Roxburgh Forest Partnership

2018 Annual Report

Hello,

We are pleased to submit the Annual Report for Roxburgh Forest Partnership for the year ending 28 February 2018.

This report details the performance, operations and financial results of your forest and meets the new annual reporting requirements detailed in the Financial Markets Conduct Regulations.

It is to be read in conjunction with the audited financial statements.

At the meeting and forest visits in April/May, Roger circulated general industry news and information on the forestry sector.

This annual report covers the following prescribed requirements as set out below:

1. Details of the scheme
2. Description of the scheme
3. Information on composition of the scheme
4. Changes relating to the scheme
5. Financial condition and performance of the scheme
6. Fees
7. Scheme property
8. Changes to persons involved in the scheme
9. How to find further information
10. Contact details and complaints

1. Details of the scheme	
(a) The name of the scheme	Roxburgh Forest Partnership
(b) The name of the manager	Roger Dickie (N.Z.) Limited
(c) The name of the supervisor	Covenant Trustee Services Limited
(d) Latest PDS Date (*see* regulation 280)	The scheme was originally made under the Securities Act 1978 and it transitioned to the Financial Markets Conduct Act 2013 on 30 November 2016. It is a closed scheme and no PDS has been issued.
(e) A reference to the scheme's latest financial statements that have been lodged with the Registrar and auditor's report.	The audited annual Financial Statements and auditors report have been lodged on 28 June 2018 with the Companies Office.
2. Description of the scheme	
(a) A brief description of the scheme	The principal activity of Roxburgh Forest Partnership is that of Afforestation. The partnership grows pinus radiata for the purpose of selling the harvest in 2047.
(b) The date on which the scheme started	25 June 2003
3. Information on composition of the scheme	
(a) The number of managed investment products on issue as at 1st March 2017	375,000 Partnership Interests
(b) The number of managed investment products on issue at Year Ended February 28, 2018	375,000 Partnership Interests
4. Changes relating to the scheme A description of the material changes to the nature of the scheme, the scheme property, or the management of the scheme over the accounting period, including any material changes	
(a) To the SIPO	There has been no change since being lodged 30 November 2016.
(b) To the governing document	There has been no changes to the deed during the financial year. A copy of the deed is available on request or can be located on the Disclose Register (www.disclose-register.companiesoffice.govt.nz)
(c) To the nature or scale of related party	The partnership paid administration fees of

transactions	$2,220 (2017 - $4,320) and management fees and forest expenses of $2,889 (2017 - $4,005) to companies in which R R Dickie, a partner, has a controlling interest. There were no related party transactions entered into during the accounting period that were not on arm's length terms.
(d) To the terms of the offer of the managed investment products	There have been no changes to the terms of the offer of the managed investment products in the Scheme.
(e)To valuation and pricing methodologies and the effect of those changes on -	
i) The scheme's net asset value	*No material change*
ii) The value of scheme participants' interests	*No material change*

5. Financial condition and performance of the scheme

The scheme performed as forecast with total expenses coming in under budget at $32,263. There has been no income from harvesting of the forest. This is forecast to start in 2047.

Roxburgh Forest Partnership

Profit and Loss:

Summary Profit and Loss for the year ending February 28th 2018	
Total Operating Revenue	$48
Total Forest Expenses	$2,889
Total Operating Expenses	$19,028
Total Standing Charges	$10,346
TOTAL EXPENSES	$32,263
Profit/(Loss) for tax purposes	$-32,214
Plantation Revaluation Increase	$201,000
Net Surplus for Year	$168,786

Operating Revenue included interest received only. Plantation revaluation increased by $201,000 this year. This is mainly due to the increase in log prices over the last 12 months.

Balance Sheet:

Summary Balance Sheet as at the 28th February 2018	
Current Assets	$986
Non Current Assets	$988,612
Total Assets	$989,598
Current Liabilities	
Total Liabilities	

Net Assets	$989,598

Net assets have increased from $794,412 to $989,598. This is an increase of $195,186 due to increase in plantation revaluation.

