



Kurow-Duntroon Irrigation Company Limited

Financial Statements
For the year ended 30 June 2025

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Kurow-Duntroon Irrigation Company Limited Company Directory

Incorporation Number: 416443

IRD Number: 50-019-705

Tax Status: Co-operative Company

Incorporation Date: 15 May 1989

Nature of Operations: Water Supply

Business Location: 277 Thames Street
Oamaru
9400

Registered Office: Findex (NZ) Limited
1 Coquet Street
Oamaru
9400

Directors: A J Black
R Metcalfe
D C Reid
S J Tubbs
J A Wright

Accountants: Findex (NZ) Limited
44 York Place
Dunedin
9016

Bankers: Westpac

Solicitor: Berry & Co
Oamaru

Auditors: KPMG
Christchurch

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Kurow-Duntroon Irrigation Company Limited Directors' Responsibility Statement

The Directors are responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice, financial statements which fairly reflect the financial position of Kurow-Duntroon Irrigation Company Limited (in Receivership) as at 30 June 2025 and the results of its operations for the year ended on that date.

The Directors consider that the financial statements have been prepared using accounting policies appropriate to the Company's circumstances, consistently applied and supported by reasonable and prudent judgements and estimate.

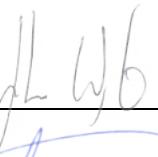
The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The Directors have a responsibility for the maintenance of a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting. The Directors consider that adequate steps have been taken to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are paid directors fees, which are disclosed in more detail in the financial statements in Note 28. The company has no employees with remuneration over \$100,000 (2024: no employees). The company has made no donations during the 2025 period. (2024: nil)

The Directors are pleased to present the Company's financial statements for the year ended 30 June 2025.

For and behalf of the Directors:

_____ Director	 _____ Date	29 October 2025
_____ Director	 _____ Date	29 October 2025

Kurow-Duntroon Irrigation Company Limited

Statement of Comprehensive Income For the year ended 30 June 2025

	Notes		
		2025	2024
OPERATING ACTIVITIES		\$	\$
Revenue	6	3,945,796	5,567,898
Overheads and administrative expenses	11	(1,766,824)	(1,548,735)
Depreciation expense	7	(1,327,555)	(1,333,532)
Amortisation expense	8	(750)	(750)
Operating profit		850,667	2,684,881
FINANCING ACTIVITIES			
Financing income	9	10,028	20,194
Financing costs	9	(1,848,901)	(2,266,673)
Net financing loss	9	(1,838,873)	(2,246,479)
Fair value loss on interest rate swaps		(202,006)	-
Other income	10	7,100,098	-
Profit before income tax		5,909,887	438,402
Income tax (expense)/credit	12	(1,669,765)	9,104
Profit for the year		4,240,122	447,506
Other comprehensive income		-	-
Total other comprehensive income		-	-
Total comprehensive income for the year		4,240,122	447,506

Kurow-Duntroon Irrigation Company Limited
 Statement of Changes in Equity
 For the year ended 30 June 2025

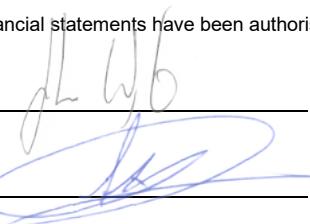
	Notes	Retained Earnings	Capital Reserve	Insurance Reserve	Share Capital	Total Equity
2025						
Balance 1 July 2024		\$ 1,518,505	\$ 148,083	\$ 75,000	\$ 8,128,552	\$ 9,870,140
Profit for the year		4,240,122	-	-	-	4,240,122
Other comprehensive income movements for the year		-	-	-	-	-
Total comprehensive income for the year		4,240,122	-	-	-	4,240,122
Issue of share capital and calls of share capital	21	-	-	-	5,933,520	5,933,520
Issue of share capital transaction costs	21	-	-	-	(2,535)	(2,535)
Total transactions with owners recorded directly in equity		-	-	-	5,930,985	5,930,985
Balance 30 June 2025		5,758,627	148,083	75,000	14,059,537	20,041,247

	Notes	Retained Earnings	Capital Reserve	Insurance Reserve	Share Capital	Total Equity
2024						
Balance 1 July 2023		\$ 1,070,999	\$ 148,083	\$ 75,000	\$ 8,121,822	\$ 9,415,904
Profit for the year		447,506	-	-	-	447,506
Other comprehensive income movements for the year		-	-	-	-	-
Total comprehensive income for the year		447,506	-	-	-	447,506
Issue of share capital and calls of share capital	21	-	-	-	6,730	6,730
Total transactions with owners recorded directly in equity		-	-	-	6,730	6,730
Balance 30 June 2024		1,518,505	148,083	75,000	8,128,552	9,870,140

