Marsden
MARITIME HOLDINGS LTD

ANNUAL REPORT 2015

Contents

Financial Calendar

Annual General Meeting
The Annual General Meeting of Shareholders of Marsden Maritime Holdings Ltd will be held at A'Fare, 197 Lower Dent Street, Town Basin, Whangarei on Thursday 22 October 2015 at 11.00am.

2016 Interim Profit Announcement
February 2016

Interim Dividend Payment
March 2016

Executive Review

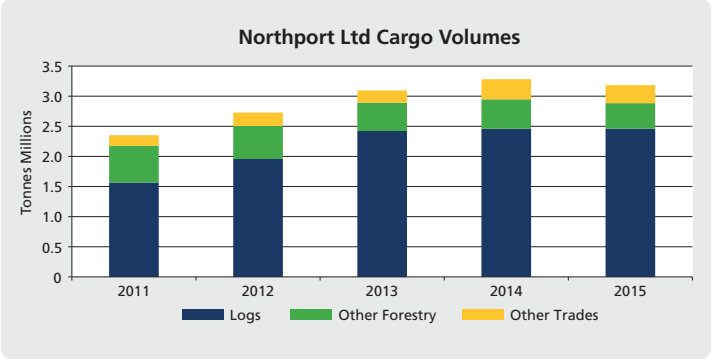
SIR JOHN GOULTER

GRAHAM WALLACE

Marsden Maritime Holdings recorded a net surplus of $8.390 million for the year ended 30 June 2015, which was up slightly on the previous year's result of $8.334 million.

The result was underpinned by the strong financial performance from our joint venture investment, Northport Limited, which posted improved earnings. This was primarily as a result of an increase in storage revenues from higher volumes of cargo stored on-port throughout the year. Overall cargo throughput across the port was however slightly down at 3,183,000 tonnes from last year's record of 3,282,000 tonnes.

Log exports of 2,460,000 tonnes were essentially unchanged from the previous year. For a variety of reasons however, most other cargoes were marginally less against the comparative prior year period.



Marina and Commercial Complex

Following the purchase of this complex in July 2014, the Company has been able to quickly secure tenancies for a number of previously vacant commercial units as well as achieving a significant improvement in overall berth occupancy within the marina itself.

This has in turn been reflected in a valuation uplift of $679,000 in respect of the marina and commercial complex as at 30 June 2015 (based on an Independent Valuer's report, refer Note 25 and Note 29 of the Financial Statements).

Overall performance to date is in line with our initial projections and we are confident of achieving further growth, boosted by our plans to install a new and innovative vessel haul-out facility along with an associated wash-down and maintenance area (refer plan on page 5).

The necessary resource consents for this project have recently been confirmed and we now await approval of access arrangements across a small strip of Whangarei District Council owned land.

This project will involve the construction of a new heavy duty boat ramp at the north eastern end of the existing commercial complex with a roadway linking it to a secured, hardstanding area shielded from public view by the existing planted earth bund. This boat servicing area will be formed within an area of farmland that the Company already owns with this "greenfields" site offering considerable scope for future expansion by effectively serving as a second land development front.

Property Holdings

During the period, we also achieved improved performance from our property holdings segment by securing additional industrial tenancies, although this was partially offset by a significant drop in farming revenues. Dairy farming returns as has been well publicised, continue to be volatile.

We are entering an exciting development phase with the construction of a 4,200m^2 bulk warehouse commencing shortly. On completion in the first quarter of 2016, this $3million facility will be leased to a major international bulk commodities trading entity and will generate additional cargo flows through Northport.

We remain confident of securing further leasehold agreements within our industrial estate and discussions are currently underway with a number of interested parties. Northport's announcement in April of a container crane purchase has generated considerable interest in this regard. This crane is expected to be fully commissioned by year end and after operator training, be in operation early in the new calendar year.

These results are all positive steps towards achieving the Company's strategic goal of being the economic development hub for the Greater Marsden Point area and becoming a catalyst for growth and job opportunities in Northland.

Contrasting the positive outlook for its industrial estate, the Company at balance date recognised a $10 million write down in the carrying value of its farm land holdings. This is simply reflective of the amount of local, undeveloped industrial and commercially zoned land, now on the market. However this has not impacted upon our industrial development block as its value continues to be underpinned by its prime location immediately adjacent to the port.

Executive Review continued

Dividend

The Company will pay a fully imputed final dividend of 6.75 cents per share on 18 September. This is up by 0.5 cents per share compared to the final dividend paid last year and brings the total dividend distribution for the year to 12.00 cents per share (2014 – 11.25 cents per share).

Outlook

Current indications suggest that log exports will continue at or around current levels as will most other cargo trades.

Northport's new mobile harbour (container) crane represents an exciting new chapter for the port facility and once operational is expected to contribute significantly to future growth prospects.

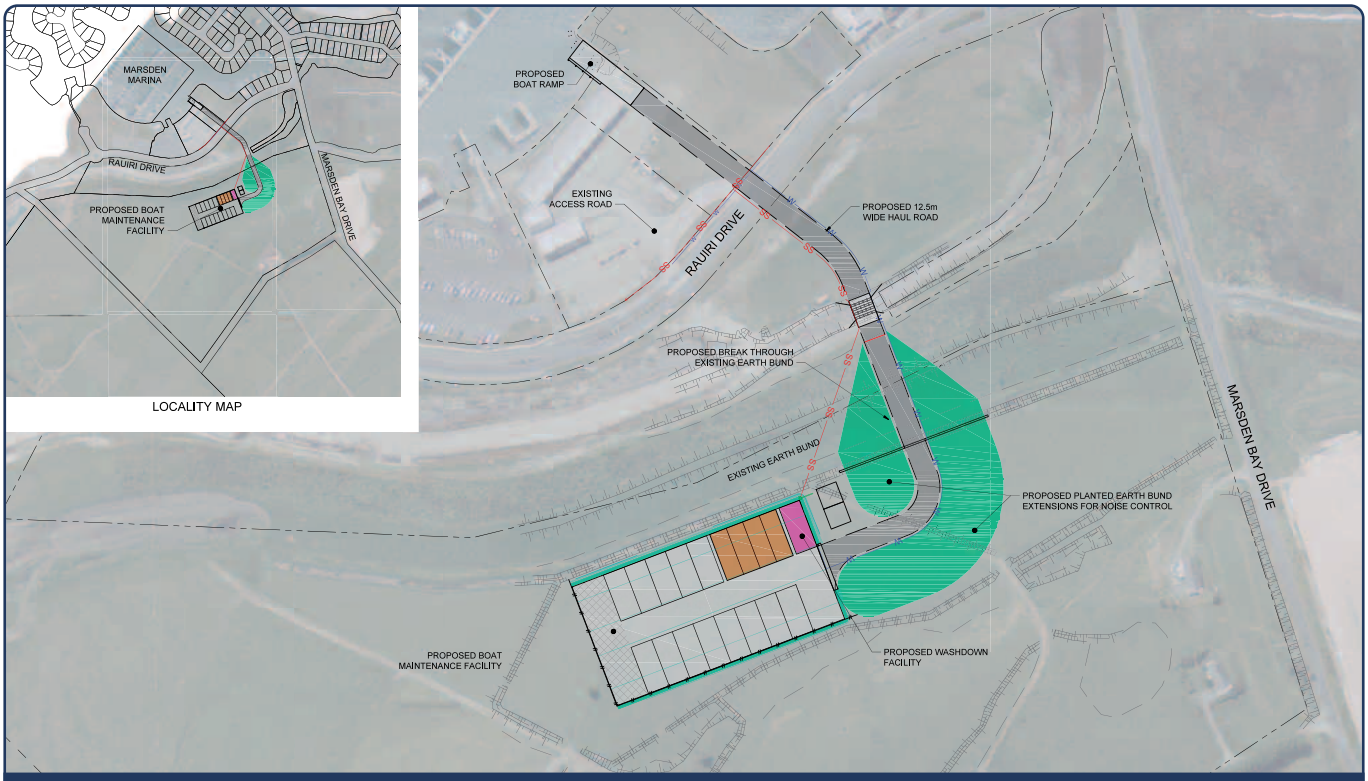
Returns from our Property Holdings segment are expected to receive a further uplift from new industrial tenancies although revenues from our dairy farming operation appear likely to remain depressed for some time.

Further earnings growth is expected from the marina and commercial complex. In addition to the planned vessel haul-out and servicing area, the Company is actively considering further development of the adjacent commercial complex (refer plan opposite) to facilitate additional business activity on site.

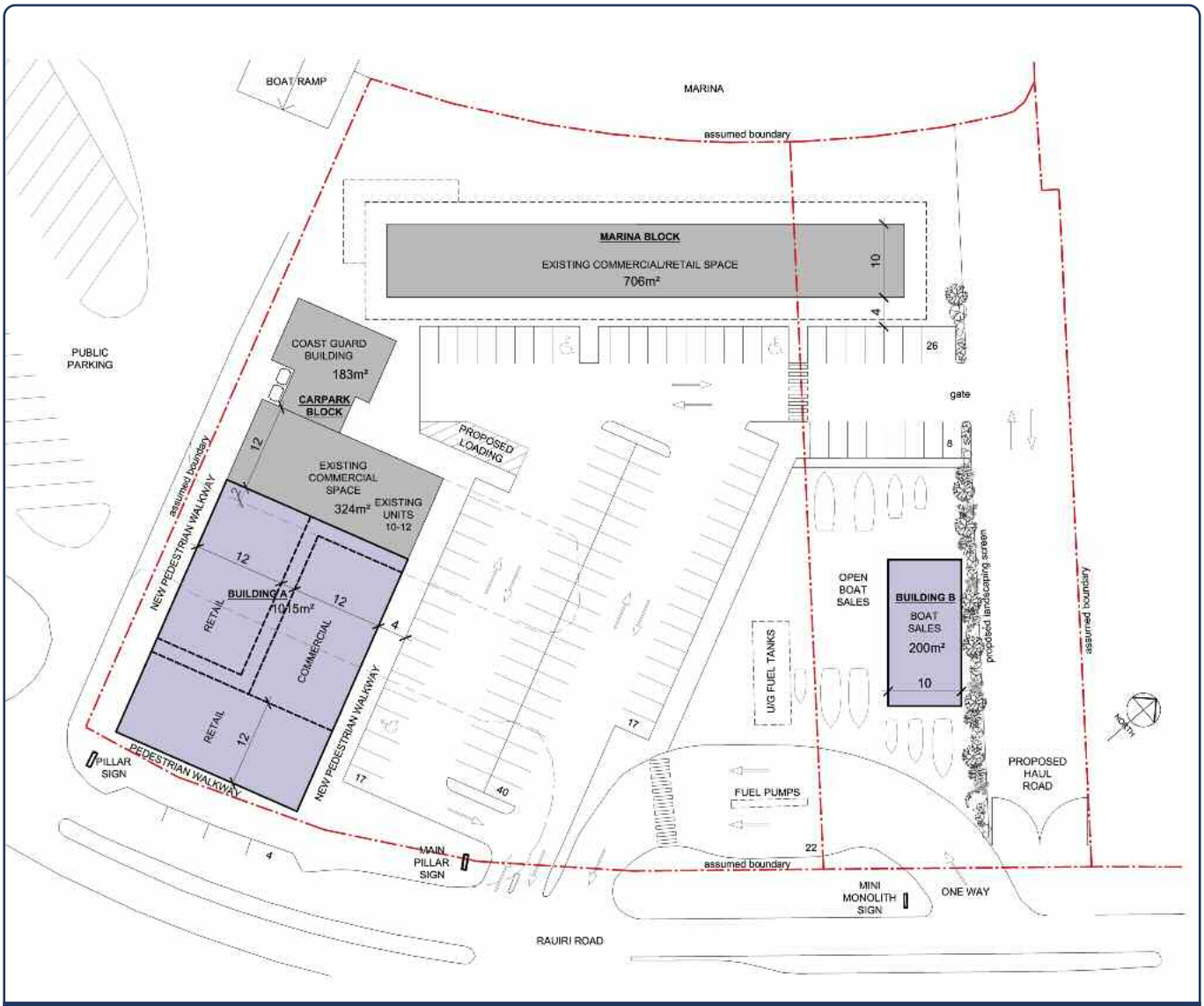
The Company is now well positioned for future growth on multiple fronts.

Sir John Goulter KNZM, JP
CHAIRMAN

Graham Wallace
CHIEF EXECUTIVE



MARSDEN COVE MARINA PROPOSED HAUL-OUT FACILITY



MARSDEN COVE COMMERCIAL COMPLEX DEVELOPMENT CONCEPT


Northport
ATLAS

Board of Directors

Sir John Goulter KNZM, JP

Chairman Marsden Maritime Holdings Ltd
Chairman Northport Ltd
Member Remuneration Committee

Sir John is former Managing Director of Auckland International Airport Ltd. He is a former Chairman of the New Zealand Lotteries Commission, United Carriers Group, Ngapuhi Asset Holding Company Ltd and Northland Deepwater GP Ltd, as well as being a former Director of the Reserve Bank of New Zealand, Television New Zealand and Vector Ltd. He is currently Chairman of The New Zealand Business and Parliament Trust, Metro Performance Glass Ltd and Ururangi Ltd. In 2003 he was inducted as a Laureate into the New Zealand Business Hall of Fame and was appointed a Distinguished Companion of the New Zealand Order of Merit for services to Business and the Community. In 2009 his re-designation as a Knight Companion of the New Zealand Order of Merit was advised by Her Majesty the Queen. Sir John is considered to be an Independent Director.

Mark Bogle

Director Marsden Maritime Holdings Ltd
Member Audit and Risk Committee

Mark is a qualified Accountant and is a member of the Chartered Accountants Australia and New Zealand. He also has a Master of Public Policy degree. He has a background in corporate governance, audit, finance and commerce and has energy and forestry sector experience at Executive or Director level. Mark is the Resource and Development Manager and Director for Habitat for Humanity (Northland) Ltd and a Director of Habitat for Humanity NZ Ltd. Mr Bogle is considered to be an Independent Director.

