

Financial Statements

Lower Waitaki Irrigation Company Limited
For the year ended 30 June 2025

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Directory

Lower Waitaki Irrigation Company Limited For the year ended 30 June 2025

Directors

Rhys Hamilton (Chair)

Rogan Borrie
Jaclyn Dalziel
David Hazlehurst
Russell Hurst
Rebecca Laming

Registered Office

277 Thames Street, Oamaru

Company Number

416447

New Zealand Business Number

9429039382351

IRD Number

050-018-253

Chartered Accountant

Deloitte Limited (as Trustee for the Deloitte Trading Trust)

Chartered Accountants
Level 13
Otago House
481 Moray Place
Dunedin 9016

Auditor

Audit Professionals Limited, Dunedin

Solicitors

Berry & Co, Oamaru

Bankers

ANZ Bank New Zealand

Business Location

Lower Waitaki Valley

Nature of Business

Supply of water to landowners and other commercial users

Annual Report

Lower Waitaki Irrigation Company Limited For the year ended 30 June 2025

The Directors have much pleasure in presenting their Annual Report including Financial Statements to the Company for the year ended 30 June 2025.

As required by Section 211 of the Companies Act 1993 we disclose the following information:

- The nature of the Company's business is supply of water to farmers and other commercial users. The nature of the Company's business has not changed during the year under review.
- No transactions, other than those mentioned below were entered into with the Company Directors.
- Some Directors of the Company are also land-holders receiving water from the Company at commercial rates.

Directors Remuneration paid during the year or due and payable is as follows:

Directors Fees	2025 \$	2024 \$
Rhys Hamilton (Chair)	\$14,000	\$26,000
Rogan Borrie	\$10,000	\$20,000
Jaclyn Dalziel	\$10,000	\$15,000
David Hazlehurst	\$12,000	\$4,897
Russell Hurst	\$10,000	\$15,000
Rebecca Laming	\$10,000	\$15,000

Rhys Hamilton (Chair), Rogan Borrie, Jaclyn Dalziel, David Hazlehurst, Russell Hurst and Rebecca Laming held office as directors at the end of the year.

The Company ceased being an employer on 30 June 2024 with all employees transferred to Aqus Limited from 1 July 2024.

No donations were made by the Company.

Statement of Financial Performance

Lower Waitaki Irrigation Company Limited For the year ended 30 June 2025

	NOTES	2025 \$	2024 \$
Revenue			
Revenue	5	2,604,972	2,327,334
Total Revenue		2,604,972	2,327,334
Gross Profit		2,604,972	2,327,334
Other Income			
Other Income	6	26,750	8,926
Total Other Income		26,750	8,926
Expenses			
Administration Expenses	9	307,471	855,518
Financial Expenses	10	5,222	7,877
Operational Expenses	11	1,774,058	919,940
Total Expenses		2,086,751	1,783,335
Net Profit Before Tax, Depreciation and Other Gains		544,971	552,925
Depreciation			
Depreciation		183,178	262,325
Net Profit before Tax and Other Gains		361,793	290,600
Other Gains			
Share of Profit From Joint Venture	14	27,993	-
Net Profit Before Tax		389,786	290,600
Taxation			
Income Tax Expense	7	81,711	103,730
Net Profit After Tax		308,075	186,870

The statement above is to be read in conjunction with the Notes to the Financial Statements.

Statement of Movements in Equity

Lower Waitaki Irrigation Company Limited

For the year ended 30 June 2025

	2025 \$	2024 \$
Equity		
Share Capital		
Opening Balance	961,664	954,564
Additional Shares Issued	10,650	7,100
Closing Share Capital	972,314	961,664
Realised Capital Reserve		
Opening Balance	527,800	527,800
Closing Realised Capital Reserve	527,800	527,800
Retained Earnings		
Opening Balance	2,260,159	2,073,289
Increases		
Current Year Earnings	308,075	186,870
Total Increases	308,075	186,870
Closing Retained Earnings	2,568,234	2,260,159
Total Equity	4,068,348	3,749,623

