

Form 2

Annual Return and Certificate of Registered Docu

[Sections 13(2) and 16, Retirement Villages Act 2003]



10059651701

Ph 0800 268 269

Part One: Retirement Village Details

Name of village: **Alpine View**

Registration number of village: **2047014** Balance date: **31 March 2010**

Telephone number for village: **03 383 2294** Fax number for village: **03 383 6183**
(optional)

Street address of village: **10 Alpine View Lane
Christchurch**

Address of registered office of village: **10 Alpine View Lane
Christchurch**
[This address must be a physical address in New Zealand and must not be a post office box or private bag address].

Address for service of village: **10 Alpine View Lane
Christchurch**
[This address must be a physical address in New Zealand and must not be a post office box or private bag address].

Postal address of village: **PO Box 27126
Christchurch**

Email address for village: **alpine@tra.co.nz**

Number of units in the village: Not more than 34 units 35-84 units At least 85 units

Part Two: Operator Details

Where there is more than one operator, continue on a separate sheet if necessary and attach all pages to this Annual Return.

Number of operators: **1**

Name of operator: **O'Dowd Bryenton Partnership**

Company or other registration number (if any):

Nature of operator: **Partnership- Simon & Jeremy O'Dowd and Kenneth Bryenton**
[e.g. company, natural person]

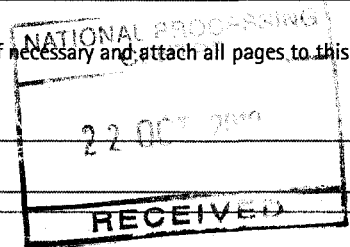
Address of registered office of operator: **10 Alpine View Lane
Christchurch**
[This address must be a physical address in New Zealand and must not be a post office box or private bag address]

Address for service of operator: **10 Alpine View Lane
Christchurch**
[This address must be a physical address in New Zealand and must not be a post office box or private bag address]

Postal address of operator to which communications from the Registrar may be sent: **PO Box 27126
Christchurch**

Email address of operator:

Telephone number of operator: **03 383 2294** Fax number of operator: **03 383 6183**
(optional)



Form 2 | Annual Return and Certificate of Registered Documents [continued]

Name of village: Registration number of village:

Part Three: Certificate of registered documents and annual return

I,
[insert name of operator]

certify that for:

[insert name of the retirement village] the details contained in this Annual Return are correct as at:

And that:

 each registered document is correct, current, and not likely to mislead or deceive any resident, intending resident, or the public. documents to update the registered information are attached to the Annual Return form. (Form 3 – Change of circumstances must be completed for material changes).Signed: Dated: Name of signatory:

Contact Details of Person Completing this Form:

Name:
Simon O'Dowd
Address:
PO Box 27126
ChristchurchEmail address:
alpine@xtra.co.nz
Telephone number:
03 383 2295
Fax number [optional]:
03 383 6183

Form 2 | Annual Return and Certificate of Registered Documents

123

Your checklist for completing this application

Use this checklist to ensure you have included all of the information required which will speed up registration. Include this completed checklist when submitting your Annual Return.

Name of village: Registration number of village: **Have you completed?**

Parts One, Two and Three and signed the form (attaching extra pages if applicable)

Have you attached?

A copy of the audited financial statements that comply with the Financial Reporting Act 1993; and

The documents supporting any information on the register that has changed

A copy of the Statutory Supervisor's certification [where applicable]

The correct fee must be paid. If you have:

- 0-34 units – the prescribed fee is NZ\$460
- 35-84 units – the prescribed fee is NZ\$1,543.55
- More than 85 units – the prescribed fee is NZ\$3,935.55

**Important information**

Note that if the information supplied in this form requires any changes to be made to the information registered on any computer register held by LINZ (Land Information New Zealand), there will be a fee for such change. The Registrar will notify you of the amount of any such fee.

Payment

Cheque Cheque number Bank
Please make cheques payable to Ministry of Economic Development

Direct Debit MED User ID Ref:

Credit Card Credit Card No. Expiry /

Credit card type: Mastercard Visa Diners American Express

Name (as it appears on your card)

.....
Signature

20 October 2010

The Registrar of Retirement Villages
c/o Companies Office
Ministry of Economic Development
PO Box 5771
Wellesley Street
Auckland 1036

Report of Statutory Supervisor in respect of Alpine View (the Village)

We confirm that we act as statutory supervisor of the Village.