Peter Griffiths

Director Marsden Maritime Holdings Ltd
Chair Remuneration Committee

Mr Griffiths is a professional Director and joined the Board in 2010. In 2009 he retired after 21 years with BP, the last 10 of which he was Managing Director of BP NZ. He has previously served on the Boards of NZ Refining Company Ltd, Liquigas Ltd, Wanganui Gas Ltd and Bitumix Ltd. He is currently the Chairman of NZ Oil and Gas Ltd, NZ Diving and Salvage Ltd and Z Energy Ltd, Director of Wings Over Whales (NZ) Ltd and a Member of the Civil Aviation Authority. Mr Griffiths holds a BSc (Hons) from Victoria University in Wellington. Mr Griffiths is considered to be an Independent Director.

Susan Huria

Director Marsden Maritime Holdings Ltd
Director Marsden Cove Canals Management Ltd
Member Audit and Risk Committee
Member Remuneration Committee

Ms Huria is a full time Director as Chairman Veterinary Enterprises and Director of Airways Corporation and Ngai Tahu Property. She is trustee of First Foundation and a member of the Maori Governance Centre at Waikato University. Her previous Directorships include Agresearch, where she was Deputy Chair, Radio New Zealand Limited, Housing New Zealand Corporation, Watercare Services, Ngai Tahu Development Corporation and Manukau Leisure and Workbase, the national centre for workplace literacy. Ms Huria is considered to be an Independent Director.

David Keys

Director Marsden Maritime Holdings Ltd

Mr Keys lives at Totara North. Mr Keys has an Honours Law Degree and is an independent property consultant.He is a Trustee of Northland Emergency Service Trust and is a Fellow of the Property Institute of New Zealand and an Associate of the Real Estate Institute of New Zealand. Mr Keys carries out a range of property consultancy and project management services – mainly for schools in the Far North. Mr Keys is considered to be an Independent Director.

Elena Trout

Director Marsden Maritime Holdings Ltd
Chair Audit and Risk Committee

Ms Trout is a professional civil engineer with an IPENZ membership status of Fellow and holds a Masters of Civil Engineering degree from Canterbury University. She has held a number of executive positions in the transport, infrastructure and energy sectors and has over 30 years of experience in the management planning and delivery of large projects. Ms Trout is currently a member of the Electricity Authority, a member of the Electricity Efficiency and Conservation Authority, Deputy President of the Institution of Professional Engineers NZ, Advisory Board Chair for Eco Stock Supplies Ltd, Advisory Board Member of Intergroup Ltd, Director of Harrison Grierson Holdings Ltd and former Director of Transpower NZ Ltd.
Ms Trout joined the Board in 2011 and is considered to be an Independent Director.

Statutory Information

Auditors

Under Section 19 of the Port Companies Act, 1988, the Auditor-General is the Auditor of the Company and Group. Pursuant to Section 32 of the Public Audit Act 2001, Simon Brotherton of the firm Ernst & Young has been appointed by the Office of the Auditor-General to undertake the Audit on its behalf.

Directors' Shareholdings

Pursuant to section 148(1) of the Companies Act 1993 the following are the relevant interests in the Company's shares as advised by the Directors.

	SHARES IN WHICH THE DIRECTOR HAS A BENEFICIAL INTEREST SOLELY OR AS A JOINT HOLDER		SHARES IN WHICH THE DIRECTOR HAS A NON-BENEFICIAL INTEREST		SHARES HELD BY ASSOCIATED PERSONS OF THE DIRECTOR	
	30.06.15	30.06.14	30.06.15	30.06.14	30.06.15	30.06.14
J Goulter	3,000	3,000	–	–	–	–
M Bogle	–	–	–	–	–	–
R Blackmore *	2,460	2,460	–	–	–	–
P Griffiths	–	–	–	–	–	–
S Huria	1,000	1,000	–	–	–	–
D Keys	–	–	–	–	–	–
C Mitten *	–	–	–	–	–	–
E Trout	–	–	–	–	–	–

* Resigned 17 October 2014

Directors' Interests

The following are particulars of general disclosures of interest by Directors of Marsden Maritime Holdings Ltd holding office at 30 June 2015, pursuant to section 140(2) and section 211(1)(e) of the Companies Act 1993.

DIRECTOR	INTEREST	POSITION
Sir John Goulter KNZM, JP	Northport Ltd	Chairman
	NZ Business and Parliament Trust	Chairman
	Metro Performance Glass Ltd	Chairman (appointed 5 July 2014)
	Opua Commercial Estate Ltd	Director/Shareholder
	Packard House Ltd	Director/Shareholder
	Ururangi Ltd	Chairman
	Marsden Cove Canals Management Ltd	Director (appointed 1 July 2014 - ceased 8 May 2015)
Mark Bogle	MSB Investments Ltd	Director/Shareholder
	Trading Enterprises Incorporated Ltd	Director/Shareholder
	Habitat for Humanity NZ Ltd	Director (appointed 9 June 2015)
	Habitat for Humanity (Northland) Limited	Director (appointed 6 June 2015)
Peter Griffiths	NZ Diving and Salvage Ltd	Chairman
	NZ Oil and Gas Ltd	Chairman
	The Civil Aviation Authority	Member
	Z Energy Ltd	Chairman
Susan Huria	Airways Corporation Ltd	Director
	First Foundation	Trustee
	Huria Anders Ltd	Director/Shareholder
	Marsden Cove Canals Management Ltd	Director (appointed 30 April 2015)
	Ngai Tahu Property Ltd	Director
	Susan Huria & Associates Ltd	Director/Shareholder
	Te Ara Tika Properties Ltd	Director/Shareholder
	Veterinary Enterprises Group	Chairperson
	Watercare Services Ltd	Director (ceased 31 October 2014)
David Keys	David Keys Property Consultancy Ltd	Director/Shareholder
	Keys Property Consultancy Ltd	Director/Shareholder
	Northland Emergency Services Trust	Trustee
	NW3 Ltd	Director/Shareholder
Elena Trout	Electricity Efficiency and Conservation Authority	Member
	Electricity Authority	Member
	Institution of Professional Engineers New Zealand	Deputy President (effective 13 March 2015)
	Eco Stock Supplies Ltd	Advisory Board Chair
	Harrison Grierson Holdings Ltd	Director
	Intergroup Ltd	Advisory Board Member

Directors' Remuneration and Benefits

Fees paid to Directors of the Company during the 12 month period were as follows:

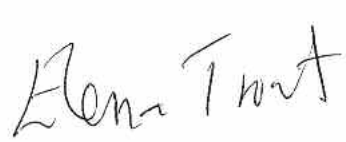
	Marsden Maritime Holdings Ltd			Northport Ltd
	Director Fees	Consultancy Fees	Other	Director Fees
J P Goulter	52,333	–	1,000	40,000
M Bogle	18,718	–	667	–
R Blackmore	7,097	–	333	–
P W Griffiths	25,750	–	1,000	–
S Huria	25,750	–	1,000	–
D Keys	25,750	–	1,000	–
C Mitten	7,097	–	333	–
E Trout	31,750	–	1,000	–
	194,245	–	6,333	40,000

Remuneration of Employees

The number of employees whose total annual remuneration including salary, employer's contributions to superannuation and health schemes, and other sundry benefits received in their capacity as employees, was within the specified bands as follows:

Remuneration Range	Number of Employees	
$	2015	2014
120,001 – 130,000	1	1
130,001 – 140,000	0	0
140,001 – 150,000	0	0
150,001 – 160,000	0	0
160,001 – 170,000	0	0
170,001 – 180,000	0	0
180,001 – 190,000	0	0
190,001 – 200,000	0	0
200,001 – 210,000	0	1
210,001 – 220,000	0	0
220,001 – 230,000	1	0

Signed:



Chairman

Director

Dated 21 August 2015

Corporate Governance Statement

Role of the Board

The Board of Directors of Marsden Maritime Holdings Ltd is elected by the shareholders to supervise the management of the Company and its associates in the best interests of shareholders. The Board currently has six members and has several key functions which are:

- The establishment of business objectives, strategies and policies.
- The approval of annual capital and operating budgets.
- The appointment of a Chief Executive to manage the day to day operations of the Company within the established framework.
- The ongoing monitoring of management performance in relation to the goals established for that purpose.

The Board is committed to the highest standards of behaviour and accountability from Directors and accordingly endorses the principles set out in the NZX Listing Rules, Appendix 16 – Corporate Governance Best Practice Code and Corporate Governance in New Zealand – Principles and Guidelines – A Handbook for Directors, Executive and Advisors by the Securities Commission, New Zealand.

The Board considers that its governance processes do not materially differ from the principles set out in these documents. The practices adopted by the Board are prescribed in the Board Charter which sets out the protocols for operation of the Board, and in the Code of Ethics which sets out the manner in which Directors and Employees should conduct themselves.

Board Composition

The composition of the Board is governed by the Company's Constitution which also details how Directors are appointed and removed from office. A copy of the Constitution is available from the Company's website.

The Board normally meets monthly and has met nine times between 1 July 2014 and 30 June 2015. Special purpose meetings are held as required.

Board Committees

The Board has two committees, the Audit and Risk Committee and the Remuneration Committee.

Audit and Risk Committee

Ms Elena Trout is Chairperson of the Audit and Risk Committee which met on four occasions during the year and has the following objectives:

- The primary objective of the Audit and Risk Committee is to assist the Board of Directors in fulfilling its oversight responsibilities. The Committee reviews the financial reporting process, the system of internal control and management of business risks, the audit process, and the Company's process for monitoring compliance with laws and regulations. In addition, the Committee:
  - oversees and appraises the quality of the audits conducted by the Company's external auditors;
  - maintains open lines of communications among the Board and the external auditors to exchange views and information. The Committee also confirms their respective authorities and responsibilities;
  - serves as an independent and objective party to review the financial information presented by management to shareholders, regulators and the general public and also assists in the development of the future format and content of external reporting;
  - determines the adequacy of the organisation's administrative, operating and accounting controls.

A copy of the Audit and Risk Committee Charter is available on the Company's website.

Remuneration Committee

This Committee comprises Mr Griffiths (Chair), Sir John Goulter and Ms Huria and has the role of reviewing the remuneration levels of the Directors and Senior Management.

The following table outlines the number of meetings attended by Directors during the course of the 2014/2015 financial year:

	Full Board	Board Committees	
		Audit	Remuneration
J Goulter	9	1*	–
R Blackmore [1]	3	1	–
M Bogle [2]	6	3	–
P Griffiths	9	–	–
S Huria	8	4	–
D Keys	9	–	–
C Mitten [1]	3	–	–
E Trout	8	4	–

* Ex Officio
[1] Resigned 17 October 2014
[2] Appointed 17 October 2014

Diversity Policy

The Company does not have a formal diversity policy, however it recognises the wide ranging benefits that diversity brings to an organisation and its workplaces. Marsden Maritime Holdings endeavours to ensure diversity at all levels of the organisation to ensure a balance of skills and perspectives are available in the service of our shareholders and business partners.

	Gender Composition of the Board and Management			
	2015		2014	
	Number	%	Number	%
Female				
Directors	2	33	2	29
Management	1	25	1	33
Male				
Directors	4	67	5	71
Management	3	75	2	67

Director Independence

The Board determines annually on a case-by-case basis who in its view are independent Directors. The guidelines set out in the NZX Listing rules (para.3.3.1) are used for this purpose.

All current Directors are considered to be Independent.

Conflicts of Interest

Where any Director has a conflict of interest or is otherwise interested in any transaction, that Director is generally required to disclose his or her conflict of interest to the Company, and thereafter will normally not be able to participate in the discussion, nor vote in relation to the relevant matter. The Company maintains a register of disclosed interests.

Board Performance

The Board undertakes an annual review of the Board and sub-committee performance.

Communication with Shareholders

The Company's Directors are committed to ensure that shareholders are informed of all major developments affecting the Group.

Annual and Interim Reports are posted onto the Company's website and each shareholder receives a hard copy of each report.

Shareholders may raise matters for discussion at the Annual General Meeting each year.

Continuous Disclosure

The Board has adopted the NZX Continuous Disclosure Rules to ensure that all material matters are released to the financial markets in a clear and timely manner.

Risk Management

The Company is committed to managing risk to protect its staff, the environment, financial business risks, company assets and its reputation. A comprehensive risk management system is in place which is used to identify and manage all business risks. The risk profile is reviewed annually. As part of risk management the Company has a comprehensive Treasury Policy that sets out the procedures to minimise financial market risk.

Code of Ethics

A Code of Ethics has been developed and adopted by the Board which sets out the ethical and behavioural standards expected by the Company's Directors and Staff.

Insider Trading

The Board has approved an Insider Trading Policy that applies to all Directors and Staff, and anyone else notified by the Chief Executive Officer, from time to time, that has access to material information not available to the public.

Under the Policy the above persons may not trade in Marsden Maritime Holdings shares, or advise or encourage others, to trade or hold Marsden Maritime Holdings shares if they are in possession of material information that is not publicly available.

In addition, shares can only be traded in selected periods after the announcement of interim and annual results.

NZX is advised of all trades of Marsden Maritime Holdings shares by Directors and staff.

MARSDEN MARITIME HOLDINGS LTD

Financial Statements

For the Year Ended 30 June 2015

Auditor's Report

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
MARSDEN MARITIME HOLDINGS LIMITED
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

The Auditor-General is the auditor of Marsden Maritime Holdings Limited (the Company) and its subsidiaries and other controlled entities. The Auditor-General has appointed me, Simon Brotherton, using the staff and resources of Ernst & Young, to carry out the audit of the financial statements of the Company and the group, consisting of Marsden Maritime Holdings Limited and its subsidiaries and other controlled entities (collectively referred to as 'the Group'), on her behalf.

Opinion

We have audited the financial statements of the Company and Group on pages 17 to 47, that comprise the balance sheet as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion, the financial statements of the Company and Group:

- present fairly, in all material respects:
  - their financial position as at 30 June 2015; and
  - their financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with New Zealand equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

Our audit was completed on 21 August 2015. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence shareholders' overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Company's and Group's 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 Company's or Group's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board of Directors;
- the adequacy of the disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. Also, we did not evaluate the security and controls over the electronic publication of the financial statements.

We believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and fair presentation of financial statements for the Company and Group that comply with generally accepted accounting practice in New Zealand, with New Zealand equivalents to International Financial Reporting Standards and with International Financial Reporting Standards.

The Board of Directors' responsibilities arise from the Port Companies Act 1988 and the Financial Markets Conduct Act 2013.

