

WAITAKERE PROPERTIES LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED

30 JUNE 2008

WAITAKERE PROPERTIES LIMITED

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AUDIT REPORT

**TO THE READERS OF
WAITAKERE PROPERTIES LIMITED'S
FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION
FOR THE YEAR ENDED 30 JUNE 2008**

The Auditor-General is the auditor of Waitakere Properties Limited (the Company). The Auditor-General has appointed me, Ben Halford, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the company, on his behalf, for the year ended 30 June 2008.

Unqualified Opinion

In our opinion:

- The financial statements of the company on pages 9 to 32:
 - comply with generally accepted accounting practice in New Zealand; and
 - give a true and fair view of:
 - the company's financial position as at 30 June 2008; and
 - the results of its operations and cash flows for the year ended on that date.
- The performance information of the company on pages 33 to 35 gives a true and fair view of the achievements measured against the performance targets adopted for the year ended 30 June 2008.
- Based on our examination the company kept proper accounting records.

The audit was completed on 26 September 2008, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and performance information did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and performance information. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board of Directors;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and performance information.

We evaluated the overall adequacy of the presentation of information in the financial statements and performance information. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Board of Directors and the Auditor

The Board of Directors is responsible for preparing the financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must give a true and fair view of the financial position of the company as at 30 June 2008 and the results of its operations and cash flows for the year ended on that date. The Board of Directors is also responsible for preparing performance information that gives a true and fair view of service performance achievements for the year ended 30 June 2008. The Board of Director's responsibilities arise from the Financial Reporting Act 1993 and the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements and performance information and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 69 of the Local Government Act 2002.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

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


Ben Halford
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand

WAITAKERE PROPERTIES LIMITED

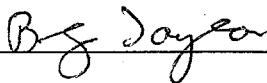
STATEMENT OF RESPONSIBILITY

FOR THE YEAR ENDED 30 JUNE 2008

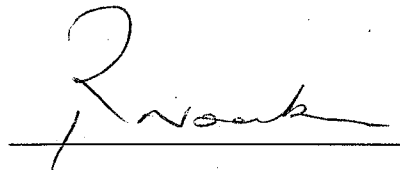
The Board and management of Waitakere Properties Limited accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

The Board and management of Waitakere Properties Limited accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non financial reporting.

In the opinion of the Board and management of Waitakere Properties Limited the annual Financial Statements for the year ended 30 June 2008 fairly reflect the financial position and operations of Waitakere Properties Limited.



CHAIRPERSON
26 September 2008



DIRECTOR
26 September 2008

WAITAKERE PROPERTIES LIMITED **COMPANY DIRECTORY**

NATURE OF BUSINESS

Property development and project consultancy

REGISTERED OFFICE

2nd Floor Central One Building,
4 Henderson Valley Road
Henderson,
WAITAKERE CITY

DIRECTORS

Mr R.W.Jewell
Mr R.M.Noakes
Mr H.O'Rourke
Mr N.Ranford
Mr B.Taylor (Chairman)

CHIEF EXECUTIVE

Mr G.Parker

BANKERS

A.S.B Bank Limited
350 Great North Road
HENDERSON

AUDITORS

Audit New Zealand on behalf of the Auditor-General

SOLICITORS

Corban Revell
19 Alderman Drive
HENDERSON

CAPITAL

2,300,000 Ordinary Shares of \$1.00 each fully paid.

SHAREHOLDER

Waitakere City Holdings Limited 2,300,000

WAITAKERE PROPERTIES LIMITED **THE YEAR IN REVIEW**

FOR THE YEAR ENDED 30 JUNE 2008

Company Activities

The business of the Company is property development and project consultancy.
The nature of the Company's business has not changed during the year under review.

RESULTS AT A GLANCE

Revenue for the period	2008 1,466,168
Expenses for the period	1,461,534

Net Surplus (after tax) at 30 June 2008	<u><u>4,634</u></u>
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The state of the Company's affairs as at 30 June 2008

Assets Totalled	<u><u>2,735,832</u></u>
------------------------	--------------------------------

These were represented by:-

Company Equity at 1 July 2007	2,482,973
Plus current surplus (After Tax)	4,634
Company Equity at 30 June 2008	<u><u>2,487,607</u></u>

Liabilities of	<u><u>248,225</u></u>
	<u><u>2,735,832</u></u>

RESULTS AT A GLANCE

Revenue for the period	2007 1,177,320
Expenses for the period	1,171,526

Net Surplus (after tax) at 30 June 2007	<u><u>5,794</u></u>
--	----------------------------

The state of the Company's affairs as at 30 June 2007

Assets Totalled	<u><u>2,629,121</u></u>
------------------------	--------------------------------

These were represented by:-

Company Equity at 1 July 2006	2,477,179
Plus current surplus (After Tax)	5,794
Company Equity at 30 June 2007	<u><u>2,482,973</u></u>

Liabilities of	<u><u>146,148</u></u>
	<u><u>2,629,121</u></u>

Donations

The Company has made no donations during the year.