Kurow-Dunroon Irrigation Company Limited
 Statement of Financial Position
 As at 30 June 2025

	Notes	2025		2024	
		\$	\$	\$	\$
Assets					
Current					
Cash and cash equivalents	13	809,390	653,638		
Income tax receivable	12	2,922	3,960		
Prepayments	15	189,225	15,714		
Trade debtors and other receivables	14	3,629	446,327		
Total current assets		1,005,166	1,119,638		
Non-current					
Property, plant and equipment	17	45,751,175	47,031,037		
Deferred tax asset	12	-	9,104		
Intangible assets	18	8,002	8,753		
Investments	16	2,501	2,501		
Total non-current assets		45,761,678	47,051,394		
Total Assets		46,766,844	48,171,032		
Liabilities					
Current					
Trade creditors and other payables	19	276,400	618,722		
Borrowings	20	256,000	732,535		
Total current liabilities		532,400	1,351,257		
Non-current					
Derivative liabilities	25	202,006	-		
Deferred tax liability	12	1,660,661	-		
Borrowings	20	24,330,531	36,949,637		
Total non-current liabilities		26,193,197	36,949,637		
Total Liabilities		26,725,597	38,300,894		
Net Assets		20,041,247	9,870,140		
Equity					
Issued share capital	21	14,059,537	8,128,552		
Retained earnings		5,758,627	1,518,505		
Insurance reserve	22	75,000	75,000		
Capital reserve	22	148,083	148,083		
Total Equity		20,041,247	9,870,140		

These financial statements have been authorised for issue by the Board of Directors on 29 October 2025.

Director


29 October 2025

Date

Director


29 October 2025

Date

Kurow-Duntroon Irrigation Company Limited

Statement of Cash Flows

For the year ended 30 June 2025

	Notes	2025	2024
Cash flow from operating activities		\$	\$
<i>Cash was provided from/(applied to):</i>			
Receipts from customers		4,388,494	5,164,600
Interest received		10,028	20,194
Interest Paid		(1,848,901)	(2,266,673)
Payments to suppliers and employees		(2,285,191)	(2,327,469)
Income tax received/(paid)		1,039	(2,961)
Net cash from/(used) in operating activities		265,469	587,691
Cash flow from investing activities			
<i>Cash was provided from/(applied to):</i>			
Purchase of property, plant and equipment		(47,693)	(18,898)
Net cash (used in)/from investing activities		(47,693)	(18,898)
Cash flow from financing activities			
<i>Cash was provided from/(applied to):</i>			
Proceeds from borrowings		(5,995,544)	(609,326)
Share capital raised		5,933,520	6,057
Net cash used in financing activities		(62,024)	(603,269)
Net (decrease)/increase in cash and cash equivalents		155,752	(34,476)
Cash and cash equivalents, beginning of the year		653,638	688,114
Cash and cash equivalents at end of the year	13	809,390	653,638

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Kurow-Duntroon Irrigation Company Limited Notes to the financial statements for the year ended 30 June 2025

1 Reporting entity

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

The company registered as a co-operative company on 22 October 2024.

These financial statements comprise the financial statements of Kurow-Duntroon Irrigation Company Limited for the year ended 30 June 2025.

The financial statements were authorised for issue by the Board of Directors on the date stated on page 5.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with NZ GAAP, they comply with New Zealand equivalents to International Financial Reporting Standards - Reduced Disclosure Regime (NZ IFRS with RDR) and other applicable Financial Reporting Standards as appropriate to profit orientated entities.

The Company is a Tier 2 For-profit entity and has elected to report in accordance with Tier 2 For-profit Accounting Standards as issued by the New Zealand External Reporting Board (XRB). The Company is eligible to report in accordance with Tier 2 For-profit Accounting Standards on the basis that it does not have public accountability and is not a large for-profit public sector entity.

The company is exempt from Financial Markets Conduct Act 2013 financial reporting requirement because they qualify for small co-operative exemption as revenue is less than \$5m.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for derivative financial instruments, which have been measured at fair value.

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

(c) 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:

(a) 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.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(b) 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 in one year or less, they are classified as current assets. If not, they are presented as non-current

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

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

(c) Property, Plant and 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.