The terms of our appointment as statutory supervisor are recorded in a Deed of Supervision with the operator of the Village, being O'Dowd Bryenton Partnership (Operator), dated 9 October 2007 and the Retirement Villages Act 2003 (Act).

This report accompanies the Operator's 2010 annual return (Annual Return) and has been prepared by us in accordance with sections 13(3) (c) and 42(c) of the Act for the period the subject of the Annual Return only.

In terms of section 13(3) (c) of the Act, we certify that:

1. The Operator has supplied to us a copy of the Operator's audited financial statements for the year ended 31 March 2010, being statements that we believe comply with the Financial Reporting Act 1993. The financial statements of the Operator are the financial statements of the Village.
2. The information contained in the Annual Return is, to the best of our knowledge and belief, accurate.

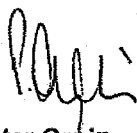
In terms of section 42(c) of the Act, we report as follows:

1. We have at all times performed our duties and discharged our obligations as statutory supervisor of the Village. In particular, we have:
 - (a) provided and maintained a stakeholder facility for all resident moneys and this facility has been subject to external audit;
 - (b) monitored the financial position of the Village;
 - (c) reported to the residents on the performance of our duties and the exercise of our powers;

- (d) discharged all other duties imposed on us by the Act, the regulations made under the Act and the Deed of Supervision.
2. The Operator has complied with all covenants, in particular all financial obligations and reporting requirements, contained in the Deed of Supervision.
 3. We have reviewed all scheduled reports from the Operator for the year ended 31 March 2010.
 4. All occupation right agreements issued or terminated during the year ended 31 March 2010 were dealt with in accordance with the relevant provisions of the Act and Deed of Supervision.
 5. We have not exercised any of the powers conferred on us as statutory supervisor of the Village pursuant to section 43 of the Act.

Our certification and report have been provided on the basis that, subject to the duties imposed on us as statutory supervisor of the Village by the Act, the regulations made under the Act and the Deed of Supervision, we have relied on the information, explanations and confirmations supplied to us by the Operator and the auditor of the Village and have not carried out an independent check of the same.

Yours faithfully
Covenant Trustee Services Limited



Peter Orpin
Solicitor

O'DOWD & BRYENTON PARTNERSHIP
Property Investment

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

CONTENTS	PAGE
Audit Report	2
Directory	3
Statement of Comprehensive Income	4
Statement of Changes in Equity	5
Statement of Financial Position	6
Statement of Cash Flows	7
Notes to the Financial Statements..	8/20

**AUDIT REPORT
TO THE PARTNERS OF THE O'DOWD AND BRYENTON PARTNERSHIP**

We have audited the attached financial report. The financial report provides information about the past financial performance and financial position of the partnership as at 31 March 2010. This information is stated in accordance with the accounting policies set out in the notes to the financial statements.

Partners' Responsibilities

The Partners are responsible for the preparation of a financial report which gives a true and fair view of the financial position of the partnership as at 31 March 2010 and of the results of operations and cash flows for the year ended 31 March 2010.

Auditors' Responsibilities

It is our responsibility to express an independent opinion on the financial report presented by the Partners and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Partners in the preparation of the financial report, and
- whether the accounting policies are appropriate to the partnership's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in our capacity as auditors we have no relationship with or interests in the partnership.

Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion:

- proper accounting records have been kept by the partnership as far as appears from our examination of those records; and
- the attached financial report
 - complies with generally accepted accounting practice in New Zealand;
 - complies with New Zealand Equivalents to International Financial Reporting Standards;
 - gives a true and fair view of the financial position of the partnership as at 31 March 2010 and the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 30 September 2010 and our unqualified opinion is expressed as at that date.

