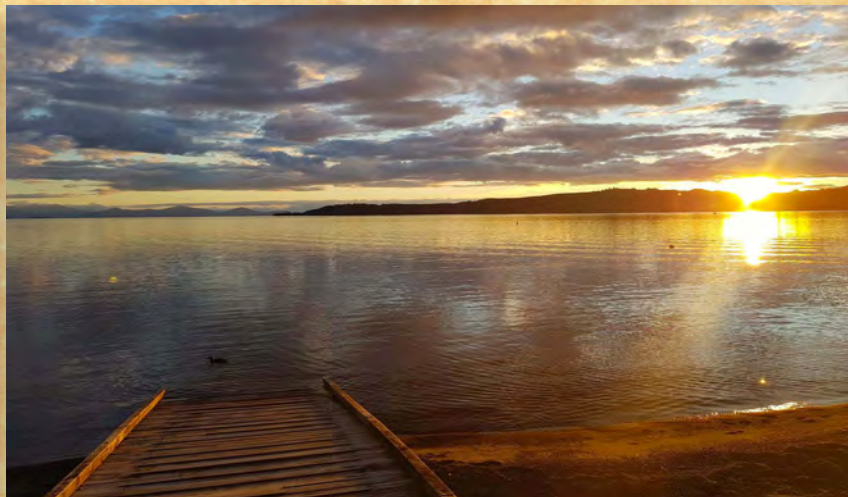


THE  
**LAKESIDE VILLAS**

LAKE TAUPŌ, NEW ZEALAND

TIMESHARE RESORT



BODY CORPORATE S36074

*Annual Report*

*2019*

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# LAKESIDE VILLAS BODY CORPORATE NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of The Lakeside Villas Body Corporate S36074 will be held on Saturday 4th May 2019 in the Resort Library, Lakeside Villas, Taupo.

Time: 1.30pm

A luncheon will be served at 12.30 prior to the meeting to enable owners to meet and join with the committee in discussing topics of mutual interest.

## AGENDA

1. Welcome
2. Apologies
3. Matters Arising from the Minutes of 2018 AGM
4. Adoption of the Annual Accounts  
To receive and consider the Chairman's report, financial statements and auditors report for the year ended 31 December 2018, as contained in Lakeside Villas Annual Report.
5. Election of Chairperson of the Body Corporate  
(We have received one Nomination of Dawn Meredith)
6. Announcement of Body Corporate Committee Members
7. Other General Business

## Procedure Notes

1. The Resolutions in Agenda item 4 – 6 are ordinary resolutions and therefore are required to be passed by a simple majority of the votes of those Owners entitled to vote in person or by proxy.
2. The persons who are entitled to vote on the resolutions at this Annual General Meeting are those persons who will be the Owners at Lakeside Villas on Saturday 4th May 2019.
3. You can participate by casting your vote in person or by proxy at the Annual General Meeting.
4. All owners entitled to vote at the Annual General Meeting may appoint a proxy to vote on their behalf. If you wish, you may appoint as your proxy "The Chairman of the Meeting". A proxy and voting form is enclosed and, if used, must be received at the Resort office by 1pm Friday 3rd May 2019.

# **LAKESIDE VILLAS TIMESHARE RESORT**

**96 Lake Terrace, Taupo 3330  
Body Corporate S36074**

## **MANAGEMENT COMMITTEE**

BW McCulloch	Wellington	Chairman
IB Kemp	Auckland	
D Meredith	Waipukurau	
GJ Shearman	Auckland	
GD Tohill	Auckland	
BA Train	Wanganui	
SP Wilson	Auckland	

## **SECRETARY**

**Denise P Chisholm**

## **RESORT MANAGER**

**Julie O'Connor**

## **AUDITORS**

**Dixon & Co Limited Taupo**

## **INSURANCE BROKERS**

**MATTJENSEN INSURANCE BROKERS**

## **ADDRESS**

**P O Box 1196**

**TAUPO 3351**

**Web: [www.lakesidevillas.co.nz](http://www.lakesidevillas.co.nz)**

**Phone: 07 378 6706**

**Fax: 07 377 0652**

**Email: [info@lakesidevillas.co.nz](mailto:info@lakesidevillas.co.nz)**

# Chairperson's Report

For the year ended December 31 2018

To the owners of the Lakeside Villas Resort, it is my privilege to present this report on the affairs of the Resort for the 12 months to December 2018 on behalf of your Body Corporate Management Committee. This is my third annual report as Chairperson of the Management Committee of The Lakeside Villas Body Corporate.