Additions and subsequent costs

Subsequent costs and the cost replacing part 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 will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

In most instances, an item of property, plant and equipment is recognised at its cost. 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.

Impairment

Property, plant and equipment are assessed for impairment at each reporting date, and any losses are recognised when carrying amounts exceed recoverable amounts.

Disposals

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.

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Kurow-Duntroon Irrigation Company Limited Notes to the financial statements for the year ended 30 June 2025

(d) 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.

Trade creditors and other payables are stated at cost.

(e) Depreciation

Depreciation is charged on either diminishing value (DV) basis or straight line (SL) basis over the estimated useful life of the asset. 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:

Plant & Equipment	10%-40% (DV) & 1.8% (SL)
Office Equipment	50% (DV)
Irrigation Scheme	4%-8% (DV) & 1%-10% (SL)

The residual value and useful life of property, plant and equipment is reassessed annually.

(f) 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.

Derivative financial instruments (interest rate swaps) are classified as financial liabilities 'at fair value through profit or loss' (FVTPL) and hedge accounting is not applied.

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 instruments

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 or substantial all risks and rewards of the 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-evaluates 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.

(g) 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 expenditures 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.

Kurow-Duntroon Irrigation Company Limited Notes to the financial statements for the year ended 30 June 2025

(h) 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 Comprehensive Income in proportion to the stage of completion of the transaction at the reporting date.

Interest income

Interest income is recognised as it accrues, using the effective interest method.

Water charges

Water charges is recognised over the irrigation season by the Company to recover operating and capital costs. Customers are invoiced monthly for access to water delivery infrastructure.

(i) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributed to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the Inland Revenue Department.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

(j) Goods and Services Tax (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.

(k) Share capital

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. During the 2025 year the company issued 1 shares, detailed in note 21.

(l) Intangible assets

The company applied to Environment Canterbury for water and resource consents in order to be considered an "irrigation scheme" under the Canterbury Land and Water Regional Plan. The costs are recognised as fixed life intangible assets and amortised over the remaining life of the consents at the time the expenses are incurred.

Intangible assets have been recorded at their historical cost less amortisation.

The amortisation is calculated based on the expiry of the consents, useful life for consents as follows:

Water Consents	180 months - 420 months
Resource Consents	29 months

4 Changes to accounting policies and disclosures

There were no changes in accounting policies during the 2025 year.

5 Significant accounting judgements, estimates and assumptions

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

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimates is revised and in the future years affected.

Kurow-Duntroon Irrigation Company Limited
Notes to the financial statements for the year ended 30 June 2025

6 Revenue	2025	2024
	\$	\$
Sundry income	9,070	34,617
Fixed monthly Water Rates	3,767,092	4,193,517
Supplementary Water Rates	-	962,521
Irrigation Charges	164,387	366,795
FEP costs recovered	5,247	10,449
Total revenue	3,945,796	5,567,898

7 Depreciation	2025	2024
	\$	\$
Depreciation of plant and equipment	1,327,555	1,333,532
Total	1,327,555	1,333,532

8 Amortisation	2025	2024
	\$	\$
Amortisation of consents	750	750
Total	750	750

9 Finance expenses	2025	2024
	\$	\$
Financing income		
Interest	10,028	20,194
Total finance income	10,028	20,194
Financing costs		
Interest - Financial Synergy Limited	10,692	-
Interest - Westpac	596,579	-
Interest - Other	52	21
Interest - CIL	1,050,006	2,022,127
Interest - WDC	191,572	244,526
Total finance costs	1,848,901	2,266,673
Net finance expenses	(1,838,873)	(2,246,479)

10 Other Income	2025	2024
	\$	\$
Forgiveness of Debt	7,100,098	-
Total	7,100,098	-

As part of the wider group debt restructure, it was agreed that the loan would be partially repaid to Crown Irrigation Investments Limited, with the balance of \$7,100,098 being forgiven on 20 December 2024.

