O:TU Investments Limited

ANNUAL REPORT

FOR THE YEAR ENDED

31 MARCH 2014

O:TU INVESTMENTS LIMITED
31 MARCH 2014

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O:TU INVESTMENTS LIMITED
COMPANY DIRECTORY

Company Registration Number	3525291
Registered office	505/150 Karangahape Road Auckland 1010 New Zealand.
Director	Min Jia
Shareholder	Min Jia Global Force Worlwide Limited
Auditors	Deloitte Deloitte Centre 80 Queen Street P.O. Box 115033, Auckland 1140 New Zealand
Solicitors	Simpson Grierson 88 Shortland Street New Zealand. Richard Upton Limited 23 Victoria Street New Zealand
Accountants	DFK Oswin Griffiths Carlton Limited 52 Symonds Street New Zealand.
Bankers	ANZ Bank Limited New Zealand.

O:TU INVESTMENTS LIMITED

Annual Report & Director's Responsibility Statement

The Director presents the Annual Report including the financial statements of O:TU INVESTMENTS LIMITED (the 'Company' and 'Group') for the year ended 31 March 2014 and the auditors' report thereon. The financial statements also include those of Otuwhero Trustee Limited, the subsidiary of the Company. The financial statements for the parent and group are the same and are not separately presented.

With the unanimous agreement of all the shareholders, the Company and Group have taken advantage of the reporting concessions available to it under section 211(3) of the Companies Act 1993 and has not complied with any of paragraphs (a), and (e) to (j) of section 211(1) of the Act.

The Director is responsible for ensuring that the financial statements give a true and fair view of the financial position of the Company and Group as at 31 March 2014 and its financial performance and cash flows for the year ended on that date. The Director considers that the financial statements of the Company and Group have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed. The Director believes that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and Group and facilitate compliance of the financial statements with the Financial Reporting Act 1993. The Director considers that adequate steps have been taken to safeguard the assets of the Company and Group and to prevent and detect fraud and other irregularities.

Signed for and on behalf of the Board by:

______________________________ Director

Date: 9 July 2015

Deloitte.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
O:TU INVESTMENTS LIMITED

Report on the Financial Statements

We have audited the financial statements of O:TU Investments Limited and group on pages 5 to 22, which comprise the consolidated and separate statements of financial position of O:TU Investments Limited, as at 31 March 2014, the consolidated and separate statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the company's shareholders, as a body, in accordance with Section 205(1) of the Companies Act 1993. Our audit has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an 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 company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Board of Directors' Responsibility for the Financial Statements

The Board of Directors are responsible for the preparation of financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate, and for such internal control as the Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

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

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

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

Other than in our capacity as auditor, we have no relationship with or interests in O:TU Investments Limited or any of its subsidiaries.

Opinion

In our opinion, the financial statements on pages 5 to 22:

- comply with generally accepted accounting practice in New Zealand;
- comply with International Financial Reporting Standards; and
- give a true and fair view of the financial position of O:TU Investments Limited and group as at 31 March 2014, and their financial performance and cash flows for the year then ended.

Deloitte.

Other Matters

We were appointed auditors of O:TU Investments Limited subsequent to the year ended 31 March 2014. The corresponding figures for the year ended 31 March 2013 are unaudited.

Report on Other Legal and Regulatory Requirements

We also report in accordance with section 16 of the Financial Reporting Act 1993. In relation to our audit of the financial statements for the year ended 31 March 2014:

- we have obtained all the information and explanations we have required; and
- in our opinion proper accounting records have been kept by O:TU Investments Limited as far as appears from our examination of those records.