## Our Year's Activities

### Refurbishing and financial forecast

Following the practice established three years ago, the 10-year maintenance plan has been included in this Annual Report for your information. As with any long-term planning, the timing and extent of unit refurbishments and common property upgrades inevitably will need to be reviewed as time goes on and as new issues come to light. We also need to keep in mind that property maintenance requirements can happen on a cycle longer than ten years and so are not necessarily fully reflected in this plan.

Over the past year, an additional contribution from villa owners has enabled us to replace the villa spa pools and to commence replacing window joinery in the villa units outside the normal maintenance cycle. The new spa pools look great, they provide a better experience than the old spas, and they are much easier and cheaper to operate. The wooden courtyard gates have also been replaced with new aluminium ones and Unit 20, our only downstairs studio, has been refurbished.

In the communal areas, the recreation room has had a facelift with fresh paint and new carpet throughout. A third spa pool in the communal spa area has been installed, along with upgrading of the other 2 existing communal spa pools.

The planned maintenance for 2019 includes refurbishing two villa units and one of the two-bedroom units, completing the exterior repainting of the Resort, finishing the installation of the aluminium joinery in the villa units, installing shower domes in the units, and replacing some outdoor furniture.

### Other Matters

The fibre connection for our communications, which has enabled us to provide better wireless internet access, is continuing to be upgraded. Owners receive a free 5GB allowance when they check-in, and exchanges receive a free 100MB voucher. Additional 5GB vouchers can be purchased for a nominal charge.

The Resort is continually seeking to increase its environmental sustainability, with cardboard, glass and plastic recycling, compost bins, and environmentally-friendly cleaning and guest supplies. We are also looking at ways of reducing use of paper and plastic.

The Resort's Facebook page ([www.facebook.com/LakesideVillasResort](http://www.facebook.com/LakesideVillasResort)) has continued to be popular with frequent updates from Julie and the team. This includes posts about last-minute availability that you can either book using your entitlement, or rent for a great price. The Resort's website ([www.lakesidevillas.co.nz](http://www.lakesidevillas.co.nz)) is also maintained on an ongoing basis. It is a good source of information for potential purchasers so please refer it to your friends and colleagues who might like to become owners.

## Annual Accounts

The annual accounts for the year ended December 31 2018 are presented with this report and form part of it.

Reserves have increased over the year to \$102,232, which includes \$64,575 committed to completion of the villa aluminium joinery installation. This leaves net reserves of \$37,657 (compared to last year of \$32,595), which gets us back toward the planned reserves of \$40,000. However, we are continually being challenged by rising costs in the property sector and unexpected issues that defy budgeting.

A review of the financial statements has been completed by our auditor, Kirsten Dixon of Dixon & Co, Taupo.

## General

Your Management Committee has again worked effectively throughout the year and, once again, we have been very fortunate to have a Management Committee enthusiastic and committed to achieving the very best results for our owners. Steve Wilson and I are retiring from the Management Committee this year. The other existing members (Dawn Meredith, Brian Train, Graham Tohill, Ian Kemp and Geoff Shearman) have offered to continue, and two additional owners (Suzanne Hurn and Les Waimotu) have been nominated to join them, making a full complement of seven members for the coming year.

This year has been Glenn Whittaker's last year of involvement with the governance of Lakeside Villas, serving alongside the management Committee as the Resort Chairperson. Glenn has been involved with the governance of Lakeside Villas since the AGM in 1997, and he has led many initiatives to ensure the ongoing success of the Resort. During this past year, he has also been closely involved with the management team in the replacement of the villa and communal spa pools. My thanks also goes to Glenn for his guidance to me throughout my term chairing the Management Committee.

The Resort continues to be in the lucky position of enjoying the very competent efforts of our Body Corporate Secretary, Denise Chisholm, and Resort Manager, Julie O'Connor, along with their enthusiastic team of about 20 staff. Their endeavours have again been recognised with the Resort receiving an award for its 25-year association with the RCI timeshare exchange network.

