

QUEENSTOWN LAKES COMMUNITY HOUSING TRUST

Consolidated Annual Report  
For the year ended 31st March 2015

**QUEENSTOWN LAKES COMMUNITY HOUSING TRUST**

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QUEENSTOWN LAKES COMMUNITY HOUSING TRUST

TRUST DIRECTORY  
FOR THE YEAR ENDED 31ST MARCH 2015

<u>SETTLOR</u>	Graeme Morris Todd
<u>DATE SETTLED</u>	15 January 2007
<u>DATE OF INCORPORATION</u>	12 July 2007
<u>TRUSTEES</u>	D A Cole B J P Robertson (resigned 31 March 2015) D L Pezaro (resigned 31 March 2015) B P Donnelly (resigned 31 March 2015) S R Brent P B Southwick (appointed 26 January 2015) G H A Hollyer (appointed 31 March 2015) J M Conroy (appointed 31 March 2015)
<u>ACCOUNTANTS</u>	McCulloch + Partners P O Box 64 Queenstown
<u>SOLICITORS</u>	Anderson Lloyd Lawyers Queenstown  Cavell Leitch Queenstown  Preston Russell Queenstown
<u>BANKERS</u>	ASB Bank, Queenstown SBS Bank, Queenstown
<u>AUDITORS</u>	Deloitte, Dunedin
<u>IRD NUMBER</u>	97-121-805

**QUEENSTOWN LAKES COMMUNITY HOUSING TRUST**

**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 31ST MARCH 2015**

	Group 2015 \$	Group 2014 \$
<b><u>PROPERTY SALES</u></b>		
Development Property Sales	-	3,327,508
Cost of Development Property Sold	-	3,210,593
<b>GROSS SURPLUS FROM PROPERTY SALES</b>	-	116,915
<b><u>OTHER INCOME</u></b>		
Interest Received	273,818	258,912
Lease Rentals	91,927	118,640
Sundry Income	16,965	26,855
Application Fees Received	-	14,255
Starter Loan Fees	1,270	-
Grants Received	650,000	50,000
Property Management Fees Received	21,080	15,704
Capital Gain on Disposal of Fixed Assets	58,280	-
Depreciation Recovered	45,159	41,957
Stakeholder Contributions Received	2,000,000	1,226,250
HNZ Loan Amortisation	8 207,950	200,000
<b>TOTAL OTHER INCOME</b>	3,366,449	1,952,573
<b>TOTAL INCOME</b>	3,366,449	2,069,488
<b><u>LESS EXPENSES</u></b>		
<b>ADMINISTRATION EXPENSES</b>	90,133	92,985
<b>OPERATING EXPENSES</b>	49,791	40,277
<b><u>OTHER EXPENSES</u></b>		
Audit Fees	4 9,576	8,968
Auditors - Other Remuneration	4 7,694	28,544
Depreciation	5 161,393	156,000
Interest	251,418	254,294
Loss on Sale of Fixed Assets	123	-
Trustee Fees	87,175	84,769
Wages	107,665	106,700
<b>TOTAL OTHER EXPENSES</b>	625,044	639,275
<b>TOTAL EXPENSES</b>	764,968	772,537
<b><u>SURPLUS BEFORE EXTRAORDINARY ITEMS</u></b>	2,601,481	1,296,951
<b><u>CROWN GRANT INCOME</u></b>	-	6,009,337
<b><u>LESS TAX EXPENSE</u></b>	-	6,012,815
<b><u>SURPLUS FOR THE YEAR</u></b>	2,601,481	1,293,473

The accompanying notes form part of and are to be read in conjunction with these financial statements.

QUEENSTOWN LAKES COMMUNITY HOUSING TRUST

STATEMENT OF MOVEMENTS IN EQUITY  
FOR THE YEAR ENDED 31ST MARCH 2015

	Group 2015 \$	Group 2014 \$
Opening Balance	8,748,374	7,454,901
<u>PLUS</u> Surplus for the Year	2,601,481	1,293,473
Balance at Year End	<u>11,349,855</u>	<u>8,748,374</u>

The accompanying notes form part of and are to be read in conjunction with these financial statements.