Deloitte

Chartered Accountants
9 July 2015
Auckland, New Zealand

O:TU INVESTMENTS LIMITED
Statement of Comprehensive Income
For the year ended 31 March 2014

	Note	Parent & Group 2014 $	Unaudited Parent & Group 2013 $
Continuing operations			
Sales		-	-
Direct operating expenditure	4	(1,138,973)	-
Gross profit		(1,138,973)	-
Interest Income		96	-
Gain on Acquisition	8	5,260,626	
Other revenue	3	686,226	-
Operating expenses	5	(315,457)	(14,781)
Interest expense		(301,568)	-
Depreciation	11	(286,288)	-
(Loss) / Profit for the year before taxation		3,904,662	(14,781)
Tax credit	6	63,620	-
(Loss) / Profit for the year attributable to shareholders of the company		3,968,282	(14,781)
Other Comprehensive Income		-	-
Total comprehensive income for the year attributable to the shareholders of the Company		3,968,282	(14,781)

The above statement of comprehensive income should be read in conjunction with the attached notes.

O:TU INVESTMENTS LIMITED
Statement of Changes in Equity
For the year ended 31 March 2014

Parent & Group	Note	Share Capital	Reserves	Retained earnings	Total
Unaudited					
2013		$	$	$	$
Balance at the beginning of the year	7	100	-	-	100
Total comprehensive income for the year					
Profit for the year		-	-	(14,781)	(14,781)
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	-	(14,781)	(14,781)
Balance at end of year		100	-	(14,781)	(14,681)

Parent & Group	Note	Share Capital	Reserves	Retained earnings	Total
2014		$	$	$	$
Balance at the beginning of the year		100	-	(14,781)	(14,681)
Total comprehensive income for the year					
Profit for the year		-	-	3,968,282	3,968,282
Paid up shares			-	-	-
Revaluation reserve		-	-	-	-
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	-	3,968,282	3,968,282
Balance at end of year	7	100	-	3,953,501	3,953,601

The above statement of changes in equity should be read in conjunction with the attached notes.

O:TU INVESTMENTS LIMITED
Statement of Financial Position
As at 31 March 2014

	Note	Parent & Group 2014 $	Unaudited Parent & Group 2013 $
EQUITY			
Capital Shares	7	100	100
Retained (losses) / earnings		3,953,501	(14,781)
Total equity		3,953,601	(14,681)
ASSETS			
Current assets			
Cash and bank balances	9	51,921	-
Accounts receivable	10	5,180	-
Deposits		-	315,000
GST receivable		50,687	-
Total current assets		107,788	315,000
Non-current assets			
Property, plant and equipment	11	13,345,501	-
Investments carried at cost	12	72,250	-
Deferred tax	15	63,620	-
Shareholder account	19	-	100
Related party loan	19	449,614	-
Total non-current assets		13,930,985	100
Total assets		14,038,773	315,100
LIABILITIES			
Current liabilities			
Accounts payable	13	250,527	-
Accrued expenses		22,699	-
Interest bearing borrowings	14	129,062	-
Related Party Loan	19	330,204	329,781
Total current liabilities		732,492	329,781
Non-current liabilities			
Shareholder account	19	5,491,884	
Interest bearing borrowings	14	3,860,796	-
Total non-current liabilities		9,352,680	-
Total liabilities		10,085,172	329,781
Total net assets		3,953,601	(14,681)

Signed for and on behalf of the board by:

Director

Date: 9 July 2015

The above statement of financial position should be read in conjunction with the attached notes.

O:TU INVESTMENTS LIMITED
Statement of Cash Flows
For the year ended 31 March 2014

	Note	2014 $	Unaudited 2013 $
Cash flows from operating activities			
Cash was provided from:			
Receipts from customers		138,921	-
Other revenue		1,000	-
Interest received		96	-
		140,017	-
Cash was disbursed to:			
Payment to suppliers		1,390,774	-
Interest paid		301,568	
		1,692,342	-
Net cash flow from operating activities	20	(1,552,325)	-
Cash flows from investing activities			
Cash was provided from:			
Disposal of assets		66,164	
		66,164	
Cash was disbursed to:			
Fixed assets purchases		326,988	-
Fixed assets acquired on business combination	8	8,100,556	
Acquisition of investments		72,250	-
		8,499,794	-
Net cash flow used in investing activities		(8,433,630)	-
Cash flows from financing activities			
Cash was provided from:			
Increase in shareholder advances		5,491,984	-
Drawdown of borrowings		4,693,426	-
		10,185,410	-
Cash was disbursed to:			
Repayment of borrowings		147,535	-
		147,535	-
Net cash flow from financing activities		10,037,875	-
Net changes in cash		51,921	-
Cash at beginning of the year		-	-
Exchange adjustment		-	-
Cash at the end of the year	9	51,921	-

The above statement of cash flows should be read in conjunction with the attached notes.