For and on behalf of the Management Committee



Dr Brian W McCulloch, Chairperson of the Management Committee  
Lakeside Villas Body Corporate

THE LAKESIDE VILLAS BODY CORPORATE S36074

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER 2018

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
REVENUE		
Interest Received	11,051	8,608
Maintenance Fees Received	780,571	768,252
One-Off Villa Levy	161,142	
Administration fee for Rental Service	25,870	9,951
Revenue generated from sale of Internet & Phone Cards	1,219	1,990
Rental Income from Staff Accommodation (Note 8)	13,604	12,782
Income Generated from Resort Activity (Note 2)	8,666	7,541
<b>TOTAL REVENUE</b>	<u><u>1,002,123</u></u>	<u><u>809,124</u></u>
OPERATING EXPENSES		
Occupancy Expenses	207,892	214,765
Ownership Expenses	376,708	367,992
General & Administration Expenses	97,106	80,441
<b>TOTAL OPERATING EXPENSES</b>	<u><u>681,706</u></u>	<u><u>663,198</u></u>
<b>NET SURPLUS AFTER OPERATING EXPENSES</b>	320,417	145,926
Taxation Expense (Refund) (Note 1)	<u>3,093</u>	<u>2,130</u>
<b>SURPLUS BEFORE RESORT IMPROVEMENTS &amp; REFURBISHMENT</b>	317,324	143,796
Less Cost of Resort Improvements (Note 7)	<u>247,687</u>	<u>122,557</u>
	69,637	21,239
<b>NET SURPLUS TRANSFERRED TO UNIT HOLDERS FUNDS</b>	<u><u>69,637</u></u>	<u><u>21,239</u></u>

STATEMENT OF MOVEMENTS IN UNIT HOLDERS FUNDS  
FOR THE YEAR ENDED 31ST DECEMBER 2018

	<b>2018</b>	<b>2017</b>
		<b>\$</b>
Unit holders Funds at start of the Year	32,595	11,356
Plus Net surplus for year	<u>69,637</u>	<u>21,239</u>
<b>TOTAL UNIT HOLDERS FUNDS</b>	102,232	32,595
<b>UNIT HOLDER FUNDS AT THE END OF YEAR</b>	<u><u>102,232</u></u>	<u><u>32,595</u></u>

These Financial Statements should be read in conjunction with the notes to the Financial Statements and the Review Report.

# THE LAKESIDE VILLAS BODY CORPORATE S36074

## SCHEDULE OF EXPENSES FOR THE YEAR ENDED 31ST DECEMBER 2018

	<b>2018</b>	<b>2017</b>
<u>Occupancy Expenses</u>	<b>\$</b>	<b>\$</b>
Electricity	56,135	60,222
Unit Complimentaries	13,550	13,068
Laundry Supplies and Wages	15,375	17,096
Cleaning Costs	109,646	107,598
Waste Disposal	3,381	3,847
Newspapers		6,886
Hospitality	3,237	3,811
Staff Training	5,576	1,000
Armourguard	992	1,237
	<u>207,892</u>	<u>214,765</u>
<u>Ownership Expenses</u>		
R & M Buildings - Replacement Whiteware	9,206	8,320
R & M Buildings - Interior & Exterior Including Heatpump Replacement	38,867	48,743
Grounds and Gardens	11,568	9,710
Spa Pools and Swimming Pool	6,597	7,364
Recreation	1,369	2,178
Television	25,508	23,965
Resort Salaries	127,922	120,636
Stock Replacement	18,269	19,849
Telephone & Tolls	12,299	8,425
Rates	62,273	64,520
Insurance	21,382	15,648
Wages - General Hand	41,448	38,634
	<u>376,708</u>	<u>367,992</u>
<u>General &amp; Administration Expenses</u>		
Accident Compensation Levy	912	890
Audit Fees	4,623	5,703
Bank Charges	3,717	2,211
Staff Holiday Entitlements	10,588	
Non-recoverable Bad Debts	8,447	4,327
General Expenses	1,247	2,690
Secretarial Fees	27,235	26,694
AGM Expenses	2,589	6,775
Meeting Expenses	16,302	12,899
Computer Costs	5,210	5,184
Motor Vehicle Expenses	4,681	2,816
Postage, Printing & Stationery	10,452	9,702
Subscriptions (EMA)	1,103	550
	<u>97,106</u>	<u>80,441</u>
<u>Refurbishing and Upgrading Expenses</u>		
Common Property & Resort Improvements	130,263	83,184
Villa Upgrade	95,568	
Refurbishing Units	21,856	39,373
	<u>247,687</u>	<u>122,557</u>

These Financial Statements should be read in conjunction with the notes to the financial statements and the Review Report.