Kurow-Duntroon Irrigation Company Limited
Notes to the financial statements for the year ended 30 June 2025

11 Overheads and Administrative Expenses

The following expenses were expensed in the operating profit for the year:

	2025	2024
ACC levies	-	235
Accountancy fees	25,838	50,855
AOC Rebate	-	143,195
Audit fee	39,539	28,040
Bank fees and charges	18,258	287
Board expenses	1,740	4,797
Computer expenses	2,741	9,849
Consultancy fees	343,307	-
Contractors/Scheme Management	340,004	346,858
Directors fees	100,000	97,391
Environmental Management	6,660	1,198
FEP Audits	4,120	15,074
General expenses	1,059	73
Insurance	219,414	165,139
Legal fees	121,184	52,330
Power	384,479	551,885
Rates	46,016	12,557
Repairs and maintenance	65,792	39,337
Subscriptions and licences	24,812	21,267
Telephone and Internet	6,279	2,404
Resource Consents	15,581	5,964
Total	1,766,824	1,548,735

Auditor's Remuneration

Fees paid to the auditor of the audit of the financial statements were \$39,539 (2024: \$28,040). No other services were provided by the auditor.

Kurow-Duntroon Irrigation Company Limited
Notes to the financial statements for the year ended 30 June 2025

12 Income tax

		2025	2024
(a) Components of income tax expense		\$	\$
Current year tax expense		-	-
Deferred tax expense			
- Deferred tax expense - Current year		1,669,765	-
- Prior period adjustment		-	(11,032)
- Current year tax losses recognised		-	1,928
- Temporary differences not recognised		-	-
Income tax expense / (credit)		1,669,765	(9,104)
(b) Reconciliation of effective tax rate			
Net profit before tax		\$	\$
Prima Facie Tax Expense @28%		5,909,887	438,402
		1,654,768	122,753
Permanent differences		14,997	778
Prior period adjustment		-	(11,032)
Prior period deferred tax recognised		-	(121,602)
Current year deferred tax not recognised		-	-
		14,997	(131,856)
Income tax expense / (credit)		1,669,765	(9,104)
(c) Income tax receivable			
Opening balance		\$	\$
Current year tax expense		3,960	999
Tax refund received		-	-
RWT paid		(3,960)	(999)
Closing balance		2,922	3,960

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Kurow-Duntroon Irrigation Company Limited Notes to the financial statements for the year ended 30 June 2025

12 Income tax (continued)

(d) Deferred tax assets and liabilities

2025	Opening	Prior Period	Current Year	Closing
Deferred tax on temporary differences				
Fixed assets	(1,756,555)	(386,773)	(485,586)	(2,628,914)
Losses	1,765,659	386,773	(1,184,179)	968,253
Closing deferred tax asset / (liability)	9,104	-	(1,669,765)	(1,660,661)
2024	Opening	Prior Period	Current Year	Closing
Deferred tax on temporary differences				
Fixed assets	(1,284,382)	-	(472,173)	(1,756,555)
Losses	1,284,382	11,032	470,245	1,765,659
Closing deferred tax asset / (liability)	-	11,032	(1,928)	9,104

The Company offsets assets and liabilities only if it has a legal enforceable right to set off and the amounts relate to income taxes levied by the same tax authority.

(e) Imputation credits

	2025	2024
Opening balance	\$ 84,662	\$ 81,701
RWT paid	2,922	3,960
Tax Refunded	(3,960)	(999)
Closing balance	83,624	84,662

Imputation credits available for use in subsequent reporting periods amount to 83,624 (2024: 84,662).

13 Cash and cash equivalents

	2025	2024
BNZ 00 account	\$ 10,755	\$ 315,623
BNZ 02 (DSRA)	-	338,015
Westpac Transactional account	166,097	-
Westpac Saver account	632,539	-
Total cash and cash equivalents	809,390	653,638

14 Trade debtors and other receivables

	2025	2024
Trade debtors	\$ 3,629	\$ 446,327
Total	3,629	446,327

As at 30 June 2025 and 2024, all overdue receivables have been assessed for impairment and no impairment is necessary. All receivables are subject to credit risk exposure.

Kurow-Duntroon Irrigation Company Limited

Notes to the financial statements for the year ended 30 June 2025

15 Prepayments

	2025	2024
Other Prepayments	\$	\$
Insurance	2,033	-
Total	187,192	15,714

16 Investments

	2025	2024
Irrigation Scheme	\$	\$
Farmlands Co-operative Society Limited	1	1
Waitaki Irrigators Collective	500	500
Total	2,000	2,000
	2,501	2,501

17 Property, plant and equipment

Movements for each class of property, plant and equipment are as follows:

2025	Plant & Equipment	Office Equipment	Irrigation System	Total
Gross carrying amount				
Opening balance	21,116	2,420	53,469,717	53,493,253
Additions	-	-	47,693	47,693
Closing balance	21,116	2,420	53,517,410	53,540,946
Accumulated depreciation and impairment				
Opening balance	(13,880)	(2,363)	(6,445,973)	(6,462,216)
Current year depreciation	(788)	(28)	(1,326,739)	(1,327,555)
Closing balance	(14,668)	(2,391)	(7,772,712)	(7,789,771)
Carrying amount 30 June 2025	6,448	29	45,744,698	45,751,175