PKF Goldsmith Fox Audit

CHRISTCHURCH

O'DOWD & BRYENTON PARTNERSHIP
Property Investment**DIRECTORY**

NATURE OF BUSINESS	Retirement Village Ownership
BUSINESS LOCATION	10 Alpine View Lane Burwood Christchurch
PARTNERS	Kenneth Bryenton Jeremy O'Dowd Simon O'Dowd
SOLICITORS	Cavell Leitch Law Christchurch
BANKERS	ASB Bank Limited
AUDITORS	PKF Goldsmith Fox Audit
IRD NUMBER	060-948-860
RETIREMENT VILLAGE REGISTRATION NUMBER	2047014

O'DOWD & BRYENTON PARTNERSHIP
Property Investment**STATEMENT OF COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 31 MARCH 2010

	NOTE	2010 \$	2009 \$
Operating Revenue	2	308,698	294,723
Fair Value Movement of Investment Property	7	<u>389,428</u>	<u>452,639</u>
TOTAL GROSS INCOME		698,126	747,362
Operating Expenses	3	<u>80,755</u>	<u>76,386</u>
OPERATING PROFIT		617,371	670,976
Finance Costs	4	25,163	31,393
PROFIT FOR THE YEAR		<u>592,208</u>	<u>639,583</u>
TOTAL COMPREHENSIVE INCOME		<u>592,208</u>	<u>639,583</u>

**O'DOWD & BRYENTON PARTNERSHIP
Property Investment****STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 \$	2009 \$
TOTAL COMPREHENSIVE INCOME	592,208	639,583
DISTRIBUTION TO PARTNERS DURING THE YEAR	(263,029)	(282,270)
EQUITY AT THE BEGINNING OF THE YEAR	3,449,231	3,091,918
EQUITY AT THE END OF THE YEAR	<u>3,778,410</u>	<u>3,449,231</u>

O'DOWD & BRYENTON PARTNERSHIP

Property Investment


STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2010

	NOTE	2010 \$	2009 \$
CURRENT ASSETS			
Cash & Cash Equivalents	5	-	4,788
Trade & Other Receivables	6	-	217
		-	<u>5,005</u>
CURRENT LIABILITIES			
Cash & Cash Equivalents	5	8,530	-
Trade & Other Payables	8	5,867	7,170
Related Party Loans	11	484,183	414,245
Occupation Right Agreements	10	927,666	760,648
Income Received in Advance	10	31,195	14,034
Maintenance Fund Reserve	9	5,649	4,678
		<u>1,463,090</u>	<u>1,200,775</u>
WORKING CAPITAL		(1,463,090)	(1,195,770)
NON-CURRENT ASSETS			
Investment Property	7	5,241,500	4,645,000
NET ASSETS		<u>3,778,410</u>	<u>3,449,230</u>
REPRESENTED BY:		3,778,410	3,449,230
PARTNERS CURRENT ACCOUNTS		<u>3,778,410</u>	<u>3,449,230</u>


Signed:



 Partner: Kenneth Bryenton



 Partner: Jeremy O'Dowd



 Partner: Simon O'Dowd

Date: 30 September 2010

O'DOWD & BRYENTON PARTNERSHIP

Property Investment

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2010

	NOTE	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
Service Fee Income		17,509	17,392
Commencement Fees		11,500	13,750
GST		770	118
Sundry Income		6,168	3,523
		35,947	34,783
Cash was disbursed to:			
Payments to Suppliers		82,611	86,687
Interest Paid		450	1,137
		(83,061)	(87,824)
NET CASH FLOWS FROM OPERATING ACTIVITIES		(47,114)	(53,041)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was disbursed to:			
Purchase of Investment Property (1 unit)		207,072	217,414
Purchase of Plant & Equipment		-	22,946
NET CASH FLOWS FROM INVESTING ACTIVITIES		(207,072)	(240,360)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was provided from:			
Related Party Loans		21,396	28,656
Partners Advances		-	108
Occupation Right Agreements		218,500	261,250
Maintenance Reserve Fund		972	512
NET CASH FLOWS FROM FINANCING ACTIVITIES		240,868	290,526
Net Increase (Decrease) In Cash Held		(13,318)	(2,875)
Cash at the beginning of the year		4,789	7,664
CASH AT THE END OF THE YEAR	5	(8,529)	4,789

This Statement has been audited and should be read in conjunction with the Audit Report and Notes to the Financial Statements.

O'DOWD & BRYENTON PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010****1. STATEMENT OF ACCOUNTING POLICIES****(a) Reporting entity**

These are the financial statements of O'Dowd & Bryenton Partnership. The Issuer is a partnership resident in New Zealand and these statements have been prepared in accordance with the reporting requirements of Section 11 of the Financial Reporting Act 1993.

The information is presented in New Zealand dollars and rounded to the nearest \$.

