

Whitby Corporation Limited

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 - Newsletter 20 July 2016

Address of Secretary:
Mr R Hudson
Pocock Hudson Limited
PO Box 10 788
WELLINGTON 6143

Whitby Corporation Letter head

Directors Report

Dear shareholders

As advised previously, as result of the repeal of the Special Partnership Act Silverwood Land Partnership has restructured into a Limited Liability Partnership named Silverwood Land 2015 Limited Partnership (SLP). It has applied to the FMA (Financial Marketing Authority) for a exemptions from the requirements of Managed Investment Scheme (MIS). SLP is currently awaiting approval.

This will save SLP significant costs in the years to come.

Once this has been completed a SLP unit split will be sought to enable Silverwood Land 2015 Limited Partnership to split its units and thus provide units individually to Whitby Corporation Ltd shareholders on a pro rata basis.

It is expected to proceed next year and at which time a liquidator will be appointed to Whitby Corporation to complete the wind up of the company.

WCL Shareholders have received 3 capital distributions in the year ending September 2016

The SLP Joint Venture with Carrus Corporation is winding up as all sections have been sold, it will take a further eighteen months to tidy up payments and contractual arrangements before the final pay-out will be received by SLP.

Negotiations with Transit and Porirua City Council are continuing over our claims from the land taken for Transmission Gully

Remaining Lots will be sold

I have included a sheet showing the payments to shareholders since 2010 to enable you to assess your returns on your investment to date

There is also an accompanying sheet seeking contacts for missing shareholders

A final inspection of the Lots will be made prior to the AGM

We look forward to seeing you at the AGM on the 9th

Tony Loveday

For Directors Whitby Corporation

Whitby Corporation Limited

Notice of Annual General Meeting

Notice is hereby given that the thirtieth Annual General Meeting of Whitby Corporation Limited shareholders will be held at the Petone Baptist Centre, 38 Buick Street, Petone on Friday 9th December 2016 to commence at 5.00pm.

- Business:
1. To receive and consider the Annual Report and Financial Statements for the year ended 30 September 2016.
 2. To affirm the appointment of Mr T Bartlett as Auditor.
 3. Appointment of directors. (Mr Tiedemann retires by rotation and seeks re-election)
 4. Approval of directors fees
 5. Relationship with Silverwood Land Partnership
 6. To transact any other business which may be properly transacted at the meeting.

By order of the Board of Directors

R B HUDSON
SECRETARY

WELLINGTON

Proxy: All Shareholders are entitled to attend and vote at the meeting but if they are unable to attend, they may appoint a proxy to attend and vote on their behalf. The holder of a proxy need not be a Shareholder of the Company.

A Proxy form is included with this Notice and must be completed and delivered to the Secretary no later than 48 hours before this meeting.

If you are not going to attend the meeting, the directors recommend that you appoint a proxy on your behalf. In previous years, there has been difficulty in attaining a quorum of shareholders at the annual general meeting and the inclusion of your proxy will assist in attaining the necessary quorum.

Directors: Nominations for individuals seeking election as director must be received in writing by the Secretary no later than 48 hours before this meeting.

Note: The directors have indicated they wish to take all interested shareholders on a tour of the development site prior to the Annual General Meeting.
If you are interested, there are instructions and map attached with details of the proposed visit.

Note commencement time of 5.00 pm for Annual General Meeting.

FORM OF PROXY

TO: WHITBY CORPORATION LIMITED
PO BOX 10-788
WELLINGTON 6143

I/WE _____ of _____ being a
member/members of the above named Company hereby appoint _____
_____ of _____ as my/our Proxy, to
vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on
9 December 2016 and at any adjournment thereof.

SIGNED this _____ day of _____ 2016

SIGNATURE

PLEASE NOTE: A proxy need not be a member of the Company. This Proxy to be of use must be signed and forwarded to the registered address of the Company so as to be received not later than 48 hours before the commencement of the meeting.

FOR OFFICE USE

DATE AND TIME RECEIVED _____

NO. OF SHARES HELD _____

Dear Shareholders

We have organised a visit for all interested shareholders to view the development at Whitby before we commence the AGM.

You are all welcome and it will give you a chance to see the size and progress made to date.

It is essential that you arrive on time to walk over the site.