O:TU INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2014

1. Reporting Entity

O:TU Investments Limited (the "Company") is a company incorporated and domiciled in New Zealand and registered under the Companies Act 1993.

The Company is a reporting entity for the purposes the Financial Reporting Act 1993 and the Companies Act 1993.

The company is designated as a profit-oriented entity for financial reporting purposes.

These financial statements were authorised for issue by the Board of Directors on 9 July 2015

The principle activity of the company is vineyard maintenance and grape production.

2. Summary of significant accounting policies

The accounting policies set out below have been consistently applied to all years presented.

(a) Basis of Preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"), which complies with the New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") and its interpretations and other relevant Financial Reporting Standards applicable to profit-oriented entities. Compliance with NZ IFRS ensures compliance with International Financial Reporting Standard (IFRS).

Historical cost convention

The financial statements have been prepared on the historical cost basis. Fixed assets have been recorded at cost less accumulated depreciation.

Parent & Group accounts

The only subsidiary of the company is Otuwhero Trustee Limited. The subsidiary acts only as trustee for an uncontrolled entity and has no assets, liabilities or transactions itself. For this reason, the financial statements for the parent and group are the same and are not separately presented.

Functional and presentation currency

All amounts are denominated in New Zealand dollars, which is the Company's functional and presentation currency.

(b) Revenue Recognition

Sales

Revenue on sales of goods are recognised when goods are delivered to and ready for use by the customer or when contractual term have been satisfied.

Interest income and expense

Interest income and expense are recognised on an accrual basis using the effective interest method.

Distributions and other income

Income from distributions is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

(c) Goods and Services Tax

With the exception of accounts receivable and payable, all items are stated exclusive of Goods and Services Tax.

(d) Foreign Currencies

At balance date, foreign monetary assets and liabilities are translated into New Zealand currency at the closing exchange rate and exchange variations arising from these translations are recognised in the income statements.

Transaction in foreign currencies are translated into New Zealand currency at the rate of exchange ruling at the transaction date or a rate approximating that rate.

(e) Property, Plant and equipment

The Company has three classes of property, plant and equipment:

- Land, dams and roads
- Computer equipment
- Tools & equipment
- Motor vehicles
- Vines

All property, plant and equipment is initially recorded at cost.

When an item of property, plant and equipment is disposed of, any gain or loss is recognised in the income statement and is calculated as the difference between the sale price and the carrying value of the item.

Depreciation is provided for on a straight line basis on all tangible property, plant and equipment at depreciation rates calculated to allocate the assets' cost less estimated residual value, over their estimated useful lives.

Rates used during the year were:

- Land, dams and roads / Diminishing value / 0.0% - 6.0%
- Computer equipment / Diminishing value / 50.0%
- Tools & equipment / Diminishing value / 13.0% - 67.0%
- Motor vehicles / Diminishing value / 10.0% - 100.0%
- Vines / Straight line / 25 years

(f) Impairment

If the recoverable amount of an item of property, plant and equipment is less than it carrying amount, the item is written down to its recoverable amount. The write down of and item recorded at historical cost is recognised as an expense in the income statement.

The carrying amount of an item of property, plant and equipment that has previously been written down to recoverable amount is increased to its current recoverable amount if there has been a change in the estimates used to determine the amount of the write down. The increased carrying amount of the item will not exceed the carrying amount that would have been determined if the write down to recoverable amount had not occurred.