The Board of Directors is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for the publication of the financial statements, whether in printed or electronic form.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

In addition to the audit we have carried out assignments in the areas of tax advice and compliance, which are compatible with those independence requirements. Other than the audit and these assignments, we have no relationship with or interests in the company or any of its subsidiaries.

Simon Brotherton
Ernst & Young
On behalf of the Auditor-General
Auckland, New Zealand

Statement of Comprehensive Income

For the Year Ended 30 June 2015

	Note	CONSOLIDATED 30-Jun-15 $	CONSOLIDATED 30-Jun-14 $	PARENT 30-Jun-15 $	PARENT 30-Jun-14 $
Revenue					
Rents & Leases		1,782,092	976,396	1,782,092	976,396
Share of Joint Venture Companies' Net Surplus	12	8,243,471	8,331,721	–	–
Joint Venture Company Dividends		–	–	7,978,600	8,004,730
Farming Revenue		328,631	451,918	328,631	451,918
Share of Joint Operation Revenues		–	704,670	–	–
Interest Income		40,826	40,678	40,826	39,490
Other Dividends		17,148	23,287	17,148	444,039
Other		358,182	17,917	358,182	17,917
Total Revenue		**10,770,350**	10,546,587	**10,505,479**	9,934,490
Expenditure					
Operational Expenses	5	753,453	826,851	753,453	296,968
Cost of Goods Sold		220,151	–	220,151	–
Land Rates & Lease Expenses	6	473,995	410,543	473,995	387,994
Administrative Expenses	7	1,152,138	1,235,634	1,152,138	1,190,353
Finance Costs	8	271,500	13,669	271,500	13,669
Depreciation Expense	9	118,128	87,929	118,128	77,043
Total Expenditure		**2,989,365**	2,574,626	**2,989,365**	1,966,027
Trading Surplus		**7,780,985**	7,971,961	**7,516,114**	7,968,463
Gain (Loss) on Sale of Property, Plant & Equipment		1,072	81,035	1,072	(2,626)
Gain (Loss) on Sale of Other Investments		(121)	–	(121)	–
Gain on Sale of Joint Venture		–	791,454	–	1,511,079
Revaluation of Investment Property	25	611,076	(322,372)	611,076	(322,372)
Fair Value Movements	20, 23	7,790	(169,925)	7,790	(169,925)
Operating Surplus Before Taxation		**8,400,802**	8,352,153	**8,135,931**	8,984,619
Taxation Expense (Credit)	11	10,327	18,205	7,845	(35,355)
NET SURPLUS		**8,390,475**	8,333,948	**8,128,086**	9,019,974
Other Comprehensive Income					
Items that will be recycled through profit and loss					
Cash Flow Hedges - Gain (Loss) taken to Reserves (Northport)		(373,083)	252,263	–	–
Income Tax relating to items of Other Comprehensive Income (Northport)		104,463	(70,634)	–	–
Items that will not be recycled through profit and loss					
Revaluation of Land Holdings		(10,737,191)	(5,956,398)	(10,000,024)	(5,675,000)
Other Comprehensive Income for Year		**(11,005,811)**	(5,774,769)	**(10,000,024)**	(5,675,000)
TOTAL COMPREHENSIVE INCOME		**(2,615,336)**	2,559,179	**(1,871,938)**	3,344,974
(attributable to Owners of Parent Entity)					
Basic & Diluted Earnings Per Share (cents)	21(b)	20.32	20.18		

The accompanying notes form an integral part of these Financial Statements.

Statement of Changes in Equity

For the Year Ended 30 June 2015

CONSOLIDATED

	Share Capital $	Retained Earnings $	Asset Revaluation Reserve $	Hedging Reserve (Joint Venture) $	TOTAL $
Opening Equity 1 July 2014	**14,688,144**	**40,715,285**	**70,898,484**	**(53,839)**	**126,248,074**
Net Surplus	–	8,390,475	–	–	8,390,475
Other Comprehensive Income	–	–	(10,737,191)	(268,620)	(11,005,811)
Total Comprehensive Income	**–**	**8,390,475**	**(10,737,191)**	**(268,620)**	**(2,615,336)**
Transactions with owners in their capacity as owners:					
Dividends Paid	–	(4,749,575)	–	–	(4,749,575)
Closing Equity 30 June 2015	**14,688,144**	**44,356,185**	**60,161,293**	**(322,459)**	**118,883,163**
Opening Equity 1 July 2013	**14,688,144**	**36,717,906**	**76,854,882**	**(235,468)**	**128,025,464**
Net Surplus	–	8,333,948	–	–	8,333,948
Other Comprehensive Income	–	–	(5,956,398)	181,629	(5,774,769)
Total Comprehensive Income	**–**	**8,333,948**	**(5,956,398)**	**181,629**	**2,559,179**
Transactions with owners in their capacity as owners:					
Dividends Paid	–	(4,336,569)	–	–	(4,336,569)
Closing Equity 30 June 2014	**14,688,144**	**40,715,285**	**70,898,484**	**(53,839)**	**126,248,074**

PARENT

	Share Capital $	Retained Earnings $	Asset Revaluation Reserve $	Hedging Reserve (Joint Venture) $	TOTAL $
Opening Equity 1 July 2014	**14,688,144**	**30,609,265**	**54,888,809**	**–**	**100,186,218**
Net Surplus	–	8,128,086	–	–	8,128,086
Other Comprehensive Income	–	–	(10,000,024)	–	(10,000,024)
Total Comprehensive Income	**–**	**8,128,086**	**(10,000,024)**	**–**	**(1,871,938)**
Transactions with owners in their capacity as owners:					
Dividends Paid	–	(4,749,575)	–	–	(4,749,575)
Closing Equity 30 June 2015	**14,688,144**	**33,987,776**	**44,888,785**	**–**	**93,564,705**
Opening Equity 1 July 2013	**14,688,144**	**25,925,860**	**60,563,809**	**–**	**101,177,813**
Net Surplus	–	9,019,974	–	–	9,019,974
Other Comprehensive Income	–	–	(5,675,000)	–	(5,675,000)
Total Comprehensive Income	**–**	**9,019,974**	**(5,675,000)**	**–**	**3,344,974**
Transactions with owners in their capacity as owners:					
Dividends Paid	–	(4,336,569)	–	–	(4,336,569)
Closing Equity 30 June 2014	**14,688,144**	**30,609,265**	**54,888,809**	**–**	**100,186,218**

The accompanying notes form an integral part of these Financial Statements.

Balance Sheet

As at 30 June 2015

	Note	CONSOLIDATED 30-Jun-15 $	CONSOLIDATED 30-Jun-14 $	PARENT 30-Jun-15 $	PARENT 30-Jun-14 $
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	24	19,345,996	29,027,069	19,345,996	29,027,069
Investment Property	25	57,252,000	48,400,000	57,252,000	48,400,000
Intangibles	26	9,626	–	9,626	–
Investment in Subsidiary Company		–	–	–	10,000
Investment in Joint Venture Company	22	45,311,954	46,052,870	20,000,000	20,000,000
Other Investments	23	544,046	657,471	544,046	657,471
Loan - North Port Coolstores Ltd (Non-Current Portion)	19	125,000	315,000	125,000	315,000
Earn Out - North Port Coolstores Ltd (Non-Current Portion)	20	139,000	175,000	139,000	175,000
Deferred Tax Asset	28	6,504	8,986	–	–
		122,734,126	124,636,396	**97,415,668**	98,584,540
Current Assets					
Cash & Deposits	13	200,594	1,590,361	200,594	1,590,361
Receivables & Prepayments	14	586,116	236,935	586,116	236,935
Inventory	15	41,634	–	41,634	–
Loan - North Port Coolstores Ltd (Current Portion)	19	112,500	112,500	112,500	112,500
Earn Out - North Port Coolstores Ltd (Current Portion)	20	75,000	75,000	75,000	75,000
Taxation Refundable		68,231	70,116	68,231	70,116
		1,084,075	2,084,912	**1,084,075**	2,084,912
TOTAL ASSETS		**123,818,201**	126,721,308	**98,499,743**	100,669,452
EQUITY AND LIABILITIES					
Equity					
Share Capital	21(a)	14,688,144	14,688,144	14,688,144	14,688,144
Retained Earnings		44,356,185	40,715,285	33,987,776	30,609,265
Asset Revaluation Reserve		60,161,293	70,898,484	44,888,785	54,888,809
Hedging Reserve (Northport)		(322,459)	(53,839)	–	–
		118,883,163	126,248,074	**93,564,705**	100,186,218
Non-Current Liabilities					
Bank Loans	16	3,650,000	–	3,650,000	–
Revenue in Advance	17	137,731	–	137,731	–
		3,787,731	–	**3,787,731**	–
Current Liabilities					
Payables	18	1,147,307	473,234	1,147,307	473,234
		1,147,307	473,234	**1,147,307**	483,234
TOTAL EQUITY AND LIABILITIES		**123,818,201**	126,721,308	**98,499,743**	100,669,452

For and on behalf of the Board of Directors who authorised the issue of this Financial Report on 21 August 2015.

Chairman

Director

The accompanying notes form an integral part of these Financial Statements.

Statement of Cash Flows

For the Year Ended 30 June 2015

	Note	CONSOLIDATED 30-Jun-15 $	CONSOLIDATED 30-Jun-14 $	PARENT 30-Jun-15 $	PARENT 30-Jun-14 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash was provided from:					
Cash from Customers		2,292,024	2,223,038	2,292,024	1,433,139
Dividends Received		7,995,748	8,028,017	7,995,748	8,448,769
Interest Received		40,826	40,678	40,826	39,490
		10,328,598	10,291,733	**10,328,598**	9,921,398
Cash was applied to:					
Cash paid to Suppliers & Employees		(2,541,972)	(2,465,400)	(2,541,972)	(1,780,218)
Interest Paid		(271,500)	(13,669)	(271,500)	(13,669)
Income Tax Paid		(5,960)	(6,891)	(5,960)	(6,499)
		(2,819,432)	(2,485,960)	**(2,819,432)**	(1,800,386)
NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES		**7,509,166**	7,805,773	**7,509,166**	8,121,012
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash was provided from:					
Sale of Property, Plant & Equipment		1,739	131,848	1,739	14,348
Sale of Joint Venture		–	1,061,079	–	1,061,079
Sale of Shares - Ballance Agri-Nutrients		9,995	8,900	9,995	8,900
Vendor Financing Loan Repayment		190,000	22,500	190,000	22,500
Earn Out Payment re Sale of Joint Venture	20	156,000	–	156,000	–
		357,734	1,224,327	**357,734**	1,106,827
Cash was applied to:					
Purchase of Property, Plant, Equipment & Intangibles		(422,471)	(1,498,957)	(422,471)	(1,498,958)
Purchase of and Improvements to Investment Property		(808,653)	(2,670,637)	(808,653)	(2,670,637)
Acquisition of Marina and Commercial Complex	33	(6,925,968)	–	(6,925,968)	–
Inter Group Advance Repaid		–	–	–	(120,752)
		(8,157,092)	(4,169,594)	**(8,157,092)**	(4,290,347)
NET CASH INFLOW (OUTFLOW) FROM INVESTING ACTIVITIES		**(7,799,358)**	(2,945,267)	**(7,799,358)**	(3,183,520)
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash was provided from:					
BNZ Bank Facility		5,500,000	–	5,500,000	–
		5,500,000	–	**5,500,000**	–
Cash was applied to:					
BNZ Bank Facility		(1,850,000)	–	(1,850,000)	–
Payment of Dividends	21(c)	(4,749,575)	(4,336,569)	(4,749,575)	(4,336,569)
		(6,599,575)	(4,336,569)	**(6,599,575)**	(4,336,569)
NET CASH INFLOW (OUTFLOW) FROM FINANCING ACTIVITIES		**(1,099,575)**	(4,336,569)	**(1,099,575)**	(4,336,569)
NET INCREASE (DECREASE) IN CASH HELD		**(1,389,767)**	523,937	**(1,389,767)**	600,923
ADD OPENING CASH BALANCE		**1,590,361**	1,066,424	**1,590,361**	989,438
CLOSING CASH BALANCE	13	**200,594**	1,590,361	**200,594**	1,590,361

The accompanying notes form an integral part of these Financial Statements.

Operating Cash Flow Reconciliation

For the Year Ended 30 June 2015

	Note	CONSOLIDATED 30-Jun-15 $	CONSOLIDATED 30-Jun-14 $	PARENT 30-Jun-15 $	PARENT 30-Jun-14 $
NET SURPLUS		**8,390,475**	8,333,948	**8,128,086**	9,019,974
Add (Subtract) Non-Cash Items:					
Depreciation Expense	9	118,128	87,929	118,128	77,043
Deferred Taxation		2,482	24,479	–	–
(Gain) Loss on Sale of Property, Plant & Equipment		(1,072)	(81,035)	(1,072)	2,626
(Gain) Loss on Sale of Other Investments		121	–	121	–
(Gain) Loss on Sale of Stakeholding in Joint Venture		–	(791,454)	–	(1,511,079)
Revaluation of Investment Property	25	(611,076)	322,372	(611,076)	322,372
Other Fair Value Movements	20, 23	(7,790)	169,925	(7,790)	169,925
Share of Joint Ventures' Retained Surplus	12	(264,871)	(326,991)	–	–
		(764,078)	(594,775)	**(501,689)**	(939,113)
Add (Subtract) Working Capital Items:					
Movement in Receivables & Prepayments		(349,181)	117,601	(349,181)	26,315
Movement in Taxation Refundable		1,885	(13,004)	1,885	(76,081)
Movement in Payables		674,073	(245,242)	674,073	(153,551)
Movement in Inventory		(41,634)	–	(41,634)	–
Movement in Provisions		–	(1,906)	–	–
		285,143	(142,552)	**285,143**	(203,317)
Movement in Revenue in Advance		**137,731**	–	**137,731**	–
Non-Operating Items included in Working Capital Movements above		**(540,105)**	209,152	**(540,105)**	243,468
NET CASH FLOW FROM OPERATING ACTIVITIES		**7,509,166**	7,805,773	**7,509,166**	8,121,012

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 1

GENERAL INFORMATION

Marsden Maritime Holdings Ltd ('the Parent') is publicly listed on the New Zealand Stock Exchange (NZX). Prior to 4 August 2014 the Company was known as Northland Port Corporation (NZ) Ltd. It is registered under the Companies Act 1993 and is domiciled and incorporated in New Zealand. The Group principally consists of Marsden Maritime Holdings Ltd and joint venture company Northport Ltd.

