

Pringle House Ltd**Operating budgets for the 3 years ended 30 June 2015****Prospective statement of comprehensive income**

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|---|---------------------|-------------------|-------------------|-------------------|
| Revenue | | | | |
| Rental - level 1-6, 9, part 8 GW | 1,616,000 | 1,619,000 | 1,619,000 | 1,619,000 |
| Rental - level 7 Vector | 104,000 | | | |
| Rental - level 8 Chartis - (formally AIG) | 49,000 | 49,000 | 10,000 | |
| NZ Communications licence - Cell site on roof | 12,000 | 12,000 | 12,000 | 12,000 |
| Generator rental from GW | 53,000 | 53,000 | 53,000 | 53,000 |
| Total rental revenue | 1,834,000 | 1,733,000 | 1,694,000 | 1,684,000 |
| Interest received on GW current account | 10,000 | (24,000) | (42,000) | (70,000) |
| TOTAL REVENUE | 1,844,000 | 1,709,000 | 1,652,000 | 1,614,000 |
| Expenses | | | | |
| Audit fees | 5,000 | 5,100 | 6,000 | 6,150 |
| Directors fees | 12,250 | 12,250 | 12,556 | 12,870 |
| Directors insurance | 5,000 | 5,000 | 5,125 | 5,253 |
| Management fees | 113,250 | 113,250 | 116,081 | 118,983 |
| Legal fees | 5,000 | 5,000 | 5,125 | 5,253 |
| Professional fees | 44,000 | 18,000 | 18,450 | 18,911 |
| Travel | 1,000 | 1,000 | 1,025 | 1,051 |
| Cleaning | 49,000 | 49,000 | 50,225 | 51,481 |
| Insurance (PPE) | 185,000 | 193,000 | 212,300 | 217,608 |
| Other operating expenses | 19,000 | 18,000 | 18,450 | 18,911 |
| Power / gas | 38,000 | 38,000 | 38,950 | 39,924 |
| Property management fee | 77,000 | 83,000 | 85,075 | 87,202 |
| Rates | 175,000 | 187,000 | 191,675 | 196,467 |
| Maintenance - general | 77,000 | 64,000 | 65,600 | 67,240 |
| Maintenance - lifts | 31,500 | 31,500 | 32,288 | 33,095 |
| Maintenance - air conditioning | 37,000 | 36,000 | 36,900 | 37,823 |
| Maintenance - security | 18,000 | 20,000 | 20,500 | 21,013 |
| Emergency Generator | 8,000 | 8,000 | 8,200 | 8,405 |
| Security | 8,000 | 8,000 | 8,200 | 8,405 |
| Total operating expenses | 908,000 | 925,638 | 963,253 | 987,335 |
| Change (Up) in value of investment property | - | - | - | - |
| TOTAL EXPENSES | 908,000 | 925,638 | 963,253 | 987,335 |
| NET OPERATING SURPLUS | 936,000 | 783,363 | 688,747 | 626,665 |
| Deferred tax movement (benefit) | | | | |
| Taxation/Subvention expense | 776,486 | 599,699 | 486,202 | 425,121 |
| NET SURPLUS AFTER TAX | 159,514 | 183,664 | 202,545 | 201,544 |
| Less dividends paid | 159,514 | 183,664 | 202,545 | 201,544 |
| NET SURPLUS AFTER DIVIDENDS | -0 | -0 | -0 | 0 |

Pringle House Ltd**Operating budgets for the 3 years ended 30 June 2015****Prospective balance sheet as at 30 June**