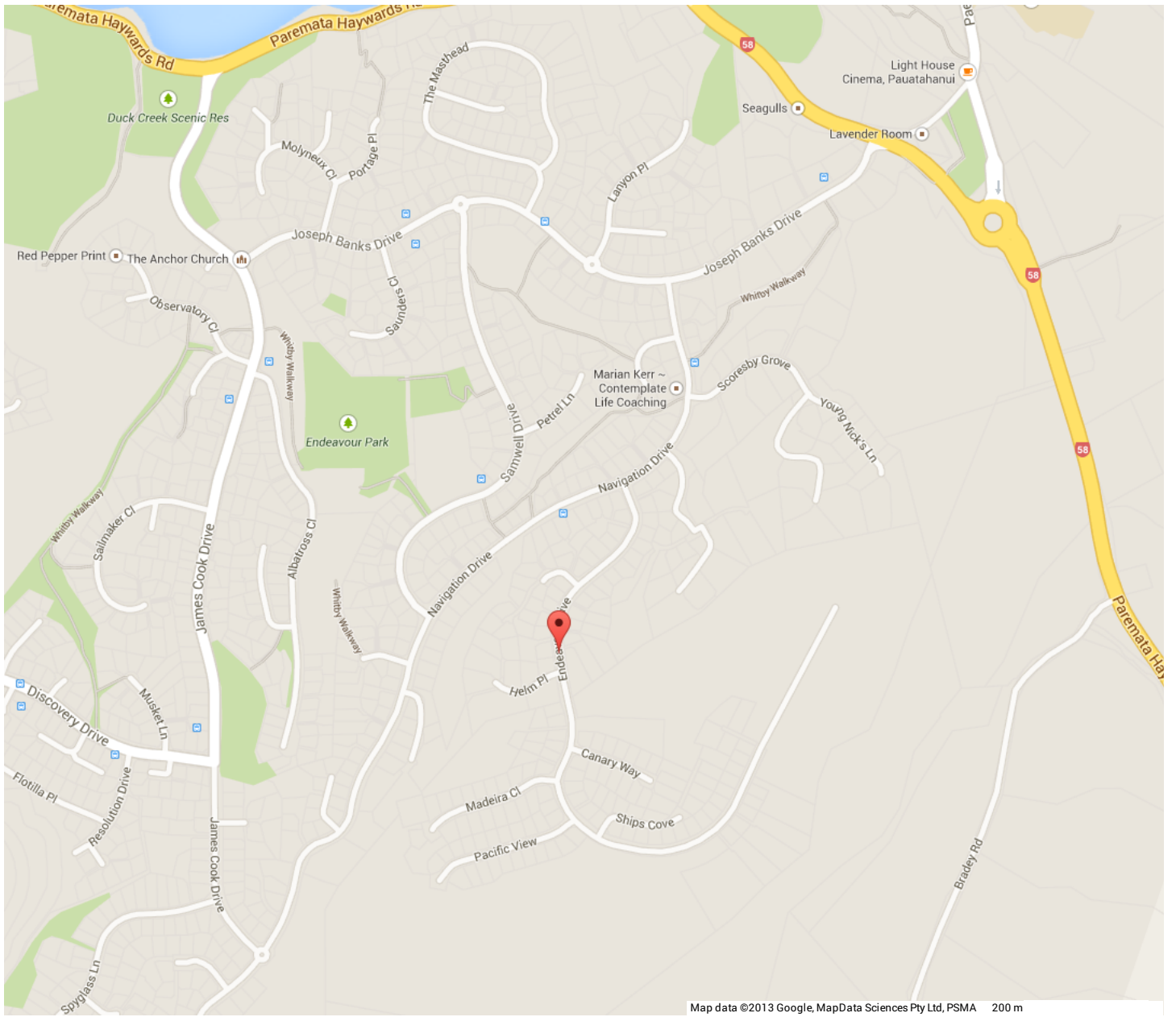
It is proposed to meet at the Sales Office at Silverwood at 3.00 pm for a talk and we will commence a walk over the property shortly after.

If you are coming from the Hutt Valley you will go on state Highway 58 from Haywards to Judgeford roundabout. Continue left through the round about, past the historic cottage and then turn left into Joseph Banks drive and left again into Navigation Drive. Endeavour Drive is 2nd or 3rd left off Navigation and there is a large house with a built up wall on the corner.

Continue up the hill up to sales office and to the development.

If you have problems phone me on 0272247297.

Tony Loveday
Director



Whitby Corporation Limited

Minutes of the Annual General Meeting of Whitby Corporation Limited held on 11 December 2015 at the Baptist Church, Buick Street, Petone commencing 5.00pm.

The Chairman (Mr A S Loveday) opened the meeting of the company by welcoming all shareholders to the meeting.

Directors in attendance: Mr A.S.Loveday, Mr P.Tiedemann, Mr R.Hudson (Secretary)

Apologies: Apologies were received from Mr I Moore, Ms S Jonas and Mrs S Sturman

Proxies: The Secretary read the proxies

Silverwood Land Partnership:

Mr Tiedemann addressed the meeting on the progress of the development. The directors had visited the site prior to the meeting with interested shareholders.

Mr Tiedemann provided an overview of the development work at the subdivision. Key issues he covered were as follows:

- Negotiations were being continued with the Porirua City Council and NZTA around distributions as compensation for land taken for Transmission Gully. Mr Tiedemann was confident that a payment would be received before the end of 2015 by way of compensation.
- The development was proceeding well. Lot 2 now has 26 units to sell. For Lot 3 resource consent plans for the subdivision were being drafted and it was intended that the blocks would be sold as large units to developers
- Mr Tiedemann commented it was expected that regular distributions should be expected from Silverwood Land Partnership to Whitby and these distributions would capital receipts not taxable receipts.

