AGENDA

RICHMOND FOREST PARTNERSHIP

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NOTICE OF MEETING AND FOREST VISIT

The meeting and forest visit of Richmond Forest Partnership will be held at the Wairoa Yacht Club on Monday 24th April 2017 commencing at 8.30am.

This is held in conjunction with Castle Rock, Hunter Valley, Kingswood, Wellwood, Dashwood, Ormsby, Crosswood, Malthouse, Ashdown, Belmont, Brentwood, Hereford, Highgate, Hyde Park, Long Ridge, Millbrook, Turnbridge, Winchester, Windermere Forest Partnerships and Woodleigh Forest Ltd.

PROGRAMME

8.30 - 8.45am	Registration and morning tea
8.45 - 9-00am	Welcome & opening of meeting
9.00 - 12.30pm	Forest visit – meeting continues.
12.30 - 1.00pm	Lunch at the Club Rooms
1.00 - 3.00pm	Afternoon session of the meeting continues

Times are approximate and the tour of the forests will proceed regardless of the weather, so please bring warm clothing, wet weather gear and suitable footwear that will handle mud and wet grass.

AGENDA

1. Welcome & Opening
2. Appointment of Chairperson
3. Apologies and Proxies
4. Presentation of Minutes from previous meeting
5. Matters arising from Minutes
6. Reports and Financial Statements - To receive and adopt the Roger Dickie Report and Forest Management New Zealand Ltd Report.
7. To receive the draft Financial Statements for the Year ending 28 February 2017 – To be approved by online voting once audited. (see note)
8. To consider and adopt the Public Liability Insurance
9. To receive and adopt the 2017-2018 Budget Cashflow
10. Consideration of the Resolutions
11. General Business

RESOLUTION

To consider and if thought appropriate, pass the following resolutions:

Resolution 1:

That the manager have authority to sell liability free New Zealand Units as deemed appropriate.

Background to resolution:
Since we secured liability free NZUs for your forest we have sold sufficient each year to cover the annual cost of running your forest, thus eliminating share calls.

The price of NZUs has fluctuated from an introductory price of $20 to a low of $1.55 following the GFC. NZUs are currently trading at around $17-$18. No one really knows what is going to happen to the price of carbon in the future.

It has been suggested by some that the government may re-introduce foreign carbon units which would lower the cost of the New Zealand units. The contrary to this is that New Zealand has emissions targets to meet as part of the Paris Accord on climate change so the NZU price may rise as New Zealand implements rules to achieve this.

The reality is that no one knows what is going to happen to the NZU price moving forward. Given the history of the ETS it would seem the greatest risk to the price of NZUs is political risk, be it international or local.

The updating of this resolution allows us the option to sell down more NZUs as appropriate.

Our thinking at this stage is that we lock in at the present NZU prices and sell down enough NZUs to cover the estimated running costs through to harvest. If we receive more market information implying that NZU prices will fall then this resolution allows us to sell further NZU's, hopefully before the price falls.

The sale of NZUs to cover forest costs through to harvest would incur a tax liability. We propose to sell enough NZU's to cover partners' tax costs and this portion of the proceeds would be paid out to partners.

It should be noted that the New Zealand NZU market is quite thin, large volumes of NZU's if traded can move the market quite significantly.

Resolution 2:
Funds earned from sale of NZUs be held in an interest bearing account and be used to meet future partnership operating expenses as required.

PROXY VOTING

Please complete the Proxy Form and return to our office by Wednesday 19th April:

- **Vote on-line** via the link to the Proxy (as sent to you via email); or
- **Scan and email** to abbey@rogerdickie.co.nz; or
- **Fax** to 06 346 5369; or
- **Mail** to Roger Dickie (NZ) Ltd, PO Box 43, WAVERLEY 4544.
- Partners are advised the budget is included with the Agenda and Proxy; however you may wish to wait for the Financial Statements and Reports before voting. These will be distributed shortly.
- **NOTE:** Previously, financial statements were passed 'subject to audit' however, under new FMCA rules only audited accounts can be approved. As audits will not be completed prior to the AGM, draft accounts will be distributed and discussed.
  Audited accounts will then be distributed at a later date and partners will be asked to approve the accounts via online voting. In the unlikely event there is any change from the draft accounts partners will be advised.