The Group's operations principally comprise of its 50% stakeholding in the deep water port facility at Marsden Point together with its substantial land holdings in the adjacent area. On 1 July 2014 the Group acquired the Marsden Cove marina complex which consists of a 223 berth marina and adjoining commercial complex.

On 1 May 2015 wholly owned subsidiary NPC Corporate Services Ltd was amalgamated with its parent company Marsden Maritime Holdings Ltd.

Note 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all of the years presented unless otherwise stated.

Basis of Preparation

Marsden Maritime Holdings Ltd is a reporting entity for the purposes of the Financial Markets Conduct Act 2013.

The Parent and Group financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand ('NZ GAAP') and the requirements of the Companies Act 1993 and Financial Markets Conduct Act 2013.

The financial statements have also been prepared on a historical cost basis, except for the revaluation of certain non-current assets and financial instruments as described below.

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 ('NZ IFRS') and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. They also comply with International Financial Reporting Standards.

Consolidation

The Group financial statements are prepared by consolidating the financial statements of all entities that together comprise the consolidated entity, being the Parent and its joint venture interest. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect these returns through its power over the investee.

Subsidiaries

Subsidiaries are those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The financial statements of the Group's subsidiary interests are prepared for the same reporting period as the parent entity, using consistent accounting policies.

Joint Venture Companies

The Group's investment in its joint venture is accounted for using the equity method of accounting in the consolidated financial statements and at cost in the Parent entity. A joint venture is a type of joint arrangement whereby the parties have joint control of the arrangement and have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Under the equity method, investments in the joint ventures are recognised in the Consolidated Balance Sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint ventures. After application of the equity method, the Group determines whether it is necessary to recognise any impairment loss in respect to the Group's net investment in joint ventures.

The Group's share of its joint venture's post-acquisition profits or losses is recognised in profit or loss, and its share of post acquisition movements in reserves is recognised in other comprehensive income of the Group. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Dividends received from joint ventures are recognised in the parent entity's profit and loss while in the consolidated financial statements they reduce the carrying amount of the investment.

If the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, including any unsecured long-term receivables and loans, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Segment Reporting

An operating segment is a component of an entity that engages in business activity from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker, to make decisions about resources to be allocated to the segment and assess its performance.

The Group has three operating segments and an "Other Activities" category . During the period the Group operated within one geographic segment being the Greater Whangarei Area.

Functional and Presentation Currency

These financial statements are presented in New Zealand Dollars ($), which is also the functional currency of each entity in the Group.

Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, excepting qualifying cash flow hedges which are recognised in other comprehensive income.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at balance sheet date.

Revenue Recognition

Revenue comprises the fair value of consideration received or receivable for the sale of goods and services (net of Goods and Services Tax, rebates and discounts). When an outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a portion of the total services to be provided.

Rental income is accounted for on a straight-line basis over the lease term. Contingent rental income is recognised as income in the periods in which it is earned. Lease incentives granted are recognised as an integral part of the total rental income over the period of the lease on a straight line basis.

Dividend Income is recognised when the Group's right to receive the payment is established while interest income is recognised on a time-proportion basis using the effective interest method.

Other Revenues, including farming revenues, are generally recognised when the Group's right to receive payment is established.

Property, Plant & Equipment

With the exception of freehold land, property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Freehold land is subject to annual revaluation at "fair value" on the basis of independent valuation.

Historical cost includes expenditure that is directly attributable to the acquisition of an item of property, plant and equipment. This includes any applicable borrowing costs and/or transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance are recognised in profit and loss as incurred.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the profit and loss.

Property, plant and equipment, with the exception of freehold land and capital work in progress, is depreciated. The charge for depreciation is calculated using the straight line method to allocate cost, net of residual value over the estimated useful lives of assets as follows:

Freehold Land	not depreciated
Buildings & Amenities	5-100 years
Plant & Equipment (including vehicles)	2-12 years

Underground fuel tanks related to the Group's fuel facility have been classified as Plant & Equipment and have an estimated remaining useful life of 40 years. Residual values and useful lives are reviewed, and adjusted if appropriate at each Balance Sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Land Revaluations

Any revaluation increment is credited to the asset revaluation reserve included in other comprehensive income, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit and loss, in which case the increment is recognised in profit and loss.

Any revaluation decrease is recognised in profit or loss, except to the extent that it offsets a previous revaluation increment for the same asset, in which case the decrease is debited directly to the asset revaluation reserve to the extent of the credit balance existing in the revaluation reserve for that asset.

Upon disposal or derecognition of an asset, any associated revaluation reserve balance is transferred to retained earnings.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its use or disposal.

Investment Property

Investment properties are initially measured at cost, including transaction costs. The carrying amount excludes the cost of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are measured at fair value, which is based on active market prices, adjusted if necessary, for any difference in the nature, location or condition of the specific asset at the reporting date. Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Property (continued)

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no economic benefit is expected from its disposal. Any gains or losses on retirement or disposal of an investment property are recognised in profit or loss in the year of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale.

For a transfer from investment property to owner-occupied property, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. If property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with its property plant and equipment policy up to the date of change in use.

Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

The useful lives of the Group's intangible assets have been assessed as finite and are amortised over the useful economic life of the asset. The amortised expense on intangible assets is recognised in the statement of comprehensive income as depreciation.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred except for costs associated with the construction of any qualifying asset which are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

Impairment of Assets

The carrying amounts of the Group's property, plant and equipment, intangibles, investments in joint ventures and receivables, are reviewed at each reporting date to determine whether there is any objective evidence of impairment.

An impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash generating units).

Payables

Payables are carried at amortised cost. These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are typically unsecured and usually paid within 30 days of recognition.

Provisions

Provisions are recognised when a present legal or constructive obligation exists as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Dividends

A provision is made in the financial statements for the amount of any dividend declared on or before the end of the financial year but not distributed at balance date.

Employee Benefits

Liabilities for wages and salaries, including annual leave entitlements and any non-monetary benefits are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amount expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Receivables

Receivables which generally have a 30 day term are recognised initially at fair value with a subsequent impairment provision made where objective evidence indicates a receivable is impaired. An impairment provision is recognised when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are generally considered objective evidence of impairment. Individual debts that are known to be uncollectable are written off when identified.

Prepayments

Prepayments comprise of significant items of expenditure having a benefit to more than one accounting period and are written off over the period to which they relate.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits at call with financial institutions, and bank overdrafts.

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

Designation of financial assets and financial liabilities is determined by the purpose of the financial instruments, the policies and practices of management, the relationship with other instruments and the reporting costs and benefits of each designation. These designations are reflected in the financial statements of the Group.

Financial Assets at fair value through profit and loss

Financial assets at fair value through profit or loss includes financial assets initially designated at fair value through profit or loss and financial assets classified as held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term with the intention of making a profit.

Derivative financial instruments are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on financial assets held for trading are recognised in the Profit & Loss.

Financial Liabilities

Financial liabilities are recognised initially at fair value, and in the case of loans and borrowings and payables less transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired. These are included in current assets, except for those with maturities greater than 12 months after balance date, which are classified as non-current.

Derivative Financial Instruments and Hedging

Joint Venture entities within the Group periodically use derivative financial instruments, such as interest rate swaps, to hedge risk associated with interest rate fluctuation.

Derivative financial instruments are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at each balance sheet date to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative contract is designated as a hedging instrument, and if so, the nature of the item being hedged.

Designated Cash Flow Hedges

At the inception of a designated hedge transaction the relationship between the hedging instrument and hedged item is formally documented, as well as the risk management objectives and strategy for undertaking the transaction. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged, and how the hedging instrument's effectiveness will be assessed. Such instruments are expected to be highly effective in achieving offsetting changes and are assessed on an on-going basis to determine whether they have actually been highly effective throughout the financial reporting period(s) for which they were designated.

At each reporting date, all designated cashflow hedges are tested for effectiveness. The ineffective portion of the gain or loss on each hedging instrument is recognised in profit or loss whilst the effective portion is included in other comprehensive income of the relevant entity.

Amounts accumulated in Equity are recycled in the Statement of Comprehensive Income in the period(s) when the hedged item impacts profit or loss. When the forecast transaction that is hedged results in a non-financial asset, the gains or losses previously deferred in Equity are transferred from Equity and included in the initial cost or carrying amount of the asset with the deferred amount ultimately being recognised as depreciation in the case of property, plant and equipment.

If the hedging instrument expires or is sold, terminated or exercised without replacement or roll over, or its designation as a hedge is revoked (due to ineffectiveness), amounts previously recognised in equity remain in equity until the forecast transaction occurs.

Derivatives that do not qualify for hedge accounting

Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately via profit and loss. Similarly, if a previously forecast transaction is no longer expected to occur, any amounts accumulated in reserves are immediately reclassified to profit or loss.

Other Investments

Other investments are initially recognised at cost and are subsequently restated to their assessed fair value at each reporting date and more frequently, if warranted. Any movement in fair value is immediately recognised in the profit and loss.

Income Tax

Current Tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred Tax

Deferred income tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- When the taxable temporary difference is associated with investments in subsidiaries, joint ventures or interests in joint operations, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Tax (continued)

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

When the deductible temporary difference is associated with investments in subsidiaries, joint ventures or interests in joint operations, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Taxation Expense

The income tax expense recognised in profit and loss includes both current and deferred tax and is calculated after allowing for non-assessable income and non-deductible expenditure.

Tax Losses

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

(i) Group as a lessee

Operating lease payments are recognised as an operating expense in the statement of comprehensive income on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

(ii) Group as a lessor

Leases in which the Group retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Earnings per Share

Earnings per share is calculated as being the net surplus attributable to members of the parent entity divided by the weighted average number of issued shares. Diluted earnings per share is calculated on the same basis.

New Accounting Standards and Interpretations

The Group has not elected to early adopt any new standards or interpretations that are issued but not yet effective (refer Note 34).

Note 3

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Group's accounting policies, management continually evaluates judgements, estimates and assumptions made based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions made. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

Tax Losses

At the end of the reporting period the Group has accumulated tax losses amounting to $5,309,361 with a tax effect of $1,486,621 (2014 - losses $4,270,540 tax effect $1,195,751) subject to Inland Revenue Department confirmation. Due to the time frame in which assessable income is anticipated to be available to offset such losses the Group has determined that it is appropriate to only recognise losses in the financial statements to a level that directly offsets the deferred tax liability.

Estimation of Useful Lives of Assets

The estimation of the useful lives of assets has predominantly been based on historical experience. Useful lives are reviewed on an annual basis and adjustments made when considered necessary.

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 3

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Land Revaluation - Northport Ltd

The majority of Northport Ltd's land holdings pertain to an area of reclamation for which freehold title or another long term beneficial interest has yet to be established. The third party valuation of this reclaimed area assumes that a long term beneficial interest will be granted. As management consider that it is highly likely that this will occur, this approach is considered appropriate.

Valuation of Freehold Land

Freehold Land is revalued annually by an independent valuer. The fair value of the Group's land holdings is based on market values, being the estimated amount for which the land could be exchanged between a willing buyer and a willing seller in an arm's length transaction. Changes to market conditions or assumptions made in the estimation of fair value will result in changes to the fair value of property. Due to the fact that there have been no or few recent transactions for land in the area the valuations are inherently subjective.

Valuation of Investment Property

Investment property is revalued annually by an independent valuer. The fair value of the Group's investment properties is based on market values, being the estimated amount for which the property could be exchanged between a willing buyer and a willing seller in an arm's length transaction. Changes to market conditions or assumptions made in the estimation of fair value will result in changes to the fair value of investment property. Due to the fact that there have been no or few recent transactions for land in the area the valuations are inherently subjective.

Note 4

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks including movements in fair value, liquidity risk, credit risk, price risk, interest rate risk, foreign exchange risk. The Group's overall risk management programme seeks to minimise potential adverse effects on its financial performance.

Fair Value

The Group uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 - the fair value is calculated using quoted prices in active markets.

Level 2 - the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 - the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below.

CONSOLIDATED AND PARENT JUNE 2015	Market Price Level 1 $	Market Inputs Level 2 $	Non Market Inputs Level 3 $	Total $
Financial Assets				
Fonterra Co-operative Group Ltd - Shares (Note 23)	544,046	–	–	544,046
North Port Coolstores Ltd - Earn Out (Note 20)	–	–	214,000	214,000
Total	544,046	–	214,000	758,046

CONSOLIDATED AND PARENT JUNE 2014	Market Price Level 1 $	Market Inputs Level 2 $	Non Market Inputs Level 3 $	Total $
Financial Assets				
Fonterra Co-operative Group Ltd - Shares (Note 23)	656,256	–	–	656,256
Ballance Agri-Nutrients Ltd - Shares (Note 23)	–	1,215	–	1,215
North Port Coolstores Ltd - Earn Out (Note 20)	–	–	250,000	250,000
Total	656,256	1,215	250,000	907,471

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 4

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity Risk

The Group manages its exposure to liquidity risk by maintaining a balance between continuity of funding and flexibility through the use of bank loans, overdrafts and committed available credit lines. As at 30 June 2015, the Parent had access to funding facilities with the BNZ totalling $6,500,000 (2014 - $6,500,000) of which $3,650,000 was drawn down at this date (2014 - Nil). The present and expected level of cash flow are sufficient to meet repayment requirements.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

YEAR ENDED 30 JUNE 2015	On Demand $	Less than 3 Months $	3 to 12 Months $	Over 12 Months $
Interest-bearing loans and borrowings (includes interest)*	–	46,875	140,625	4,212,500
Trade and other payables	–	773,643	10,072	–
Total	–	820,518	150,697	4,212,500

YEAR ENDED 30 JUNE 2014	On Demand $	Less than 3 Months $	3 to 12 Months $	Over 12 Months $
Interest-bearing loans and borrowings*	–	–	–	–
Trade and other payables	–	252,068	36,194	–
Total	–	252,068	36,194	–

* This is a revolving cash advance facility which is repaid and redrawn typically every 3 months. The final expiry date of this facility is 1 July 2019.