Financial Statements/Directors Report:

The Chairman tabled the Financial Statements and Directors Report for the year ended 30 September 2015. He asked the Secretary to review the statements with the meeting

The Secretary reviewed the financial statements and noted that the company was in a sound financial position. In a response to a query from the floor the Secretary explained that the value of the investment in Silverwood Land Partnership was calculated using the net tangible assets as presented in the 2015 financial statements for that partnership with adjustment for any distributions made by the partnership subsequent to year end. The secretary also noted that there were still a few unrepresented dividend cheques from the dividend paid during the year.

The Chairman then put to the meeting that the financial statements be approved.

Seconded: Mr T Wall

Passed

Directors:

Mr Loveday advised the meeting that he was required to stand for re-election by rotation. The Secretary confirmed there were no other nominations for director. Mr Loveday passed the chair to Mr Tiedemann who in the absence of any other nominations proposed that Mr Loveday be re-elected for a two year period

Seconded: Mr P Wright

Passed

Mr Loveday resumed as chair and requested that the directors' fees be approved at the following amounts:

- Mr Loveday \$6,300 plus GST (no increase)
- Mr Tiedemann \$4,000 plus GST (an increase of \$1,000)

As in previous years the fees would be paid to companies associated with the directors. Mr Loveday did inform the meeting that there would be additional fees paid to these companies in the next financial year because of additional work undertaken relating the restructuring of the company

Moved: Mr A Loveday

Seconded: Mr P Bould

Passed

Auditor:

The Chairman proposed that Mr Terry Bartlett be reappointed as auditor

Seconded: Mr P Bould

Passed

**Minutes of
Previous Meeting:**

The Chairman apologised for not having reviewed the minutes earlier in the meeting. He then reviewed the minutes from the previous meeting

A shareholder addressed the meeting about the lack of notice being given to shareholders about the timing of the AGM particularly for those shareholders travelling from out of town. He noted this had been an issue for a number of years. The directors were understanding of his position and have provisionally set 9 December 2016 as the date for the next AGM

There were no other matters arising.

The Chairman proposed that the minutes be accepted.

Seconded: Mr J Austad

Passed

General Business

The Secretary advised the meeting that the Company was wishing to communicate with shareholders by email and pay distributions direct to bank accounts rather than by cheque. To that end he urged all shareholders to provide email addresses and bank account details as soon as possible

There being no other business the Chairman then closed the meeting and suggested a short break before the commencement of the Special General Meeting.

Whitby Corporation Limited

Minutes of a Special General Meeting of Whitby Corporation Limited held on 11 December 2015 at the Baptist Church, Buick Street, Petone commencing at about 5.40pm.

The Chairman (Mr A S Loveday) opened the meeting. Mr Loveday informed the meeting that the directors considered that an independent Chairman should chair the meeting. Mr Loveday requested that Mr Malcolm Johnson, an experienced company director and chairman, (acting solely on behalf of Whitby Corporation Limited) be appointed to chair the meeting.

There was no objection from the meeting on this matter and Mr Loveday vacated the chair in favour of Mr Johnston

Directors in attendance: Mr M Johnson (acting Chairman only), Mr A.S.Loveday, Mr P.Tiedemann, Mr R.Hudson (Secretary)

Apologies: Apologies were received from Ms S Jonas, Mr I Moore and Mrs S Sturman

Quorum: The Chairman asked the Secretary to confirm that the meeting had a quorum. The Secretary confirmed the combination of valid proxies and shareholders in attendance resulted in more than 75 per cent of shareholders being represented at the meeting and therefore the meeting had a quorum.

Resolution The Chairman being satisfied that there was a quorum put the following resolution to the meeting

we the shareholders of Whitby Corporation Limited resolve to commence liquidation of the Company and carry out all necessary steps to have the company removed from the Companies Register, including to cease business, pay all creditors, distribute surplus and appoint a Liquidator

The Chairman then asked the meeting for comment on the resolution. A number of shareholders raised queries or requested clarification on matters associated with the resolution. This was provided. Mr Loveday explained to the meeting that extensive legal and taxation advice had been taken prior to the resolution being tabled.

The Chairman then put the resolution to the meeting for passing

Seconded: Mr J Austad

The resolution was passed unanimously.

There being no other business the Chairman then closed the meeting at about 6.00pm.

Whitby Corporation Limited
Financial Statements
For the year ended 30 September 2016

Whitby Corporation Limited

Financial Statements

For the year ended 30 September 2016

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Whitby Corporation Limited

Company Directory

As at 30 September 2016

Nature of Business	Investment
Registered Office	Level 7, 44 Victoria Street Wellington
Directors	A (Tony) Loveday Peter Tiedemann
Accountants	Pocock Hudson Limited Wellington
Bankers	ANZ Wellington
Auditors	Terence Bartlett Chartered Accountants Lower Hutt

Whitby Corporation Limited

Statement of Financial Position

As at 30 September 2016

	Note	2016 \$	2015 \$
Current Assets			
Cash & Cash Equivalents	4	110,655	224,898
Tax Refundable	3	9,326	1,154
		<u>119,981</u>	<u>226,052</u>
Investments			
Silverwood Land Partnership	5	2,684,472	4,329,809
		<u>2,684,472</u>	<u>4,329,809</u>
Total Assets		2,804,453	4,555,861
Current Liabilities			
Accounts Payable	6	30,469	7,929
		<u>30,469</u>	<u>7,929</u>
Total Liabilities		30,469	7,929
Net Assets		<u>\$2,773,984</u>	<u>\$4,547,932</u>
Shareholders Funds			
Equity	12a	483,567	483,567
Capital Reserves	12c	3,126,543	4,818,011
Accumulated Losses	12b	(836,126)	(753,646)
Total Shareholders' Funds		<u>\$2,773,984</u>	<u>\$4,547,932</u>

..... Director Date

..... Director Date

The accompanying notes form part of these financial statements.

