



Annual Report



Redwood Trust Incorporated
31 March 2012



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Trust Directory

Redwood Trust Incorporated For the year ended 31 March 2012

1. Date of Formation

18 August 1988

2. Trustees

Bob Penington
Craig Forsyth
Bruno Dalliesi

3. Nature of Business

To give donations to recognised charitable or amateur sporting organisations funded from gaming machines

4. Registered Number

050-432-882

5. Auditors

Angela Wood Chartered Accountant
PO Box 777
BLENHEIM 7240

6. Bankers

Bank of New Zealand
92-94 Market Street
BLENHEIM 7201

7. Accountants

Winstanley Kerridge
Chartered Accountants Limited
PO Box 349
BLENHEIM 7240

Statement of Financial Performance

Redwood Trust Incorporated For the 12 months ended 31 March 2012

	Mar-12	Mar-11
Trading Income		
Gaming Machine Funds - Redwood	1,031,496	950,382
Total Trading Income	1,031,496	950,382
Gross Profit	1,031,496	950,382
Other Income		
Depreciation - Gain on Sale	18,702	2,995
Interest Received	87	57
Sundry Income	308	-
Total Other Income	19,097	3,052
less Expenses		
Accountancy Fees	4,986	6,570
Advertising and Publishing	4,179	1,540
Audit Fees	1,600	1,500
Bank Charges	235	223
Conference Expenses	-	1,645
Depreciation	92,466	78,723
Depreciation - Loss on Disposal	4,335	-
Donations	422,822	366,189
Electronic Monitoring Activity	7,692	7,745
Gaming Machine Duty	237,244	216,256
General Expenses	-	400
Insurance	7,010	5,948
Interest - Marac Finance	16,908	13,394
Intralot Telecom Line Charge	618	618
Licences & Registrations	13,293	13,068
Loan Fees	500	520
Printing, Stamps & Stationery	506	987
Problem Gambling Levy	17,556	16,539
Repairs & Maintenance	659	2,964
Repairs & Maintenance - Gaming Room	317	-
Secretarial Services	57,697	52,803
Service Contract	15,750	16,838
Site Fees and Administration	123,615	133,289
Subscriptions	490	-
Trustees Fees	20,000	20,000
Website	594	594
Total Expenses	1,051,073	958,353
Net Profit (Loss) for the Year	(480)	(4,920)

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report.

Statement of Financial Position

Redwood Trust Incorporated As at 31 March 2012

31 Mar 2012 31 Mar 2011

Assets

	31 Mar 2012	31 Mar 2011
Current Assets		
Accounts Receivable	-	5,991
BNZ - Current Account	69,701	58,852
Outstanding Lodgements	-	8,840
Total Current Assets	69,701	73,682
Non Current Assets		
Fixed Assets as per Schedule	218,222	208,924
Total Non Current Assets	218,222	208,924
Total Assets	287,923	282,606

Liabilities

	31 Mar 2012	31 Mar 2011
Current Liabilities		
Accounts Payable	32,799	34,914
Donation Creditors	-	20,000
GST Account	16,233	16,064
Interest Accrued	197	213
Total Current Liabilities	49,229	71,192
Non Current Liabilities		
Term Loans		
Marac Finance (April 2009)	1,610	19,735
Marac Finance (August 2010)	69,158	84,627
Marac Finance (June 2008)	-	3,481
Marac Finance (June 2011)	64,837	-
Total Term Loans	135,604	107,844
Total Non Current Liabilities	135,604	107,844
Total Liabilities	184,833	179,036
Net Assets	103,090	103,570

Equity

Accumulated Funds	103,090	103,570
Total Equity	103,090	103,570

The Financial Statements are subject to audit. The accompanying notes form part of these Financial Statements and should be read in conjunction with the reports contained herein.

For and on behalf of the Board ;

Trustee  Trustee B. J. Waller

Date 29/6/2012.

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report.