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|--------------------------------------|---------------------|--------------------|--------------------|--------------------|
| SHAREHOLDERS FUNDS | | | | |
| Ordinary share capital | 14,666,000 | 14,666,000 | 14,666,000 | 14,666,000 |
| Redeemable preference shares | 9,375,000 | 9,375,000 | 9,375,000 | 9,375,000 |
| Retained earnings | (17,642,000) | (17,642,000) | (17,642,000) | (17,642,000) |
| TOTAL SHAREHOLDERS FUNDS | 6,399,000 | 6,399,000 | 6,399,000 | 6,399,000 |
| Represented by: | | | | |
| CURRENT ASSETS | | | | |
| Accounts receivable | 12,000 | 12,000 | 12,000 | 12,000 |
| Current account with GW | (596,400) | (1,107,888) | (1,657,004) | (2,023,586) |
| Bank & short term deposits | 1,000 | 1,000 | 1,000 | 1,000 |
| TOTAL CURRENT ASSETS | (583,400) | (1,094,888) | (1,644,004) | (2,010,586) |
| FIXED ASSETS | | | | |
| Land | 2,700,000 | 2,700,000 | 2,700,000 | 2,700,000 |
| Buildings | 7,880,625 | 8,149,125 | 8,549,125 | 8,769,125 |
| Furniture & fittings | 649,775 | 740,125 | 794,625 | 797,125 |
| Plant & equipment | 362,000 | 362,000 | 362,000 | 444,000 |
| Other property, plant and equipment | 329,000 | 329,000 | 329,000 | 329,000 |
| TOTAL FIXED ASSETS | 11,921,400 | 12,280,250 | 12,734,750 | 13,039,250 |
| TOTAL ASSETS | 11,338,000 | 11,185,362 | 11,090,746 | 11,028,664 |
| CURRENT LIABILITIES | | | | |
| Current account with WRCHL | 1,997,000 | 1,997,000 | 1,997,000 | 1,997,000 |
| Subventions payable | 776,486 | 599,699 | 486,202 | 425,121 |
| Dividends payable | 159,514 | 183,664 | 202,545 | 201,544 |
| Payables | 138,000 | 138,000 | 138,000 | 138,000 |
| TOTAL CURRENT LIABILITIES | 3,071,000 | 2,918,363 | 2,823,747 | 2,761,665 |
| NON CURRENT LIABILITIES | | | | |
| Deferred Taxation Liability | 1,868,000 | 1,868,000 | 1,868,000 | 1,868,000 |
| TOTAL NON CURRENT LIABILITIES | 1,868,000 | 1,868,000 | 1,868,000 | 1,868,000 |
| NET ASSETS | 6,399,000 | 6,399,000 | 6,399,000 | 6,399,000 |

Pringle House Ltd**Operating budgets for the 3 years ended 30 June 2015****Prospective statement of changes in equity**

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|---|---------------------|-------------------|-------------------|-------------------|
| Opening equity | 6,399,000 | 6,399,000 | 6,398,999 | 11,398,999 |
| Total comprehensive income for the year | 159,514 | 183,664 | 202,545 | 201,544 |
| Dividend to be paid | (159,514) | (183,664) | (202,545) | (201,544) |
| Shares to be issued during the year | | | 5,000,000 | 5,000,000 |
| Closing equity | 6,399,000 | 6,398,999 | 11,398,999 | 16,399,000 |

Pringle House Ltd**Operating budgets for the 3 years ended 30 June 2015****Fixed asset purchase schedule**

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|----------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Land | 2,700,000 | 2,700,000 | 2,700,000 | 2,700,000 |
| Revaluations | | | | |
| Closing balance | <u>2,700,000</u> | <u>2,700,000</u> | <u>2,700,000</u> | <u>2,700,000</u> |
| Buildings | 7,212,125 | 7,880,625 | 8,149,125 | 8,549,125 |
| Additions | 668,500 | 268,500 | 400,000 | 220,000 |
| Revaluations | | | | |
| Closing balance | <u>7,880,625</u> | <u>8,149,125</u> | <u>8,549,125</u> | <u>8,769,125</u> |
| Furniture & fittings | 596,875 | 649,775 | 740,125 | 794,625 |
| Additions | 52,900 | 90,350 | 54,500 | 2,500 |
| Depreciation | 0 | 0 | 0 | 0 |
| Closing balance | <u>649,775</u> | <u>740,125</u> | <u>794,625</u> | <u>797,125</u> |
| Plant & equipment | 362,000 | 362,000 | 362,000 | 362,000 |
| Additions | 0 | 0 | 0 | 82,000 |
| Depreciation | 0 | 0 | 0 | 0 |
| Closing balance | <u>362,000</u> | <u>362,000</u> | <u>362,000</u> | <u>444,000</u> |
| Other assets | 329,000 | 329,000 | 329,000 | 329,000 |
| Additions | 0 | 0 | 0 | 0 |
| Depreciation | 0 | 0 | 0 | 0 |
| Closing balance | <u>329,000</u> | <u>329,000</u> | <u>329,000</u> | <u>329,000</u> |
| TOTAL ASSETS | <u>11,921,400</u> | <u>12,280,250</u> | <u>12,734,750</u> | <u>13,039,250</u> |