2024	Plant & Equipment	Office Equipment	Irrigation System	Total
Gross carrying amount				
Opening balance	21,116	2,420	53,450,819	53,474,355
Additions	-	-	18,898	18,898
Closing balance	21,116	2,420	53,469,717	53,493,253
Accumulated depreciation and impairment				
Opening balance	(13,013)	(2,307)	(5,113,364)	(5,128,684)
Current year depreciation	(867)	(56)	(1,332,609)	(1,333,532)
Closing balance	(13,880)	(2,363)	(6,445,973)	(6,462,216)
Carrying amount 30 June 2024	7,236	57	47,023,744	47,031,037

Kurow-Duntroon Irrigation Company Limited

Notes to the financial statements for the year ended 30 June 2025

18 Intangibles

Movements for intangible assets are as follows:

2025	Water Consent	Land Use Consent	Total
Gross carrying amount	\$	\$	\$
Opening balance	11,253	29,140	40,393
Additions	-	-	-
Disposals	-	-	-
Closing balance	11,253	29,140	40,393
Accumulated amortisation and impairment			
Opening balance	(2,501)	(29,140)	(31,641)
Current year amortisation	(750)	-	(750)
Current year impairment loss	-	-	-
Closing balance	(3,251)	(29,140)	(32,391)
Carrying amount 30 June 2025	8,002	-	8,002

2024	Water Consent	Land Use Consent	Total
Gross carrying amount	\$	\$	\$
Opening balance	11,253	29,140	40,393
Additions	-	-	-
Disposals	-	-	-
Closing balance	11,253	29,140	40,393
Accumulated amortisation and impairment			
Opening balance	(1,750)	(29,140)	(30,891)
Current year amortisation	(750)	-	(750)
Current year impairment loss	-	-	-
Closing balance	(2,501)	(29,140)	(31,641)
Carrying amount 30 June 2024	8,753	-	8,753

19 Trade creditors and other payables

	2025	2024
Current	\$	\$
Trade creditors	55,700	151,375
Farmlands - Old Account	-	(86)
PAYE payable	-	550
GST payable	17,431	87,725
Audit Fee	27,000	29,613
Income in Advance	-	349,546
Financial Synergy - Insurance	176,269	-
Total	276,400	618,722

FINDEX

Kurow-Duntroon Irrigation Company Limited

Notes to the financial statements for the year ended 30 June 2025

20 Borrowings

	2025	2024
	\$	\$
Current		
Crown Irrigation Investments Limited Loan	-	705,275
Waitaki District Council	-	27,260
Westpac	256,000	-
Total	256,000	732,535
Non current		
Crown Irrigation Investments Limited Loan	-	33,821,230
Waitaki District Council Loan	3,150,531	3,128,406
Westpac	21,180,000	-
Total	24,330,531	36,949,636
Total	24,586,531	37,682,171

The Crown provided the company with a loan facility in relation to the development of the scheme. The loan was secured over all property. During the year the loan was repaid with the balance being forgiven.

Waitaki District Council provided the company with a loan in relation to the development of the scheme.

21 Share capital

	2025			2024
	# of shares	Carrying value	# of shares	Carrying Value
	\$	\$		
W shares				
Opening balance	4,092	8,128,552	4,090	8,121,822
W shares issued in the year	-	-	2	6,730
W shares changed to I shares	(3,618)	(7,186,975)	-	-
Closing balance	474	941,577	4,092	8,128,552
I shares				
Opening balance	-	-	-	-
Capitalised share issue expenses	-	(2,535)	-	-
I shares changed from W shares	3,618	7,186,975	-	-
I shares issued in the year	3,618	5,933,520	-	-
I share consolidation (2 to 1)	(3,618)	-	-	-
Closing balance	3,618	13,117,960	-	-
Total closing balance	4,092	14,059,537	4,092	8,128,552

The amount of unpaid share capital at balance date is nil (2024: nil). The holders of W & I shares have equal voting rights and share equally in any dividend distribution and any surplus on winding up of the Company. I shareholders are entitled to a lower water rate charge, W shareholders are still entitled to water, but at the original cost.