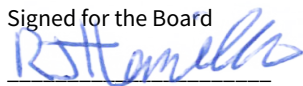
Statement of Financial Position

Lower Waitaki Irrigation Company Limited

As at 30 June 2025

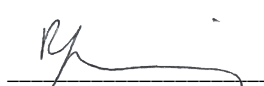
	NOTES	30 JUN 2025 \$	30 JUN 2024 \$
Equity			
Share Capital	18	972,314	961,664
Realised Capital Reserve		527,800	527,800
Retained Earnings	20	2,568,234	2,260,159
Total Equity		4,068,348	3,749,623
Assets			
Current Assets			
Cash & Cash Equivalents	12	774,110	665,075
Trade Debtors and Other Receivables	13	34,491	62,860
Prepayments		15,330	18,966
Income Tax Receivable	8	7,956	-
Total Current Assets		831,887	746,902
Non-current Assets			
Investments	14	46,556	3,563
Property, Plant & Equipment	16	3,136,200	3,383,214
Related Party Advance - Aqus Limited	15	170,928	-
Work in Progress - Re Consenting Process		263,134	-
Total Non-current Assets		3,616,818	3,386,777
Total Assets		4,448,705	4,133,679
Liabilities			
Current Liabilities			
Trade Creditors and Other Payables	17	341,714	165,920
Wages Payable		-	145,447
GST Payable		38,643	3,593
Income Tax Payable	8	-	67,097
Current Portion of Spark iPhone Loan		-	1,599
Total Current Liabilities		380,357	383,656
Non-current Liabilities			
Term Portion of Spark iPhone Loan		-	400
Total Non-current Liabilities		-	400
Total Liabilities		380,357	384,055
Net Assets		4,068,348	3,749,623

Signed for the Board



Director

Date 17 October 2025



Director

Date 17 October 2025

Notes to the Financial Statements

Lower Waitaki Irrigation Company Limited For the year ended 30 June 2025

1. Reporting Entity

Lower Waitaki Irrigation Company Limited ('the Company') is a for profit Company incorporated and domiciled in New Zealand, registered under the Companies Act 1993.

These financial statements comprise the financial statements of Lower Waitaki Irrigation Company Ltd for the year ended 30 June 2025. The Company is not a reporting entity for purposes of the Financial Reporting Act 2013, and these are special purpose financial statements. These financial statements have been prepared in accordance with the accounting policies below.

The financial statements were authorised for issue by the Board of Directors on the date stated on page 7.

2. Basis of Measurement

The financial statements have been prepared in accordance with a Special Purpose Framework for use by For-Profit Entities published by Chartered Accountants Australia and New Zealand.

Basis of Measurement

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

The accrual basis of accounting has been used unless otherwise stated and the financial statement have been prepared on a going concern basis.

Presentation Currency

The financial statements are presented in New Zealand dollars, which is the Company's functional currency.

All numbers are rounded to the nearest dollar, except when otherwise stated.

3. Summary of Significant Accounting Policies

The accounting policies of the Company have been applied consistently to all years presented in these financial statements.

The significant accounting policies used in the preparation of these financial statements are summarised below:

Depreciation/Amortisation

Depreciation is charged on either diminishing value (DV) basis or straight line (SL) basis using the maximum rates permitted by the Inland Revenue Department. Depreciation is charged to profit or loss and disclosed within depreciation expenses. The following depreciation rates and depreciation methods have been applied at each class of property, plant and equipment:

Infrastructure 1% - 60% DV
Motor Vehicles 14% - 30% DV
Office Equipment 10% - 67% DV
Plant and Equipment 1% - 67% DV

Provisions

A provision is recognised for a liability when the settlement amount or timing is uncertain; when there is a present legal or constructive obligation as a result of a past event, it is probable that expenditure will be required to settle the obligation; and a reliable estimate of the potential settlement can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation based on the most reliable evidence available at the reporting date, including the risks and uncertainties with the present obligation. Provisions are discounted to their present values, where the time value of money is material. The increase in the provision due to the passage of time is recognised as an interest expense. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

Financial instruments are comprised of trade debtors, cash and cash equivalents, trade creditors, other payables, and borrowings.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through profit or loss, which are measured at fair value.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

De-recognition of financial instrument

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the Company transfers the financial asset to another party without retaining control.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition and re-values this designation at each reporting date.

All financial assets held by the company in the years reported have been designated into one classification, "amortised cost", being non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment.

Discounting is omitted where the effect of discounting is immaterial.

Subsequent measurement of financial liabilities.

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method.

Goods and Services Tax (GST)

The Company is registered for GST. All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

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.

4. Changes to Accounting Policies and Disclosures

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period. However, certain 2024 comparative figures have been restated to be consistent with the classification in 2025.

5. Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and revenue can be reliably measured. Revenue is measured at the fair value of consideration received, excluding GST, rebates, and trade discounts. Revenue from services rendered is recognised in the Statement of Financial Performance in the period that the services are rendered.

Interest income is recognised as it accrued, using the effective interest rate.