**QUEENSTOWN LAKES COMMUNITY HOUSING TRUST**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST MARCH 2015**

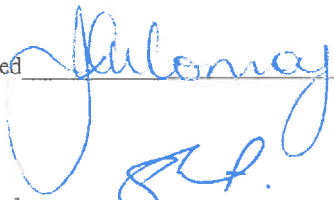
	Note	Group 2015 \$	Group 2014 \$
<b><u>EQUITY</u></b>			
Trustees' Accumulated Income Account		11,349,855	8,748,374
<b><u>TOTAL EQUITY</u></b>		<b><u>11,349,855</u></b>	<b><u>8,748,374</u></b>
<b><u>REPRESENTED BY -</u></b>			
<b><u>NON CURRENT ASSETS</u></b>			
Land and Buildings	5	10,041,876	9,786,177
Mortgages Issued	6	5,684,391	5,971,480
Work in Progress	7	2,465,488	105,362
<b><u>TOTAL NON CURRENT ASSETS</u></b>		<b><u>18,191,755</u></b>	<b><u>15,863,019</u></b>
<b><u>CURRENT ASSETS</u></b>			
ASB Bank Accounts		1,613,191	586,895
SBS Bank Accounts		312,096	219,840
Tax Receivable		2,378	-
Accounts Receivable		-	6,009,337
Accrued Interest		12,718	12,691
GST		4,073	8,790
<b><u>TOTAL CURRENT ASSETS</u></b>		<b><u>1,944,456</u></b>	<b><u>6,837,553</u></b>
<b><u>TOTAL ASSETS</u></b>		<b><u>20,136,211</u></b>	<b><u>22,700,572</u></b>


The accompanying notes form part of and are to be read in conjunction with these financial statements.

QUEENSTOWN LAKES COMMUNITY HOUSING TRUST

STATEMENT OF FINANCIAL POSITION  
AS AT 31ST MARCH 2015

	Note	Group 2015	Group 2014
<u>LESS LIABILITIES</u>			
<u>NON CURRENT LIABILITIES</u>			
Term Loans	8	941,249	553,800
Central Lakes Trust Advance	9	5,492,961	5,653,981
Community Trust of Southland Loan	8	852,256	
Housing Corp NZ Ltd	8	1,222,818	1,450,368
<u>TOTAL NON CURRENT LIABILITIES</u>		<u>8,509,284</u>	<u>7,658,149</u>
<u>CURRENT LIABILITIES</u>			
Current Portion of Term Loans	8	12,745	12,258
Current Portion of Central Lakes Trust Advance	9	161,020	155,096
Accounts Payable		66,420	88,758
Accruals		31,701	21,402
PA YE Deductions Payable		5,186	3,720
Tax Payable		-	6,012,815
<u>TOTAL CURRENT LIABILITIES</u>		<u>277,072</u>	<u>6,294,049</u>
<u>TOTAL LIABILITIES</u>		<u>8,786,356</u>	<u>13,952,198</u>
<u>NET ASSETS AS PER TOTAL EQUITY</u>		<u>11,349,855</u>	<u>8,748,374</u>

Signed  Trustee

Signed  Trustee

Date 22/07/15

Date 22/07/15

The accompanying notes form part of and are to be read in conjunction with these financial statements.

## QUEENSTOWN LAKES COMMUNITY HOUSING TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

#### STATEMENT OF ACCOUNTING POLICIES REPORTING ENTITY

Queenstown Lakes Community Housing Trust operated in accordance with its Trust Deed and is governed by the requirements of the Trustee Act 1956.

The Financial Statements of the entity have been prepared in accordance with generally accepted accounting practice in New Zealand for general purpose financial reports.

The entity qualifies for differential reporting as it is not publicly accountable and the entity does not exceed the size criteria. All differential reporting exemptions have been taken advantage of, with the exception of SSAP 22 Related Party Transactions.

#### MEASUREMENT BASE

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis are followed in the preparation of these accounts.

#### SPECIFIC ACCOUNTING POLICIES

The following specific accounting policies have a material effect on the measurement of results and financial position:

##### **Revenue Recognition**

Grant and revenue from stakeholder contributions are recognised upon receipt. Interest revenue is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable. Property contribution recognised at fair value.

##### **Depreciation**

Depreciation has been charged on buildings at a rate of 3% DV per annum. No depreciation is charged on land.

##### **Taxation**

The income tax expenses required in the statement of financial performance is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years. Deferred tax is not accounted for, due to the election of the Trust to apply differential reporting exemptions.

##### **Fixed Assets**

Buildings are stated at cost less accumulated depreciation, and land is stated at cost, less any impairment.

##### **Investments**

All investments are recorded at the lower of cost or net realisable value.

##### **Accounts Receivable**

Accounts receivable are stated at expected realisable value.