As at 30 June 2015, joint venture company Northport Ltd had access to funding facilities totalling $42,000,000 (2014 - $42,000,000) of which a total sum of $6,750,000 remained undrawn at balance date. At June 30 Northport has signed an agreement to increase the funding limit to $46,000,000 effective 1 August 2015. In addition, North Tugz Ltd (a joint venture of Northport Ltd) had access to funding facilities totalling $14,950,000 (2014 - $15,530,000) of which $392,000 was undrawn at balance date.

Credit Risk

Credit Risk arises from the financial assets of the Group, which comprises cash and cash equivalents, trade and other receivables, loans and receivables and derivative instruments. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. The Group trades only with recognised, creditworthy parties and as such collateral is not typically required.

Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group further minimises its credit exposure by limiting the amount of funds placed with any one financial institution at any one time.

No material financial assets are past due as at balance date.

Price Risk

Price risk arises from investments in equity securities as detailed in Note 23. The price risk for listed and unlisted securities is immaterial in terms of the possible impact on the Statement of Comprehensive Income or total equity and as such, a sensitivity analysis has not been completed.

Interest Rate Risk

The Group's exposure to the risk in changes in interest rates primarily stems from its joint venture companies' long-term debt obligations having a floating interest rate. To mitigate this risk, derivative interest rate swap contracts are periodically entered into whereby the relevant Joint Venture entity is obliged to receive interest at floating rates and to pay interest at fixed rates (refer Note 27).

At balance date, the Group had the following direct* exposure to variable interest rate risk:

	CONSOLIDATED		PARENT	
	30-Jun-15 $	30-Jun-14 $	30-Jun-15 $	30-Jun-14 $
Financial Assets				
Bank Deposits	200,194	1,590,161	200,194	1,590,161
	200,194	1,590,161	200,194	1,590,161
Financial Liabilities				
Bank Loan	(3,650,000)	–	(3,650,000)	–
	(3,650,000)	–	(3,650,000)	–
Net Exposure	(3,449,806)	1,590,161	(3,449,806)	1,590,161

* The Group also has an indirect exposure to variable interest rate risk via its holding in joint venture entity Northport Ltd. This entity periodically enters into cash flow hedges to hedge the risk associated with fluctuations in interest rates (refer Note 22 and Note 27).

The Group regularly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative hedging positions and the mix of fixed and variable interest rates.

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 4

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest Rate Risk (continued)

The following sensitivity analysis is based on the Parent's exposure to unhedged interest rate risk (with all other variables held constant) throughout the reporting period. This is considered a more representative basis than being prepared as at the end of the reporting period due to the Parent's relatively low level of exposure to variable interest rate risk. The analysis below depicts the impact on post tax profit.

	CONSOLIDATED		PARENT	
	30-Jun-15 $	30-Jun-14 $	30-Jun-15 $	30-Jun-14 $
+1.0% (100 Basis Points)				
Post Tax Profit - Higher (Lower)	(27,276)	9,630	(27,276)	9,630
-0.5% (50 Basis Points)				
Post Tax Profit - Higher (Lower)	13,638	(4,815)	13,638	(4,815)

Foreign Exchange Risk

The Group's exposure to foreign exchange risk is considered minimal, therefore a sensitivity analysis has not been performed.

Financial Instruments

The Group has the following categories of financial instruments:

Financial Assets at Fair Value through Profit and Loss				
Designated on Initial Recognition				
Earn Out - North Port Coolstores Ltd	214,000	250,000	214,000	250,000
Other Investments	544,046	657,471	544,046	657,471
Loans and Receivables				
Cash and Deposit	200,594	1,590,361	200,594	1,590,361
Receivables	415,102	216,212	415,102	216,212
Loan - North Port Coolstores Ltd	237,500	427,500	237,500	427,500
Financial Liabilities at Amortised Cost				
Advances from Subsidiary	–	–	–	(10,000)
Payables	(1,147,307)	(473,234)	(1,147,307)	(473,234)
Bank Loans	(3,650,000)	–	(3,650,000)	–

Note 5

OPERATIONAL EXPENSES				
Repairs & Maintenance	308,270	162,095	308,270	143,852
Employee Related Benefits	181,114	485,182	181,114	-
Farm Operating Expenses	98,417	129,531	98,417	129,531
Other Operational Expenses	165,652	50,043	165,652	23,585
	753,453	826,851	753,453	296,968

Note 6

LAND RATES & LEASE EXPENSES				
Land Rates	417,787	326,489	417,787	326,489
Lease Expense	56,208	84,054	56,208	61,505
	473,995	410,543	473,995	387,994

Notes to the Financial Statements

For the Year Ended 30 June 2015

	CONSOLIDATED		PARENT	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
Note 7	$	$	$	$
ADMINISTRATIVE EXPENSES				
Directors' Fees	194,245	190,408	194,245	190,408
Auditor Remuneration - Audit Fees	81,065	76,830	81,065	76,830
- Other Fees*	10,505	26,698	10,505	26,698
Fees Paid to Other Auditors	–	3,250	–	–
Donations	3,671	2,520	3,671	2,520
Employee Related Benefits	367,987	372,918	367,987	372,918
Share Registry Expenses	72,562	70,030	72,562	70,030
Professional Fees (excl. Auditor Remuneration)	183,363	258,710	183,363	258,710
Other Administrative Expenses	238,740	234,270	238,740	192,239
	1,152,138	1,235,634	1,152,138	1,190,353

* This comprises fees associated with tax advice together with any charges made for disbursements.

Note 8

FINANCE COSTS				
Interest on debts and borrowings	271,500	13,665	271,500	13,665
Interest on other items	–	4	–	4
	271,500	13,669	271,500	13,669

Note 9

DEPRECIATION EXPENSE				
Buildings & Amenities	69,264	56,475	69,264	53,982
Plant & Equipment	48,490	31,454	48,490	23,061
Intangibles	374	–	374	–
	118,128	87,929	118,128	77,043

Note 10

JOINT OPERATION EXPENSES *				
The Group's share of expenses from its unincorporated joint operation interest in Northland Stevedoring Services were previously included in the Statement of Comprehensive Income as follows:				
Operational Expenses	–	529,883	–	–
Land Rates & Lease Expenses	–	22,549	–	–
Administrative Expenses (including Audit Fees)	–	45,281	–	–
Depreciation	–	10,886	–	–

* Northland Stevedoring Services ceased to be a joint operation of the Group on 30 June 2014.

Notes to the Financial Statements

For the Year Ended 30 June 2015

	CONSOLIDATED		PARENT	
	30-Jun-15 $	30-Jun-14 $	30-Jun-15 $	30-Jun-14 $
Note 11				
TAXATION EXPENSE (CREDIT)				
Net Surplus Before Taxation	8,400,802	8,352,153	8,135,931	8,984,619
Prima Facie Tax at 28%	2,352,225	2,338,603	2,278,061	2,515,693
Adjusted for the Tax Effect of:				
Tax Paid Joint Venture Earnings	(51,837)	135,065	–	–
Imputed Dividend Receipts	(2,234,009)	(2,442,823)	(2,234,009)	(2,442,823)
Inter Company Dividends	–	–	–	(117,811)
Gain on Sale of Joint Venture	–	(221,607)	–	(221,607)
Other Non-Assessable Income	(193,127)	(22,226)	(173, 282)	–
Non-Deductible Expenses	2,410	175,182	2,410	175,182
Carried Forward Losses Not Recognised	134,665	56,011	134,665	56,011
	10,327	18,205	7,845	(35,355)
Represented by:				
Current Taxation	7,845	(6,274)	7,845	(35,355)
Deferred Taxation	2,482	24,479	–	–
	10,327	18,205	7,845	(35,355)
Note 12				
SHARE OF JOINT VENTURE COMPANIES' NET SURPLUS				
North Port Coolstores (1989) Ltd (50% interest) to 1 February 2014				
Net Surplus before Taxation	–	435,250	–	–
Less Taxation	–	(121,870)	–	–
	–	313,380	–	–
Northport Ltd (50% interest)				
Net Surplus before Taxation	10,911,399	10,625,854	–	–
Less Taxation	(2,747,669)	(2,697,254)	–	–
	8,163,730	7,928,600	–	–
Current period write back in respect of previous inter-entity asset sales	79,741	89,741	–	–
	8,243,471	8,018,341	–	–
	8,243,471	8,331,721	–	–
Comprising:				
Dividends Received	7,978,600	8,004,730	–	–
Share of Retained Surplus for period	264,871	326,991	–	–
	8,243,471	8,331,721	–	–
Represented by:				
Continuing Activities	8,243,471	8,018,341	–	–
Discontinued Activities	–	313,380	–	–
	8,243,471	8,331,721	–	–

Notes to the Financial Statements

For the Year Ended 30 June 2015

	CONSOLIDATED		PARENT	
	30-Jun-15 $	30-Jun-14 $	30-Jun-15 $	30-Jun-14 $
Note 13				
CASH & DEPOSITS				
Current Accounts	200,194	1,576,662	200,194	1,576,662
Call Deposits	–	13,499	–	13,499
Total Funds at Bank	200,194	1,590,161	200,194	1,590,161
Cash	400	200	400	200
As Per Statement of Cashflows	200,594	1,590,361	200,594	1,590,361

Current account deposits held are non-interest bearing.

Note 14

RECEIVABLES & PREPAYMENTS				
Trade Receivables	251,606	63,488	251,606	63,488
Related Parties (Note 32(a))	46,031	52,839	46,031	52,839
GST Refund Due	97,014	53,773	97,014	53,773
Sundry Debtors	20,451	46,112	20,451	46,112
Accrued Rental	109,793	–	109,793	–
Prepayments	61,221	20,723	61,221	20,723
	586,116	236,935	586,116	236,935

Note 15

INVENTORY				
Fuel	41,634	–	41,634	–

Inventory is stated at the lower of cost or net realisable value. The cost of inventories is based on the first-in-first-out principle. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

Note 16

BANK LOANS				
BNZ Loan Facility	3,650,000	–	3,650,000	–

As at 30 June 2015 Marsden Maritime Holdings Ltd had a secured loan facility of $6,000,000 (2014: $6,000,000) with $3,650,000 (2014: Nil) being drawn-down at 30 June 2015. The facility matures in July 2019.

The remainder of the loan facility is able to be drawn-down on request subject to the Company being in compliance with undertakings in respect of the facility. Interest rates are determined by reference to prevailing money market rates at the time of draw-down plus a margin. Interest rates paid during the year ranged from 4.36% to 4.84%.

The loan facility is secured by a first ranking mortgage over all of Marsden Maritime Holdings Ltd's freehold interests in land and other assets.

Note 17

REVENUE IN ADVANCE				
Opening Balance	–	–	–	–
Marina Berth Licence Sales Proceeds	145,087	–	145,087	–
Recognition - Current Period	(7,356)	–	(7,356)	–
Closing Balance	137,731	–	137,731	–

Marina berth licences are sold giving the licensee a right to occupy a marina berth for a period that ranges from 5 to 20 years. The proceeds from a sale of a berth are recognised over the particular term of each licence sold.

Notes to the Financial Statements

For the Year Ended 30 June 2015

	CONSOLIDATED		PARENT	
	30-Jun-15 $	30-Jun-14 $	30-Jun-15 $	30-Jun-14 $
Note 18				
PAYABLES				
Trade Creditors	749,322	230,539	749,322	230,539
Related Parties (Note 32(b))	24,856	21,529	24,856	21,529
Retentions	10,072	36,194	10,072	36,194
Other Payables	363,057	184,972	363,057	184,972
	1,147,307	473,234	1,147,307	473,234

Note 19

LOAN - NORTH PORT COOLSTORES LTD

The Company sold its 50% share in North Port Coolstores (1989) Ltd on 1 February 2014. The terms and conditions of sale included the provision of vendor finance amounting to $450,000 which is repayable in equal quarterly instalments over the five year term of this loan ending 31 December 2018 with provision for additional repayments.

The loan bears interest at the 90 day NZ bank bill rate plus 400 basis points and this is calculated and charged quarterly.

The loan is secured by a first ranking mortgage over a portion of the borrower's leasehold premises.

Current Portion - due within the next 12 months	112,500	112,500	112,500	112,500
Non Current Portion - due past the next 12 months	125,000	315,000	125,000	315,000
	237,500	427,500	237,500	427,500

Note 20

EARN OUT - NORTH PORT COOLSTORES LTD

Under the terms and conditions of the sale of the stakeholding in North Port Coolstores (1989) Ltd, the Company is entitled to receive additional annual payments based on the actual level of revenues derived by the coolstore business during the 5 year period ending 31 March 2019.

The future value of anticipated future receipts has been assessed and discounted to present value based on the uncertainty of the level of revenue which will be earned.

Opening Balance	250,000	–	250,000	–
Initial Recognition	–	250,000	–	250,000
Earn Out Payment Received	(156,000)	–	(156,000)	–
Fair Value Adjustment	120,000	–	120,000	–
	214,000	250,000	214,000	250,000
Current Portion - due within the next 12 months	75,000	75,000	75,000	75,000
Non Current Portion - due past the next 12 months	139,000	175,000	139,000	175,000
	214,000	250,000	214,000	250,000

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 21

	CONSOLIDATED		PARENT	
	30-Jun-15 $	30-Jun-14 $	30-Jun-15 $	30-Jun-14 $
CONTRIBUTED EQUITY				
(a) Share Capital				
Opening / Closing Balance	14,688,144	14,688,144	14,688,144	14,688,144

All shares carry equal voting rights and have no par value.

The parent entity, Marsden Maritime Holdings Ltd has an authorised capital of 80,000,000 shares (unchanged from prior year).

	No. Shares	No. Shares	No. Shares	No. Shares
Opening / Closing Shares on Issue	41,300,651	41,300,651	41,300,651	41,300,651

(b) Earnings per Share

Earnings per share of 20.32 cents per share (2014 - 20.18 cents per share) has been calculated as the reported Net Surplus divided by the average number of fully paid shares (calculated on a daily basis) on issue during the period, comprising 41,300,651 shares (2014 - 41,300,651 shares). Diluted earnings per share has been calculated on the same basis.

(c) Dividends Paid				
During the financial year the following dividend payments were made:				
Final, 19/09/14 - 6.25 cents/share (20/09/13 - 5.5 cents)	2,581,291	2,271,537	2,581,291	2,271,537
Interim, 20/03/15 - 5.25 cents/share (21/03/14 - 5.0 cents)	2,168,284	2,065,032	2,168,284	2,065,032
	4,749,575	4,336,569	4,749,575	4,336,569

(d) Capital Management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Changing market conditions may affect the amount of dividends paid to shareholders. Changing market conditions may also result in the return of capital to shareholders, the issuance of new shares, or result in the sale of assets to reduce debt.