WAITAKERE PROPERTIES LIMITED

STATUTORY INFORMATION

FOR THE YEAR ENDED 30 JUNE 2008

Likely Developments

The Company will continue to provide services to the Waitakere City Council in respect of the Harbour View Estate, New Lynn, Totara Ave Shops, Waitakere Central, Hobsonville and New Lynn Hotel.

Directors

Mr R.W.Jewell
Mr R.M.Noakes
Mr H.O'Rourke
Mr N.Ranford
Mr B.Taylor (Chairman)

ENTRIES MADE IN THE INTERESTS REGISTER

Interests In Transactions

During the year there have been no transactions entered into by the Directors of the Company which would require disclosure.

Use of Company Information by Directors

The Board received no notices during the year from Directors requesting to use Company information received in their capacity as Directors which would not otherwise be available to them.

Shareholding by Directors

No Director acquired or disposed of any interest in shares in the Company during the year.

Remuneration and other benefits to Directors

There have been no :-
Payments for services except those stated in note 15, page 29.
Compensation for loss of office,
Loans by the Company to a Director,
Guarantees given by the Company for debts incurred by a Director,
Entering of contracts to do any of the above.

Indemnity and Insurance:Directors and Employees

The Company has taken insurance for any Director and Employee in respect of any liability for any act or omission in his or her capacity as a Director or Employee.

WAITAKERE PROPERTIES LIMITED
STATUTORY INFORMATION

FOR THE YEAR ENDED 30 JUNE 2008

Approved Directors Remuneration (Director Fees and Allowances)

	<u>ANNUAL</u>
Mr R.W.Jewell	25,000
Mr R.M.Noakes	25,000
Mr H.M.O'Rouke (Appointment April 2008)	25,000
Mr B.Taylor (Chairman)	40,000
Mr B.Taylor (Travel Allowance - reimbursement)	3,000
Mr N.Ranford	25,000
	<u>143,000</u>

For services and other benefits refer to note 15 page 29

	<u>PAID</u>
Mr R.W.Jewell	25,000
Mr R.M.Noakes	25,000
Mr H.M.O'Rouke (Appointment April 2008)	6,250
Mr B.Taylor (Chairman)	40,000
Mr B.Taylor (Travel Allowance - reimbursement)	2,982
Mr N.Ranford	25,000
	<u>124,232</u>

Recommended Dividend

The Directors recommend that no dividend be paid.

Donations

The Company has made no donations during the year.

Changes in Accounting Policies

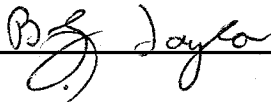
There are no changes in Accounting Policies.

Auditors Remuneration

Auditing Fees \$17,000 (Net of GST)

Other Services \$Nil

For and on behalf of the Company.

Chairman 

Director 

Date: 26 September 2008

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2008

<u>2007</u>	<u>INCOME</u>	<u>NOTE</u>	<u>2008</u>
213,000	DEVELOPMENT FEES		376,000
100,000	CONSTRUCTION FEES		15,000
138,504	PROPERTY MANAGEMENT		131,678
51,000	TRUST MANAGEMENT		151,001
168,481	INTEREST		188,817
190,740	OTHER INCOME		288,100
315,595	RENTAL		315,572
<u>1,177,320</u>	<u>TOTAL INCOME</u>	1	<u>1,466,168</u>
	<u>EXPENSES</u>		
108,833	BOARD EXPENSES		124,232
451,795	EMPLOYEE BENEFIT COSTS	2	600,483
34,156	OCCUPANCY COSTS		51,673
571,096	OPERATIONAL COSTS		681,431
<u>1,165,880</u>	<u>TOTAL EXPENDITURE</u>	3	<u>1,457,819</u>
<u>11,440</u>	<u>NET OPERATING SURPLUS BEFORE TAXATION</u>		<u>8,349</u>
5,646	TAX EXPENSE	5	3,715
-			-
5,794	<u>NET SURPLUS AFTER TAXATION</u>		4,634
177,179	<u>ACCUMULATED SURPLUS AT START OF YEAR</u>		182,973
<u>182,973</u>	<u>ACCUMULATED SURPLUS AT END OF YEAR</u>		<u>187,607</u>

This Statement should be read in conjunction with the Statement of Accounting Policies and the Notes to the Financial Statements

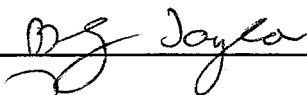
STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2008