Schedule of Fixed Assets and Depreciation

Redwood Trust Incorporated 1 April 2011 to 31 March 2012

Name	Cost	Rate	Purchased	Disposed	1-Apr-11	Purchases	Depreciation	Disposals	Accum Dep	31-Mar-12
Gaming Machines										
00866437 Golden Pyramids	15,995	39.6%DV	1 Apr 2009	30 Jun 2011	5,835	-	-	5,835	-	-
00868042 Game Conversion	4,750	39.6%DV	1 Jun 2005		255	-	101	-	4,596	154
00868042 Miss Kitty	24,751	39.6%DV	1 May 2003	30 Jun 2011	462	-	-	462	-	-
00868043 Game Conversion	5,500	39.6%DV	30 Sep 2011		-	5,500	1,271	-	1,271	4,230
00868043 Werewolf Wild Treasure	24,751	39.6%DV	1 May 2003		462	-	183	-	24,472	279
00868043 Turtle Treasure Conversion	4,750	39.6%DV	1 Jun 2005		255	-	101	-	4,596	154
00868043 Turtle Treasure Conversion	5,700	39.6%DV	1 Jul 2008		1,462	-	579	-	4,817	883
00868301 Players Choice Super	29,900	48.0%DV	1 Dec 2006	30 Jun 2011	1,836	-	-	1,836	-	-
00868302 Players Choice	29,900	48.0%DV	1 Dec 2006		1,836	-	881	-	28,945	955
01920206 Multistar Dynamic	33,995	48.0%DV	1 Aug 2010		23,116	-	11,096	-	21,975	12,020

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Schedule of Fixed Assets and Depreciation

Name	Cost	Rate	Purchased	Disposed	1-Apr-11	Purchases	Depreciation	Disposals	Accum Dep	31-Mar-12
01920207 Multistar Jackpots	33,995	48.0%DV	1 Aug 2010		23,116	-	11,096	-	21,975	12,020
01920657 Multistar Wishes & Dreams	33,995	40.0%DV	30 Jun 2011		-	33,995	11,332	-	11,332	22,663
01920658 Multistar Rock N' Jaguar	33,995	40.0%DV	30 Jun 2011		-	33,995	11,332	-	11,332	22,663
01960411 Conversion Multistar Foxy Fortune	6,000	39.6%DV	1 Apr 2008		1,322	-	524	-	5,202	798
01960411 Multistar Foxy Fortune	18,700	39.6%DV	1 Oct 2002		266	-	105	-	18,539	161
01960430 Conversion Multistar Enchanted w. Pids	2,000	39.6%DV	1 Apr 2008		441	-	175	-	1,734	266
01960430 Multistar Enchanted 10	19,800	39.6%DV	1 Mar 2004		562	-	223	-	19,461	339
01970459 Multistar 10G Megastar	24,995	39.6%DV	1 Sep 2005		1,545	-	612	-	24,062	933
01980693 Classic Collection 5 w Pids	25,995	39.6%DV	1 Apr 2008		5,728	-	2,268	-	22,535	3,460
01980694 1c 50L 50 Lines w Pids	25,995	39.6%DV	1 Apr 2008		5,728	-	2,268	-	22,535	3,460
01980695 Multistar Megastar 2 w Pids	25,995	39.6%DV	1 Apr 2008		5,728	-	2,268	-	22,535	3,460
01983377 Multistar Foxy Fortune	22,995	48.0%DV	1 Aug 2010		15,636	-	7,505	-	14,864	8,131

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Schedule of Fixed Assets and Depreciation

Name	Cost	Rate	Purchased	Disposed	1-Apr-11	Purchases	Depreciation	Disposals	Accum Dep	31-Mar-12
01983378 Multistar 11	22,995	48.0%DV	1 Aug 2010		15,636	-	7,505	-	14,864	8,131
09006126 K2 Vision 500 Selexion 1	23,950	39.6%DV	1 Apr 2008		5,277	-	2,090	-	20,763	3,187
09007252 Selexion 5	26,950	40.0%DV	30 Jun 2011		-	26,950	8,983	-	8,983	17,967
09990001 Selexion 2 03089 upgrade	12,950	39.6%DV	1 Apr 2009		4,724	-	1,871	-	10,097	2,853
09990001 Selexion 2 ZKA 03089	18,500	39.6%DV	1 Nov 2004		750	-	297	-	18,047	453
09990004 Selexion 4 - ZKA 04986	18,500	39.6%DV	1 Mar 2004		525	-	208	-	18,183	317
9990004 Selexion 4 - 04986 upgrade	12,950	39.6%DV	1 Apr 2009		4,724	-	1,871	-	10,097	2,853
Display Flags x2	1,058	10.0%DV	20 Jan 2012		-	1,058	26	-	26	1,032
EMS - Wiring & Software	931	50.0%DV	1 Mar 2007		55	-	28	-	904	28
Jackpot Conversion	950	39.6%DV	1 Mar 2001		6	-	2	-	946	4
Mystery Jackpot 1078	8,042	39.6%DV	1 Oct 1999		25	-	10	-	8,027	15
Qcom Conversion Kits	2,000	39.6%DV	1 Apr 2006		161	-	64	-	1,903	97
Qcom Upgrades	17,250	39.6%DV	1 Apr 2006		1,387	-	549	-	16,412	838
Revaluation	60,423	0.0%DV	1 Aug 2004		60,423	-	-	-	-	60,423
Superflat Monitors x5	6,500	39.6%DV	1 Sep 2005		402	-	159	-	6,257	243