Pringle House Ltd**Operating budgets for the 3 years ended 30 June 2015****Prospective statement of cashflows**

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|--|---------------------|-------------------|-------------------|-------------------|
| Cashflows from operations | | | | |
| Receipts from operations | 1,834,000 | 1,733,000 | 1,694,000 | 1,684,000 |
| Interest received | | | | |
| Dividends received | | | | |
| Payments to suppliers/employees | (908,000) | (925,638) | (963,253) | (987,335) |
| Taxes paid - Subvention to GWRC | (908,000) | (776,486) | (599,699) | (486,202) |
| Interest paid | 10,000 | (24,000) | (42,000) | (70,000) |
| <i>Net cash from operating activities</i> | <u>28,000</u> | <u>6,876</u> | <u>89,048</u> | <u>140,463</u> |
| Cashflow from investing activities | | | | |
| Purchase of fixed assets | (721,400) | (358,850) | (454,500) | (304,500) |
| Interest capitalised | | | | |
| Purchase of shares | | | | |
| Disposal of subsidiaries | | | | |
| <i>Net cash from investing activities</i> | <u>(721,400)</u> | <u>(358,850)</u> | <u>(454,500)</u> | <u>(304,500)</u> |
| Cashflows from financing activities | | | | |
| Loans | | | | |
| Dividends paid | (208,000) | (159,514) | (183,664) | (202,545) |
| Issue of Shares | | | | |
| Movement in current account | 901,400 | 511,488 | 549,116 | 366,582 |
| <i>Net cash from financing activities</i> | <u>693,400</u> | <u>351,974</u> | <u>365,452</u> | <u>164,037</u> |
| Net increase/(decrease) in cash & cash eqvts | 0 | 0 | 0 | 0 |
| Cash & cash equivalents at beginning of the yr | 1,000 | 1,000 | 1,000 | 1,000 |
| Cash & cash equivalents at year end | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> |

Port Investment Ltd
Operating budgets for the 3 years ended 30 June 2015
Prospective statement of comprehensive income

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|---|---------------------|-------------------|-------------------|-------------------|
| Revenue | | | | |
| Interest received on GW current account | 92,000 | 146,000 | 131,000 | 141,000 |
| Subvention revenue - CentrePort | 840,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Imputed Dividends from Centrport | 4,000,000 | 3,462,000 | 3,462,000 | 3,769,000 |
| TOTAL REVENUE | 4,932,000 | 4,608,000 | 4,593,000 | 4,910,000 |
| Expenses | | | | |
| Audit fees | 5,100 | 5,100 | 6,000 | 6,150 |
| Directors fees | 12,250 | 12,250 | 12,556 | 12,870 |
| Directors insurance | 5,000 | 5,000 | 5,125 | 5,253 |
| Interest expense | 1,800,000 | 1,814,800 | 1,991,008 | 1,944,720 |
| Legal fees | 5,000 | 5,000 | 5,125 | 5,253 |
| Management fee | 54,250 | 54,250 | 55,606 | 56,996 |
| Professional fees | 13,000 | 15,000 | 15,375 | 15,759 |
| Travel | 1,000 | 1,000 | 1,025 | 1,051 |
| TOTAL EXPENSES | 1,895,600 | 1,912,400 | 2,091,820 | 2,048,053 |
| NET OPERATING SURPLUS | 3,036,400 | 2,695,600 | 2,501,180 | 2,861,947 |
| Taxation expense / -credit (subvention) | | | | |
| NET SURPLUS AFTER TAX | 3,036,400 | 2,695,600 | 2,501,180 | 2,861,947 |
| Dividends paid | 3,036,400 | 2,695,600 | 2,501,180 | 2,861,947 |
| NET SURPLUS | 0 | 0 | 0 | 0 |