THE LAKESIDE VILLAS BODY CORPORATE S36074

STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER 2018

	2018 \$	2017 \$
<u>UNIT HOLDERS' FUNDS</u>		
Accumulated Unit holders' Funds	102,232	32,595
<b>TOTAL UNIT HOLDERS' FUNDS</b>	<u>102,232</u>	<u>32,595</u>
Represented by:		
<b>CURRENT ASSETS</b>		
Cash at Bank	177,112	85,618
Short Term Investments (Note 4)	543,604	470,398
Accrued Interest	-	307
Prepayments	-	23,281
Stock on Hand	3,700	7,394
Tax Refund Due (Note 1)	113	
<b>TOTAL CURRENT ASSETS</b>	<u>724,529</u>	<u>586,998</u>
<b>TOTAL ASSETS</b>	<u>724,529</u>	<u>586,998</u>
<b>LESS CURRENT LIABILITIES</b>		
Accounts Payable	16,018	14,845
GST Payable	67,259	51,070
Withholding Tax Payable	-	404
Employee Entitlements	14,215	3,627
Sundry Creditors	1,058	
Accrued Expenses	11,804	4,500
Maintenance Fees Received in Advance 2019	509,675	478,213
<b>TOTAL CURRENT LIABILITIES</b>	<u>620,029</u>	<u>552,659</u>
<b>NON-CURRENT LIABILITIES</b>		
Maintenance Fees Received in Advance	2,268	1,744
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>2,268</u>	<u>1,744</u>
<b>TOTAL LIABILITIES</b>	<u>622,297</u>	<u>554,403</u>
<b>NET ASSETS</b>	<u>102,232</u>	<u>32,595</u>

  
\_\_\_\_\_  
CHAIRPERSON

  
\_\_\_\_\_  
SECRETARY

16-2-19  
\_\_\_\_\_  
DATE

These financial statements should be read in conjunction with the notes to the financial statements and the Review Report.

## THE LAKESIDE VILLAS BODY CORPORATE S36074

### STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2018

#### **REPORTING ENTITY**

The Lakeside Villas Body Corporate DPS S36074 is a body corporate registered under the Unit Titles Act (2010). Lakeside Villas is a Timeshare Resort with 28 apartments representing 1428 unit/weeks.

#### **STATEMENT OF COMPLIANCE**

These financial statements are special purpose and have been prepared for taxation purposes and for internal management purposes. The financial statements are presented in accordance with the Unit Titles Act 2010, the Unit Titles Regulations 2011, the Tax Administration (Financial Statements) Order 2014 and principals contained in the Income Tax Act 2007. The accounting policies adopted are not in conformity with generally accepted accounting practice. Accordingly, these financial statements should only be relied on for the expressly stated purpose.

#### **MEASUREMENT BASE**

The measurement base adopted is that of historical cost. Reliance is placed on the fact that the Body Corporate is a going concern. The special purpose financial statements have been prepared on an accrual basis.

#### **SPECIFIC ACCOUNTING POLICIES**

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied.

##### **Revenue policies**

Maintenance levies are recognised on an accruals basis. Levies received from members prior to the reporting date are recorded as Maintenance Fee Received in advance and are classified as a current or non-current liability according to the period that the levy relates to.

Interest received is recognised as it accrues, using the effective interest method.

Rental income is recognised on an accruals basis.

Net proceeds from resales are recognised as received.

##### **Goods and Services Tax**

All amounts are shown exclusive of Goods and Services Taxes (GST), except for receivables and payables which are shown inclusive of GST.

##### **Fixed Assets**

Assets purchased are not capitalised but are expensed in the year of purchase.

**Debtors**

Debtors are stated at estimated realisable value after providing against debts where collection is doubtful. Bad debts are written off during the period in which they are identified.

**Taxation**

Income Tax is accounted for using the taxes payable method.

**Short-term Investments**

Investments (Term Deposits) are shown at initial investment value.

**Stock on hand**

Stock on hand is recognised at the lower of cost or net realisable value.