The financial statements are for the partnership only. No other entity or group has been included in the compilation of these accounts.

The financial statements for the year ended 31 March 2010 were authorised for issue in accordance with a resolution of the partners on 30 September 2010.

(b) Measurement Base

These financial statements of O'Dowd & Bryenton Partnership have been prepared in accordance with generally accepted accounting practice in New Zealand and also comply with International Financial Reporting Standards. For this purpose the partnership has designated itself as profit-oriented.

The financial statements of O'Dowd & Bryenton Partnership have been prepared on an historical cost basis, except as noted otherwise below in relation to revaluation of investment property which is at fair value.

(c) Critical Estimates & Judgments

In preparing this financial report the partners were required to make estimates and assumptions. These estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The partnership makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the related actual results. The effect of estimation on these financial statements is greatest in the revaluation of the investment property. The partners have therefore obtained independent valuations carried out in compliance with the professional standards of the NZ Institute of Valuers by experienced valuers as detailed in Note 7. Nevertheless, any valuation carries a degree of uncertainty and the amounts may be large.

(d) Statement of Compliance

The financial report complies with New Zealand Accounting Standards which include New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

O'DOWD & BRYENTON PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010****(e) Revenue**

Income is recognised when the service has been provided by the partnership to the client.

Residents with Occupation Right Agreements pay a total service fee of \$65 per week. This is comprised of a Body Corporate Levy of \$33.85 and a Rates and Insurance reimbursement of \$31.15.

Residents with unit titles pay a Body Corporate Levy of \$33.85 per week.

A portion of the Body Corporate Levy is transferred monthly to a Maintenance reserve. (See Note 9) This portion is not included as Partnership Income.

The remainder of the Body Corporate Levy is shown as Village Services Income.

Residents are charged for additional services on an invoice basis by Alpine View Care Centre Limited at the time of rendering the service. This is not included as Partnership income.

Occupation Right Agreements Amortisation:

Amortisation has been recognised on a straight line basis over the period of tenure.

The Partners estimate that the average period of occupancy for Units is six years, based on historical results.

Commencement Fees are recognized at the time of commencement of occupancy.

(f) Consumables

Purchases of supplies are expensed in the period they are incurred.

(g) Repairs and Maintenance

Repairs and maintenance costs are accounted for in the period they are incurred.

(h) Cash Flow Statement

Definitions of the terms used in the cash flow statement:

"Cash" includes cash on hand, demand deposits, and other highly liquid investments readily convertible into cash and includes all call borrowings such as bank overdrafts used by the company as part of its day-to-day cash management.

"Investing Activities" are those activities relating to the acquisition and disposal of investment property and any other non-current assets.

"Financing Activities" are those activities relating to changes in the equity and debt capital structure of the partnership and those activities relating to the cost of servicing the partnership's equity capital.

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

O'DOWD & BRYENTON PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010****(i) Investment Properties**

The partnership divides its investment properties into the following two classes - Land and Buildings. Investment properties are initially recorded at cost, then revalued in accordance with NZ IAS 40: Investment Properties.

Investment property has been revalued on an annual basis under the revaluation model and is shown at fair value as determined by an independent valuer. Any revaluation movement is shown in the Statement of Comprehensive Income for the year of that valuation as income or expense.

Investment Properties are not depreciated for accounting purposes.

(j) Impairment**Non-financial assets**

Assets other than investment properties are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If the estimated recoverable amount of an asset is less than its carrying amount, the asset is written down to its estimated recoverable amount and an impairment loss is recognised in the Statement of Comprehensive Income unless the asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Any reversal of the impairment loss is recognised as income immediately unless the asset is carried at fair value in which case it would be treated as a revaluation increase.

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of estimated future cash flows. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value.

All impairment losses are recognised in the Statement of Comprehensive Income. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. This reversal is recognised in the Statement of Comprehensive Income.

(k) Goods & Services Tax

The Statement of Comprehensive Income and Statement of Cashflows have been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of account receivables and payables.

(l) Finance Costs

Finance costs that are directly attributable to the acquisition, construction or production of an asset shall be capitalised as part of the cost of the asset. All other finance costs shall be recognised as an expense in the period in which they are incurred.

O'DOWD & BRYENTON PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010****(m) Income Tax**

There is no income tax payable by the partnership as profits or losses are returned in the Partner's tax returns.