Port Investment Ltd
Operating budgets for the 3 years ended 30 June 2015
Prospective balance sheet as at 30 June

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|-----------------------------------|---------------------|-------------------|-------------------|-------------------|
| SHAREHOLDERS FUNDS | | | | |
| Ordinary share capital | 0 | 0 | 0 | 0 |
| Retained earnings | 2,360,000 | 2,360,000 | 2,360,000 | 2,360,000 |
| TOTAL SHAREHOLDERS FUNDS | 2,360,000 | 2,360,000 | 2,360,000 | 2,360,000 |
| Represented by: | | | | |
| CURRENT ASSETS | | | | |
| Current account with GW | 3,654,400 | 3,502,600 | 3,308,180 | 3,515,448 |
| Dividends receivable | 2,420,000 | 2,231,000 | 2,231,000 | 2,384,500 |
| Bank & short term deposits | 1,000 | 1,000 | 1,000 | 1,000 |
| TOTAL CURRENT ASSETS | 6,075,400 | 5,734,600 | 5,540,180 | 5,900,948 |
| Investment in CentrePort | 44,000,000 | 44,000,000 | 44,000,000 | 44,000,000 |
| TOTAL ASSETS | 50,075,400 | 49,734,600 | 49,540,180 | 49,900,948 |
| CURRENT LIABILITIES | | | | |
| Dividends payable | 3,036,400 | 2,695,600 | 2,501,180 | 2,861,947 |
| Current account with WRC Holdings | 597,000 | 597,000 | 597,000 | 597,000 |
| Payables | 82,000 | 82,000 | 82,000 | 82,000 |
| TOTAL CURRENT LIABILITIES | 3,715,400 | 3,374,600 | 3,180,180 | 3,540,947 |
| Advance from WRC Holdings Ltd | 44,000,000 | 44,000,000 | 44,000,000 | 44,000,000 |
| NET ASSETS | 2,360,000 | 2,360,000 | 2,360,000 | 2,360,001 |

Port Investment Ltd
Operating budgets for the 3 years ended 30 June 2015
Prospective statement of changes in equity

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|---|---------------------|--------------------|--------------------|--------------------|
| Opening equity | 2,360,000 | 2,360,000 | 2,360,000 | 2,360,000 |
| Total comprehensive income for the year | 3,036,400 | 2,695,600 | 2,501,180 | 2,861,947 |
| Dividend to be paid | <u>(3,036,400)</u> | <u>(2,695,600)</u> | <u>(2,501,180)</u> | <u>(2,861,947)</u> |
| Closing equity | <u>2,360,000</u> | <u>2,360,000</u> | <u>2,360,000</u> | <u>2,360,000</u> |
| | 0 | 0 | 0 | 0 |

Port Investment Ltd
Operating budgets for the 3 years ended 30 June 2015
Prospective statement of cashflows