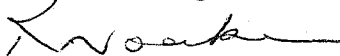
<u>2007</u>	<u>CURRENT ASSETS</u>	NOTE	<u>2008</u>
2,355,750	CASH AND CASH EQUIVALENTS	4	1,453,911
49,660	CURRENT TAX	6	42,567
112,703	TRADE AND OTHER RECEIVABLES	6	157,890
	SHORT TERM DEPOSITS	4	1,000,000
<u>2,518,113</u>	TOTAL CURRENT ASSETS		<u>2,654,368</u>
	<u>NON CURRENT ASSETS</u>		
69,096	PROPERTY, PLANT AND EQUIPMENT	7	60,957
37,434	INTANGIBLE ASSETS	8	14,681
4,078	FUTURE TAX BENEFIT	5	5,426
400	SHARES IN ASSOCIATE	9	400
<u>111,008</u>	TOTAL NON CURRENT ASSETS		<u>81,464</u>
<u>2,629,121</u>	TOTAL ASSETS		<u>2,735,832</u>
	<u>CURRENT LIABILITIES</u>		
73,790	TRADE AND OTHER PAYABLES	10	152,732
72,358	EMPLOYEE BENEFIT LIABILITIES	10	95,493
<u>146,148</u>	TOTAL CURRENT LIABILITIES		<u>248,225</u>
<u>2,482,973</u>	<u>NET ASSETS</u>		<u>2,487,607</u>
	<u>SHAREHOLDERS EQUITY</u>	11	
2,300,000	AUTHORISED,ISSUED AND PAID UP CAPITAL		2,300,000
	<i>2,300,000 ORDINARY SHARES OF \$1.00 EACH</i>		
	All shares carry equal voting rights and the right to share in any surplus on winding up of the Company.No shares carry fixed dividend rights.		
182,973	ACCUMULATED SURPLUS AT YEAR END		<u>187,607</u>
<u>2,482,973</u>	TOTAL EQUITY ATTRIBUTABLE TO THE COMPANY		<u>2,487,607</u>

For and on behalf of the Company

Chairman



Director



Date: 26 September 2008

This Statement should be read in conjunction with the Statement of Accounting Policies and the Notes to the Financial Statements



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2008

<u>2007</u>		NOTE	<u>2008</u>
<u>2,477,179</u>	BALANCE AT 1 JULY	11	<u>2,482,973</u>
5,794	Surplus / (deficit) for the year		<u>4,634</u>
<u>5,794</u>	Total recognised income/ (expense) for the year ended attributable to the Company		<u>4,634</u>
<u>2,482,973</u>	BALANCE AT 30 JUNE		<u>2,487,607</u>

This Statement should be read in conjunction with the Statement of Accounting Policies and the Notes to the Financial Statements

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2008

<u>2007</u>	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		<u>2008</u>
		NOTE	
901,834	Receipts from customers		1,234,148
168,341	Interest received		144,332
86,374	Tax refunded (RWT)		49,659
-	Goods and Services Tax (net)		-
<u>1,156,549</u>			<u>1,428,139</u>
451,795	Payments to employees		600,483
558,936	Payments to suppliers		645,313
55,252	Tax paid (RWT)		47,488
53,703	Goods and Services Tax (net)		18,802
<u>1,119,686</u>			<u>1,312,086</u>
<u>36,863</u>	<u>NET CASH FROM OPERATING ACTIVITIES</u>	12	<u>116,053</u>
	<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
(400)	Purchase of Shares		0
(35,066)	Purchase of Property, Plant and Equipment		(16,892)
(3,600)	Intangible Assets		(1,000)
<u>(39,066)</u>	<u>NET CASH FROM INVESTING ACTIVITIES</u>		<u>(17,892)</u>
<u>(2,203)</u>	<u>Net (decrease) / increase in cash, cash equivalents and bank overdrafts</u>		<u>98,161</u>
<u>2,357,953</u>	Cash, cash equivalents and bank overdrafts at the beginning of the year		2,355,750
<u>2,355,750</u>	Cash, cash equivalents and bank overdrafts at the end of the year	4	<u>2,453,911</u>

The GST (Net) component of operating activities reflect the net GST paid and received with the Inland Revenue Department. The GST (Net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

This Statement should be read in conjunction with the Statement of Accounting Policies and the Notes to the Financial Statements

WAITAKERE PROPERTIES LIMITED

Notes to the Financial Statements

SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Company is registered under the Companies Act 1993.

The Company is wholly owned by the Waitakere City Holdings Ltd, a subsidiary of Waitakere City Council.

The Company is a Council Controlled Trading Organisation as defined in Sec.6 of the Local Government Act 2002.

The Financial Statements have been prepared in accordance with the Financial Reporting Act 1993, Companies Act 1993 and the Local Government Act 2002.

The business of the Company is property development and project consultancy.