(n) Financial Instruments

Financial instruments comprise accounts receivable, cash and cash equivalents, refundable occupation right agreements, related party advances and other financial liabilities. Non-derivate financial instruments are recognised initially at fair value plus any directly attributable transaction costs.

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Partnership becomes party to the contractual provisions of the instrument. Financial assets are derecognised if the Partnership's contractual rights to the cash flows from the financial assets expire or if the Partnership transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Partnership's obligations specified in the contract expire, are discharged or are cancelled.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, cash in banks and on demand deposits and includes all call borrowings such as bank overdrafts used by the company as part of its day-to-day cash management.

Trade and other receivables

Trade receivables are measured at amortised cost less any impairment. This is equivalent to fair value being the receivable face (or nominal) value, less appropriate allowances for estimated irrecoverable amounts (which are recognised in the Statement of Comprehensive Income when there is objective evidence that the receivable is impaired).

Occupation Right Agreements

Occupation Agreements confer to residents that right of occupancy of the retirement village unit for life, or until the resident terminates the agreement.

Amounts payable under Occupation Agreements ("occupancy advances") are non interest bearing and recorded as a liability in the balance sheet, net of the expired portion of the non-refundable amount. The resident occupancy advance is initially recognised at fair value and subsequently at amortised cost. As the resident may terminate their occupancy with limited notice, and the occupancy advance is not interest bearing, it has demand features and is therefore carried at face value, which is the refundable portion of the original advance received (plus any unexpired portion of the non-refundable amount). The advance is repayable following both termination of the Occupation Agreement and settlement of a new occupancy advance for the same retirement village unit.

Trade and other payables

Trade and other payables are measured at amortised cost, due to their short term nature they are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition, due to their short term nature their carrying value is assumed to approximate their fair value.

O'DOWD & BRYENTON PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010****Interest Bearing Related Party Borrowing**

All borrowings (Note 11) are initially recognised at cost, being the fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. Gains or losses are recognised in the Statement of Comprehensive Income when liabilities are derecognised as well as through the amortisation process.

Borrowings are classified as current liabilities unless the Partnership has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Fair Value Estimation

The estimated fair values of the Partnership's financial instruments are considered to be materially the same as their carrying amounts as disclosed in the Statement of Financial Position.

(o) Changes in Accounting Policies

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

(p) Comparative Figures

The comparative figures shown are for the year ended 31 March 2009.

(q) Adoption of new and revised Standards and Interpretations

The following new accounting standard has impacted current year disclosures and accounting policies in the financial statements:

NZIAS 1 - Presentation of Financial Statements (Revised 2007)

The revised standard requires the presentation of all recognised income and expenses in one statement (a statement of comprehensive income) or in two statements (an income statement and a statement of comprehensive income), separately from owner changes in equity. This has introduced terminology changes (including revised titles for the financial statements) and changes in format and content of the financial statements. There is no affect on the recognition or measurement of any balances within the financial statements.

The following new and revised standards have had no impact on current year disclosures.

NZ IAS 40 - Investment Property

The revised standard requires investment property work in progress to be recorded with investment property at fair value. The partnership has no investment property work in progress

NZIFRS 8 - Operating Segments.

The standard requires disclosure about products and services, geographical areas and major customers. The Partnership only operates under one segment.

The partnership is not aware of any standard in issue but not yet effective which would materially impact the amounts recognized or disclosed in the financial statements.

O'DOWD & BRYENTON PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010****2. OPERATING REVENUE**

	2010	2009
	\$	\$
Service Fees	17,509	17,392
Recoveries	6,168	3,523
	<u>23,677</u>	<u>20,915</u>
Occupation Right Agreements Amortisation	34,321	20,858
Commencement Fees	11,500	13,750
Rent Received	239,200	239,200
	<u>285,021</u>	<u>273,808</u>
Total Operating Revenue	<u>308,698</u>	<u>294,723</u>

3. OPERATING EXPENSES

	2010	2009
	\$	\$
Audit Fees	4,134	5,687
Management Fees	17,028	17,028
Repairs & Maintenance	16,775	16,134
Other Operating Expenses	42,818	37,537
Total Operating Expenses	<u>80,755</u>	<u>76,386</u>

4. FINANCE COSTS

	2010	2009
	\$	\$
Interest -Related Parties	24,713	30,256
Interest - ASB Bank	450	1,137
	<u>25,163</u>	<u>31,393</u>