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|--|---------------------|---------------------|---------------------|---------------------|
| Cashflows from operations | | | | |
| Receipts from operations | | | | |
| Interest received | 92,000 | 146,000 | 131,000 | 141,000 |
| Dividends received ex CPL | 3,118,000 | 3,651,000 | 3,462,000 | 3,615,500 |
| Payments to suppliers/employees | (95,600) | (97,600) | (100,813) | (103,333) |
| Taxes (paid) Subvention received | 840,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Interest paid | (1,800,000) | (1,814,800) | (1,991,008) | (1,944,720) |
| <i>Net cash from operating activities</i> | <u>2,154,400</u> | <u>2,884,600</u> | <u>2,501,180</u> | <u>2,708,447</u> |
| <i>Net cash from investing activities</i> | | | | |
| Cashflows from financing activities | | | | |
| Loans | | | | |
| Dividends paid | (1,129,000) | (3,036,400) | (2,695,600) | (2,501,180) |
| Movement in current accounts | (1,025,400) | 151,800 | 194,420 | (207,267) |
| <i>Net cash from financing activities</i> | <u>(2,154,400)</u> | <u>(2,884,600)</u> | <u>(2,501,180)</u> | <u>(2,708,447)</u> |
| Net increase/(decrease) in cash & cash eqvts | 0 | 0 | 0 | 0 |
| Cash & cash equivalents at beginning of the yr | 1,000 | 1,000 | 1,000 | 1,000 |
| Cash & cash equivalents at year end | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> |

Greater Wellington Rail Ltd
Operating budgets for the 3 years ended 30 June 2015
Prospective statement of comprehensive income

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|---------------------------------------|---------------------|-------------------|-------------------|-------------------|
| Revenue | | | | |
| Grant - Recovery of cost from GWRC | 9,139,458 | 15,144,395 | 15,100,615 | 13,756,945 |
| Capital Grants | 118,629,101 | 22,267,086 | 25,400,041 | 56,325,147 |
| Rental from Matangi & Ganz Mavag | 2,101,867 | 2,416,553 | 2,787,842 | 4,804,452 |
| TOTAL REVENUE | 129,870,426 | 39,828,034 | 43,288,498 | 74,886,545 |
| Expenses | | | | |
| Audit fees | 5,600 | 6,500 | 7,000 | 7,175 |
| Depreciation | 15,970,672 | 19,047,249 | 20,488,821 | 20,545,972 |
| Directors fees | 12,532 | 12,250 | 12,556 | 12,870 |
| Directors insurance | 5,115 | 5,000 | 5,125 | 5,253 |
| Insurance | 2,014,000 | 2,900,000 | 2,941,711 | 3,035,846 |
| Repairs & Maintenance - Rolling Stock | 8,574,000 | 9,304,034 | 9,331,473 | 9,703,234 |
| Rates & Leases - Infrastructure | | 870,000 | 897,840 | 926,571 |
| Transport - Admin/Management fee | 561,281 | 1,958,814 | 2,083,066 | 2,177,872 |
| Corporate Management Fee | 47,314 | 46,250 | 47,406 | 48,591 |
| Legal fees | 5,115 | 5,000 | 5,125 | 5,253 |
| Professional fees | 10,230 | 30,000 | 30,750 | 31,519 |
| Other Expenses - materials/travel | 6,138 | 5,000 | 5,125 | 5,253 |
| TOTAL EXPENSES | 27,211,997 | 36,608,197 | 38,377,278 | 39,107,369 |
| NET OPERATING SURPLUS | 102,658,429 | 3,219,836 | 4,911,220 | 35,779,176 |
| Taxation expense (credit) | 28,744,360 | 901,554 | 1,375,142 | 10,018,169 |
| NET SURPLUS AFTER TAX | 73,914,069 | 2,318,282 | 3,536,078 | 25,761,006 |

Greater Wellington Rail Ltd
Operating budgets for the 3 years ended 30 June 2015
Prospective balance sheet as at 30 June