##### **Goods and Services Tax**

The accounts have been prepared on a GST exclusive basis with the exception of Accounts Payable and Accounts Receivable which are stated GST inclusive.

##### **Development Properties**

Development properties are stated at the lower of cost or net realisable value. Cost includes planning expenditure and any other expenditure to bring the Development property to its present condition.

The accompanying notes form part of and are to be read in conjunction with these financial statements.



## QUEENSTOWN LAKES COMMUNITY HOUSING TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

#### **Basis of consolidation**

The Group financial statements are prepared by combining the financial statements of all the entities that comprise the Group, being Queenstown Lakes Community Housing Trust (the parent entity) and its subsidiaries over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. Consistent accounting policies are employed in the preparation and presentation of the Group financial statements.

The Group financial statements include the information and results of each subsidiary from the date on which the Trust obtains control and until such time as the Trust ceases to control such entity.

In preparing the Groups financial statements, all intragroup balance and transactions, and unrealised profits arising within the Group are eliminated in full.

Investments in subsidiaries are measured at cost in the parent Trust's financial statements.

#### **Impairment of assets**

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

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

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

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

#### **Changes in Accounting Policies**

There have been no changes in Accounting Policies. All policies have been applied on a basis consistent with those used in the last year.

The accompanying notes form part of and are to be read in conjunction with these financial statements.

**QUEENSTOWN LAKES COMMUNITY HOUSING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2015**

**NOTES**

**1. Capital Commitments**

As at 31 March 2015 the Group is committed to 0 property purchases under the Shared Ownership Scheme, the total of these funding commitments is \$Nil (2014: \$112,050).

Stage 2 of the Suffolk Street project is scheduled to be completed in March 2016 and is budgeted to cost \$2,165,000.

The Trust has received land at Shotover Country and has committed \$2,080,000 for civil works.

**2. Contingent Liabilities**

As at 31 March 2015, the Trust has no contingent liabilities.

**3. Related Parties**

Stephen Brent is a partner in the firm Cavell Leitch, which is one of the legal firms providing legal services to the Group. In 2015 the aggregate of these payments totalled \$20,051. (2014: \$10,656).

**4. Fees Paid to Auditors**

	Group 2015	Group 2014
	\$	\$
Audit Services	9,576	8,967
Taxation Advisory Services	7,694	28,544
<b>Total as At 31 March</b>	<b>17,270</b>	<b>37,511</b>

Fees paid to Deloitte were for taxation advisory services and were completely independent of the audit process.

**5. Fixed Assets**

2015	Group			
	Cost	Depn Charge	Accumulated Depn	Net Book Value
Land	3,976,161			3,976,161
Buildings	6,624,739	161,233	559,505	6,065,234
Plant and Equipment	1,200	160	719	481
<b>Total as At 31 March 2015</b>	<b>10,602,100</b>	<b>161,393</b>	<b>560,224</b>	<b>10,041,876</b>

2014	Group			
	Cost	Depn Charge	Accumulated Depn	Net Book Value
Land	4,284,846			4,284,846
Buildings	5,945,857	155,818	445,291	5,500,566
Plant and Equipment	1,324	58	559	765
<b>Total as At 31 March 2014</b>	<b>10,232,027</b>	<b>155,876</b>	<b>445,850</b>	<b>9,786,177</b>

QUEENSTOWN LAKES COMMUNITY HOUSING TRUST

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2015

6. Mortgages Issued

		Group 2015 \$	Group 2014 \$
Mortgage #1	Repaid in full	-	224,484
Mortgage #3	Repaid in full	-	172,272
Mortgage #5	13 April 2017	200,280	207,380
Mortgage #6	18 October 2017	289,074	295,894
Mortgage #7	19 October 2017	323,592	334,901
Mortgage #8	26 October 2017	265,379	271,640
Mortgage #9	9 November 2017	300,031	308,870
Mortgage #10	29 November 2017	180,441	184,672
Mortgage #11	19 April 2018	262,390	269,092
Mortgage #12	10 April 2018	299,372	310,336
Mortgage #13	24 May 2018	272,150	282,052
Mortgage #14	8 May 2018	356,610	369,585
Mortgage #15	5 June 2018	282,404	292,613
Mortgage #16	4 June 2018	282,404	292,613
Mortgage #17	Repaid in full	-	327,324
Mortgage #18	7 June 2018	351,169	362,094
Mortgage #19	21 June 2018	313,205	322,948
Mortgage #20	20 June 2018	283,627	293,126
Mortgage #21	8 October 2018	310,134	317,173
Mortgage #22	22 November 2018	251,259	257,859
Mortgage #23	14 February 2019	269,020	274,552
Mortgage #24	20 June 2019	322,949	-
Mortgage #25	23 January 2020	268,900	-
<b>Total as At 31 March</b>		<b>5,684,391</b>	<b>5,971,480</b>