**Changes in Accounting Policies**

The Body Corporate transitioned on 1 January 2014 from preparation of general purpose financial information in accordance with generally accepted accounting practice in New Zealand ("NZGAAP") to special purpose financial reporting. The transition had minimal impact on the accounting policies of the Body Corporate.

**THE LAKESIDE VILLAS BODY CORPORATE S36074**

**Notes to the Financial Statements  
for the year ended 31 December 2018**

**1. Taxation**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Investment Income Received	11,051	8,607
Adjustment for permanent differences		( 1,000)
	<u>11,051</u>	<u>7,607</u>
Taxation @ 28%	<u>3,094</u>	<u>2,130</u>
Taxation Expense	3,094	2,130
Resident Withholding Tax Paid	<u>3,207</u>	<u>1,726</u>
Withholding Tax Refund	<u>113</u>	<u>( 404)</u>

**2. Income Generated from Resort Activity Generated**

	<b>2018</b>	<b>2017</b>
		<b>\$</b>
Commission Received	1,556	1,551
Net Proceeds from Resales	30,093	
Less Land Information NZ Fees	10,304	
Less Administration Fees	<u>13,480</u>	3,201
	6,309	
Sundry Income	763	1,228
Previous Year Maintenance Levies	38	518
Surplus Bonus Weeks		<u>1,043</u>
Total of Income Generated	<u>8,666</u>	<u>7,541</u>

**3. Bad Debts**

Bad debts to the value of \$8,447 incurred in the 2018 year have been written off (2017: \$4,327)

**THE LAKESIDE VILLAS BODY CORPORATE S36074**

**Notes to the Financial Statements  
for the year ended 31 December 2018**

**4. Short Term Investments**

			<b>2018</b>	<b>2017</b>
			<b>\$</b>	<b>\$</b>
	Rate	Maturity	Amount	Amount
ANZ Bank Serious Saver			80,353	
ANZ Direct On Line			100,053	
ANZ Bank	3.45	19.06.19	50,000	
ANZ Bank	3.45	19.06.19	50,000	
ANZ Bank	3.25	01.07.19	102,298	
ASB Bank Savings Plus			10,295	
ASB Bank	3.45	13.06.19	100,000	
ASB Bank	3.45	27.06.19	50,605	
			<u>543,604</u>	
ANZ Bank Serious Saver				161,269
ANZ Direct On Line				52
ANZ Bank	3.1	11.04.18		50,000
ANZ Bank	3.35	11.06.18		50,000
RaboBank Savings				130
ASB Savings Plus				4,084
ASB Bank	3.35	15.06.18		104,863
ASB Bank	3.35	27.06.18		100,000
				<u>470,398</u>

**5. Lakeside Villas Rating Valuation**

The 2017/18 rates have been set in accordance with the Local Government (Rating) Act 2002 and Taupo Districts Councils rating policy as set out in the Long term Plan.

Taupo District Council rates each unit according to individual valuation. The current valuation was issued as a result of General Revaluation.

Valuation Number 7311 1300 A - 073110300AB

	\$
Land Value	3,707,000
Improvement Value	4,707,000
Capital Value	<u>8,414,000</u>

This Rating Valuation is dated as at the 1st July 2017.

**THE LAKESIDE VILLAS BODY CORPORATE S36074**

**Notes to the Financial Statements  
for the year ended 31 December 2018**

**6. Related Party Transactions**

**2018 Schedule of Ownership at Lakeside Villas by  
Current Committee Members:**

Committee Member	Unit	Week
-----		
I Kemp	5	52
BW McCulloch	21	18
D Meredith	4	1
	1	2
	7	49
	6	20
GJ Shearman	6	17
GD Tohill	8	32
	15	24
BA Train	9	11
S Wilson	1	52

**7. Refurbishment & Common Property Expenses**

	<b>2018</b>	<b>2,017</b>
	<b>\$</b>	<b>\$</b>
Refurbishing Studio 20	21,856	
DVS Studio and 2 bedroom apartments	14,374	
Exterior Painting	53,000	
Upgrading Recreation Room	16,443	
Outdoor Furniture	3,304	
Replacement of the 3 Communal Spa Pools	36,235	
Villa Upgrades as per the one-off levy	95,568	
Costs to purchase and site manded	6,907	
	<u>247,687</u>	
Refurbishing 1 Villa Apartment		39,373
Expenses Aluminium Joinery 3 Villa apartments		62,882
Upgrading TV Satelites etc		4,302
Refurbishing Villa 8 Upstairs Bathrooms		16,000
		<u>122,557</u>

# THE LAKESIDE VILLAS BODY CORPORATE S36074

## Notes to the Financial Statements for the year ended 31 December 2018

### 8. Rental Income from Staff Accommodation

	2018	2017
	\$	\$
Rental income	13,604	12,782

On-site accommodation is provided for the Resort Managers. The value of rent is accounted for in their remuneration and taxed in accordance with IRD requirements.