	2025 \$	2024 \$
Revenue		
Operating Cost Recovery	46,779	-
Sundry Income	-	1,872
Water Rates - General	2,558,193	2,325,462
Total Revenue	2,604,972	2,327,334
	2025 \$	2024 \$

6. Other Income

Interest Received	3,630	8,926
Gain on Sale of Assets	23,120	-
Total Other Income	26,750	8,926

7. Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

	2025 \$	2024 \$
Income Tax Expense		
Net Profit Before Tax	389,786	290,600
Permanent Differences		
Legal - Non Deductible	9,698	9,690
Share of Profit From Joint Venture	(27,993)	-
Holiday Pay Transferred to Related Party	22,931	-
Total Permanent Differences	4,636	9,690
Temporary Differences		
Holiday Pay Movement	(102,596)	70,175
Total Temporary Differences	(102,596)	70,175
Taxable Profit	291,826	370,465
Tax Payable at 28%	81,711	103,730

	2025 \$	2024 \$
8. Income Tax Payable		
Income Tax Payable (Receivable)		
Opening Balance	67,097	-
Plus		
Income Tax Payable	81,711	103,731
Total	81,711	103,731
Less		
Provisional Tax Paid	156,147	35,072
Resident Withholding Tax	618	1,561
Total	156,765	36,633
Total Income Tax Payable (Receivable)	(7,956)	67,097

Imputation Credit Account

As at 31 March 2025, the company has a imputation credit account balance of \$1,020,353 (2024: \$863,588)

	2025 \$	2024 \$
9. Administration Expenses		
ACC Levies	1,119	3,823
Accountancy Fees	13,437	11,375
Advertising/Sponsorship	7,466	-
Audit Fees	5,000	4,500
Bank Fees	6,366	487
Board Expenses	1,373	416
Computer Expenses & Licences	34,735	26,441
Consultancy	29,886	19,503
Directors Fees	68,000	95,897
Entertainment	-	2,180
Insurance	64,950	56,243
Legal Fees	27,719	15,098
Legal - Non Deductible	9,698	9,690
Office Expenses	1,171	3
Printing, Postage & Stationery	-	433
Rates (Local Authority)	14,169	15,651
Rent & Premises	18,096	7,431
Staff Expenses	482	666
Subscriptions	70,134	31,011
Telephone, Internet & Communication Expenses	13,335	13,706
Wages and Salaries (over accrued 2024)	(79,665)	467,960
Wages - Administration	-	69,796
Waitaki Irrigators Collective Ltd Contributions	-	3,210
Total Administration Expenses	307,471	855,518

	2025 \$	2024 \$
10. Financial Expenses		
Interest	5,222	1,827
Line of Credit Fee	-	6,049
Total Financial Expenses	5,222	7,877
	2025 \$	2024 \$

11. Operating Expenses

Asset Management & Condition Assessment	-	119,732
Community & Outreach	-	6,162
Compliance Costs - Reporting to Board	-	826
Environmental	15,090	10,200
Environmental - FEP Audits	49,584	-
Ferry Road Pond costs	-	11,948
Flow Gauging	-	35,415
Health & Safety	2,522	4,397
Lease Radio Repeater Site	-	750
Legal - Feasibility Studies New Co	-	17,841
Low Value Assets	-	1,897
LWIC Water Sampling	-	7,637
Management Fees and Other Expenses (Note 15)	1,262,945	311,336
Power & Gas	-	10,408
Project - Technical	-	1,955
Protective Clothing	-	2,408
Race Cleaning	-	22,087
Repairs and Maintenance	438,580	218,757
Resource Consent	2,598	8,805
Survey Expenses	280	-
Technical Assessment	-	1,275
Telemetry Monitoring & Maintenance	-	77,497
Weed Control	-	17,462
Vehicle Expense	2,459	31,144
Total Operating Expenses	1,774,058	919,940

12. Cash and Cash Equivalents

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

	2025 \$	2024 \$
Cash and Cash Equivalents		
ANZ Business Call Account	96,774	412,187
ANZ Business Current Account	678,328	256,794
ANZ Credit card	-	(1,987)
Owing on ANZ Credit Card ML	(601)	-
Owing to Farmlands Co-operative Society Limited	(391)	(1,919)
Total Cash and Cash Equivalents	774,110	665,075

13. Trade Debtors and Other Receivables

Trade debtors are amounts due from customers for goods sold and services performed in the ordinary course of business. If collection is expected within one year or less, they are classified as current assets. If not, they are presented as non-current assets.

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

An allowance for impairment is established where there are expected credit losses. The simplified impairment model for trade receivables will be applied.

	2025 \$	2024 \$
Trade Debtors and Other Receivables		
Accounts Receivable	34,491	62,860
Total Trade Debtors and Other Receivables	34,491	62,860

14. Investment in Shares

Investments are shown at the lower of cost or net realisable value.