Reversals of impairment write downs on property, plant and equipment are accounted for in the income statement.

(g) Receivables

Receivables are stated at their cost less impairment losses.

(h) Payables

Payables are stated at cost.

(i) Financial Instruments

Financial instruments are recognised in the balance sheet when the Company become party to a financial contract. They include cash balances, deposits, bank overdrafts, receivables, payables and related party balances.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, bank balances and cash, and others) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

(j) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with NZ IAS 12 *Income Taxes* and NZ IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with NZ IFRS 2 at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with NZ IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

(k) Income Tax

The charge for current income tax expense is based on the profit for the period adjusted for any non assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantively enacted by the reporting date.

Deferred tax is calculated on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. No deferred tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability settled based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is credited in the Statement of Comprehensive Income except where it relates to items that may be credited directly to other comprehensive income, in which case the deferred tax is adjusted directly against other comprehensive income.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

(k) Income Tax (continued)

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realized and comply with the conditions of deductibility imposed by law.

(l) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i. Fair value measurement and valuation processes

In estimating the fair value of an asset or a liability acquired in a Business Combination, the Group engages third party qualified valuation experts to perform the valuation.

ii. Useful lives of bearer plants (vines)

As described in (m) below, the Company has early adopted the amendments to NZ IAS 16, Property, plant and equipment and NZ IAS 41, Agriculture as it relates to bearer plants. This requires management to estimate the useful lives of vines and depreciate the cost of the vines over their estimated useful lives. Management have estimated the useful lives of the vines to be 25 years. Useful lives and residual values are required to be reevaluated at every balance date.

(m) Changes in accounting policy and disclosure

i. *New and amended standards not applied*

The following new or amended standards or interpretations were issued but not yet effective for the year ended 31 March 2014 :

- Amendments to NZ IFRS 10 Consolidated Financial Statements, NZ IFRS 12 Disclosure of Interests in Other Entities and NZ IAS 27 Separate Financial Statements – Investment Entities
- NZ IFRIC 21 Levies
- NZ IFRS 9 Financial Instruments
- Amendments to NZ IAS 32 *Offsetting Financial Assets and Financial Liabilities*
- Annual Improvements to NZ IFRSs 2010-2012 cycle
- Annual Improvements to NZ IFRSs 2011-2013 cycle

The Director expects to adopt the above standards and amendments when they become effective. The Director anticipates that the adoption of the above standards and amendments will not have a material effect on the financial statements.

(m) Changes in accounting policy and disclosure (continued)

ii. *Early adoption of Standards and Interpretations*

The group has elected to early adopt the following standards or amendments that were in issue but not yet effective: Agriculture : Bearer Plants (Amendments to NZ IAS 16 and NZ IAS 41). The amendments bring bearer plants, which are used solely to grow produce, into the scope of NZ IAS 16 Property, Plant and Equipment (and out of the scope of NZ IAS 41 Agriculture) so that they are accounted for in the same way as property, plant and equipment. A bearer plant is defined as
"a living plant that:
• is used in the production or supply of agricultural produce;
• is expected to bear produce for more than one period; and
• has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales."
The amendments also clarify that produce growing on bearer plants continues to be accounted for under NZ IAS 41 and that government grants related to bearer plants no longer fall into the scope of NZ IAS 41 but need to be accounted for under NZ IAS 20 Accounting for Government Grants and Disclosure of Government Assistance.

3 Other Income

	Note	2014	Unaudited 2013
		$	$
Capital Gain on sale of assets		9,783	-
Beneficiary Income Received	19	675,443	-
Other Income		1,000	-
		686,226	-

4 Direct operating expenditure

The company acquired the vineyard operated by a related party and as a consequence were required to reimburse the related party $1,138,973 for direct operating expenditure incurred prior to acquisition of the vineyard. These cost relate to growing grapes on vines. (refer note 19)

5 Operating expenses

	2014	2013
	$	$
Legal expenses	236,412	14,781
Other expenses	115,045	-
Auditor's remuneration	-	-
	351,457	14,781