Whitby Corporation Limited

Statement of Comprehensive Income For the year ended 30 September 2016

	Note	2016 \$	2015 \$
Revenue		<u>-</u>	<u>-</u>
Operating expenses	2	<u>(83,365)</u>	<u>(26,052)</u>
Operating Loss		(83,365)	(26,052)
Finance income		1,551	2,345
Finance costs		<u>(666)</u>	<u>(369)</u>
Loss before income tax		(82,480)	(24,076)
Income tax (expense) benefit	3	<u>-</u>	<u>-</u>
Net Loss for the period		<u>(82,480)</u>	<u>(24,076)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total Comprehensive Income		<u>(82,480)</u>	<u>(24,076)</u>

The accompanying notes form part of these financial statements.

Whitby Corporation Limited

Statement of Changes in Equity

As at 30 September 2016

	Note	Share Capital	Capital Reserves	Retained Earnings	Total
Balance as at 1 October 2015		483,567	4,818,011	(753,646)	\$4,547,932
Movements for period		-	(16,448)	(82,480)	(\$98,928)
Total comprehensive income for the year		-	(16,448)	(82,480)	(\$98,928)
Capital distributions to shareholders*	9	-	(1,675,020)	-	(1,675,020)
Balance as at 30 September 2016	12	\$483,567	\$3,126,543	(\$836,126)	\$2,773,984

* No Resident Withholding Tax was deducted from payments made during the year ended 31 September 2016

		Share Capital	Capital Reserves	Retained Earnings	Total
Balance as at 1 October 2014		483,567	4,017,868	(729,570)	\$3,771,865
Movements for period		-	1,060,143	(24,076)	\$1,036,067
Total comprehensive income for the year		-	1,060,143	(24,076)	\$1,036,067
Share Repurchases		-	-	-	-
Dividends Paid*		-	(260,000)	-	(260,000)
Balance as at 30 September 2015	12	\$483,567	\$4,818,011	(\$753,646)	\$4,547,932

* Including Resident Withholding Tax of \$85,800 paid on 18 May 2015

Whitby Corporation Limited

Statement of Cash Flows

For the year ended 30 September 2016

Operating Cash Flows	Note	2016	2015
Cash was provided from:		\$	\$
Taxation Refunds		1,154	4,785
Cash was applied to:			
Payments to Suppliers		(82,214)	(29,956)
Interest Paid		(63)	(88)
Resident Withholding Tax on Interest		(271)	(410)
Net operating cash inflows (outflows)	10	<u>(81,394)</u>	<u>(25,669)</u>
Investing Cash Flows			
Cash was provided from:			
Capital Distributions from Silverwood Forest Partnership			
Received 22 December 2015		655,000	-
Received 16 March 2016		544,960	-
Received 4 August 2016		314,400	-
Received 26 August 2016		104,800	-
Received 7 April 2015		-	209,600
Received 4 September 2015		-	183,400
Interest Received		1,551	2,345
Net investing cash inflows (outflows)		<u>1,620,711</u>	<u>395,345</u>
Financing Cash Flows			
Cash was applied to:			
Cash Distributions to Shareholders		(1,653,560)	-
Dividends Paid		-	(166,314)
RWT on Dividends		-	(85,800)
Net Cash flow from Financing Activities		<u>(1,653,560)</u>	<u>(252,114)</u>
Net increase (decrease) in cash		(114,243)	117,562
Add: Cash at start of year		224,898	107,336
Ending Cash Carried Forward		<u>110,655</u>	<u>224,898</u>
Ending Cash Carried Forward consists of:			
Bank Funds		110,655	224,898
		<u>110,655</u>	<u>224,898</u>

The accompanying notes form part of these financial statements.

Whitby Corporation Limited

Notes to the Financial Statements

For the year ended 30 September 2016

1 Statement of Accounting Policies

Reporting Entity

Whitby Corporation Limited is a company registered under the Companies Act 1993.

The financial statements of Whitby Corporation Limited are general purpose financial statements that have been prepared in accordance with generally accepted accounting practice and in accordance with the reporting requirements of the Financial Reporting Act 2013.

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP), adopting the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and its interpretations as appropriate for profit-oriented entities.

General Accounting Policies

The general accounting policies recommended by the New Zealand Institute of Chartered Accountants for the measurement and reporting of results and financial position on an historical cost basis are followed by the Company. Accrual accounting is used in preparation of these financial statements and reliance is placed on the fact that the Company is a going concern.