The Waitakere City Council is the ultimate controlling party of the Company.

The financial statements of the Company are for the year ended 30 June 2008.

The financial statements were authorised for issue by the Board of Directors on the 28 September 2008.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ,GAAP), applying the Framework for Differential Reporting for entities adopting the New Zealand equivalents to International Financial Reporting standards (NZ IFRS), and its interpretations as appropriate to profit-orientated entities that qualify for and apply differential reporting concessions.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Company is New Zealand dollars.

New Accounting Standards and Interpretations

NZ IAS 1, Presentation of Financial Statements (revised 2007) effective for reporting periods on or after 1 January 2009.

The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The Company will apply this standard for the reporting period ending 30 June 2010. The Company has yet to decide whether it will prepare a single statement of comprehensive income or a separate income statement followed by a statement of comprehensive income.

BASIS OF PREPARATION (Continued)

Associates

Waitakere Properties Limited accounts for an investment in an associate using the equity method.

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the Company's share of the surplus or deficit of the associate after the date of acquisition. The company's share of the surplus or deficit of the associate is recognised in the Company's statement of financial performance.

Distributions received from an associate reduce the carrying amount of the investment.

If the Company's share of an associate equals or exceeds its interest in the associate, the Company discontinues recognising its share of further deficits. After the Company's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate reports surpluses, The Company will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

The Company's share in the associate's surplus or deficits resulting from unrealised gains on transactions between the Company and its associates is eliminated.

The Company's investment in Prime West Management Limited is carried at cost in the Company's own "parent entity" financial statements.

DIFFERENTIAL REPORTING CONCESSIONS

The size of the organisation qualifies the Company under the New Zealand Institute of Chartered Accountants reporting framework. The criteria for qualification is any two of the following:-

Total revenue not exceeding \$20.0 million,

Total assets not exceeding \$10 million

Exceeding more than 50 full time employees.

The Company presently meets all the criteria.

The Company qualifies for Differential Reporting exemptions as it has no public accountability as defined in the Financial Reporting Act 1993.

All concessions have been taken advantage of except for:-

NZ IAS 7 Cash Flow Statements,

NZ IAS 12 Income Taxes.

WAITAKERE CITY COUNCIL - PROPERTY TRUSTS

Commercial property and property for development owned by the Waitakere City Council is legally vested in Property Trusts and Waitakere Properties Limited is appointed as Council's sole Trustee.

Under the Declaration of Trust, Waitakere Properties Limited acting as Trustee is obliged to develop and market properties to the best commercial advantage and to return to Waitakere City Council any surplus or deficit on the Property Trust operations.

REVENUE

Revenue is measured at the fair value of consideration received.

Revenue from the sale of goods and services is recognised in the statement of financial performance when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs, or where there is continuing management involvement with the goods and services.

Interest income is recognised using the effective interest method.

Management fees received from Waitakere City Council Property Trusts constitute a significant source of funding to the Company.

Rental Income is recognised in the period in which it relates.

Interest income is recognised using the effective interest method.

EXPENSES

ADVERTISING COSTS

Advertising costs are expensed when the related service has been rendered.

BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred.

TAXATION

Income Tax

The 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 that have been enacted or substantively enacted by 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 bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable 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 difference arises from the initial recognition of goodwill or from the initial recognition of an asset and 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 recognised on taxable temporary differences arising on employee holiday pay.

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

Current tax and deferred tax is charged or credited to the statement of financial performance, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

Goods and Services Tax

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax than 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 (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Fringe Benefit Tax

The Company is liable for Fringe Benefit Tax.

LEASES

Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an assets, whether or not title is eventually transferred.

At the commencement of the lease term, the Company recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life.If there is no certainty as to whether the Company will obtain ownership at the end of the lease term, the assets is fully depreciated over the shorter of the lease term and its useful life.

Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the statement of financial performance over the lease term as an integral part of the total lease expense.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand,deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings as a current liability in the statement of financial position.

TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original term of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows using the effective interest method.

INVESTMENTS

Trading Bank Deposits

Investments in bank deposits are initially measured at fair value plus transaction costs.

After initial recognition investments in bank deposits are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the statement of financial performance.

At each balance sheet date the Company assesses whether there is any objective evidence that an investment is impaired. Any impairment losses are recognised in the statement of financial performance.

Investments in shares

Shares held for trading are classified as current assets and are stated at fair value, with any resulting gain or loss recognised in the statement of financial performance.

Other share investments held by the Company are classified as available for sale and are stated at fair value, with any resulting gain or loss recognised directly in equity, except for impairment losses. When these investments are derecognised, the accumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

The fair value of shares is their cost price or quoted bid price at statement of financial position date.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are shown at cost, less accumulated depreciation and impairment losses.