6 Taxation

(a) Income Tax

	2014	2013
	$	$
Current tax - current year	-	-
- prior year	-	-
Deferred tax movement	(63,620)	-
Income tax (benefit) / expense	(63,620)	-

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	2014	2013
Profit before taxation	3,904,662	(14,781)
Income tax @ 28%	1,093,305	(4,139)
Permanent differences	(1,345,884)	4,139
Temporary differences	-	-
Tax losses not recognised	252,579	-
Income tax expense	-	-

(c) Unrecognised deferred tax assets

The company has tax losses of $902,070 for which it has not recognised any deferred tax assets. The tax losses are subject to Inland Revenue confirmation. These deferred tax assets have not been recognised due to the unpredictability of future profits against which the Company can utilise the benefits.

(d) Imputation credits are as follows:

	2014	Unaudited 2013
	$	$
Balance available for use in subsequent reporting periods	-	-

7 Equity

Share Capital

	2014	2013	2014	2013
	Number	Number	$	$
Balance of ordinary share capital at 1st April	100	100	100	100
Ordinary shares issued during the year	-		-	
Balance at 31st March	100	100	100	100

All shares issued are ordinary shares and all shares were issued for a $1 each. All shares are fully paid, have equal vtoing rights and were issued on 1 September 2011.

7 Equity (continued)

Share Capital

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Company and on any written resolution and rank equally with regards to the Company's residual assets.

8 Business combination	**2014**	**Unaudited 2013**
	$	**$**
Consideration transferred	8,100,556	-
Less: fair value of identifiable net assets acquired	(13,361,182)	
Gain on bargin purchase arising on acquisition	(5,260,626)	-

The Gain arose on the acquisition of the assets from Otu & Co Limited, Otuwhero Estate Limited, Otuwhero Estates No.3 Limited and Otuwhero Estate Wines Limited on 24 April 2013 being the excess of the fair value of the identifiable assets and liabilities assumed over the consideration paid for the combination. The amount was recognised immediately in profit and loss for the period. The company acquired the assets from the above named entities who were in liquidation.

9 Cash and bank balances	**2014**	**2013**
	$	**$**
Bank balances - NZD	51,921	-
	51,921	-

Cash and bank balances comprise balances held at call with local financial institution and yield interest rates of $ NIL (2013: $ NIL).

10 Accounts receivable	**2014**	**2013**
	$	**$**
Trade receivables	5,180	-
	5,180	-

11 Property, plant & equipment

(a) Reconciliation of carrying amounts at the beginning and end of the year

Unaudited	Land, dams & vines	Computer equipment	Tools & equipment	Motor vehicles	Total
Cost:				$	$
Balance at 1 April 2012	-	-	-	-	-
Additions	-	-	-	-	-
Balance at 31 March 2013	-	-	-	-	-
Balance at 1 April 2013	-	-	-	-	-
Additions	172,747	797	17,609	135,835	326,988
Acquisitions through business combinations	13,072,057	-	85,211	203,914	13,361,182
Disposals	-	-	-	(56,381)	(56,381)
Balance at 31 March 2014	13,244,804	797	102,820	283,368	13,631,789

Unaudited	Land, dams & vines	Computer equipment	Tools & equipment	Motor vehicles	Total
Accumulated Depreciation:				$	$
Balance at 1 April 2012	-	-	-	-	-
Depreciation for the year	-	-	-	-	-
Balance at 31 March 2013	-	-	-	-	-
Balance at 1 April 2013	-	-	-	-	-
Depreciation for the year	(229,112)	(100)	(24,907)	(32,169)	(286,288)
Balance at 31 March 2014	(229,112)	(100)	(24,907)	(32,169)	(286,288)

(b) Carrying amounts

Unaudited	Land, dams & vines	Computer equipment	Tools & equipment	Motor vehicles	Total
2013				$	$
Cost	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-
Carrying amount	-	-	-	-	-
2014					
Cost	13,244,804	797	102,820	283,368	13,631,789
Accumulated depreciation	(229,112)	(100)	(24,907)	(32,169)	(286,288)
Carrying amount	13,015,692	697	77,913	251,199	13,345,501