5. CASH & CASH EQUIVALENTS

	2010	2009
	\$	\$
Westpac	-	10
ASB Bank -00	(14,433)	52
ASB Bank -02	37	37
ASB Bank -04	216	11
ASB Bank -05	5,650	4,678
	<u>(8,530)</u>	<u>4,788</u>

O'DOWD & BRYENTON PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

6. TRADE & OTHER RECEIVABLES

	2010	2009
	\$	\$
Goods & Services Tax	-	217
	-	217
	-	217

7. INVESTMENT PROPERTY

	Freehold Land at Fair Value	Buildings at Fair Value	Total
Balance at 1 April 2008	600,000	3,352,000	3,952,000
Additions	75,000	165,360	240,360
Net Revaluation Increase	555,000	(102,360)	452,640
Balance at 31 March 2009	1,230,000	3,415,000	4,645,000
Additions	75,000	132,072	207,072
Net Revaluation Increase	35,000	354,428	389,428
Balance at 31 March 2010	1,340,000	3,901,500	5,241,500

The valuation of Land & Buildings is as follows:

Date of Valuation: 17 May 2010(as at 31 March 2010)

Amount of Valuation: \$5,241,500

Name and Qualifications of Valuer: CBRE Richard Ellis
C Barraclough
Registered Valuer
B.Com, FPINZ, FNZIV

	Care Facility	Unit Values	Total
Land	900,000	440,000	1,340,000
Improvements	2,250,000	841,500	3,091,500
Value of Interest in Future Cashflows			
Future Cashflows	-	810,000	810,000
	3,150,000	2,091,500	5,241,500

The valuation was prepared by an independent valuer in accordance with NZIAS 40, and includes the management interest in the complex and the combined interest of the licensor and licensees in the Occupation Right for the 13 Independent Units and 47 Rest home Beds. The valuation also includes community facilities. The valuer adopted a discounted cashflow rate of 13% for the Rest Home.

O'DOWD & BRYENTON PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

The valuation was supported by market evidence and also used a discounted cashflow approach, a resident status report and terms of the Occupation Right Agreements. Significant assumptions used by the valuer include adopting a discounted cashflow rate of 14.0%

The Rest home complex is currently leased to Alpine View Care Centre Ltd. Of the 13 Independent Units -9 are on unit titles and 4 are subject to Occupation Rights agreements.

All assets are located at 10 Alpine View Lane, Burwood, Christchurch
The land on which these are situated has an overall area of 1.0971 hectares.

8. TRADE & OTHER PAYABLES

	2010	2009
	\$	\$
Accounts Payable Trade	5,314	7,170
Goods & Services Tax	553	-
	<u>5,867</u>	<u>7,170</u>

The terms for trade payables are payment by 20th of the following month and are interest free

9. MAINTENANCE FUND RESERVE

(See Note 1(e))

	2010	2009
	\$	\$
Fees Received	5,400	5,400
Less Expenses		
Bank Charges	6	12
Repairs & Maintenance	<u>4,423</u>	<u>4,876</u>
	<u>4,429</u>	<u>4,888</u>
Surplus for Period	971	512
Opening Balance	4,678	4,166
Balance of Fund at 31 March 2010	<u>5,649</u>	<u>4,678</u>
Represented by ASB Bank 05 account	<u>5,649</u>	<u>4,678</u>

The Village has a fund for repairs & maintenance, refurbishment (other than units vacated) and capital replacement work associated with the Village and its facilities

10. OCCUPATION RIGHT AGREEMENTS

As at 31 March 2010, there were four Occupation Right Agreements in place (three 2009). The amount owed by O'Dowd & Bryenton Partnership to the holders of these agreements was \$958,861 (\$774,682 31.3.09). As per the terms of the Occupation Right Agreement documentation, the repayment of the amount owed by O'Dowd & Bryenton Partnership to any individual holder is dependent on the sale of that licence to a new holder.

In accordance with Occupation Right Agreements issued, the licence fee in respect of individual agreement to occupy is calculated at 5% per annum (or part thereof) for four years, to a maximum of 20% plus commencement fees of 5%.

