING ACTIVITIES

	2024	2023
	\$	\$
Net Profit / (Loss) for the year	854,831	3,911,848
Adjustment for items included in Net Profit / (Loss) with no cash flow effect:		
RWT on financing income	(12,955)	(289,873)
	<u>841,876</u>	<u>3,621,975</u>
Adjustment for items having a cash flow effect not represented in Net Profit / (Loss) or working capital movements:		
Impact of changes in working capital items:		
Movement in Land Stock	170,050	-
Movement in Trade and Other Receivables	59,307	(66,474)
Movement in Trade Payables, Other Payables and Accruals	(189,268)	137,822
Deferred Directors' and Management Fees	(51,395)	104,312
Net cash from operating activities	<u>830,570</u>	<u>3,797,628</u>

8. FINANCIAL INSTRUMENTS

The Partnership has a number of financial instruments in the course of its normal activities. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the bases of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in the accounting policies.

i) Fair Value

The estimated fair value of the Partnership's financial instruments equals the carrying values. This applies to all bank balances, receivables, payables and loans. Accordingly no comparison is made between the fair values and carrying values for any class of financial instrument.

ii) Liquidity risk

Liquidity risk is the risk that the Partnership will not be able to meet its financial obligations as they fall due. The Partnership's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and adverse conditions, without incurring unacceptable losses or risking damaging the Partnership's reputation.

iii) Credit Risk

Financial instruments that expose the Partnership to the most significant credit risk consist of Trade Receivables and Sundry Receivables. The maximum exposure to credit risk is the carrying value of each financial asset in the Statement of Financial Position which is net of any recognised provision for losses on those financial instruments.

iv) Interest Rate Risk

Interest rate risk is the risk that interest rate changes will adversely affect the Partnership's results. This is not considered to be significant to the Partnership.

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

v) Market Risk

The main market risk, being the demand for and valuation of commercial land, does not significantly impact the Partnership's financial instruments. It will impact the Notes added to these financial statements; between June 2022 and 31 March 2023 valuation values were reduced three times.

9. DISTRIBUTION TO PARTNERS

In the 1990 Prospectus the original Silverwood Land Partnership issued 262 units. In the 2003 Prospectus a further 262 units were issued followed by a one for one bonus issue, i.e. 1,048 units were issued. On 1 December 2017 Silverwood units were split 1000 for 1 and the total units issued rose to 1,048,000. On 7 December 2017 Silverwood's 50% unit holder liquidated and passed its 524,000 units to its shareholders in proportion to their shareholding. As a consequence Silverwood had to cancel the units it received in itself (34,149) leaving 1,013,851 Silverwood units on issue. Over the life of the Partnership to-date total distributions that have been declared and distributed add to \$19,156,898 which is \$18.90 per unit as per table below and represents over twelve times the \$ 1.55 price paid per unit.

	Total (\$)	per Unit (\$)	p/NEW unit(\$)
		1048	1,013,851
# of Silverwood units issued			
No 16 Dec 2023 - Paid	1,013,851	\$ 967	\$ 1.0000
No 15 Feb 2023 - Paid	3,041,553	\$ 2,902	\$ 3.0000
No 14 Dec 2020 - Paid	1,013,851	\$ 967	\$ 1.0000
No 13 Aug 2020 - Paid	1,013,851	\$ 967	\$ 1.0000
No12 Dec 2018 - Paid	1,622,161	\$ 1,548	\$ 1.6000
No11 May 2018- Paid	3,041,553	\$ 2,902	\$ 3.0000
No10 Nov2017 - Paid	524,000	\$ 500	\$ 0.5168
No 9 Mar 2017 - Paid	681,200	\$ 650	\$ 0.6719
No 8 Dec 2016 - Paid	1,048,000	\$ 1,000	\$ 1.0337
No 7 Jul 2016 - Paid	838,400	\$ 800	\$ 0.8269
No 6 Mar 2016 - Paid	1,089,920	\$ 1,040	\$ 1.0750
No 5 Dec 2015 - Paid	1,310,000	\$ 1,250	\$ 1.2921
No 4 Sep 2015 - Paid	366,800	\$ 350	\$ 0.3618
No 3 Apr 2015 - Paid	419,200	\$ 400	\$ 0.4135
No 2 Jul 2013 - Paid	1,100,400	\$ 1,050	\$ 1.0854
No 1 Jul 2010 - Paid	524,000	\$ 500	\$ 0.5168
RWT Distributed to 31 March 2023	495,203	\$ 473	\$ 0.4884
RWT to distribute for the current year	12,955	\$ 12	\$ 0.0128
Total distributed in cash and RWT	\$ 19,156,898	\$ 18,278	\$ 18.90

10. COMMITMENTS

There are no capital and lease commitments as at 31 March 2024.

SILVERWOOD LAND 2015 LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

11. SIGNIFICANT EVENTS AFTER BALANCE DATE

There is no impact on the classification and measurement of the assets and liabilities of the Partnership as the carrying amounts are expected to be recovered and liabilities represent the amounts outstanding.

No accruals or provisions have been recognised in relation to costs expected to be incurred in winding up of the Partnership as the obligating event has not occurred as at balance date. The financial statements and notes are presented in New Zealand dollars (\$) which is the entity's functional currency.