During the reporting period, the Group's joint venture entities fully complied with any externally imposed capital requirements. The Parent entity is not subject to any externally imposed capital requirements.

Note 22

INVESTMENT IN JOINT VENTURE COMPANY

(a) Northport Ltd

200 shares - 50% holding (same shareholding as reported 30 June 2014)

Balance Date - 30 June

Main Activity: Port Operations

Shares Subscribed For	20,000,000	20,000,000	20,000,000	20,000,000
Share of Accumulated Surplus to 30 June	11,896,162	11,711,030	-	-
Share of Hedging Reserve	(322,459)	(53,839)	-	-
Land Revaluation	15,272,507	16,009,675	-	-
Elimination re. inter-entity asset sales	(1,534,256)	(1,613,996)	-	-
Total Investment in Joint Venture Companies	45,311,954	46,052,870	20,000,000	20,000,000

Marsden Maritime Holdings Ltd has a 50% shareholding in the port at Marsden Point which trades as Northport Ltd (2014 - 50%), with Port of Tauranga Ltd holding the remaining 50%. The current lease of the reclaimed land at Marsden Point, which is the land upon which Northport's Marsden Point facilities are sited, expired on 30 September 2011. In September 2011 the Minister of Conservation made a conditional decision to vest a leasehold interest in the Company. Negotiations continue with the Crown to secure a long term lease arrangement for this land but without prejudicing the Company's right to apply for freehold title.

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 22

	CONSOLIDATED 30-Jun-15 $	CONSOLIDATED 30-Jun-14 $
INVESTMENT IN JOINT VENTURE COMPANY (continued)		
(b) Summary Financial Information		
Cash & Cash Equivalents	319,926	537,066
Other Current Assets	4,643,531	4,735,940
Current Assets	4,963,457	5,273,006
Non Current Assets	129,794,799	128,531,134
	134,758,256	133,804,140
Current Financial Liabilities (excluding trade and other payables)	898,091	47,794
Other Current Liabilities	4,725,865	4,849,226
Current Liabilities	5,623,956	4,897,020
Non-current Financial Liabilities (excluding trade and other payables)	35,250,000	32,800,000
Other Non-current Liabilities	191,882	773,388
Non-Current Liabilities	35,441,882	33,573,388
	41,065,838	38,470,408
Net Assets	93,692,418	95,333,732
Group share of Net Assets 50%	46,846,209	47,666,866
Other Consolidated Adjustments	(1,534,255)	(1,613,996)
	45,311,954	46,052,870
Revenue	36,762,234	37,696,582
Depreciation and Amortisation	3,938,852	3,880,645
Interest Income	36,787	25,706
Interest Expense	2,039,107	2,034,677
Tax Expense	5,495,339	5,638,248
Net Surplus	16,327,459	16,483,958
Other Comprehensive Income	(2,011,577)	(199,538)
Total Comprehensive Income	14,315,882	16,284,420

Note 23

	CONSOLIDATED 30-Jun-15 $	CONSOLIDATED 30-Jun-14 $	PARENT 30-Jun-15 $	PARENT 30-Jun-14 $
OTHER INVESTMENTS				
Fonterra Co-operative Group Ltd - Shares	544,046	656,256	544,046	656,256
Ballance Agri-Nutrients Ltd - Shares	–	1,215	–	1,215
	544,046	657,471	544,046	657,471

As at 30 June 2015 the Company and Group held 113,343 co-operative shares in Fonterra Co-operative Group Ltd having a disclosed fair value of $4.80 per share. (2014 - total holding of 113,343 shares at $5.79 per share).

Fair Value Movement in Other Investments	Shares Held	Disclosed Fair Value Per Share 30-Jun-15	Disclosed Fair Value Per Share 30-Jun-14	Fair Value Movement
Fonterra Co-operative Group Ltd - Shares	113,343	4.80	5.79	(112,210)
Fair Value Movements in Other Investments recognised in profit and loss				(112,210)

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 24	CONSOLIDATED 30-Jun-15 $	CONSOLIDATED 30-Jun-14 $	PARENT 30-Jun-15 $	PARENT 30-Jun-14 $
PROPERTY, PLANT & EQUIPMENT				
(a) Carrying Values				
Freehold Land				
At Valuation	17,106,000	27,050,000	17,106,000	27,050,000
Buildings & Amenities				
At Cost	2,435,286	2,435,286	2,435,286	2,435,286
Accumulated Depreciation	(690,034)	(620,770)	(690,034)	(620,770)
Carrying Value	1,745,252	1,814,516	1,745,252	1,814,516
Plant & Equipment				
At Cost	613,649	300,799	613,649	300,799
Accumulated Depreciation	(247,252)	(199,095)	(247,252)	(199,095)
Carrying Value	366,397	101,704	366,397	101,704
Capital Work in Progress	128,347	60,848	128,347	60,848
Total Carrying Value	19,345,996	29,027,069	19,345,996	29,027,069

(b) Revaluation of Freehold Land

The fair value of freehold land, a recurring level 3 fair value measured asset was determined by using the market comparison method. The valuation has been prepared as at 30 June 2015 using the highest and best use approach while considering various market drivers for land in the Marsden Point area together with limited, recent sales evidence for the area.

The valuation was undertaken by independent valuer Chris Seagar of Seagar & Partners. Mr Seagar is a registered valuer, a member of the New Zealand Institute of Valuers and the Property Institute of New Zealand and holds a current practising certificate. The valuation was prepared in accordance with the Practice Standards, Guidance Notes and relevant Code of Ethics set out in Valuation and Property Standards 2013 (Property Institute of New Zealand and Australian Property Institute).

Significant unobservable valuation input	Range
Price per hectare	$100,000 to $190,000

Significant increases (decreases) in estimated price per hectare in isolation would result in a significantly higher (lower) fair value.

With the exception of a portion of land designated for a transport corridor, the Group has no restrictions on the realisablility of its freehold land.

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 24	CONSOLIDATED 30-Jun-15 $	CONSOLIDATED 30-Jun-14 $	PARENT 30-Jun-15 $	PARENT 30-Jun-14 $
PROPERTY, PLANT & EQUIPMENT (continued)				
(c) Reconciliation by Asset Class:				
Freehold Land				
Opening Book Value	27,050,000	32,725,000	27,050,000	32,725,000
Transferred from Capital Work in Progress	56,024	–	56,024	–
Revaluation from Reserves	(10,000,024)	(5,675,000)	(10,000,024)	(5,675,000)
Closing Carrying Value	17,106,000	27,050,000	17,106,000	27,050,000
Buildings & Amenities				
Opening Book Value	1,814,516	121,488	1,814,516	115,266
Additions	–	1,135,394	–	1,135,394
Transferred from Capital Work in Progress	–	617,838	–	617,838
Disposals	–	(3,729)	–	–
Depreciation	(69,264)	(56,475)	(69,264)	(53,982)
Closing Carrying Value	1,745,252	1,814,516	1,745,252	1,814,516
Plant & Equipment				
Opening Book Value	101,704	89,423	101,704	51,060
Additions	309,450	90,679	309,450	90,679
Transferred from Capital Work in Progress	4,400	–	4,400	–
Disposals	(667)	(46,944)	(667)	(16,974)
Depreciation	(48,490)	(31,454)	(48,490)	(23,061)
Closing Carrying Value	366,397	101,704	366,397	101,704
Capital Work in Progress				
Opening Book Value	60,848	675,678	60,848	675,678
Additions	128,347	4,824	128,347	4,824
Transferred to Buildings & Amenities	–	(617,838)	–	(617,838)
Transferred to Freehold Land and Plant & Equipment	(60,424)	–	(60,424)	–
Reclassified to Profit & Loss	(424)	(1,816)	(424)	(1,816)
Closing Carrying Value	128,347	60,848	128,347	60,848
Total Closing Carrying Value	19,345,996	29,027,069	19,345,996	29,027,069
(d) Carrying value of Freehold Land if measured at cost				
If Freehold Land were measured at cost less accumulated depreciation and impairment, the respective carrying amounts would be as follows:				
At Cost	1,913,640	1,913,640	1,913,640	1,913,640
Accumulated Depreciation and Impairment	–	–	–	–
	1,913,640	1,913,640	1,913,640	1,913,640

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 25	CONSOLIDATED 30-Jun-15 $	CONSOLIDATED 30-Jun-14 $	PARENT 30-Jun-15 $	PARENT 30-Jun-14 $
INVESTMENT PROPERTY				
Opening Carrying Value	48,400,000	46,000,000	48,400,000	46,000,000
Additions				
Land Improvements	1,198,774	2,694,930	1,198,774	2,694,930
Purchase of Marsden Cove Marina and Commercial Complex	6,893,500	–	6,893,500	–
Other/Subsequent Improvements	148,650	27,442	148,650	27,442
Revaluation (recognised in profit and loss)	611,076	(322,372)	611,076	(322,372)
Closing Carrying Value	57,252,000	48,400,000	57,252,000	48,400,000

The Group's investment properties consist of freehold land and improvements situated adjacent to Northport, also the Marsden Cove marina complex.

Investment properties are recurring level 3 fair value measured assets. Fair value has been determined based on valuations performed, in accordance with NZ IAS 40 as at 30 June 2015, by Chris Seagar of Seagar & Partners, an industry specialist in valuing these types of asset. The 'fair value', highest and best use approach has been adopted. The valuation was assessed in accordance with NZ IAS 40 which defines 'fair value' as being the amount at which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

	Valuation Technique	Significant Unobservable Inputs	30-Jun-15 Range
Land and Improvements Held for Lease	DCF Method and Income Capitalisation	Unleased Land Value per m^2	$110 - $120
		Years to Full Tenancy	10 years
		Discount Rate	9%
		Capitalisation Rate	7% - 8%
		Exit Yield at 10 years	8%
Marsden Cove Marina	DCF Method	Berth Licence Sell Down Rate p.a.	5% - 15%
		Discount Rate	11.50%
Marsden Cove Commercial Complex	DCF Method	Annual Rental Cashflow	$157,000 - $187,000
		Exit Yield at 10 years	8%
		Discount Rate	10%

Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life, including an exit or terminal value. The method involves the projection of a series of cash flows from the investment property assets. To this projected cash flow series a market-derived discount rate is applied to establish present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

Significant increases (decreases) in estimated land value, rent growth and berth sell down rates per annum in isolation would result in a significantly higher (lower) fair value of investment property. Significant increases (decreases) in discount rate (end exit yield) in isolation would result in significantly lower (higher) fair value.

With the exception of a portion of land designated for a transport corridor, the Group has no restrictions on the realisablility of its investment property.

Note 26	CONSOLIDATED 30-Jun-15 $	CONSOLIDATED 30-Jun-14 $	PARENT 30-Jun-15 $	PARENT 30-Jun-14 $
INTANGIBLE ASSETS				
Opening Carrying Value	–	–	–	–
Additions	10,000	–	10,000	–
Amortisation	(374)	–	(374)	–
Closing Carrying Value	9,626	–	9,626	–

The intangible asset additions in the current financial year consists of the retailer supply agreement acquired as part of the Group's purchase of the Marsden Cove fuel facility. The 10 year supply agreement with Gasoline Alley Services Ltd is amortised over the term of the agreement which is due to expire February 2025.

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 27

DERIVATIVE FINANCIAL INSTRUMENTS

In accordance with its financial risk management policies (refer Note 4), Joint Ventures of the Group periodically enter into interest rate swap contracts under which they are obliged to receive interest at floating rates and to pay interest at fixed rates.

At 30 June 2015 the Joint Venture entity Northport Ltd was party to fixed interest swap contracts with principal amounts totalling $57,000,000 (2014 - $47,000,000).

Note 28

	CONSOLIDATED		PARENT	
	30-Jun-15 $	30-Jun-14 $	30-Jun-15 $	30-Jun-14 $
DEFERRED TAX ASSET				
Opening Balance	8,986	33,465	–	–
Items Charged to Profit & Loss	(2,482)	(24,479)	–	–
Closing Balance	6,504	8,986	–	–
Represented by:				
Investment Property	(494,381)	(329,104)	(494,381)	(329,104)
Property, Plant and Equipment	16,324	8,985	16,324	8,985
Provisions	4,929	2,813	4,929	2,813
	(473,128)	(317,306)	(473,128)	(317,306)
Less Deferred Tax re inter-entity asset sales	6,504	8,986	–	–
Deferred Tax Liability	(466,624)	(308,320)	(473,128)	(317,306)
Deferred Tax Asset (tax effect of losses carried forward)	473,128	317,306	473,128	317,306
Net Deferred Tax Asset	6,504	8,986	–	–

The Group has tax losses carried forward amounting to $5,309,361 of which the tax effect is $1,486,621 (2014 - losses $4,270,540, tax effect $1,195,751) available for offset against future assessable income of which a portion is recognised above (refer to Note 3).

Note 29

SEGMENT REPORTING

During the reporting period the principal operating segments of the Group comprised:

- Port Related Operations (encompassing the Group's stakeholding in Northport Ltd).
- Property Holdings (comprising the Group's industrial subdivision and farmland at Marsden Point).
- Marina & Commercial (a new segment comprising the Marsden Cove marina and commercial complex which was acquired 1 July 2014).
- Other Activities (largely comprising of overheads associated with the Company's support functions).

All Operations are undertaken in New Zealand. Any inter segment transactions are conducted at arm's length at market prices. Accounting policies as detailed in Note 2 have been consistently applied.