22 Other equity reserves

	2025	2024
	\$	\$
Capital reserve	148,083	148,083
Insurance reserve	75,000	75,000
Total	223,083	223,083

The capital reserve is available for tax free distribution to shareholders on ultimate wind up of the Company.

The purpose of the insurance reserve is to cover any unforeseen liabilities which are not covered by insurance policies.

23 Dividends

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

24 Financial instruments

(a) Carrying value of financial instruments

The carrying amount of all material financial assets and liabilities are considered to be equivalent to fair value.

Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction.

Kurow-Duntroon Irrigation Company Limited Notes to the financial statements for the year ended 30 June 2025

(b) Classification of financial instruments

All financial assets held by the Company classified as "loans and receivables" are carried at cost less accumulated impairment losses.

All financial liabilities held by the Company are carried at amortised cost using the effective interest rate method.

(c) Credit Risk

To the extent that the Company has a receivable from another party, there is a credit risk in the event of non-performance by that counter party. Financial Instruments which potentially subject the Company to credit risk principally consist of bank balances as described in Note 13 and receivables as described in Note 14.

The Company manages its exposure to credit risk to minimise losses from bad debts. The Company regularly monitors the credit quality of its major counterparties

(d) Liquidity Risk

Liquidity risk represents the Company's ability to meet contractual obligations as they fall due. Financial liabilities that subjects the Company to liquidity risk principally consist of payables as described in Note 19 and borrowings as described in Note 20.

The Company aims to generate sufficient cashflows from its operating activities to make timely payments.

25 Derivative Liabilities

	2025	2024
Financial liabilities at fair value through profit and loss	\$	\$
Interest rate swaps	202,006	-
Total	202,006	-

26 Commitments

As at 30 June 2025 there are no capital or operating commitments. (2024: none)

27 Contingent assets and contingent liabilities

In respect of the debt forgiveness, the Company has a contingent liability to Crown Irrigation Investments Limited whereby the Company is required to pay the full amount of the issue price each water share issued until 20 December 2034 (2024: none). There is no obligation to make any payment outside of these proceeds, and only to the extent of the forgiveness. This is a contingent liability as any payment is dependent on the issue of such shares in the future, the timing and amount of which is uncertain.

Kurow-Duntroon Irrigation Company Limited Notes to the financial statements for the year ended 30 June 2025

28 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.

The company has transactions with its farmer directors in the ordinary course of business. During the year the company collected water rates and electricity charges from the farmer directors' respective shareholding companies.

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.

a) Director Fees

	2025	2024
	\$	\$
J E Ross (ceased directorship November 2023)	-	4,167
R Metcalfe	12,000	10,000
A Black	12,000	10,000
D C Reid	12,000	10,725
S J Tubbs	32,000	32,500
J A Wright	32,000	30,000
Total	100,000	97,391

b) Other Related Party Transactions

	2025	2024
	\$	\$
D C Reid	45,256	8,781
J E Ross (ceased directorship November 2023)	-	242,979
A Black	176,760	293,219
R Metcalfe	138,552	257,452
Total	360,568	802,431

c) Amounts Receivable

	2025	2024
	\$	\$
R Metcalfe (shareholder of Metcalfe Farms Limited)	-	15,906
A Black (shareholder of Torach Farm Limited)	-	15,593
J Ross (shareholder of Waineuk Holdings Limited)	-	15,801
D Reid (shareholder of Elmore Developments Limited & Calect Electrical Limited)	-	211
Total	-	47,511

29 Subsequent Events

Nil.

Independent Auditor's Report

To the shareholders of Kurow-Duntroon Irrigation Limited

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements which comprise:

- the statement of financial position as at 30 June 2025;
- the statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements of Kurow-Duntroon Irrigation Limited (the Company) on pages 3 to 18 present fairly in all material respects:

- the Company's financial position as at 30 June 2025 and its financial performance and cash flows for the year ended on that date;
- In accordance with New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR) issued by the New Zealand Accounting Standards Board.

Basis for opinion

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

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

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

Other than in our capacity as auditor we have no relationship with, or interests in, the Company.

Other information

The Directors, on behalf of the Company, are responsible for the other information. The other information comprises information included in the financial statements, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears materially misstated.

If, based on the work we have performed, we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Use of this independent auditor's report

This independent auditor's report is made solely to the shareholders. Our audit work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the shareholders for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of Directors for the financial statements

The Directors, on behalf of the Company, are responsible for:

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

Auditor's responsibilities for the audit of the financial statements

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

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

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

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

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-8/>

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

KPMG

KPMG

Christchurch

31 October 2025