All Mortgages have a five year term and are secured by registered charge over the certificate of title of the property purchased. Interest is charged on the Mortgages at rates of between 4.09% to 5.2% per annum

**QUEENSTOWN LAKES COMMUNITY HOUSING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2015**

**7. Development Work in Progress**

	Group 2015	Group 2014
	\$	\$
Opening Balance	105,362	1,557,287
Plus Additions	3,344,299	2,800,683
Less Disposals	-	(3,210,593)
Less Transferred to PP&E	(984,173)	(1,042,015)
<b>Total as At 31 March</b>	<b>2,465,488</b>	<b>105,362</b>

**8. Borrowings**

	Group 2015	Group 2014
	\$	\$
<b>Housing NZ -Loan 1</b>		
Opening Balance	993,034	1,193,034
Less Amortisation	(207,950)	(200,000)
Closing Balance	785,084	993,034

	Group 2015	Group 2014
	\$	\$
<b>Housing NZ -Loan 2</b>		
Opening Balance	457,334	476,934
Less Repayments	(19,600)	(19,600)
Plus Drawdowns	-	-
Closing Balance	437,734	457,334
<b>Total Housing NZ Loan Balance</b>	<b>1,222,818</b>	<b>1,450,368</b>

Loan 1 is interest free (subject to meeting the terms of the agreement) and will be terminated after 10 years provided that the terms of the agreement are observed by the Group. The loan has been drawn down to \$2,000,000. The loan has been amortised from the date of each individual draw down. In 2015, \$207,950 was amortised leaving an unamortised balance of \$785,084 which will continue to be amortised on the basis the conditions of the suspensory loan agreement are complied with.

Loan 2 was advanced from Housing New Zealand for the purposes of financing the Rentsaver Scheme. This loan is interest free for 10 years from the 15<sup>th</sup> November 2011 and due for repayment 15 November 2036.

HNZ Loans 1 and 2 are secured through a general security agreement over the assets of the Trust and QLCHT Property Portfolio Limited. HNZ Loan 2 has additional security in the form of a second ranking mortgage over the properties included in the Rentsaver scheme.

**QUEENSTOWN LAKES COMMUNITY HOUSING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2015**

**8. Borrowings (cont'd)**

	Group 2015	Group 2014
<b>SBS Term Loans</b>	\$	\$
<b>Opening Balance</b>	566,058	1,355,945
<b>Plus Drawdowns</b>	-	167,500
<b>Less Repayments</b>	(12,064)	(957,387)
<b>Closing Balance</b>	<u>553,994</u>	<u>566,058</u>

	Group 2015	Group 2014
<b>SBS Term Loans</b>	\$	\$
<b>Current Portion</b>	12,745	12,258
<b>Non-Current Portion</b>	541,249	553,800
<b>Closing Balance</b>	<u>553,994</u>	<u>566,058</u>

The SBS loan balance consists of \$281,934 that is due for repayment on 12 March 2037 and has interest charged at a rate of 5.99% p.a., \$111,037 due for repayment on 15 November 2036 and has interest charged at a rate of 5.99% p.a. and the remaining portion of \$161,024 due for repayment on 16 May 2038 and has interest charged at a rate of 5.99% p.a..

All of the Loans with SBS are secured over the certificate of title of the properties included within the Rents over Scheme.

	Group 2015	Group 2014
<b>ASB Term Loans</b>	\$	\$
<b>Opening Balance</b>	-	-
<b>Plus Drawdowns</b>	400,000	-
<b>Less Repayments</b>	-	-
<b>Closing Balance</b>	<u>400,000</u>	<u>-</u>

	Group 2015	Group 2014
<b>ASB Term Loans</b>	\$	\$
<b>Current Portion</b>	-	-
<b>Non-Current Portion</b>	400,000	-
<b>Closing Balance</b>	<u>400,000</u>	<u>-</u>

The ASB loan facility is for a total \$1,000,000 and the balance at 31 March 2015 was \$400,000. Interest is charged at a rate of 6.25% p.a. The loan is due to be repaid on 28 February 2046.