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|--|---------------------|--------------------|--------------------|--------------------|
| SHAREHOLDERS FUNDS | | | | |
| Ordinary share capital | 16,184,000 | 30,745,692 | 45,600,369 | 67,585,764 |
| Opening retained earnings | 127,893,818 | 201,807,887 | 204,126,169 | 207,662,248 |
| Equity contributed | 14,561,692 | 14,854,676 | 21,985,396 | 50,306,851 |
| Current surplus/deficit after dividend | 73,914,069 | 2,318,282 | 3,536,078 | 25,761,006 |
| TOTAL SHAREHOLDERS FUNDS | 232,553,580 | 249,726,538 | 275,248,012 | 351,315,869 |
| Represented By: | | | | |
| CURRENT ASSETS | | | | |
| Accounts receivable | 3,012,000 | 3,012,000 | 3,012,000 | 3,012,000 |
| Inventories | 8,954,000 | 8,954,000 | 8,954,000 | 8,954,000 |
| Bank & short term deposits | 20,000 | 20,000 | 20,000 | 20,000 |
| TOTAL CURRENT ASSETS | 11,986,000 | 11,986,000 | 11,986,000 | 11,986,000 |
| FIXED ASSETS | | | | |
| Office Equipment | 38,600 | 36,200 | 33,800 | 31,400 |
| Transport Infrastructure | 39,277,642 | 37,369,284 | 35,460,926 | 33,552,568 |
| Rail rolling stock | 252,435,698 | 272,420,968 | 301,228,342 | 389,225,127 |
| Work In Progress | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| TOTAL FIXED ASSETS | 301,751,940 | 319,826,452 | 346,723,068 | 432,809,094 |
| TOTAL ASSETS | 313,737,940 | 331,812,452 | 358,709,068 | 444,795,094 |
| CURRENT LIABILITIES | | | | |
| Accrued Expenditure | 2,954,000 | 2,954,000 | 2,954,000 | 2,954,000 |
| TOTAL CURRENT LIABILITIES | 2,954,000 | 2,954,000 | 2,954,000 | 2,954,000 |
| NON CURRENT LIABILITIES | | | | |
| Deferred taxation liability | 78,230,360 | 79,131,914 | 80,507,056 | 90,525,225 |
| Deferred Income | | | | |
| TOTAL NON CURRENT LIABILITIES | 78,230,360 | 79,131,914 | 80,507,056 | 90,525,225 |
| NET ASSETS | 232,553,580 | 249,726,538 | 275,248,012 | 351,315,869 |

Greater Wellington Rail Ltd
Operating budgets for the 3 years ended 30 June 2015
Prospective statement of changes in equity

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|---|---------------------|--------------------|--------------------|--------------------|
| Opening equity | 144,077,818 | 232,553,580 | 249,726,538 | 275,248,012 |
| Shares to be issued during the year | 14,561,692 | 14,854,676 | 21,985,396 | 50,306,851 |
| Total comprehensive income for the year | 73,914,069 | 2,318,282 | 3,536,078 | 25,761,006 |
| Dividend to be paid | | | | |
| Closing equity | 232,553,580 | 249,726,538 | 275,248,012 | 351,315,869 |

Greater Wellington Rail Ltd
Operating budgets for the 3 years ended 30 June 2015
Prospective statement of cashflows

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|--|----------------------|---------------------|---------------------|----------------------|
| Cashflows from operations | | | | |
| Receipts from operations | 129,870,426 | 39,828,034 | 43,288,498 | 74,886,545 |
| Payments to suppliers/employees | (11,241,325) | (17,560,948) | (17,888,457) | (18,561,398) |
| <i>Net cash from operating activities</i> | <u>118,629,101</u> | <u>22,267,086</u> | <u>25,400,041</u> | <u>56,325,147</u> |
| Cashflow from investing activities | | | | |
| Purchase of fixed assets | (133,190,794) | (37,121,762) | (47,385,437) | (106,631,998) |
| <i>Net cash from investing activities</i> | <u>(133,190,794)</u> | <u>(37,121,762)</u> | <u>(47,385,437)</u> | <u>(106,631,998)</u> |
| Cashflows from financing activities | | | | |
| Issue of shares | 14,561,692 | 14,854,676 | 21,985,396 | 50,306,851 |
| Movement in current account | | | | |
| <i>Net cash from financing activities</i> | <u>14,561,692</u> | <u>14,854,676</u> | <u>21,985,396</u> | <u>50,306,851</u> |
| Net increase/(decrease) in cash & cash eqvts | 0 | 0 | 0 | 0 |
| Cash & cash equivalents at beginning of the yr | 20,000 | 20,000 | 20,000 | 20,000 |
| Cash & cash equivalents at year end | <u>20,000</u> | <u>20,000</u> | <u>20,000</u> | <u>20,000</u> |