Land, dams and vines acquired by the company is subject to a registered charge in favour of the ANZ Bank. (refer note 14)

12 Investments carried at cost

	2014	Unaudited 2013
	$	$
Shares in Blind River Irrigation	72,050	-
Shares in CRT Co-Operative	200	-
	72,250	-

13 Accounts payable

	2014	2013
	$	$
Trade payables	104,965	-
Other payables	1,465	-
Customer deposits	144,097	-
	250,527	-

14 Borrowings

	2014	2013
	$	$
Loan - ANZ (i)	3,989,859	-
	3,989,859	-
Current	129,062	-
Non-current	3,860,797	-
	3,989,859	-

(i) The company entered a loan agreement with ANZ on 23 April 2013. The loan is secured by way of registered charge over land located at Blind River Loop Road, Seddon. The company makes monthly repayments of principal and interest. The interest rate for the year 2014 is 6.17% (2013: Nil). The loan will mature on 24 April 2018.

15 Deferred tax asset

	2014	2013
	$	$
The balance comprises temporary differences attributable to:		
Amortisation of Vines	63,620	-
	63,620	-

16 Lease Obligations and Commitments

As at the year end, there were no lease obligations and commitments (2013: Nil).

17 Contingent Liabilities

As at the year end there were no contingent liabilities. (2013: Nil).

18 Capital Commitments

There were no capital commitments at year end (2013: Nil).

19 Related Party Disclosures

(a) Owners

The company is controlled by it's shareholder who hold 97% of the ordinary shares.

19 Related Party Disclosures (continued)

(b) Key management and personnel compensation

Key management personnel compensation for the years ended 31 March 2014 and 31 March 2013 is set out below. The key management personnel comprises of the Director of the Company and other senior management with the greatest authority for the strategic direction and management of the Company.

	2014	Unaudited 2013
Key management compensation	$	$
Min Jia	-	-
Catherine Ma	-	-

As at the reporting date no payments have been made to key management (2013: $Nil)

(c) Related party transactions

Related parties paid expenses on behalf of the company during the year. These parties were Marlborough Vineyard Group Limited and Otuwhero Trust.

During the year, the shareholder advanced funds to the company. The advances are interest free and are repayable on demand.

	2014	2013
The following transactions occurred with related parties:	$	$
Vineyard costs incurred on behalf of Marlborough Vineyard Group Limited	(1,138,973)	
Expenses paid by Marlborough Vineyard Group	(330,204)	(329,761)
Expenses paid by Otuwhero Trust	(254,446)	-
Distribution from Otuwhero Trust	675,443	-
	90,793	(329,761)

(d) Outstanding balances

The following balances were outstanding at the reporting date in relation to transactions with related parties:

	2014	2013
Amounts owed to related parties:	$	$
Shareholder loan	5,491,884	-
Marlborough Vineyard Group Limited	330,204	329,781
	5,822,088	329,781
Amounts owing from related parties:		
Blind River Irrigation Limited -loan	28,617	-
Shareholder loan	-	100
Otuwhero Trust	420,997	-
	449,614	100
Investment in related parties:		
Blind River Irrigation Limited -Investment	72,050	-
CRT Co-Operative	200	-
	72,250	-

All shareholder and related party balances are interest free and are not repayable within 12 months of signing the financial statements. No amounts owed by related parties have been written off or forgiven during the year.

The loan from shareholder is unsecured and has been subordinated in favour of all other creditors of the company. The shareholder has also agreed not to demand repayment for any portion of the loan for a period of no less than 12 months following the approval of the financial statements

The company incurred vineyard costs associated with growing grapes on vine of $1,138,973. Ownership of grapes on vine at the point of harvest was transferred to Otuwhero Trust at 31 March 2014 for no consideration.