### 9. Long Term Plan

Under sections 116 and 117 of the Unit Titles Act 2010 the Body Corporate is required to establish and maintain a long-term maintenance plan and a separate fund to service this plan.

The Lakeside Villas Body Corporate maintains a Long Term Plan to 2024 includes a schedule and funding plan for the required maintenance.

### 10. Capital Commitments and Contingent Liabilities

As at the reporting date the Body Corporate does not have any capital commitments or Contingent Liabilities (2017 None).

### 11. Subsequent Events

The Body Corporate does not have any subsequent events that require disclosure (2017: Nil)

**INDEPENDENT ASSURANCE PRACTITIONER'S REPORT  
To the Unit Holders of The Lakeside Villas Body Corporate**

We have reviewed the accompanying special purpose financial statements of The Lakeside Villas Body Corporate, which comprise the statement of financial position as at 31 December 2018, and the statement of financial performance and statement of movements in unitholders' funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management Committee's responsibility for the financial statements**

The Management Committee is responsible for the preparation and fair presentation of these special purpose financial statements in accordance with the Statement of Accounting Policies as presented on pages 8 and 9 of the financial statements, and for such internal control as the Management Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Assurance practitioner's responsibility**

Our responsibility is to express a conclusion on the accompanying special purpose financial statements. We conducted our review in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400, *Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity*. ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE (NZ) 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these financial statements.

Other than in our capacity as assurance practitioner we have no relationship with, or interests in, The Lakeside Villas Body Corporate.

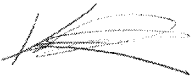
**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that these special purpose financial statements do not present fairly, in all material respects, the financial position of The Lakeside Villas Body Corporate as at 31 December 2018, and its financial performance for the year then ended, in accordance with the Statement of Accounting Policies.



**Emphasis of matter – basis of accounting and restriction on distribution of use**

We draw attention to the statement of accounting policies, which describes the basis of accounting. The financial statements are prepared to assist the Body Corporate in fulfilling its financial reporting responsibilities in accordance with the Unit Titles Act 2010, Unit Titles Regulations 2011, Taxation Administration (Financial Statements Order) 2014, the principals contained in the Income Tax Act 2007 and the Body Corporate's Operational Rules. The financial statements have been prepared for the Management Committee, Unit Holders and Inland Revenue. As a result, the financial statements may not be suitable for another purpose and our report should not be distributed to any other parties.



Kirsten Dixon  
DIXON&CO Limited  
Taupo

Date

**THE LAKESIDE VILLAS REVISED REFURB CAPITAL IMPROVEMENTS SCHEDULE FROM 2018 - 2029**

The long-term maintenance plan must cover a period of at least 10 years from the date of the last review of the plan

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Current Refurbishing schedule commenced April 2010												
Villas	13	2	4	4	4	3	3	2	4			3
1 Bed	4											
2 Bed	3	1	2						1			
Studio	8					7						
<b>TOTAL UNITS</b>	<b>28</b>	<b>5</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>7</b>	<b>3</b>	<b>2</b>	<b>5</b>	<b>Ext Paint</b>	<b>120,000</b>	