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 29

	30 JUNE 2015				
	Port Related Operations $	Property Holdings $	Marina & Commercial $	Other Activities $	TOTAL $
SEGMENT REPORTING (continued)					
Revenue					
Rents and Leases	–	1,064,550	717,542	–	1,782,092
Share of Joint Venture Company's Net Surplus	8,243,471	–	–	–	8,243,471
Farm Revenue	–	328,631	–	–	328,631
Share of Joint Operation Revenues	–	–	–	–	–
Interest	–	–	–	40,826	40,826
Other Dividends	–	17,148	–	–	17,148
Other	–	56,580	281,602	20,000	358,182
Total Segmental Revenue	**8,243,471**	**1,466,909**	**999,144**	**60,826**	**10,770,350**
Inter Segmental Transactions	148,419	(148,419)	–	–	–
Net Segmental Revenue	**8,391,890**	**1,318,490**	**999,144**	**60,826**	**10,770,350**
Expenditure					
Operational Expenses	–	240,589	481,965	30,899	753,453
Cost of Goods Sold	–	–	220,151	–	220,151
Land Rates & Lease Expenses	–	411,270	57,581	5,144	473,995
Administrative Expenses	–	93,059	87,824	971,255	1,152,138
Finance Costs	–	–	–	271,500	271,500
Depreciation Expense	–	40,397	17,987	59,744	118,128
Total Expenditure	**–**	**785,315**	**865,508**	**1,338,542**	**2,989,365**
Trading Surplus	**8,391,890**	**533,175**	**133,636**	**(1,277,716)**	**7,780,985**
Gain (Loss) on Sale of Property, Plant & Equipment	–	–	–	1,072	1,072
Gain (Loss) on Sale of Other Investments	–	–	–	(121)	(121)
Gain on Sale of Joint Venture	–	–	–	–	–
Revaluation of Investment Property	–	(67,655)	678,731	–	611,076
Fair Value Movements	–	(112,210)	–	120,000	7,790
Operating Surplus (Deficit) Before Taxation	**8,391,890**	**353,310**	**812,367**	**(1,156,765)**	**8,400,802**
Taxation Expense (Credit)	2,482	–	–	7,845	10,327
NET SURPLUS	**8,389,408**	**353,310**	**812,367**	**(1,164,610)**	**8,390,475**
Other Comprehensive Income					
Cash Flow Hedges - Gain (Loss) taken to Reserves (Northport)	(373,083)	–	–	–	(373,083)
Income Tax relating to items of Other Comprehensive Income (Northport)	104,463	–	–	–	104,463
Revaluation of Land Holdings	(737,167)	(10,000,024)	–	–	(10,737,191)
Other Comprehensive Income for Year	**(1,005,787)**	**(10,000,024)**	**–**	**–**	**(11,005,811)**
TOTAL COMPREHENSIVE INCOME	**7,383,621**	**(9,646,714)**	**812,367**	**(1,164,610)**	**(2,615,336)**
(per Statement of Comprehensive Income)					
TOTAL COMPREHENSIVE INCOME FROM:					
Continuing Activities	7,383,621	(9,646,714)	812,367	(1,164,610)	(2,615,336)
Non-Continuing Activities (Including Gains on Sale)	–	–	–	–	–
TOTAL COMPREHENSIVE INCOME	**7,383,621**	**(9,646,714)**	**812,367**	**(1,164,610)**	**(2,615,336)**

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 29	30 JUNE 2014 Port Related Operations $	Property Holdings $	Marina & Commercial $	Other Activities $	TOTAL $
SEGMENT REPORTING (continued)					
Revenue					
Rents and Leases	–	976,396	–	–	976,396
Share of Joint Venture Companies' Net Surplus	8,018,341	–	–	313,380	8,331,721
Farm Revenue	–	451,918	–	–	451,918
Share of Joint Operation Revenues	704,670	–	–	–	704,670
Interest	1,188	–	–	39,490	40,678
Other Dividends	–	23,287	–	–	23,287
Other	–	–	–	17,917	17,917
Total Segmental Revenue	**8,724,199**	**1,451,601**	**–**	**370,787**	**10,546,587**
Inter Segmental Transactions	260,180	(260,180)	–	–	–
Net Segmental Revenue	**8,984,379**	**1,191,421**	**–**	**370,787**	**10,546,587**
Expenditure					
Operational Expenses	529,883	296,968	–	–	826,851
Cost of Goods Sold	–	–	–	–	–
Land Rates & Lease Expenses	22,549	375,138	–	12,856	410,543
Administrative Expenses	45,281	153,467	–	1,036,886	1,235,634
Finance Costs	–	–	–	13,669	13,669
Depreciation Expense	10,886	35,767	–	41,276	87,929
Total Expenditure	**608,599**	**861,340**	**–**	**1,104,687**	**2,574,626**
Trading Surplus	**8,375,780**	**330,081**	**–**	**(733,900)**	**7,971,961**
Gain (Loss) on Sale of Property, Plant & Equipment	83,661	–	–	(2,626)	81,035
Gain (Loss) on Sale of Other Investments	–	–	–	–	–
Gain on Sale of Joint Venture	–	–	–	791,454	791,454
Revaluation of Investment Property	–	(322,372)	–	–	(322,372)
Fair Value Movements	–	(169,925)	–	–	(169,925)
Operating Surplus (Deficit) Before Taxation	**8,459,441**	**(162,216)**	**–**	**54,928**	**8,352,153**
Taxation Expense (Credit)	53,560	–	–	(35,355)	18,205
NET SURPLUS	**8,405,881**	**(162,216)**	**–**	**90,283**	**8,333,948**
Other Comprehensive Income					
Cash Flow Hedges - Gain (Loss) taken to Reserves (Northport)	252,263	–	–	–	252,263
Income Tax relating to items of Other Comprehensive Income (Northport)	(70,634)	–	–	–	(70,634)
Revaluation of Land Holdings	(281,398)	(5,675,000)	–	–	(5,956,398)
Other Comprehensive Income for Year	**(99,769)**	**(5,675,000)**	**–**	**–**	**(5,774,769)**
TOTAL COMPREHENSIVE INCOME	**8,306,112**	**(5,837,216)**	**–**	**90,283**	**2,559,179**
(per Statement of Comprehensive Income)					
TOTAL COMPREHENSIVE INCOME FROM:					
Continuing Activities	8,175,850	(5,837,216)	–	(1,014,551)	1,324,083
Non-Continuing Activities (Including Gains on Sale)	130,262	–	–	1,104,834	1,235,096
TOTAL COMPREHENSIVE INCOME	**8,306,112**	**(5,837,216)**	**–**	**90,283**	**2,559,179**

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 29	30 JUNE 2015				
	Port Related Operations $	Property Holdings $	Marina & Commercial $	Other Activities $	TOTAL $
SEGMENT REPORTING (continued)					
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	–	17,741,579	368,053	1,236,364	19,345,996
Investment Property	–	49,594,000	7,658,000	–	57,252,000
Intangibles	–	–	9,626	–	9,626
Investment in Joint Venture Company	45,311,954	–	–	–	45,311,954
Other Investments	–	544,046	–	–	544,046
Loan - North Port Coolstores Ltd (Non Current Portion)	–	–	–	125,000	125,000
Earn Out - North Port Coolstores Ltd (Non Current Portion)	–	–	–	139,000	139,000
Deferred Tax Asset	6,504	–	–	–	6,504
	45,318,458	**67,879,625**	**8,035,679**	**1,500,364**	**122,734,126**
Current Assets					
Cash & Deposits	–	–	60,681	139,913	200,594
Receivables & Prepayments	–	345,060	63,089	177,967	586,116
Inventory	–	–	41,634	–	41,634
Loan - North Port Coolstores Ltd (Current Portion)	–	–	–	112,500	112,500
Earn Out - North Port Coolstores Ltd (Current Portion)	–	–	–	75,000	75,000
Taxation Refundable	–	–	–	68,231	68,231
	–	**345,060**	**165,404**	**573,611**	**1,084,075**
Total Segmental Assets	**45,318,458**	**68,224,685**	**8,201,083**	**2,073,975**	**123,818,201**
Total Assets as reported in Consolidated Balance Sheet					123,818,201
Non-Current Liabilities					
Bank Loans	–	–	–	3,650,000	3,650,000
Revenue in Advance	–	–	137,731	–	137,731
	–	**–**	**137,731**	**3,650,000**	**3,787,731**
Current Liabilities					
Payables	–	807,594	237,123	102,590	1,147,307
	–	**807,594**	**237,123**	**102,590**	**1,147,307**
Total Segmental Liabilities	**–**	**807,594**	**374,854**	**3,752,590**	**4,935,038**
Total Liabilities as reported in Consolidated Balance Sheet					4,935,038
Net Segmental Assets (Liabilities)	**45,318,458**	**67,417,091**	**7,826,229**	**(1,678,615)**	**118,883,163**
Non-Current Asset Additions:					
Property, Plant & Equipment and Intangibles	–	32,556	396,334	18,907	447,797
Investment Property	–	1,261,655	6,979,269	–	8,240,924

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 29	30 JUNE 2014				
	Port Related Operations $	Property Holdings $	Marina & Commercial $	Other Activities $	TOTAL $
SEGMENT REPORTING (continued)					
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	–	27,722,569	–	1,304,500	29,027,069
Investment Property	–	48,400,000	–	–	48,400,000
Intangibles	–	–	–	–	–
Investment in Joint Venture Company	46,052,870	–	–	–	46,052,870
Other Investments	–	657,471	–	–	657,471
Loan - North Port Coolstores Ltd (Non Current Portion)	–	–	–	315,000	315,000
Earn Out - North Port Coolstores Ltd (Non Current Portion)	–	–	–	175,000	175,000
Deferred Tax Asset	8,986	–	–	–	8,986
	46,061,856	**76,780,040**	**–**	**1,794,500**	**124,636,396**
Current Assets					
Cash & Deposits	–	–	–	1,590,361	1,590,361
Receivables & Prepayments	–	177,704	–	59,231	236,935
Inventory	–	–	–	–	–
Loan - North Port Coolstores Ltd (Current Portion)	–	–	–	112,500	112,500
Earn Out - North Port Coolstores Ltd (Current Portion)	–	–	–	75,000	75,000
Taxation Refundable	–	–	–	70,116	70,116
	–	**177,704**	**–**	**1,907,208**	**2,084,912**
Total Segmental Assets	**46,061,856**	**76,957,744**	**–**	**3,701,708**	**126,721,308**
Total Assets as reported in Consolidated Balance Sheet					126,721,308
Non-Current Liabilities					
Bank Loans	–	–	–	–	–
Revenue in Advance	–	–	–	–	–
	–	–	–	–	–
Current Liabilities					
Payables	–	282,259	–	190,975	473,234
	–	**282,259**	**–**	**190,975**	**473,234**
Total Segmental Liabilities	**–**	**282,259**	**–**	**190,975**	**473,234**
Total Liabilities as reported in Consolidated Balance Sheet					473,234
Net Segmental Assets (Liabilities)	**46,061,856**	**76,675,485**	**–**	**3,510,733**	**126,248,074**
Non-Current Asset Additions:					
Property, Plant & Equipment and Intangibles	–	520,911	–	709,988	1,230,899
Investment Property	–	2,722,372	–	–	2,722,372

Notes to the Financial Statements

For the Year Ended 30 June 2015

	CONSOLIDATED		PARENT	
	30-Jun-15 $	30-Jun-14 $	30-Jun-15 $	30-Jun-14 $
Note 30				
IMPUTATION CREDITS				
Amount of Imputation Credits available for use in subsequent reporting periods at Balance Date:				
– through their shareholding	5,390,034	4,836,950	5,390,034	4,836,950
– through indirect interests in joint ventures	3,908,030	3,649,227	–	–
	9,298,064	8,486,177	5,390,034	4,836,950

Note 31

OPERATING LEASE COMMITMENTS				
The following lease commitments as a lessee existed at year end:				
Less than 1 year	93,590	88,912	–	2,405
Between 1 - 5 years	153,682	163,104	–	–
Over 5 years	125,376	14,491	–	–
	372,648	266,507	–	2,405
The following future minimum rentals receivable as a lessor existed at year end:				
Less than 1 year	1,450,594	925,597	1,141,141	774,954
Between 1 - 5 years	4,000,686	2,831,078	3,649,094	2,722,981
Over 5 years	6,552,837	6,760,375	6,552,837	6,760,375
	12,004,117	10,517,050	11,343,072	10,258,310

The Company leases land and buildings to a variety of customers within close proximity to the port. These non-cancellable leases have remaining terms of between one month and 32 years. All leases include a clause to enable upward revision of the rental charge on contractual rent review dates according to prevailing market conditions.

Note 32

RELATED PARTY DISCLOSURE

Related party transactions are undertaken on an arm's-length basis at market prices. The Company transacted with following related parties during the period:

Northport Ltd

This company is jointly owned by Marsden Maritime Holdings Ltd and Port of Tauranga Ltd. It was established to build a new port facility at Marsden Point which commenced operations in June 2002.

As a shareholder in this entity, the Company, during the year ended 30 June 2015, received dividends amounting to $7,978,600 (2014 - $8,004,729) together with full imputation credits.

North Tugz Ltd

This company is jointly owned by the joint venture entity, Northport Ltd and Ports of Auckland Ltd (a significant shareholder of Marsden Maritime Holdings Ltd). It was established to operate various marine services previously undertaken by the respective shareholders.

North Port Coolstores (1989) Ltd

This company provided refrigerated storage facilities, used predominately in the distribution of foodstuffs. The Group sold its 50% shareholding in North Port Coolstores (1989) Ltd on 1 February 2014. Any related party transactions took place prior to this date.

Northland Stevedoring Services (UJV)

This is an unincorporated joint venture in which NPC Corporate Services Ltd (a 100% owned subsidiary of Marsden Maritime Holdings Ltd prior to its amalgamation in May 2015) had a 50% interest up until 30 June 2014.

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 32

RELATED PARTY DISCLOSURE (continued)

Marsden Cove Canals Management Ltd

Marsden Maritime Holdings Ltd currently holds a 50% interest in this entity which effectively serves as a body corporate for the canal waterways at Marsden Cove. This entity is a not-for-profit company and as such its stakeholders do not receive any distributions or have any entitlement to a share in the entity's equity. Due to nature of this entity it has not been consolidated with Marsden Maritime Holdings Ltd in these financial statements.

Northland Regional Council

The Northland Regional Council is the major shareholder of Marsden Maritime Holdings Ltd. During the year it received declared dividend payments totalling $2,546,434 (2014: $2,325,005).

Directors

Periodically, certain transactions, which are generally not of a material nature, take place between Marsden Maritime Holdings Ltd and companies in which some directors may have an interest or association. Any director involved in a transaction of this nature abstains from voting at the time in accordance with the Company's Constitution. Chairman, Sir John Goulter is also Chairman of joint venture company Northport Ltd from which he received directors fees of $40,000 in respect of this role.