During the year the company acquired a 7.8% stake in Blind River Irrigation Limited and as a part of the purchase, advanced funds to the company. The company also acquired a stake in CRT Co-Operative as part of the purchase.

19 Related Party Disclosures (continued)

(e) Related party relationships

Related party	**Nature of relationship**
Otuwhero Trust	Associated Trust, Beneficiary of Trust
Marlborough Vineyard Group Limited	Associated Company
CRT Co-operative	Associated Company
Blind River Irrigation Limited	Associated Company
Otuwhero Trustee Limited	Subsidiary

20 Notes to Cash Flow Statement	**2014**	**Unaudited 2013**
	$	**$**
a) Reconciliation of net profit after tax to net cash flow from operating activities:		
Net profit after tax	3,968,282	(14,781)
Add: Non-cash items		
Depreciation	286,288	-
Deferred tax movement	(63,620)	-
Legal expenses	-	14,781
Gain on sale of assets	(9,783)	
Gain on acquisition	(5,260,626)	-
(Increase)/decrease in assets:		
Decrease / (Increase) in accounts receivables	(5,180)	-
Decrease / (increase) in GST receivable	(50,687)	-
(Increase) / Decrease in tax receivable	-	-
Increase in related party loan	(690,224)	-
(Decrease)/increase in liabilities:		
Increase in trade payables	106,430	-
Increase in GST payable	-	-
Increase in accrued expenses	22,699	-
Increase in deposits from customers	144,097	-
Increase in income in advance		
Net cash provided by operating activities	**(1,552,324)**	**-**

21 Financial Risk Management

(a) Categories of financial assets and liabilities

2014	Loans and receivables	Investment at cost	Financial liabilities at amortised cost through profit or loss	Total
Assets	$		$	$
Cash and bank balances	51,921	-	-	51,921
Accounts receivable	5,180	-	-	5,180
GST Receivable	50,687	-	-	50,687
Related party loan	449,614	-	-	449,614
Investment carried at cost	-	72,250	-	72,250
Total financial assets	557,402	72,250	-	629,652
Non-financial assets				8,312,090
Total assets				8,941,742
Liabilities				
Accounts payable	-	-	250,527	250,527
Accrued expenses	-	-	22,699	22,699
Shareholder advance	-	-	5,491,884	5,491,884
Related party loan		-	330,204	330,204
Bank loan	-	-	3,989,858	3,989,858
Total financial liabilities	-	-	10,085,172	10,085,172
Non-financial liabilities				-
Total liabilities				10,085,172

Unaudited 2013	Loans and receivables	Financial liabilities at fair value through profit or loss	Other financial liabilities	Total
Assets	$	$	$	$
Cash and bank balances	-	-	-	-
Accounts receivable	-	-	-	-
Shareholder account	-	-	100	100
Related party loan	-	-	-	-
Investment in NZ Companies	-	-	-	-
Total financial assets	-	-	100	100
Non-financial assets				-
Total assets				100
Liabilities				
Accounts payable	-	-	-	-
Shareholder advance	-	-	-	-
Related party loan		-	329,781	329,781
Bank loan	-	-	-	-
Total financial liabilities	-	-	329,781	329,781
Non-financial liabilities				-
Total liabilities				329,781

22 Subsequent events

The Director's have resolved subsequent to year end to puchase the items of Property, Plant and Equipment from Marlborough Vineyard Group Limited for an amount equal to their carrying value.

23 Parent financial statements

The only subsidiary of the company is Otuwhero Trustee Limited. The subsidiary acts only as trustee for an uncontrolled entity and has no assets, liabilities or transactions itself. For this reason, the financial statements for the parent and group are the same and are not separately presented.

24 Going concern

At year end the company's current liabilities exceed its current assets. The shareholder has pledged his continued financial support and subordinated all amounts due to him in favour of other creditors to enable the company to pay its debts as and when they fall due and to realise its assets in the normal course of business. On this basis the Director believes that the use of the Going Concern assumption in preparation of the financial statements remains appropriate.