Changes in Equity:

Total equity as at the 1st of March 2018 was $989,599. This includes $1,650,959 from capital accounts, $-687,761 of retained earnings. This is an increase of $168,786 from last year.

Cashflow Statement:

Summary Cashflow Statement for the year ending 28th February 2018	
Cash Flow from Operation Activities	
Cash Provided	$574
Cash Applied	$28,571
Net cash outflow from operation expenses	$-27,997
Cash flow from Financing Activities	
Cash provided	$25,247
Net cash inflow from financing activities	$25,247
Net increase/(decrease) in cash held	$-2,750
Cash at start of the year	$3,105
Cash at end of the year	$355

Compared to last year, cashflow has decreased. This is mainly because increased expenses in the 2018 financial year. Increased expenses included compliance costs, accountancy fees, administration costs, statutory supervisor, valuation, insurance, management and supervision fees.

6. Fees

The following Fees were charged to the Partnership:

	Feb-18	Feb-17	Budget
	$	$	$
Accountancy Fees	$2,735	$2,695	$2,735
Management Fees	$2,220	$4,320	$4,320
Audit Fees	$1,575	$1,575	$1,575
Bank Fees	$103	$113	$60
Statutory Supervisor	$1,437	$1,092	$1,500

Roxburgh Forest Partnership had total fees of $8,070 which equates to 0.008% of total scheme property.

There have been no significant fees charged after the balance date.

Any change in the fees is first approved by partners of the scheme by way of adopting the annual budget.

7. Scheme property

A description of—

(qqqq) The scheme property is 245ha in the Central Otago District.

(rrrr) There has been no changes in the composition of the scheme property over the accounting period. The value of the property has increased by 201000.

8. Changes to persons involved in the scheme

Any change during the Year Ended 28 February 2018.

(a) The manager	*No change*
(b) The directors of the manager	William Dickie appointed as director 17 July 2017
(c) Key personnel of the manager ***key personnel**, in relation to the manager, means—* *(a) The executive directors of the manager; and* *(b) Those senior managers of the manager who perform duties in connection with the scheme.*	*No change*
(d) The supervisor or any of its directors	*There has been no change to the Supervisor.* *The following changes to the Supervisor's directors have occurred since 1 April 2017:* Resignation of Graham Russell MILLER Appointment of Robin Albert FLANNAGANON.
(e) Any administration manager or investment manager of the scheme	*No change*
(f) The securities registrar, custodian, or auditor of the scheme	Covenant Trustee Services Limited have been appointed Custodian of the land owned by the Partnership.

9. How to find further information

All documents, including the deed of participation, statement of investment policy and objectives and scheme financial statements can be obtained free of charge from the Manager within 15 days of request. The information can also be found on the disclose register at the following email Link :

www.disclose-register.companies.govt.nz.

10. Contact details and complaints

1.

(a) The manager	Roger Dickie (N.Z.) Limited PO Box 43, Waverley 06 346 5329
(b) The supervisor	Covenant Trustee Services Limited PO Box 4243, Shortland Street, Auckland 0800 268 362
(c) The securities registrar	Roger Dickie (N.Z.) Limited PO Box 43, Waverley 06 346 5329
(d) 1 or more employees or agents of the manager to whom queries or complaints about the managed investment products or the offer can be made.	William Dickie Compliance Officer 06 346 5329 Richard Bourne Marketing Manager 06 346 5329 PO Box 43, Waverley, 4544

2.
Any complaints about the managed investment scheme can be made to the manager, supervisor or to Financial Disputes Resolution.

Financial Disputes Resolution:
Freepost 231075
PO Box 2272
Wellington
Freephone 0508 337 337
Complaints can be made via their online complaint form.
The Financial Dispute Resolution will not charge a fee to any complainant to investigate or resolve a complaint.

http://www.fdr.org.nz/making-complaint/make-complaint/make-complaint-line