Key Management Personnel

The directors and certain senior management of the Group have been identified as key management personnel by virtue of their authority and responsibility for planning, directing and controlling the activities of the Group, either directly or indirectly. Total compensation for key management personnel amounted to $510,766 (2014 - $519,730) comprising directors' fees $194,245. (2014 - $190,408), salaries $295,500 (2014 - $311,096) and associated benefits $21,021 (2014 - $18,226).

	CONSOLIDATED		PARENT	
	30-Jun-15 $	30-Jun-14 $	30-Jun-15 $	30-Jun-14 $
(a) Related Party Receivables				
Northport Ltd	46,031	52,839	46,031	52,839
	46,031	52,839	46,031	52,839
(b) Related Party Payables				
Northport Ltd	9,601	518	9,601	518
Northland Regional Council	1,501	471	1,501	471
Packard House Ltd (J Goulter)	10,845	10,427	10,845	10,427
Keys Property Consultancy Ltd (D Keys)	2,683	2,396	2,683	2,396
Huria Anders Ltd (S Huria)	226	2,396	226	2,396
Welcon Investments Ltd (C Mitten)	–	2,396	–	2,396
Blackmore Advisory Services Ltd (R Blackmore)	–	2,396	–	2,396
E J Trout	–	42	–	42
Marsden Maritime Holdings Ltd Employees	–	487	–	487
	24,856	21,529	24,856	21,529

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 32

	30-Jun-15 $	30-Jun-14 $
RELATED PARTY DISCLOSURE (continued)		
(c) Related Party Transactions		
Northport Ltd		
Services provided by Marsden Maritime Holdings Ltd	397,568	604,002
Services provided to Marsden Maritime Holdings Ltd	78,632	94,520
Services provided to North Tugz Ltd	206,656	215,762
Services provided to Northland Regional Council	17,751	19,538
Services provided to North Port Coolstores Ltd	–	12,500
Services provided to Northland Stevedoring Services UJV	–	66,172
North Tugz Ltd		
Asset sales to Marsden Maritime Holdings Ltd	12,000	–
Services provided to Northport Ltd	4,624,772	4,136,955
Services provided to Northland Regional Council	–	23,284
Northland Stevedoring Services UJV		
Services provided to Northport Ltd	–	61,574
Northland Regional Council		
Services provided to Marsden Maritime Holdings Ltd	38,255	17,472
Services provided to Northport Ltd	124,879	132,477
Services provided to North Tugz Ltd	–	83
Services provided to North Port Coolstores Ltd	–	549
Marsden Cove Canals Management Ltd		
Levies charged to Marsden Maritime Holdings Ltd	122,614	–
North Port Coolstores Ltd		
Services provided by Marsden Maritime Holdings Ltd	–	5,000
Directors of Marsden Maritime Holdings Ltd		
Services provided to Marsden Maritime Holdings Ltd	194,245	190,408
Services provided to Northport Ltd	40,000	34,167
Services provided to Northland Regional Council	–	16,906

Note 33

BUSINESS COMBINATION

On 1 July 2014 the Company acquired the assets of the Marsden Cove Marina and adjoining commercial complex. The transaction covered freehold title to a 6.2 hectare area comprising a 4.5 hectare marina and 1.7 hectares of land and infrastructure adjacent to the Company's existing land holdings at Marsden Point.

Refer to segmental reporting (Note 29) for information regarding the financial performance of the marina complex subsequent to acquisition.

Consideration transferred	
Cash	6,925,968
Total Consideration transferred	**6,925,968**
Fair Value of Identifiable Assets and Liabilities acquired	
Marina and Commercial Complex (classified as investment property)	6,893,500
Plant and Equipment	38,000
Employee Liabilities	(5,532)
	6,925,968

Notes to the Financial Statements

For the Year Ended 30 June 2015

Note 34

NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The Group applied, for the first time, certain standards and amendments that require additional disclosures in the financial statements. Several other amendments apply for the first time in 2015. However, they do not impact the annual financial statements of the Group.
The nature and the impact of each new standard is described below:

RECENT NZ IFRS PRONOUNCEMENTS ISSUED BUT NOT YET EFFECTIVE

The Group has not applied the following NZ IFRSs and NZ IAS's that have been issued but are not yet effective:

	* Application Date of Standard	* Application Date for Group
NZ IFRS 5, NZ IFRS 7, NZ IAS 19, NZ IAS 34 Annual Improvements to NZ IFRSs 2012-14 Cycle	1-Jan-16	1-Jul-16
NZ IFRS 10, NZ IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1-Jan-16	1-Jul-16
NZ IFRS 10, NZ IFRS 12, NZ IAS 28 Investment Entities: Applying the Consolidation Exception	1-Jan-16	1-Jul-16
NZ IFRS 11 Accounting for Acquisitions in Joint Operations	1-Jan-16	1-Jul-16
NZ IAS 1 Disclosure Initiative	1-Jan-16	1-Jul-16
NZ IAS 16 and NZ IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation	1-Jan-16	1-Jul-16
NZ IFRS 15 Revenue from Contracts with Customers †	1-Jan-17	1-Jul-17
NZ IFRS 9 Financial Instruments	1-Jan-18	1-Jul-18

* designates the beginning of the applicable annual reporting period

† The International Accounting Standards Board in its July 2015 meeting decided to confirm its proposal to defer the effective date of IFRS 15 (the international equivalent of NZ IFRS 15) from 1 January 2017 to 1 January 2018. The amendment to IFRS 15 to give effect to this deferral is expected to be issued in September 2015. At this time, it is expected that the NZASB will make a corresponding amendment to NZ IFRS 15, which will mean that the application date of this standard for the Group and the Company will move from 1 July 2017 to 1 July 2018.

The Group expects that adoption of the pronouncements listed above will not have a material impact on the Group's financial statements in the period of initial application, other than by way of additional disclosure. All other standards that have been issued but are not yet effective do not apply to the activities of the Group.

Note 35

CONTINGENT LIABILITIES

At Balance Date the Group was aware of the following Contingent Liabilities: (June 2014 - $301,395)

- To the Bank of New Zealand for a $75,000 (June 2014 - $75,000) Bond given by them to the New Zealand Stock Exchange.
- To the Whangarei District Council in respect of postponed land rates on Company owned farmland in accordance with the Council's previous postponed rates policy - $200,898 (June 2014 - $226,935). This amount becomes payable immediately if the said land ceases to be farmland, is subdivided or is sold.

Note 36

CAPITAL COMMITMENTS

Commitments for capital expenditure at 30 June 2015 amounted to Nil (June 2014 - Nil). The Group's share of committed capital expenditure in respect of its Joint Venture interests amounted to $471,940 as at 30 June 2015 (June 2014 - $810,961).

Note 37

SUBSEQUENT EVENTS

Joint Venture company Northport declared a fully imputed ordinary dividend of $22,069 per share with payment to be made 28 August 2015.

Subsequent to balance date, the Board of Marsden Maritime Holdings Ltd declared a fully imputed ordinary dividend of 6.75 cents per share with payment to be made 18 September 2015.

Since balance date the Company has finalised an agreement to lease with a large international commodity trader for an area situated on the Company's industrial subdivision. Under the terms of the lease the Company will construct a bulk storage warehouse for the tenant costing approximately $3,000,000.

Analysis of Shareholdings

Top 20 Shareholders as at 31 July 2015	NO. OF SHARES	PERCENTAGE
1. Northland Regional Council	22,142,907	53.614%
2. Ports of Auckland Ltd	8,218,829	19.900%
3. MFL Mutual Fund Ltd – a/c NZCSD	1,320,442	3.197%
4. Michael Walter Daniel & Nigel Geoffrey Ledgard Burton & Michael Murray Benjamin	1,060,050	2.567%
5. Accident Compensation Corporation – a/c NZCSD	713,213	1.727%
6. M A Janssen Ltd	430,833	1.043%
7. Masfen Securities Ltd	283,906	0.687%
8. Citibank Nominees (New Zealand) Ltd – a/c NZCSD	226,455	0.548%
9. Fraser Bloomfield Hardie & James William Bloomfield Hardie & Pamela Joan Hardie	205,000	0.496%
10. National Nominees New Zealand Ltd – a/c NZCSD	179,543	0.435%
11. BT NZ Unit Trust Nominees Ltd – a/c NZCSD	176,607	0.428%
12. Kenneth James Titford	160,000	0.387%
13. Lynn Landmark Zingel	159,182	0.385%
14. FNZ Custodians Ltd	117,612	0.285%
15. Howard Cedric Zingel	107,928	0.261%
16. Jonathan Brian Michell	100,000	0.242%
17. Kennedy Westland Garland	94,433	0.229%
18. JB Were (NZ) Nominees Ltd	80,000	0.194%
19. Bryan Douglas Robertson & Susan Lynette Robertson	75,195	0.182%
20. Matthew Charles Goodson & Dianna Dawn Perron & Goodson & Perron Independent Trustee Ltd	72,210	0.175%

Substantial Security Holders

The Company has 41,300,651 issued voting securities. Northland Regional Council and Ports of Auckland Ltd are substantial security holders having a relevant interest which is the same as their registered shareholding.

HOLDING SIZE	NUMBER OF SHAREHOLDERS		SHARES HELD	
1 - 999	318	24.05%	140,122	0.34%
1,000 - 4,999	660	49.92%	1,412,231	3.42%
5,000 - 9,999	171	12.93%	1,075,837	2.61%
10,000 - 99,999	157	11.89%	3,069,954	7.43%
100,000 and over	16	1.21%	35,602,507	86.20%
	1,322	100.00%	41,300,651	100.00%

DOMICILE	NUMBER OF SHAREHOLDERS		SHARES HELD	
Northland	409	30.94%	24,923,703	60.34%
Auckland	466	35.25%	13,061,785	31.63%
Balance of New Zealand	425	32.15%	2,882,703	6.98%
Overseas	22	1.66%	432,460	1.05%
	1,322	100.00%	41,300,651	100.00%

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Directory

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Banker
Bank of New Zealand

Solicitors
Jones Young
Webb Ross McNab Kilpatrick

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Directors
Sir John Goulter KNZM, JP (Chairman)
Mark Bogle
Peter Griffiths
Susan Huria
David Keys
Elena Trout

Management
Graham Wallace
Chief Executive
Telephone 09 432 5051 (Direct)

Gavin Carroll
Financial Controller
Telephone 09 432 5052 (Direct)

Managing your shareholding on-line:
To change your address, update your payment instructions and to view your investment portfolio including transactions, please visit:
www.computershare.co.nz/investorcentre

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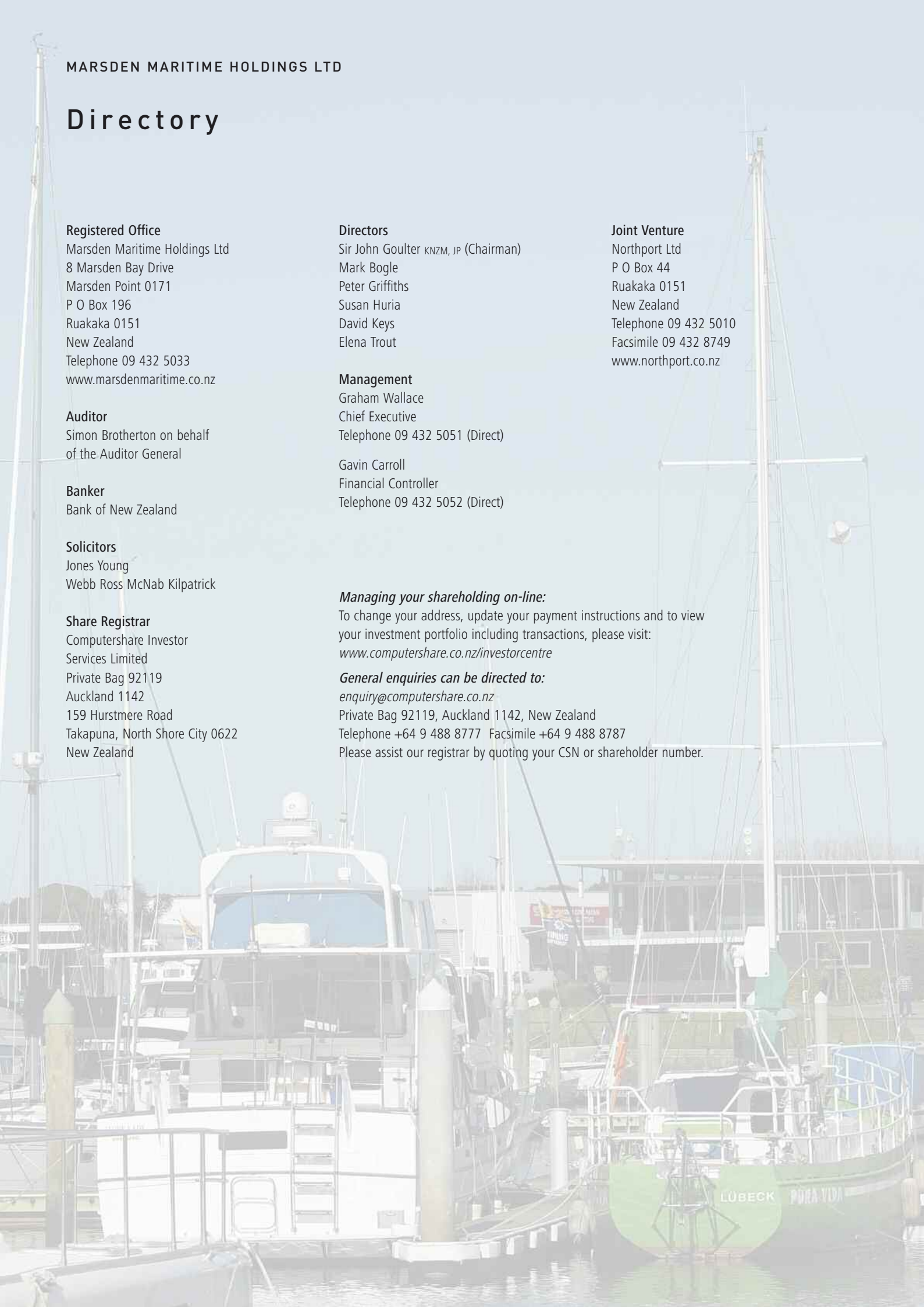

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