DOCUMENTS
The following documents are included with the Agenda:

- Proxy Form *(can be completed online)*
- Budget Cashflow Statement for the Year Ending 28 February 2018

ATTENDANCE/CATERING
If you are attending the AGM please assist by advising the office as soon as possible. It is important we have accurate numbers for catering purposes.

Please advise if you are flying into Napier from Wellington or Auckland, we can arrange to collect you.

DIRECTIONS TO WAIROA YACHT CLUB
The Wairoa Yacht Club is located on Kopu Rd, opposite Lion St. If travelling from the north on Bridge St (SH2), turn left at the roundabout onto Marine Parade or, if travelling from the south on Achilles St (SH2), at the roundabout take the 3rd exit onto Marine Parade. At the end of this road, turn right into Kopu Rd.

I look forward to seeing you all at the AGM

Regards

Roger Dickie

Richmond Forest Partnership
Budget Cash flow Statement
Year Ending 28 February 2018

Cash flow is in NZ$ and GST Exclusive

	TOTAL	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB
OPENING BALANCE	**3,400**												
INCOME													
Credit Interest	**60**	5	5	5	5	5	5	5	5	5	5	5	5
Investment Fund	**14,172**								14,172				
Sale of NZU's	**46,500**		27,000					19,500					
TOTAL INCOME	**60,732**	**5**	**27,005**	**5**	**5**	**5**	**5**	**19,505**	**14,177**	**5**	**5**	**5**	**5**
EXPENDITURE													
Forest Expenses													
Forest Management	**9,906**	907	800	665	600	1,454	960	600	660	1,460	600	600	600
Lidar	**1,035**	1,035											
Plot Imputation	**4,270**					4,270							
Operation Expenses													
Fire Protection/Training/Levy	**300**								300				
Health and Saftey	**75**			75									
Pest Control	**1,800**						1,800						
R&M Culverts/Gateways/Metal	**1,000**		1,000										
R&M Fences/Gates/Yards	**500**	500											
R&M Tracks	**4,250**			250						4,000			
Weed Control	**300**									300			
Administration Expenses													
Accountancy Fees	**2,958**			2,735	223								
Administration	**4,440**	370	370	370	370	370	370	370	370	370	370	370	370
Audit Fees	**1,575**					1575							
Bank Fees	**60**	5	5	5	5	5	5	5	5	5	5	5	5
Contingencies	**2,000**			1,000						1,000			
Meeting Costs	**350**				350								
Statutory Supervisor	**1,500**		375			375			375			375	
Subscriptions	**470**	470											
Compliance	**2,239**		1,000					1,000		239			
Financial & Standing Charges													
Insurance - Fire & Public Liability	**14,172**								14,172				
Legal Fees	**600**					600							
Rates	**6,320**			1,580			1,580			1,580			1,580
Valuation	**580**		580										
Other Expenses													
GST (refund)	**0**												
TOTAL EXPENDITURE	**60,700**	**3,287**	**4,130**	**6,680**	**1,548**	**8,649**	**4,715**	**1,975**	**15,882**	**8,954**	**975**	**1,350**	**2,555**
BALANCE	**3,432**	**118**	**22,993**	**16,318**	**14,775**	**6,131**	**1,421**	**18,951**	**17,246**	**8,297**	**7,327**	**5,982**	**3,432**

Notes to the Budget
Fencing: more work needed on the Te Tui boundary
Metal: Share cost of pouring a slab to top the under mining of the concrete ford in Richmond
Lidar @ $4/stocked ha - 258.8
Plot Imputation @ $16.50/per stocked ha
NZU Sale: 1,800 to sell in April and 1,300 to sell in September at $15.00
Liability Free NZU Balance at 1 March 2017 - 44,340