O'DOWD & BRYENTON PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

The total amount owed to license holders as shown in the financial statement will differ from that owing to individuals, according to their period of tenancy. For revenue recognition purposes the fee is amortised over a period greater than the indicated four years on the Occupation Right Agreement. Per Financial Statements - \$958,861. Per Agreements - \$927,666

As at 31 March 2010, there were no unissued licences (no unissued licences 31.3.09).

Occupation Right Agreements are not registrable interests in land but the amount paid by a holder is secured by way of an encumbrance in favour of the Statutory Supervisor and is registered as a first charge on the land and buildings.

11. RELATED PARTIES

The partnership has received advances from Alpine View Care Centre Limited, Alpine View Lifestyle Village Ltd and Boden House Ltd. The advances are repayable on demand and are unsecured, Interest is charged at quarterly rates set by the Inland Revenue. The partners are directors and shareholders of the above companies.

The partnership pays management fees to Alpine View Care Centre Home Limited in its capacity as manager of the day-to-day operations relating to the villas. These management fees are \$17,028 as stated in the Disclosure Statement. O'Dowd & Bryenton Partnership receives an annual rental from Alpine Care Centre Limited for the use of the resthome complex.

	2010	2009
Sums Owing:	\$	\$
Boden House House Ltd	58,222	54,508
Alpine View Care Centre Ltd	411,971	338,653
Alpine View Lifestyle Village Ltd	13,990	21,084
	<u>484,183</u>	<u>414,245</u>
Interest Paid:		
Boden House House Ltd	3,714	5,162
Alpine View Lifestyle Village Ltd	516	6,613
Alpine View Care Centre Ltd	20,483	18,481
	<u>24,713</u>	<u>30,256</u>
Management Fee Paid:		
Alpine View Care Centre Ltd	<u>17,028</u>	<u>17,028</u>
Rent Received		
Alpine View Care Centre Ltd	<u>239,200</u>	<u>239,200</u>

O'DOWD & BRYENTON PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010****12. SECURED LIABILITIES**

- a) The Statutory Supervisor holds a Memorandum of Encumbrance over the underlying land forming the Village, securing certain funds due to the Residents under the Occupation Right Agreements.
- b) ASB Bank Ltd has a General Security Deed (All Obligations) over all advances made to the Partnership.

Liability at balance date: \$14,433 (2009: Nil)

The O'Dowd & Bryenton Partnership is a Guarantor for the borrowing by Alpine View Lifestyle Village Ltd from ASB Bank Ltd. The security provided by the O'Dowd & Bryenton Partnership to ASB Bank Ltd is as follows:

A registered all obligations mortgage over all property situated at Unit 4, 10 Alpine View Lane, Burwood, Christchurch described as Title CB42A/1179;

A registered all obligations mortgage over all property situated at Unit 5, 10 Alpine View Lane, Burwood, Christchurch described as Title CB41C/1120;

A registered all obligations mortgage over all property situated at Unit 2, 10 Alpine View Lane, Burwood, Christchurch described as Title CB41C/1119;

A registered all obligations mortgage over all property situated at Unit 10, 10 Alpine View Lane, Burwood, Christchurch described as Title CB45D/877;

A registered all obligations mortgage over all property situated at Alpine View Care Centre, 10 Alpine View Lane, Burwood, Christchurch described as Title CB45D/940;

An all obligations General Security Deed over all the assets and undertakings of Simon O'Dowd, Jeremy O'Dowd and Kenneth Bryenton;

An unlimited cross guarantee and indemnity from Jeremy O'Dowd, Kenneth Bryenton, Simon O'Dowd (as partners in O'Dowd & Bryenton Partnership), Alpine View Lifestyle Village Ltd, Simon O'Dowd, Jeremy O'Dowd, Kenneth Bryenton, Alpine View Care Centre Ltd.

13. CAPITAL COMMITMENTS

At balance date the partnership had no capital commitments. (nil 31/3/09)

14. CONTINGENT ASSETS & LIABILITIES

The partnership is a guarantor for the borrowings by Alpine View Lifestyle Village Ltd. (See Note 12). Alpine View Lifestyle Village Ltd is the owner of a village development on land at 448 Prestons Road, Christchurch. (The guarantee was in place 31.3.09)

15. OPERATING SEGMENT

The partnership operates solely in the provision of services to the elderly through the ownership and management of the retirement village complex. There are four occupation right agreement Units, 9 Units on unit titles (13 independent living units), with a forty seven bed rest home leased to Alpine View Care Centre Ltd. All activities are carried out in Christchurch, New Zealand.