Additions

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

In most instances, an item of property, plant and equipment is recognised at cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the statement of financial performance.

PROPERTY, PLANT AND EQUIPMENT (Continued)

Subsequent Costs

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

Depreciation

Depreciation is provided on a straight line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Motor Vehicles	4 to 5 years (21.6%)
Office Equipment	2 to 10 years (10.2% - 48%)

These rates are in accordance with the Income Tax Act.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

INTANGIBLE ASSETS

Software Acquisition

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

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

Costs associated with the development and maintenance of the Company's website are recognised as an expense when incurred.

Amortisation

Computer software licenses are amortised on a straight-line basis over their useful life of 2 to 3 years. Amortisation begins when the asset is available for use and ceases at the date that the asset is disposed of.

The amortisation charge for each period is recognised in the statement of financial performance.

Amortisation rates are in accordance with the Income Tax Act.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets with a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the statement of financial performance.

EMPLOYEE BENEFITS

Short Term Benefits

Employee benefits that the Company 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 earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

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

The Company allows employees to carry forward any unused sick leave to a maximum of 400 hours. Sick leave is taken first out of the previous year's entitlement and then out of any current entitlement, (a FIFO basis). The sick leave is non vesting and there is no formal or informal understanding that any unused sick leave can be paid other than for absences relating to sickness. the Company does not expect any material changes to the level of absences in the coming year owing to sickness.

Longterm Benefits

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave are 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 entitlement and contractual entitlements information; and the present value of the estimated future cash flows.

A discount interest rate together with a rate for an inflation factor is used to establish the discount factor.

The discount rate is based on the Reserve Bank of New Zealand end of year (June 2008) base lending rates plus the Reserve Bank of New Zealand consumer price index at year end (June 2008).

These two values make up the discount factor for net present value (NPV) calculations.

PROVISIONS

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

Provisions are not recognised for future operating losses.

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

BORROWINGS

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements the Company has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Property, Plant and Equipment useful lives and residual values

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

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

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

The Company has not made significant changes to past assumptions concerning useful lives and residual values.

The carrying amounts of property, plant and equipment are disclosed in note 7, page 24.

CRITICAL JUDGEMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

The Directors must exercise their judgement when recognising contract income to determine if conditions of the contract have been satisfied. This judgement will be based on the facts and circumstances that are evident for each revenue contract.

WAITAKERE PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

<u>2007</u>		<u>2008</u>
	<u>NOTE 1</u>	
	<u>Revenue Summary</u>	
502,504	Trust Account Fees	673,679
315,595	Rent	315,572
168,481	Interest	188,817
5,437	Other Consulting fees	71,363
174,553	Investigation & Other Recoveries / Income	202,486
10,750	Other Income	14,251
<u>1,177,320</u>		<u>1,466,168</u>

Trust Account Fees

213,000	Development Fees	376,000
100,000	Construction Fees	15,000
138,504	Property Management fees	131,678
51,000	Trust management Fees	151,001
<u>502,504</u>		<u>673,679</u>

	<u>Housing Corporation licence (Hobsonville)</u>	
<u>315595</u>	Rental	<u>315,572</u>

Waitakere Properties limited ("Licensee")has an agreement with the Hobsonville Land Company Ltd as representative of Housing New Zealand Corporation as agent for the Crown for the use of land and facilities for a specified purpose on a limited term basis.

Property is located at Hobsonville, Auckland.
 (Refer note 13.)

WAITAKERE PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 2

<u>2007</u>		<u>2008</u>
	<u>Employee Benefit costs</u>	
454,954	Salary and wages	576,898
(3,159)	Increase/ (decrease) in employee benefit liabilities	23,585
<u>451,795</u>		<u>600,483</u>

NOTE 3

	<u>Other expenses</u>	
14,874	Audit fees for financial statement audit	17,000
841	Interest & Bank Servicing Fees	1,012
108,833	Director Fees & Allowances	124,232
16,188	Depreciation	25,034
3,929	Amortisation	23,753
1,021,215	All Other Expenses	1,266,788
<u>1,165,880</u>		<u>1,457,819</u>

NOTE 4

	<u>Cash and cash equivalents</u>	
87,946	Cheque Account	129,403
250,188	Call Account (2007/08 ASB rate - 6.75% to 8.00%)	223,395
2,017,616	Term Account (30 Day term)	1,101,113
	Term Account (1 Year term)	1,000,000
	(2007/08 ASB rate - 7.93% to 8.03%)	
<u>2,355,750</u>	Net cash, cash equivalents and bank overdrafts	<u>2,453,911</u>

for the purposes of the statement of cash flows.
The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value.
Early access to Term Deposits are available at reduced term interest rates.