	2025 \$	2024 \$
Investments at Cost		
Waitaki Irrigators Collective Limited	2,000	2,000
Farmlands Co-operative Society Limited	1,563	1,563
Total Investments at Cost	3,563	3,563

The Company equity accounts for its 50% investment in Aqus Limited as an joint venture. The Company holds no other investments in joint ventures.

	2025 \$	2024 \$
Investments at Equity Accounting Value		
Aqus Limited		
Aqus Limited - shares at cost	15,000	-
Plus Share of Profit from Aqus Limited for the year ended 30 June 2025	27,993	-
Total Aqus Limited	42,993	-
Total Investments at Equity Accounting Value	42,993	-
Total Investments	46,556	3,563

15. Related Party Transactions

Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the Company.

Unless otherwise stated transactions with related parties in the years reported have been on an arms-length basis. None of the transactions included special terms, conditions or guarantees. Directors purchase water from the Company on the same terms and conditions as other shareholders (2024: same).

Management Fees totaling \$1,195,000 were incurred during the 2025 financial year to Aqus Limited. (2024: Nil) Total charges from Aqus Limited in the year ended 30 June 2025 were \$1,288,633, including the management fees (2024: Nil).

\$125,036 was owing to Aqus Limited at 30 June 2025. (2024: Nil)

	2025 \$	2024 \$
Related Party Advance - Aqus Limited		
Cashflow Advance to Aqus Limited	170,928	-
Total Related Party Advance - Aqus Limited	170,928	-

16. Property, Plant & Equipment

Items of property, plant and equipment are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the acquisition date.

All repairs and maintenance expenditure is charged to profit or loss in the year in which the expense is incurred.

When an item of property, plant or equipment is disposed of, the gain or loss recognised in the profit or loss is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

	2025 \$	2024 \$
Property, Plant & Equipment		
Infrastructure		
Infrastructure	6,225,234	6,176,271
Accumulated depreciation - Infrastructure	(3,129,340)	(2,953,324)
Total Infrastructure	3,095,894	3,222,946
Motor Vehicles		
Motor Vehicles	84,480	289,254
Accumulated depreciation - Motor Vehicles	(81,332)	(166,063)
Total Motor Vehicles	3,148	123,191
Office Equipment		
Office Equipment	68,231	64,821
Accumulated depreciation - Office Equipment	(58,777)	(54,292)
Total Office Equipment	9,454	10,529
Plant & Equipment		
Plant & Equipment	68,697	65,417
Accumulated Depreciation - Plant & Equipment	(40,993)	(38,869)
Total Plant & Equipment	27,704	26,548
Total Property, Plant & Equipment	3,136,200	3,383,214

17. Trade Creditors and Other Payables

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade creditors and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

	2025 \$	2024 \$
Trade Creditors and Other Payables		
Accounts Payable	104,507	165,920
Owing to Shareholders - Rates Refunds	91,540	-
Other Payables	90,667	-
Owing to Related Party - Aqus Limited	55,000	-
Total Trade Creditors and Other Payables	341,714	165,920

18. Share Capital

There is no unpaid share capital at balance date. The holders of ordinary shares have equal voting rights and share equally in any dividend distribution and any surplus on winding up of the Company.

Share capital represents the consideration received for shares that have been issued. All transaction costs associated with the issuing of shares are recognised as a reduction in equity, net of any related income tax benefits.

There are 25,607 shares on issue (2024: 25,592 shares). 15 new shares were issued in the 2025 financial year for \$10,650. (2024: 10 new shares for \$7,100).

	2025 \$	2024 \$
Share Capital		
Share Capital		
Opening Balance	961,664	954,564
Shares Issued	10,650	7,100
Total Share Capital	972,314	961,664
Total Share Capital	972,314	961,664
	2025 \$	2024 \$
19. Realised Capital Reserve		
Realised Capital Reserve	527,800	527,800
Total Realised Capital Reserve	527,800	527,800

This reserve arose from realised capital profits in prior years. This reserve is available for tax free distribution to shareholders on ultimate wind up of the Company.

	2025 \$	2024 \$
20. Retained Earnings		
Retained Earnings		
Opening Balance	2,260,159	2,073,289
Current Year Earnings	308,075	186,870
Total Retained Earnings	2,568,234	2,260,159

21. Dividends

The directors did not recommend any dividend be paid or declared during this financial period.

22. Commitments

Capital Commitments

The Company has no capital commitments. (2024: Nil)

Operating Commitments

The Company has no operating commitments. (2024: Nil)

23. Contingent Assets and Contingent Liabilities

There are no contingent assets or liabilities at year end. (2024: Nil)

24. Subsequent Events

No events since balance date have occurred which would materially affect these financial statements.

Independent Auditor's Report

Lower Waitaki Irrigation Company Limited

For the year ended 30 June 2025