O'DOWD & BRYENTON PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

16. SIGNIFICANT EVENTS AFTER BALANCE DATE

In April 2010 the partnership sold the interest in the 13 independent living units to a related party – Alpine View Lifestyle Village Ltd. This consisted of the sale of the unit titles for 4 individual villas plus the interest in the occupation right agreements. The sale also included the benefit of the future cash flows of a further 9 individual villas.

The partnership has retained the rest home complex.

From the year commencing 1 April 2011 the partnership will cease to be an issuer.

17. FINANCIAL INSTRUMENTS RISKS

The partnership does not enter into any off balance financial instruments. All financial instruments are recognized in the financial statements.

	Loans & Receivables \$	Financial Liabilities At Amortised Cost \$	Total \$
As at 31 March 2010			
Assets			
Cash & Cash Equivalents	-		-
Trade Receivables	-		-
Total Financial Assets	-		-
Non Financial Assets			5,241,500
Total Assets			5,241,500
Liabilities			
Cash & Cash Equivalents		8,530	8,530
Trade & Other Payables		5,867	5,867
Interest Bearing Loans		484,183	484,183
Total Financial Liabilities		498,580	498,580
Non Financial Liabilities			964,511
Total Liabilities			1,463,091
As at 31 March 2009			
Assets			
Cash & Cash Equivalents	4,788		4,788
Trade Receivables	217		217
Total Financial Assets	5,005		5,005
Non Financial Assets			4,645,000
Total Assets			4,650,005
Liabilities			
Trade & Other Payables		7,170	7,170
Interest Bearing Loans		414,245	414,245
Total Financial Liabilities		421,415	421,415
Non Financial Liabilities			779,360
Total Liabilities			1,200,775

O'DOWD & BRYENTON PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

(a) **Credit Risk Management**

Financial instruments which potentially subject the partnership to credit risk consist of bank balances and accounts receivable.

The partnership generally does not require collateral. The partnership's maximum exposure to credit risk at balance date is the amount stated for these accounts in the Statement of Financial Position.

The partners consider the exposure to any concentration of credit risk to be minimal..

(b) **Interest Rate Risk**

The partnership is exposed to Interest Rate Risk in relation to the guarantee on borrowings from ASB Bank. (see Note 12)

(c) **Market Risk**

The partnership is primarily exposed to interest rate risk.

(d) **Currency Risk**

The partnership is not exposed to currency risk.

(e) **Liquidity Risk**

Liquidity Risk is the risk the partnership will not meet its financial obligations as they fall due.

The occupation right agreements are recorded as a current liability as there is no fixed period of occupancy for residents. Any resident can terminate their licence at any time. However, the company is protected from potential liquidity issues as existing license holders are not required to be paid out until the partnership has received proceeds from an incoming resident.

The following table details exposure to liquidity risk:

	Less than 1 Year	Greater than 1 Year	Total
2010			
Cash & Cash Equivalent	8,530		8,530
Accounts Payable	5,314		5,314
Occupation Right Agreements	154,611	773,055	927,666
Related Party Loans	484,183		484,183
	652,638	773,055	1,425,693
2009			
Accounts Payable	7,170	-	7,170
Occupation Right Agreements	126,775	633,873	760,648
Related Party Loans	414,245	-	414,245
	548,190	633,873	1,182,063

f) **Exceptional Operating Risk**

The Partnership does not have any exceptional operating risks. (2009 Nil)

O'DOWD & BRYENTON PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010****18. CREDIT FACILITIES**

See note 12-- secured liabilities.

At balance date, the partnership has no credit facility except for a bank overdraft. However, temporary finance can be made available to purchase units from any vacating unit title holders. The finance would then be repaid from the occupation rights deposit from the incoming resident.

19. FAIR VALUES

The estimated fair values of the partnership's financial instruments are considered to be materially the same as their carrying values as disclosed in the Statement of Financial Position.

20. CAPITAL RISK MANAGEMENT

The objective of the partnership's capital management is to ensure the partnership will be able to continue as a going concern. The capital structure consists of debt, cash, and cash equivalents and partners equity.

Capital management is the responsibility of the partners and is subject to capital requirements imposed through bank covenants agreed as part of the lending facility arrangements.