NOTE 5

Relationship between tax expense and accounting profit

<u>11,440</u>	Surplus / (Deficit) Before Tax	<u>8,349</u>
3,775	Prima facie taxation @ 33%	2,755
1,871	Taxation effect of non deductible expenditure	960
<u>5,646</u>	Tax expense	<u>3,715</u>
	<u>Components of tax expense</u>	
5,646	Current Tax	5,063
(53)	Deferred Tax	(1,348)
<u>5,593</u>	Income Tax expense	<u>3,715</u>

WAITAKERE PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 5 (Continued)

<u>2007</u>		<u>2008</u>
	<u>Deferred tax assets / (liabilities)</u>	
4,131	Balance at 1 July	4,078
(53)	Charged to profit and loss	1,348
<u>4,078</u>	Balance 30 June	<u>5,426</u>

Deferred tax is only recognised in relation to employee holiday pay.

Imputation Credit Account as at 30 June 2008

198,324	Balance at 1 July	167,341
55,252	Resident Withholding Tax (RWT)	47,488
(86,235)	Refunds Received	(49,659)
<u>167,341</u>	Balance 30 June	<u>165,170</u>

NOTE 6

Trade and other receivables

162,363	Gross trade and other receivables	200,457
	Less provision for impairment	
<u>162,363</u>	Total trade and other receivables	<u>200,457</u>

As at 30 June there are no receivables that need to be assessed for impairment.

Trade and other receivables -Summary

937	Accrued Interest	44,485
3,682	Prepayments	3,803
101,615	Related Party	102,852
6,469	Associate Company (PWML)	6,750
49,660	Resident Withholding Tax	42,567
<u>162,363</u>		<u>200,457</u>

WAITAKERE PROPERTIES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

Note 7

Property Plant, Equipment and Intangible assets

30 JUNE 2008

	Cost	Accumulated Depreciation	Book Value	Current Additions	Current Disposals	Current Impairment	Accumulated Depreciation Disposals	Current Depreciation	Cost	Accumulated Depreciation	Book Value
	1-Jul-07	1-Jul-07	1-Jul-07	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08
Computer equipment	18,127	11,507	6,620	9,598	5,826	-	(5,828)	7,942	21,899	13,621	8,278
Office Equipment	41,258	9,913	31,345	7,295	8,691	-	(8,691)	5,254	39,862	6,476	33,386
Motor Vehicles	54,807	23,676	31,131	-	-	-	-	11,838	54,807	35,514	19,293
TOTALS	114,192	45,096	69,096	16,893	14,517	-	(14,519)	25,034	116,568	55,611	60,957

Note 8

Intangible Assets

	Cost	Accumulated Amortisation	Book Value	Current Additions	Current Disposals	Current Impairment	Accumulated Depreciation Disposals	Current Amortisation	Cost	Accumulated Amortisation	Book Value
	1-Jul-07	1-Jul-07	1-Jul-07	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08	30-Jun-08
Computer Software	63,669	26,235	37,434	1,000	-	-	-	23,753	64,669	49,988	14,681
Totals	177,861	71,331	106,530	17,893	14,517	-	(14,519)	48,787	181,237	105,599	75,638

WAITAKERE PROPERTIES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

Note 7 (Continued)

Property Plant, Equipment and Intangible assets

30 JUNE 2007

	Cost	Accumulated Depreciation	Book Value	Current Additions	Current Disposals	Current Impairment	Accumulated Depreciation Disposals	Current Depreciation	Cost	Accumulated Depreciation	Book Value
	1-Jul-06	1-Jul-06	1-Jul-06	30-Jun-07	30-Jun-07	30-Jun-07	30-Jun-07	30-Jun-07	30-Jun-07	30-Jun-07	30-Jun-07
Computer equipment	16,912	11,107	5,805	3,342	2,127	-	(2,127)	2,527	18,127	11,507	6,620
Office Equipment	9,535	8,090	1,445	31,723	-	-	0	1,823	41,258	9,913	31,345
Motor Vehicles	54,807	11,838	42,969	-	-	-	-	11,838	54,807	23,676	31,131
TOTALS	81,254	31,035	50,219	35,065	2,127	-	(2,127)	16,188	114,192	45,096	69,096

Note 8 (Continued)

Intangible Assets

	Cost	Accumulated Amortisation	Book Value	Current Additions	Current Disposals	Current Impairment	Accumulated Depreciation Disposals	Current Amortisation	Cost	Accumulated Amortisation	Book Value
	1-Jul-06	1-Jul-06	1-Jul-06	30-Jun-07	30-Jun-07	30-Jun-07	30-Jun-07	30-Jun-07	30-Jun-07	30-Jun-07	30-Jun-07
Computer Software	60,069	22,306	37,763	3,600	-	-	-	3,929	63,669	26,235	37,434
Totals	141,323	53,341	87,982	38,665	2,127	-	(2,127)	20,117	177,861	71,331	106,530

WAITAKERE PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 9

Investments in Associates

Waitakere Properties Ltd has a 40% interest in Prime West Management Limited and Its reporting date is at 30 June.