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in the previous year.

The company is domiciled in New Zealand and the reporting currency is New Zealand dollars.

(a) Goods and Services Tax

These accounts have been prepared inclusive of GST as Whitby Corporation Limited is not registered for GST.

Whitby Corporation Limited

Notes to the Financial Statements (continued)

For the year ended 30 September 2016

(b) **Trade and Other Payables**

Trade and other payables are stated at cost and are inclusive of GST.

(c) **Expenses**

All costs are expensed when the related services have been rendered.

(d) **Taxation**

Taxation is calculated on a taxes payable method.

(e) **Statement of Cash Flows**

The following are definition of the terms in the Statement of Cash Flows:

Cash is considered to be cash on hand, current accounts in banks and other highly liquid investments in which the company invests as part of its day to day cash management. Cash includes borrowings from financial institutions, such as bank overdrafts, where such borrowings are at call and are used as part of the day to day cash management.

Investing activities are those activities relating to the acquisition, holding and disposal of investments. Investments can include securities not falling within the definition of cash.

Financing activities are those activities which result in changes in the size and composition of the capital structure. This includes both equity and debt not falling within the definition of cash. Dividends paid in relation to the capital structure are included in financing activities. Returns of capital to shareholders are also included in financing activities.

Operating activities include all transactions and other events that are not financing or investing activities.

Whitby Corporation Limited

Notes to the Financial Statements (continued)

For the year ended 30 September 2016

(f) **Financial Instruments**

Financial instruments are recognised in the balance sheet when the company becomes party to a financial contract. They include cash balances, receivables, payables, investments in and loans to others, and term borrowings.

(i) **Receivables and payables**

Receivables and payables are initially recorded at fair value. Due allowance is made for impaired receivables (doubtful debts). Except for a few customers with extended credit terms, the resulting carrying amount for receivables is not materially different from estimated realisable value.

(ii) **Borrowings**

Borrowings are initially recorded at fair value net of transaction costs incurred.

Borrowing costs that are directly attributable to the acquisition, construction, or production of assets that necessarily take a long time to build and/or prepare for use form part of the cost of that asset. Other borrowing costs are recognised as an expense in the period they are incurred.

All financial assets are classified as loans and receivables.

Liabilities classified as financial liabilities are measured at cost.

The fair value of all financial instruments is considered to be equivalent to their carrying value.

Whitby Corporation Limited

Notes to the Financial Statements (continued)

For the year ended 30 September 2016

2	Operating Expenses	2016	2015
		\$	\$
	Audit Fees	2,415	2,415
	Accounting Fees	6,900	6,900
	Legal Fees	10,948	-
	Management Fees	13,685	12,535
	Postage, Printing & Stationery	1,681	2,425
	Professional Fees	47,117	-
	Other Expenses	619	1,777
		<u>83,365</u>	<u>26,052</u>

Professional fees includes expenses relating to the restructuring of the company, tax consultancy and distributions made to shareholders during the year.

3	Income Tax Expense	2016	2015
		\$	\$
	Operating loss before taxation	(82,480)	(24,076)
	Add: Silverwood Forest Profit/(Loss)	-	-
	Add: Silverwood Land Profit/(Loss)	(103,259)	(138,163)
	Add: Non Deductible Expenses	243	249
	Tax Losses Brought Forward	(2,728,500)	(2,566,510)
	Tax Losses to Carry Forward (See Note 7)	<u>(2,913,996)</u>	<u>(2,728,500)</u>
	Prima facie income tax @ 28%	-	-

Income Tax Refundable	2016	2015
RWT Received	9,326	1,154
Tax to be Refunded	<u>9,326</u>	<u>1,154</u>

4	Cash & Cash Equivalents	2016	2015
		\$	\$
	ANZ	110,655	224,898
		<u>110,655</u>	<u>224,898</u>

The accompanying notes form part of these financial statements.

Whitby Corporation Limited

Notes to the Financial Statements (continued)

For the year ended 30 September 2016

5 Investments

Silverwood Land Partnership

30th September 2016 **Cost**

524 Partnership Units of \$1,550.67 each (Average Unit Cost) **\$812,550**

	31 March Value	Percentage of Total Capital
524 Partnership Units of \$5,123.04 each*	\$2,684,472	50.00

* Represents unit value based on the audited financial statements of Silverwood Land Partnership as prepared in respect of the year ended 31 March 2016.

30th September 2015 **Cost**

524 Partnership Units of \$1,550.67 each (Average Unit Cost) **\$812,550**

	31 March Value	Percentage of Total Capital
524 Partnership Units of \$8,612.99 each*	\$4,513,209	50.00

* Represents unit value based on the audited financial statements of Silverwood Land Partnership as prepared in respect of the year ended 31 March 2015.

	Current Value	Percentage of Total Capital
524 Partnership Units of \$8,262.99 each**	\$4,329,809	50.00

** Represents unit value based on the audited financial statements of Silverwood Land Partnership as prepared in respect of the year ended 31 March 2015 less the repayment of Capital received from Silverwood Land Partnership on 4 September 2015.