WRC Holdings Ltd**Operating budgets for the 3 years ended 30 June 2015****Prospective statement of comprehensive income**

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|--|---------------------|-------------------|-------------------|-------------------|
| Revenue | | | | |
| Interest received on GW current account | (25,000) | (32,000) | (32,000) | (39,000) |
| Interest received from PIL | 1,800,000 | 1,814,800 | 1,991,008 | 1,944,720 |
| Dividends received from PIL | 3,036,400 | 2,695,600 | 2,501,180 | 2,861,947 |
| Dividends received from PHL | 159,514 | 183,664 | 202,545 | 201,544 |
| Fair value change - Derivatives | (61,000) | (61,000) | (61,000) | (10,000) |
| TOTAL REVENUE | 4,909,914 | 4,601,064 | 4,601,733 | 4,959,211 |
| Expenses | | | | |
| Audit fees | 16,750 | 16,750 | 19,300 | 19,783 |
| Bank & Facility Fees | 198,000 | 176,000 | 220,000 | 264,000 |
| Directors fees | 12,250 | 12,250 | 12,556 | 12,870 |
| Directors insurance | 5,000 | 5,000 | 5,125 | 5,253 |
| Interest expense | 1,594,313 | 1,630,500 | 1,762,500 | 1,672,000 |
| Legal fees | 5,000 | 5,000 | 5,125 | 5,253 |
| Trustee & Rating Agency Fees | 4,100 | 4,200 | 4,305 | 4,413 |
| Registry Fees | 4,000 | 4,100 | 4,203 | 4,308 |
| Management fees | 54,250 | 54,250 | 55,606 | 56,996 |
| Professional fees | 20,000 | 20,000 | 20,500 | 21,013 |
| Other Expenses | 1,000 | 1,000 | 1,025 | 1,051 |
| TOTAL EXPENSES | 1,914,663 | 1,929,050 | 2,110,245 | 2,066,939 |
| NET OPERATING SURPLUS | 2,995,251 | 2,672,014 | 2,491,488 | 2,892,273 |
| Impairment of investments (GWRL) | | | | |
| NET SURPLUS AFTER TAX & IMPAIRMENTS | 2,995,251 | 2,672,014 | 2,491,488 | 2,892,273 |
| Dividend paid (Before Impairment & FV change) | 2,995,251 | 2,672,014 | 2,491,488 | 2,892,273 |
| NET SURPLUS | | | | |

WRC Holdings Ltd**Operating budgets for the 3 years ended 30 June 2015****Prospective balance sheet as at 30 June**

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|----------------------------------|---------------------|--------------------|--------------------|--------------------|
| SHAREHOLDERS FUNDS | | | | |
| Ordinary share capital | 65,287,693 | 80,142,369 | 102,127,764 | 152,434,615 |
| Retained earnings | (26,389,000) | (26,389,000) | (26,389,001) | (26,389,001) |
| TOTAL SHAREHOLDERS FUNDS | 38,898,693 | 53,753,369 | 75,738,764 | 126,045,614 |
| Represented by: | | | | |
| CURRENT ASSETS | | | | |
| Current account with PHL | 1,997,000 | 1,997,000 | 1,997,000 | 1,997,000 |
| Current account with PIL | 597,000 | 597,000 | 597,000 | 597,000 |
| Dividends receivable | 3,195,914 | 2,879,264 | 2,703,725 | 3,063,491 |
| Accounts receivable | 157,000 | 157,000 | 157,000 | 157,000 |
| Bank & short term deposits | 1,000 | 1,000 | 1,000 | 1,000 |
| TOTAL CURRENT ASSETS | 5,947,914 | 5,631,264 | 5,455,725 | 5,815,491 |
| Advance to PIL | 44,000,000 | 44,000,000 | 44,000,000 | 44,000,000 |
| Investment in subsidiaries | 37,144,693 | 51,999,369 | 73,984,764 | 124,291,615 |
| TOTAL INVESTMENTS | 81,144,693 | 95,999,369 | 117,984,764 | 168,291,615 |
| TOTAL ASSETS | 87,092,607 | 101,630,633 | 123,440,489 | 174,107,106 |
| CURRENT LIABILITIES | | | | |
| Current account with GW | 787,664 | 855,250 | 921,237 | 890,218 |
| Dividends payable | 2,995,251 | 2,672,014 | 2,491,488 | 2,892,273 |
| Other Financial liabilities | 132,000 | 71,000 | 10,000 | |
| Payables | 182,000 | 279,000 | 279,000 | 279,000 |
| TOTAL CURRENT LIABILITIES | 4,096,914 | 3,877,264 | 3,701,725 | 4,061,491 |
| Term Loan - CBA facility | 44,097,000 | 44,000,000 | 44,000,000 | 44,000,000 |
| NET ASSETS | 38,898,693 | 53,753,369 | 75,738,764 | 126,045,615 |