The loan with ASB is secured over the property at 11-21 Suffolk Street, Arrowtown.

**QUEENSTOWN LAKES COMMUNITY HOUSING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2015**

**8. Borrowings (cont'd)**

	Group 2015	Group 2014
<b>Community Trust of Southland Term</b>		
<b>Loans</b>	\$	\$
Opening Balance	-	-
Plus Drawdowns	850,000	-
Plus interest capitalised	2,256	-
Less Repayments	-	-
<b>Closing Balance</b>	<u>852,256</u>	<u>-</u>

	Group 2015	Group 2014
<b>Community Trust of Southland Term</b>		
<b>Loans</b>	\$	\$
Current Portion	-	-
Non-Current Portion	852,256	-
<b>Closing Balance</b>	<u>852,256</u>	<u>-</u>

The Community Trust of Southland loan is for a total of \$2,000,000 to be drawn down in 3 tranches. The first tranche was drawdown on 13 March 2015. Interest is charged at a rate of 6.45% and is to be capitalised. The loan is due to be repaid on 31 March 2017. The balance of the loan at 31 March 2015 was \$852,256, including accrued interest.

The loan is secured through a general security agreement over the assets of the QLCHT Shotover Country Limited and QLCHT Property Portfolio Limited

	Group 2015	Group 2014
<b>9. Central Lakes Trust</b>		
	\$	\$
Current Portion	161,020	155,096
Non Current Portion	5,492,961	5,653,981
<b>Total</b>	<u>5,653,981</u>	<u>5,809,077</u>

The advance is secured with a general security arrangement over the assets of the Trust and has a guarantee of indemnity from the Queenstown Lakes District Council. The loan from Central Lakes Trust consists of four separate tranches of funding. The first of \$1,203,553 has interest charged on it of 4.45% p.a. and is due to be repaid on 27 January 2017. second of \$1,316,148 has interest charged on it of 4.17% p.a. and is due to be repaid on 21 September 2017. The third of \$1,231,131 has interest charged on it of 3.34% p.a. and is due to be repaid on 25 April 2018. The fourth of \$1,903,149 has interest charged on it of 3.34% p.a. and is due to be repaid on 25 June 2018.

**QUEENSTOWN LAKES COMMUNITY HOUSING TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2015**

**10. Subsidiaries**

<b>Name of entity Subsidiary</b>	<b>Balance Date</b>	<b>Country of Incorporation</b>	<b>Ownership interest</b>	
			<b>2015 %</b>	<b>2014 %</b>
QLCHT Shotover Country Limited	31 March	New Zealand	100%	
QLCHT Developments Limited	31 March	New Zealand	100%	100%
QLCHT Property Portfolio Limited	31 March	New Zealand	100%	100%
Queenstown Housing Bonds Limited	31 March	New Zealand	100%	100%

**INDEPENDENT AUDITOR'S REPORT  
TO THE TRUSTEES OF  
QUEENSTOWN LAKES COMMUNITY HOUSING TRUST**

**Report on the Financial Statements**

We have audited the financial statements of Queenstown Lakes Community Housing Trust and its subsidiaries (the "Group") on pages 2 to 13, which comprise the consolidated statement of financial position, as at 31 March 2015 and the consolidated statement of financial performance, statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Trustees, as a body. Our audit has been undertaken so that we might state to the Trustees 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 Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**Board of Trustees' Responsibility for the Financial Statements**

The Board of Trustees are responsible for the preparation and fair presentation of these financial statements, in accordance with New Zealand Financial Reporting Standards with Public Benefit Entity Modifications and Differential Reporting Recognition, Measurement and Disclosure Concessions and generally accepted accounting practice in New Zealand, and for such internal control as the Board of Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of 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 and the provision of taxation advice, we have no relationship with or interests in Queenstown Lakes Community Housing Trust or any of its subsidiaries. These services have not impaired our independence as auditor of the Group.

**Opinion**

In our opinion, the financial statements on pages 2 to 13 present fairly, in all material respects, the financial position of Queenstown Lakes Community Housing Trust and its subsidiaries as at 31 March 2015 and their financial performance for the year then ended in accordance with New Zealand Financial Reporting Standards with Public Benefit Entity Modifications and Differential Reporting Recognition, Measurement and Disclosure Concessions and generally accepted accounting practice in New Zealand.



**Chartered Accountants**  
22 July 2015  
Dunedin, New Zealand