Whitby Corporation Limited

Notes to the Financial Statements (continued)

For the year ended 30 September 2016

6	Accounts Payable	2016	2015
		\$	\$
	Accrued expenses	1,798	44
	Shareholder distributions held	28,671	7,887
		<hr/>	<hr/>
		30,469	7,931
		<hr/> <hr/>	<hr/> <hr/>

7 Accumulated Losses and Future Income Offsets

The amount held in this account represents the accumulated accounting losses of the Company and does not equate to assessed tax losses.

Assessed tax losses available to be carried forward and offset against future income, subject to the issue of an assessment, are in the order of \$2,913,996 (2015: \$2,728,500 assessed) as shown in Note 3 of these notes to the accounts.

No future benefit has been taken up in these statements for tax losses available.

8 Related Parties

Whitby Corporation Limited paid management fees to Tiedemann & Partners, an entity associated with P Tiedemann, totalling \$9,559 including GST (2015: \$5,290 including GST). Management and secretarial fees were also paid to Valley Management Services Limited and CityStop Limited, companies associated with A S Loveday, totalling \$26,030 including GST (2015: \$7,245 including GST). These payments are inclusive of GST as the Company is not registered for GST purposes.

No related party debts have been written off or forgiven during the year.

All related party transactions were performed on an arm's length basis.

Whitby Corporation Limited

Notes to the Financial Statements (continued)

For the year ended 30 September 2016

9 Distributions to Shareholders

The shareholders by resolution passed at a Special General Meeting held on 11 December 2015 resolved to commence the liquidation of the company. Pursuant to that resolution the company made the following capital distributions to shareholders:

December 2015	\$790,850
March 2016	\$494,281
August 2016	\$389,889
	<hr/>
	\$1,675,020
	<hr/> <hr/>

No Resident Withholding Tax was deducted from these payments.

10 Financial Instruments

The Company has the following recognized financial assets and financial liabilities:

Cash
Investments
Accounts Payable

The fair value of the above financial assets and financial liabilities are equivalent to the carrying amounts in the Statement of Financial Position.

Credit Risk

The Financial instrument which potentially subjects the Company to credit risk is cash. The maximum exposure to credit risk is the carrying value of ANZ Bank NZ Ltd cash as presented in the Statement of Financial Position.

11 Reconciliation of net profit after tax with net cash flows from operating activities

	2016	2015
	\$	\$
Net Surplus (Loss) after taxation	(82,480)	(24,076)
Sundry Income not received in cash	-	-
Interest Received	(1,551)	(2,345)
(Decrease)/Increase in Prepaid Tax	883	4,375
(Decrease)/Increase in Accounts Payable	1,754	(3,623)
	<hr/>	<hr/>
	1,086	(1,593)
	<hr/>	<hr/>
Net Cash Flows from Operating Activities	(\$81,394)	(\$25,669)
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

Whitby Corporation Limited

Notes to the Financial Statements (continued)

For the year ended 30 September 2016

12 Shareholders' Equity

(a) Capital

	2016	2015
	\$	\$
Issued Capital	483,567	483,567
Total Issued and Paid up Capital	<u>483,567</u>	<u>483,567</u>

Opening Number of Shares	1,977,124	1,977,124
Total Issued Number of Shares	<u>1,977,124</u>	<u>1,977,124</u>

(b) Retained Earnings

Accumulated Losses opening balance	(753,646)	(729,570)
Net Profit after Tax	(82,480)	(24,076)
Accumulated Losses closing balance	<u>(836,126)</u>	<u>(753,646)</u>

(c) Reserves

Share Premium Reserve	-	-
Asset Revaluation Reserve	4,674,712	4,691,160
Capital Reserve	126,851	386,851
Dividends Paid	-	(260,000)
Capital Returned	(1,675,020)	-
Total Capital Reserves	<u>3,126,543</u>	<u>4,818,011</u>

13 Decision to Liquidate the Company

At the Special General Meeting held on 11th December 2015, shareholders resolved to commence liquidation of the Company. As at 30 September 2016, no liquidator had been appointed as the Company was awaiting professional advice to Silverwood Land 2015 Limited Partnership, regarding approval for a share split. This would enable the partnership to distribute units to Whitby Corporation Shareholders.

Once decisions have been reached as regards to the future of Silverwood Land 2015 Limited Partnership, the resolution of the Special General Meeting held in December 2015 can be put in to effect.