**New Refurbishing Schedule commencing 2018**

Current Villa Costs		75,000		160,000	160,000		120,000	80,000				
Refurb costs 2019	40,000											
Refurb costs 2021	40,000											
<b>1 Bed (4)</b>									100,000			
Full refurb	25,000											
Current Refurb Costs	20,000											
<b>2 Bed (3)</b>		25,000	60,000									135,000
Full refurb 2019	25,000											
Refurb incl replacing kitchen bench	45,000											
Studio (8)	20,000					175,000						
Full refurb	25,000											
<b>TOTAL REFURB</b>	<b>N/A</b>	<b>100,000</b>	<b>60,000</b>	<b>160,000</b>	<b>135,000</b>	<b>180,000</b>	<b>120,000</b>	<b>80,000</b>	<b>100,000</b>	<b>150,000</b>	<b>150,000</b>	<b>135,000</b>
Annual surplus	169,000	164,656	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Opening reserves		62,232	-17,450	62,550	42,550	47,550	7,550	27,550	87,550	127,550	267,550	257,550
Net one-off Levy from Villa Owners Week 53	151,000											
<b>Additional Income Generated</b>												
Funds available	320,000	226,888	142,550	222,550	202,550	207,550	167,550	187,550	247,550	287,550	427,550	417,550
Overruns Operating expenses	20,000	6,000										
Proposed Refurb expend	21,856	100,000	60,000	160,000	135,000	180,000	120,000	80,000	100,000 Nil			135,000
Villa Courtyard Gates	13,882											
Villa Spa Pool Replacement	69,000											
Villa Window Aluminium Joinery	5,000	83,338									150,000	
Exterior Painting of Resort	53,000	55,000										
Communal Spa Pools	36,235											
Capital & Common Property expenses Incl DVS	38,795		20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Closing available reserves	62,232	-17,450	62,550	42,550	47,550	7,550	27,550	87,550	127,550	267,550	257,550	262,550
Add back minimum reserve	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Closing total reserves	102,232	22,550	102,550	82,550	87,550	47,550	67,550	127,550	167,550	307,550	297,550	302,550

**Points to Note:**

- 2010 Commencement of current Refurbishing Round. This round will be completed in 2019 (10 years since commencement)
- 2019 Commencement of the next Refurbishing Round (1 x 2 Bedroom unit)
- The Refurbishing costs are based on historic costs. There may be joinery and bathroom updates as it progresses.
- Common Property Schedule is shown as an ongoing expense on the schedule. This varies greatly from year to year but we allow \$20,000 pa as an average
- The Exterior Painting to be completed in 2 years
- There is no allowance in the budget for re-roofing or spouting. Historically all spouting maintenance or replacement has been expensed against R. & M.
- Replacement of Villa Spa Pools in 2018. All communal spa pools replaced in 2018
- One-off Villa Levy introduced = \$189,000 GST incl \$164,000 GST excl
- The Villa Courtyard gates replaced 2018

## Certificate of Insurance

The following insurance policies have been arranged on behalf of the mentioned Insured and are subject to the Policy wordings and endorsements issued on the Insured's behalf.

Date:	4 <sup>th</sup> March 2019
Insured:	<b>The Lakeside Villas Timeshare Resort Body Corporate S36074</b>
Period of Insurance:	<b>For the 2019 Financial Year</b> 4pm on 31st December 2018 to 4pm on 31st December 2019
Policy Number:	BG02212
Situation of Risk:	96 Lake Terrace, Taupo
Occupation:	Time Share
Insurance Policies and Sum insured:	<ul style="list-style-type: none"> <li>→Material Damage Insurance Policy: <ul style="list-style-type: none"> <li>• Buildings \$10,595,000 Replacement Value, and</li> <li>• Contents &amp; Plant \$950,000 Replacement Value.</li> </ul> </li> <li>→Business Interruption Insurance Policy: <ul style="list-style-type: none"> <li>• Maintenance Levy Reimbursement \$795,000</li> <li>• Additional Costs of Working \$100,000</li> <li>• Claim Preparation Costs \$50,000</li> <li>• Indemnity Period 12 months.</li> </ul> </li> <li>→Liability Insurance Policies: <ul style="list-style-type: none"> <li>• Public Liability \$2 million,</li> <li>• Statutory Liability \$1 million,</li> <li>• Employers Liability \$500,000, and</li> <li>• Association Liability \$500,000.</li> </ul> </li> </ul>
Insurer:	AIG Insurance New Zealand Limited unless stated differently.
Deductible/Excess:	Agreed as per the policy Schedules.
Interested Parties:	None.
Coverage:	Terms & conditions as per the agreed Policy Wordings.

**Signed on behalf of the Insurer**



**AIG Insurance New Zealand Limited**

(Also please note – insured with Zurich Auto Insurance is Comprehensive Commercial Motor Vehicle Insurance on your 1994 Toyota Ute EYZ886 with Sum Insured being the current market value up to \$7,000+GST and your 1983 Trailer Rego 7239F with Sum Insured being the current market value up to \$2,000+GST.)

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