The investment in the associated company is carried at cost in Waitakere Properties Ltd statement of financial position.

Prime West Management Ltd is an unlisted company and, accordingly there are no published price quotations to determine the fair value of this investment.

The business of the Company is property management.

Summarised Financial Information of associated company

(Unaudited Financial Statements as at 30 June 2008)

<u>2007</u>		<u>2008</u>
48,185	Current Assets	3,280
47,015	Current Liabilities	57,962
<u>1,170</u>	Net Assets	<u>(54,682)</u>

Shareholders Equity

1,000	Share Capital	1,000
170	Retained Earnings	(55,682)
<u>1,170</u>		<u>(54,682)</u>

Associates Contingencies

Details of any contingent liabilities arising from the Company's involvement in Prime West Management Ltd is disclosed in note 14.

NOTE 10

Trade and Other payables

18,839	Trade Payables	88,725
10,627	Related Party Payables	16,119
72,358	Employee Benefits	95,493
23,252	Accrued expenses	26,555
21,072	Prepayments (Rent in advance)	21,333
<u>146,148</u>	Total Trade and Other Payables	<u>248,225</u>

Trade and other payables are non-interest bearing and are normally settled on 30 day terms, therefore the carrying value of trade and other payables approximates their fair value.

Employee Benefit Liabilities

60,000	Accrued Salary and Wages	79,051
12,358	Annual Leave	16,442
<u>72,358</u>	Total Employee benefit liabilities	<u>95,493</u>

Comprising

72,358	Current	95,493
	Non Current	
<u>72,358</u>	Total Employee benefit liabilities	<u>95,493</u>

WAITAKERE PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 11

Reconciliation of Equity

<u>2007</u>		<u>2008</u>
	<u>Retained Surpluses</u>	
2,477,179	Balance at 1 July	2,482,973
5,794	Surplus / (Deficit) for the year	4,634
<u>2,482,973</u>	Balance at 30 June	<u>2,487,607</u>

NOTE 12

Reconciliation of Cash Flows from operating activities with reported operating surplus

5,794	Reported Surplus/(Deficit) after tax as per per Statement of Financial Performance	Note	4,634
	Add non cash items:		
38,494	Depreciation and amortisation expense	7	48,785
53	Movement in Deferred Taxation		(1,348)
-			-
<u>44,341</u>			<u>52,071</u>
(21,127)	Trade and other receivables		(38,095)
16,808	Trade and other payables		78,492
(3,159)	Employee benefits		23,585
<u>(7,478)</u>			<u>63,982</u>
<u>36,863</u>			<u>116,053</u>

NOTE 13

Capital Commitments and operating leases

Capital Commitments

The Company has no capital expenditure commitments. (2007 Nil)

Operating Leases as lessee

The Company has no operating leases other than the Housing Corporation License.

Waitakere Properties limited ("Licensee")has an agreement with the Hobsonville Land Company Ltd as representative of Housing New Zealand Corporation as agent for the Crown for the use of land and facilities for a specified purpose on a limited term basis.

Specified use is for marine industry or film production.

Term of the licence is 3 years from 15 May 2006, with an option to renew for a period of a further two years.

WAITAKERE PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 13

Capital Commitments and operating leases (Continued)

The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

<u>2007</u>		<u>2008</u>
296,000	Payable no later than 1 year	246,670
246,670	Payable no later than 1-2 years	
	Payable no later than 2-5 years	
	Beyond 5 years	
<u>542,670</u>		<u>246,670</u>

The total minimum future sub lease payments expected to be received under non-cancelable subleases at balance date is \$266,667. (2007 \$581,667)

NOTE 14

Contingencies

Contingent Liabilities

The Company has no contingent liabilities (2007 Nil)

Contingent Assets

The Company has no contingent assets (2007 nil)

NOTE 15

Related Party transaction

Waitakere City Council

The Company is wholly owned by the Waitakere City Holdings Ltd, a subsidiary of Waitakere City Council.

The business of the Company is property development and project consultancy. The Waitakere City Council is the ultimate controlling party of the Company.

Waitakere Enterprise Trust Board

This organisation was settled as a charitable Trust by Waitakere City.

The Waitakere City Council is the ultimate controlling party of the Trust.

Prime West Management Limited

Waitakere Properties Ltd has a 40% interest in Prime West Management Limited and its reporting date is at 31 March.

Prime West Management Ltd is an unlisted company and, is primarily involved in commercial property management.

WAITAKERE PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 15 (Continued)

The following transactions were carried out with related parties during the year.