Whitby Corporation Limited

Shareholder Distributions and Returns

To 30 September 2016

	Per Share	Paid
2011 Share Repurchase		
Share repurchase undertaken in November 2010	\$0.55	\$ 381,222.72
Up to 743,046 Shares to be repurchased		
Repurchase price was 55c per share		
Not all shareholders returned acceptances/GNA		
693,739 Shares repurchased		
2013 Share Repurchase		
Share repurchase undertaken in June/July 2013	\$2.00	\$ 602,642.00
Up to 325,000 Shares to be repurchased		
Repurchase price was \$2.00 per share		
Not all shareholders returned acceptances/GNA		
301,321 Shares repurchased		
2015 Dividend		
Dividend declared and paid April 2015	\$0.1315	\$ 174,200.00
Gross Dividend of \$260,000		
Net Payment to Shareholders \$174,200		
Dividend per share 13.15c		
RWT Paid \$85,800		
2016 Capital Distributions		
Three Capital Distributions were made in 2016	\$0.40	\$ 790,849.60
December 2015 at 40c per share		
Being \$790,849.60 Overall		
March 2016 at 25c per share	\$0.25	\$ 494,281.00
Being \$494,281 Overall		
August 2016 at 19.72c per share	\$0.1972	\$ 389,888.91
Being \$389,888.91 Overall		
	<u>\$3.53</u>	<u>\$ 2,833,084.23</u>
Original Cost Price of Shares	\$ 0.50	

Missing Shareholders in Whitby Corporation

I have been trying to locate missing shareholders or the relatives of deceased shareholders

It is important to make every endeavour to locate them prior to winding up the company

They are:

Denise Anne Veal

Ian Roy Simpson (deceased)

Anthony Robert Lee

Richard Hennes

Edward Martyn Clifford (deceased)

Brett carpenter

I would be grateful if any shareholders know the current addresses or contact numbers of either the missing shareholders or the deceased shareholders relatives to contact me on

tony@citystop.co.nz or phone me on 0272247297

Regards

Tony Loveday

Whitby Corporation

NEWSLETTER

20 July 2016

AGM: The directors invite all Silverwood partners to attend the Annual General Meeting of Silverwood Land 2015 Limited Partnership (SLP) which will be held on *Tuesday 23rd of August 2016 at 'The Community of Saint Luke'* 130 Remuera Road, Remuera, AUCKLAND

Please reply to the Proxy Email to be emailed next week.

Please email a reply to the Proxy Email if you are unable to attend the meeting.

1. The completed Proxy is needed to ensure we have a quorum of registered partners present. The proxy is to register your attendance only, not voting rights.
2. Payment of the YE 2016 \$800 p/u Distribution starts this week. If you wish to make changes to the information we hold about your registration as Silverwood partner and unit holder kindly email me on pect@xtra.co.nz asap

VISIT: Please join us for afternoon tea at 3.00pm Tuesday the 23rd of August to chat with other partners and your directors before we start the AGM at 3.30pm. Whitby Corporation Ltd (WCL) shareholders are welcome to attend but have no voting rights. (Note: SLP and WCL invite unit and shareholders to their respective AGMs, (SLP in Auckland, WCL in Wellington) as SLP is WCL's only investment and as WCL owns 50% of SLP and they have two directors in common.)

DISTRIBUTIONS: Our 1990 prospectus had an emphasis on forest and its potential returns. Whilst Silverwood Forest Partnership returns were positive, it cannot be said that they were great. Little was said about the Silverwood Land Partnership but we are hopeful to make this the pearl of your investments, (see note 13 on page 20 of the SLP 2016 Financial Statements), you paid \$1,550 p/u, we distributed \$5,427 p/u That is 3.5 times what you paid and with more to come.

Distr #	Date	\$ TOTAL	\$ per unit
7	Mar 2016 – due for payment in July 2016	838,400	800
6	Mar 2016 – paid	1,089,920	1,040
5	Dec 2015 – paid	1,310,000	1,250
4	Sep 2015 – paid	366,800	350
3	Apr 2015 – paid	419,200	400
2	Jul 2013 - paid	1,100,400	1,050
1	Jul 2010 - paid	524,000	500
	RWT distribution to 31 March 2015	20,764	20
	RWT distribution 31 March 2016	18,113	17
TOTAL Distributed to partners		\$5,687,597	\$5,427 p/u

ANNUAL ACCOUNTS: The 2016 audited accounts for the Land Partnership has been posted on www.silverwood.co.nz. KPMG Tauranga completed the 2016 audit and directors are satisfied the changes in equity fairly represent SLP value. The 2016 Tax Letter has been placed on our website. The Proxy Email and this Newsletter will be forwarded to you by email on about the 23rd of July 2016, after which it will also appear on our website,

SLP as at: (1048 units)	Year 31/3	Equity \$ Mill	Distributions P/u\$	Accum\$	Total Equity \$M + Distr to '16	Land* \$M	Profit+ \$(000)	Tax Letter \$ p/unit
	2005*	\$2.5	\$0	\$0	\$ 2.5M	\$4.7	+\$ 727	
	2006*	\$4.8	\$0	\$0	\$ 4.8	\$5.2	+\$ 299	-\$ 158.28
	2007*	\$4.9	\$0	\$0	\$ 4.9	\$5.4	+\$ 100	-\$ 127.09
	2008	\$4.9	\$0	\$0	\$ 4.9	\$5.5	-\$ 70	-\$ 66.46
	2009*	\$4.0	\$0	\$0	\$ 4.0	\$5.3	+\$ 861	-\$ 117.37
	2010	\$2.9	\$0	\$0	\$ 2.9	\$4.8	-\$1,091	-\$1,745.54
	2011*	\$8.7	\$500	\$0,524	\$ 9.3	\$4.8	+\$6,359	-\$ 39.71
	2012	\$9.1	\$0	\$0,524	\$ 9.7	\$4.8	+\$ 388	+\$ 370.40
	2013*	\$8.5	\$0	\$0,524	\$ 9.0	\$3.8	-\$1,041	-\$ 160.37
	2014	\$7.3	\$1050	\$1,624	\$ 8.9	\$3.2	-\$0,068	-\$ 107.22
	2015*	\$9.0	\$420	\$2,043	\$11.1M	\$5.5**	+\$2,120	-\$ 263.67
	2016	\$5.4	\$3457	\$5,688	\$11.1M	\$3.5	-\$ 34	-\$ 197.06