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Schedule of Fixed Assets and Depreciation

Name	Cost	Rate	Purchased	Disposed	1-Apr-11	Purchases	Depreciation	Disposals	Accum Dep	31-Mar-12
Total Gaming Machines	688,401				189,686	101,498	87,581	8,133	422,285	195,470
Plant & Equipment										
17" TFT Security Monitor 15-MC17TH-4 28.04.11	650	20.0%DV	28 Apr 2011		-	650	130	-	130	520
Air Conditioning	5,000	11.4%DV	1 Aug 2003		1,979	-	226	-	3,247	1,753
Alarm System	667	26.4%DV	1 Jan 2000		21	-	6	-	652	15
Bar Stools	3,727	21.6%DV	1 Sep 2003		593	-	128	-	3,262	465
Bar Stools x12	1,788	21.6%DV	1 Nov 2001		182	-	39	-	1,645	143
Bases	1,019	15.6%DV	1 Oct 2006		477	-	74	-	616	403
Bases	10,136	15.6%DV	1 Sep 2006		4,676	-	729	-	6,189	3,947
Carpet	4,510	39.6%DV	1 Sep 1999		13	-	5	-	4,502	8
Change Machine	8,950	24.0%DV	1 Sep 1996		165	-	40	-	8,825	125
Coin Scale	1,390	26.4%DV	1 May 2003		123	-	32	-	1,299	91
Computer	2,265	40.0%DV	1 Feb 2011		2,114	-	846	-	997	1,268
Computer	2,900	48.0%DV	1 Jun 2003		18	-	9	-	2,891	9
Computer System 26.01.12	1,850	50.0%DV	26 Jan 2012		-	1,850	231	-	231	1,619
Digital Copier	3,788	39.6%DV	1 Feb 2004		104	-	41	-	3,725	63
Digital Recording	4,991	39.6%DV	1 Aug 2003		108	-	43	-	4,926	65
DVD Writer	305	39.6%DV	1 Sep 2004		11	-	4	-	298	7
EMS - Wiring	650	50.0%DV	1 Oct 2006		30	-	15	-	635	15
EMS - Wiring & Software	3,940	50.0%DV	1 Oct 2006		184	-	92	-	3,848	92

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Schedule of Fixed Assets and Depreciation

Name	Cost	Rate	Purchased	Disposed	1-Apr-11	Purchases	Depreciation	Disposals	Accum Dep	31-Mar-12
EMS - Wiring & Software Dual Loop	898	50.0%DV	1 Jan 2007		49	-	25	-	874	25
Gaming Room Improvements	1,511	11.4%DV	1 Feb 2002		499	-	57	-	1,069	442
Gaming Security Cams	2,730	24.0%DV	1 Sep 2006		784	-	188	-	2,134	596
Gaming Stools x 6	2,280	20.0%DV	1 Jul 2007		992	-	198	-	1,486	794
Heat Pump	5,076	11.4%DV	1 Jul 1999		1,226	-	140	-	3,990	1,086
Jackpot Display Unit	16,750	39.6%DV	1 Dec 2001		155	-	61	-	16,656	94
Lease Hold Improvements	3,266	11.4%DV	1 Aug 1999		797	-	91	-	2,560	706
Performance Optimising Monitoring System	5,900	20.0%DV	24 Nov 2011		-	5,900	492	-	492	5,408
Security Camera	2,600	21.6%DV	1 Mar 2002		286	-	62	-	2,376	224
Security Camera System	11,014	24.0%DV	1 Jan 2007		3,454	-	829	-	8,389	2,625
Security System	7,397	26.4%DV	1 Jun 1999		198	-	52	-	7,251	146
Total Plant & Equipment	117,948				19,238	8,400	4,885	-	95,195	22,753
Total	806,349				208,924	109,898	92,466	8,133	517,480	218,223

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report.