WRC Holdings Ltd**Operating budgets for the 3 years ended 30 June 2015****Prospective statement of changes in equity**

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|---|---------------------|-------------------|-------------------|--------------------|
| Opening equity | 24,337,000 | 38,898,693 | 53,753,369 | 75,738,764 |
| Shares to be issued during the year | 14,561,692 | 14,854,676 | 21,985,396 | 50,306,851 |
| Total comprehensive income for the year | 2,995,251 | 2,672,014 | 2,491,488 | 2,892,273 |
| Dividend to be paid | (2,995,251) | (2,672,014) | (2,491,488) | (2,892,273) |
| Closing equity | 38,898,693 | 53,753,369 | 75,738,764 | 126,045,614 |

WRC Holdings Ltd**Operating budgets for the 3 years ended 30 June 2015****Prospective statement of cashflows**

| | Forecast 2011/12 | Budget 2012/13 | Budget 2013/14 | Budget 2014/15 |
|--|---------------------|---------------------|---------------------|---------------------|
| Cashflows from operations | | | | |
| Receipts from operations | | | | |
| Interest received - PIL & GW C/Account | 1,775,000 | 1,782,800 | 1,959,008 | 1,905,720 |
| Dividends received | 1,337,000 | 3,195,914 | 2,879,264 | 2,703,725 |
| Payments to suppliers/employees | (442,351) | (420,550) | (469,745) | (414,939) |
| Taxes paid | | | | |
| Interest paid | (1,594,313) | (1,630,500) | (1,762,500) | (1,672,000) |
| <i>Net cash from operating activities</i> | <u>1,075,337</u> | <u>2,927,664</u> | <u>2,606,027</u> | <u>2,522,507</u> |
| Cashflow from investing activities | | | | |
| Purchase of fixed assets | | | | |
| Interest capitalised | | | | |
| Purchase of shares | (14,561,692) | (14,854,676) | (21,985,396) | (50,306,851) |
| Disposal of subsidiaries | | | | |
| <i>Net cash from investing activities</i> | <u>(14,561,692)</u> | <u>(14,854,676)</u> | <u>(21,985,396)</u> | <u>(50,306,851)</u> |
| Cashflows from financing activities | | | | |
| Loans | | | | |
| Dividends paid | (1,204,000) | (2,995,251) | (2,672,014) | (2,491,488) |
| Issue of shares | 14,561,692 | 14,854,676 | 21,985,396 | 50,306,851 |
| Movement in current account | 128,664 | 67,587 | 65,988 | (31,019) |
| <i>Net cash from financing activities</i> | <u>13,486,356</u> | <u>11,927,012</u> | <u>19,379,369</u> | <u>47,784,344</u> |
| Net increase/(decrease) in cash & cash eqvts | | 0 | | -0 |
| Cash & cash equivalents at beginning of the yr | 1,000 | 1,000 | 1,000 | 1,000 |
| Cash & cash equivalents at year end | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> |