Waitakere City Council

<u>2007</u>		<u>2008</u>
	Value of Transactions between Council and Council Trusts are:-	
	<u>Income</u>	
676,919	Trust Fees, Consulting and investigation	906,947
-		-
<u>676,919</u>		<u>906,947</u>

Expenses

-	Purchase of Goods and Services	-
<u>Nil</u>		<u>Nil</u>

These services were supplied on normal commercial terms.

Waitakere Enterprise Trust Board

	<u>Expenses</u>	
<u>112,191</u>	Rent and staff/management services	<u>118,224</u>

Waitakere Enterprise Trust Board

	<u>Income</u>	
<u>150</u>	Purchase of Goods and Services	<u>113</u>

These services were supplied on normal commercial terms.

Prime West Management Limited

	<u>Income</u>	
<u>10,750</u>	Director Fees	<u>53,040</u>

These services were supplied on normal commercial terms.

Key Management and Directors

<u>Nil</u>	During the year the Company purchased legal services from Kensington Swan a legal firm in which Mr R.Noakes, a director is a partner.	<u>4,283</u>
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NOTE 16

Significant Events After the Balance Date

No significant events occurred after balance date. (2007 Nil)

WAITAKERE PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 17

<u>2007</u>		<u>2008</u>
	<u>Categories of financial assets and liabilities</u>	
	<u>Loans and receivables</u>	
2,355,750	Cash and cash equivalents	2,453,911
162,223	Trade and other receivables	200,457
<u>2,517,973</u>	Total loans and receivables	<u>2,654,368</u>
	<u>Financial liabilities measured at amortised cost</u>	
146,148	Trade and other payables	248,225
<u>146,148</u>	Total financial liabilities measured at amortised cost	<u>248,225</u>

NOTE 18

Financial Instrument risk

The Company has policies to manage risks associated with financial instruments. The Company is risk adverse and seeks to minimise exposure from its treasury activities. The Company has established borrowing and investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk

The interest rates on the Company's investments are disclosed in note 4 page 22.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Trust's exposure to fair value interest rate risk is limited to its short-term bank deposits.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose the Company to cash flow interest rate risk.

The Company's investment policy requires a spread of investment maturity dates to limit exposure to short-term interest rate movements.

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Trust is not exposed to currency risk, as it does not enter into foreign currency transactions.

WAITAKERE PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 18 (Continued)

Credit Risk

Credit risk is the risk that a third party will default on its obligation to the Company, causing the Company to incur a loss.

Due to the timing of its cash inflows and outflows, the Company invests surplus cash with registered banks. The Company's investment policy limits the amount of credit exposure to any one institution.

The Company has processes in place to review the credit quality of customers prior to the granting of credit.

The Company's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash equivalents (note 4) and trade receivables (note 6). There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

The Company has no significant concentrations of credit risk, as it has a large number of credit customers and only invests funds with registered banks with specific credit ratings.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The Company aims to maintain flexibility in funding by keeping committed credit line available.

In meeting its liquidity requirements, the Company maintains a target level of investments that must mature within specified timeframes.

The maturity profiles of the Company's interest bearing investments are disclosed in note 4 .

Capital Management

The Company's capital is its share capital, and retained surpluses. Equity is represented by net assets.

The Waitakere City Council (controlling body) requires the Board of Directors to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently. The Company's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing the Company's equity is to ensure the Company effectively achieves its objectives and purpose, whilst remaining a going concern.

WAITAKERE PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 19

Property Vested In Waitakere Properties Limited Through Declaration Of Trust

Property formally owned by the Waitakere City Council is legally vested in a Declaration of Trust. Waitakere Properties Limited is Waitakere City Council's appointed sole Trustee.

Under the Declaration of Trust, Waitakere Properties Limited acting as Trustee is obliged to develop and market properties to the best commercial advantage and to return to Waitakere City Council funds realised through sales as agreed between the parties from time to time.

Statement Of Financial Position

Properties vested in the Declaration of Trust have not been reflected in the statement of financial Position on the basis that Waitakere Properties is only acting as Trustee, and the beneficial owner of these properties is the Waitakere City Council.

Statement Of Financial Performance

Revenue from the realisation of properties have not been reflected in the Statement of Financial Performance. Expenditure incurred in developing and marketing of properties have not been reflected in the Statement of Financial Performance.

Revenue and expenditure have been excluded on the basis that it has been received and incurred on behalf of Waitakere City Council, and that to reflect it in Waitakere Properties Limited financial statements would misrepresent the true substance of the transactions.

Consulting and project management fees paid to Waitakere Properties Limited by the Waitakere City Council in relation to these properties have been recognised in full in the Statement of Financial Performance of Waitakere Properties Limited.

Statement of Cash Flows

Cash flows relating to the development, marketing and sale of properties held under the Declaration of Trust have not been included.