Statement of Accounting Policies

Redwood Trust Incorporated For the year ended 31 March 2012

Statement of Accounting Policies

The financial statements presented here are for the entity Redwood Trust Incorporated, an Incorporated Society registered under the Incorporated Societies Act 1908.

These financial statements have been prepared in accordance with generally accepted accounting practice. The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

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.

Differential Reporting

Redwood Trust Incorporated qualifies for Differential Reporting because:

- it is not publicly accountable, and
- it is deemed to be 'not large' due to the following criteria -

- * the gross turnover is less than \$20 million, and
- * the total assets are less than \$10 million, and
- * there are less than 50 fulltime employees.

Redwood Trust Incorporated has taken advantage of all available differential reporting exemptions with the exemption that a Statement of Cashflow has been provided.

Fixed Asset

Fixed Assets have been included at cost less accumulated depreciation other than some Gaming Machines. Details of fixed assets are set out in the attached Fixed Asset Register.

Depreciation

Depreciation has been charged on a diminishing value (DV), at rates approved by the Inland Revenue Department. Details of rates and depreciation claims are set out in the Fixed Asset Register included herein.

Goods & Service Tax

The Statement of Financial Performance and Statement of Cashflows (where included) 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.

Taxation

The Redwood Trust Incorporated is exempt from income tax under section CW48 of the Income Tax Act 2007.

Going Concern

The Trust continues to adopt the Going Concern assumption in preparing the financial statements as the Trust has, in the opinion of the Trustees, adequate resources to continue operations in the foreseeable future

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report.

Notes to the Financial Statements

Redwood Trust Incorporated For the year ended 31 March 2012

Audit

These financial statements have been subject to audit, please refer to Auditor's Report.

Contingent Liabilities

At balance date there are no known contingent liabilities (2011:\$0). Redwood Trust Incorporated has not granted any securities in respect of liabilities payable by any other party whatsoever

Gaming Machine Revaluation

Gaming Machines were revalued to market value at 31 August 2010. Valuation was obtained from Gaming Machine Distributors Limited the suppliers of Gaming Machines

Capital Commitments

As at balance date there are no significant capital commitments.

Events Subsequent to Balance Date

No events or transactions have occurred since balance date which would have a material effect upon the financial statements or which are of such significance as to require mention in the notes to the financial policies. There are no plans or intentions that may materially affect the current value or classification of assets and liabilities.

Related Parties

Accountancy and Secretarial services have been provided to the Trust by Winstanley Kerridge Chartered Accountants Limited, a firm in which Trustee, C.A. Forsyth is a Director.

All related party transactions are carried out on an arms length basis on normal commercial terms. No related party debts have been written-off or forgiven during the year.

Term Liabilities

Marac Finance (April 2009)

Repayable monthly instalments Principal and Interest
Interest Rate 11.95% PA
\$1,626.05 Monthly
Secured
Balance as at 31 March 2012 - 1,610.01

Marac Finance (August 2010)

Repayable monthly instalments Principal and Interest
Interest rate 11.95% PA
\$2,062.76 Monthly
Secured
Balance as at 31 March 2012 - 69,157.67

Marac Finance (June 2008)

Repayable monthly instalments Principal and Interest
Interest rate 13.5% PA
\$3,520.76 Monthly
Secured
Balance as at 31 March 2012 - NIL

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Notes to the Financial Statements

Marac Finance (June 2011)

Repayable monthly instalments Principal and Interest

Interest rate 10.95% PA

\$1,590.85 Monthly

Secured

Balance as at 31 March 2012 - 64,836.60

These statements are to be read in conjunction with the Notes to the Financial Statements and are subject to the Auditor's Report.



INDEPENDENT AUDITOR'S REPORT

To the Members of Redwood Trust Incorporated

Report on the Financial Statements

I have audited the financial statements of Redwood Trust Incorporated on pages 4 to 13, which comprise the Statement of Financial Position as at 31 March 2012, and the Statement of Financial Performance for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing (New Zealand). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other than in my capacity as auditor I have no relationship with, or interests in, Redwood Trust Incorporated.

Opinion

In my opinion the financial statements on pages 4 to 13 present fairly, in all material respects, the financial position of Redwood Trust Incorporated as at 31 March 2012 and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.



Angela Wood
Chartered Accountant
Blenheim

30 June 2012