*years of land revaluation

**valuation exceeds land cost applied in FS

NOTES:

- Land stocks are valued at the lower of cost or valuation; costs tend to be lower to valuations in years past.
- In July 2010 New Zealand Transport Authority (NZTA) paid SLP for its Land Take \$8,156,250 incl GST.
- In 2015/16 land has been taken from SLP for Transmission Gully Motorway and related Feeder Roads and a total of \$775,000 advanced compensation has been received. This falls well short of what SLP considers fair value. SLP has therefore engaged highly experienced and respected consultants who estimate fair value to be around \$8.3M.
- In 2016 Land Stock is assessed at \$1.9M less compared with 2015. This is firstly due to land taken by NZTA and PCC (2016 cost of \$1.7M) and, secondly, by section sales on Lot2 (2016 cost of \$0.2M). Whilst the JV produced a profit in 2016 this was offset by a slightly larger 2016 loss in SLP mainly due to the cost of land stock taken by NZTA and PCC in 2016 being higher than the 2016 advanced compensation received from NZTA and PCC. We expect that a future settlement will reverse this loss.
- New land titles have been issued and, subject to negotiations with NZTA and PCC, SLP will progress to re-establishing physical access to our various Lots:
 - Lot1(S): Little can be done with this title until 2020/21 as the Waitangirua Link Road land taken by PCC effectively blocks access in the meantime.
 - Lot 2: all but 1 of the 194 sections have been sold and the JV will formally close on the 30th of September 2016. Thereafter, for about eighteen months to two years, SLP will receive its share of deferred section payments after deduction of associated maintenance costs and these receipts will form part of distributions to partners.
 - Lot 3: With boundaries and access defined we have set up a team of local experts to take Lot3 through a resource consent application, and, on completion, place it on the market with a Resource Consent in place.



- d. Lot 4: Access to Lot 4 via Navigation Drive is being built by Todd over their land, and is expected to be in place coming summer, A resource consent application is now well underway and this therefore is the most likely Lot to be offered for sale first, followed by Lot 3 above.
- e. Lot 5: was sold to and formed part off the NZTA 2010 compensation
- f. Lot 6 (N): This lot is adjacent to Lot 4 and plans are in place to also do a resource consent plan for this land once the gas pipe changes and the Waitangirua Link Road have been completed. These delays mean SLP has to wait until 2020/21.
- g. Lot 6 (S): This Lot is adjacent to Lot 1(S) and also has to wait until 2020/21 before we can make progress.

OTHER:

- The 2016 TAX LETTER is on the website.
- **PLEASE email your reply to the 2016 Proxy email** unless you intend to attend the AGM
- Since the 2012 AGM resolution, *'Lost Unit Holders' tracing costs can be deducted from outstanding distributions.* It is the responsibility of the partner / Unit Holder to advise changes of email address, bank account details etc. SLP exclusively uses direct credits and email.
- The Annual Financial Statements, Tax Letter and other up-dates continue to be posted on our website.
- We will also inform you on our website when we receive clarity re the new FMA requirements that become effective later in 2016. Current proposals include horrendous costs for SLP partners for further controls. Current annual costs of statutory supervision, compulsory valuation, audit and reviews are in the order of \$50Kpa. The lowest FMA suggestion doubles this. Real added value to partners is being questioned by your directors and current negotiations with the FMA may evolve into exemptions to part, or all, of these costs. We will keep you informed.
- Partners regularly ask the question 'when will we propose to wind the partnership up?' The answer includes a discussion around value and designations. In 1995 Transit placed the Transmission Gully Motorway (TGM) designation right across our land. Discussions to acquire designated land started in 2003 and the first settlement was reached in 2010. The second NZTA designation and the first PCC designation followed the 2012/13 consents to proceed with the TGM build. Parts of our land were taken in 2014/5. Physically this splits our land in blocks without access and, to receive fair value for you, we not only have to negotiate to receive fair value for land taken, but we also have to negotiate to regain title to the balance of land left and access to the new Lots created by these designations. We also have to wait for NZTA & PCC to build their new roads and physically create new accesses into our various blocks to re-establish a reasonable value. I cannot see us winding up your partnership until after 2021, when, on current announcements, the TGM will become operational, our land will have regained access and therefore can be sold at a fair price to a developer.
- Our website has some pages under development.

If you have suggestions and/or questions kindly email me at pect@xtra.co.nz

Kind Regards,
Peter Tiedemann
Executive Director