

ARK RESOURCES LTD

Financial Statements for the Year Ended 31 March 2015

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Ark Resources Ltd

Directory For the Year Ended 31 March 2015

Ark Resources Limited is a limited liability company, incorporated in 1999. The Company's prime objective is the outworking of principles relating to finance from God's Word by providing interest free loans for homes and churches, to bring liberty and advance the Kingdom of God.

Address: PO Box 2211
Whakatane 3159
New Zealand

Phone: 07 304 8097

DIRECTORS

Evan Harvey (Chairman)
Mark Langridge (Secretary)
Kerryanne Dalglish (Treasurer)
Kathleen Deal
Kelvin Deal
Jonathan Segedin

ADMINISTRATION

Evan Harvey - Lending Officer
Mark Langridge BSc (Hons) - Secretary, Computer Modelling
Kerryanne Dalglish BMS (Hons) - Administrator & Treasurer
Kathleen Deal - Office Administration

AUDITOR

Peter Reid, B Com, CA, ACIS, Chartered Accountant

BANKERS

Westpac New Zealand Limited
Rabobank New Zealand Limited

SOLICITORS

Keam Standen, Tauranga

INDEPENDENT AUDITOR'S REPORT

To the Readers of the Financial Report of Ark Resources Limited

I have audited the financial statements of Ark Resources Limited on pages 5 to 10, which comprise the statement of financial performance, statement of movements in equity for the year ended 31 March 2015, and a summary of significant accounting policies and other explanatory information. The financial statements provide information about the past performance of Ark Resources Limited, and its financial position as at 31 March 2015. This information is stated in accordance with the accounting policies set out on pages 5 to 7.

Directors Responsibilities.

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand, this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities.

It is my responsibility 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). These 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 these 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.

I have formatted these statements from the accounting records provided by the Directors of Ark Resources Limited. The Directors have taken responsibility for the financial statements. Other than in my capacity as auditor I have no relationship with, or interests in, Ark Resources Limited.

Unqualified Opinion.

In my opinion the financial statements present fairly, in all material respects, the financial position of Ark Resources Limited as at 31 March 2015 and its financial performance for the year ended in accordance with generally accepted accounting practices in New Zealand.

My audit was completed on 9 September 2015 and my unqualified opinion is expressed as at that date.

Peter A. Reid. B.Com C.A.
Chartered Accountant. Whakatane.



Ark Resources Ltd

Directors' Annual Report for the Year Ended 31 March 2015

The Directors hereby present their Annual Report including Financial Statements of the Company for the financial year ended 31 March 2015.

Section 211 of the Companies Act 1993 requires the following disclosures:

a) Nature of the Business

The business of the Company is providing interest free loans for residential homes and churches to demonstrate the validity of the Bible and to enable people to become free from debt. We lend interest free using funds lent by Liberty Trust, a registered charitable trust. Profits are returned to support the work of the trust. The nature of the Company's business has not changed during the year.

b) Financial Statements

The financial statements for the year ended 31 March 2015 follow this report in accordance with section 10 of the Financial Reporting Act 1993.

c) Auditor's Report

These Financial Statements are to be read in conjunction with the accompanying Notes to the Financial Statements and the Auditor's Report which is included in this Annual Report in accordance with Part XI of the Companies Act 1993.

d) 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.

e) Directors Interests

In accordance with section 140(2) of the Companies Act 1993, directors have advised their interests during the year ended 31 March 2015 of:

* Liberty Trust, an entity with which the Company conducts business:

- Kelvin Deal & Jonathan Segedin, who are trustees of Liberty Trust.

f) Directors Remuneration and Benefits

Our chairman, Evan Harvey, received remuneration during the financial year totalling \$14,200 (2014= \$6,700) for professional services as Loans Officer. No other directors received remuneration.

No director received benefit outside the course of normal business. (2014 = Nil)

g) Employee Remuneration

No employee received remuneration and/ or any other benefits exceeding \$100,000 during the financial year. (2014 = Nil)

h) Donations Made

No donations were made by the Company during the financial year. (2014 = Nil)

Ark Resources Ltd

Directors' Annual Report for the Year Ended 31 March 2015

i) Directors

Directors at 31 March 2015:

Evan Harvey (Chairman)

Mark Langridge

Kerryanne Dalglish

Kathleen Deal

Kelvin Deal

Jonathan Segedin

No other person was a Director at any time during the financial year.

No Director acquired or disposed of any interest in shares in the Company.

j) Audit fees paid by the Company

<u>2015</u>	<u>2014</u>
\$500	\$4,025

k) Signed on behalf of the Board of Directors:

For and on behalf of the Board


..... Director


..... Director

Date 12/9/15

Ark Resources Ltd

Notes To and Forming Part of the Financial Statements For the Year Ended 31 March 2015

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

Ark Resources Ltd (the Company) is a Limited Liability Company registered under the Companies Act 1993. The Company's prime objective is the outworking of principles relating to finance from God's Word by providing interest free loans for homes and churches, to bring liberty and advance the Kingdom of God. Funds are provided by Liberty Trust, a registered charitable trust and profits are returned to support the work of the trust.

Date of Authorisation

The financial statements of the Company are for the year ended 31 March 2015. The financial statements were authorised for issue by the Board on 31 August 2015.

Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). The financial statements have been prepared taking the exemptions from the application of the New Zealand equivalent to International Financial Reporting Standards permitted by the external reporting board.

The Company is not regarded as a Financial Institution as described by the Institute of Chartered Accountants FRS-33 (see clause 4.19) as the Company is wholly funded and controlled by the related party, Liberty Trust, and the Company has no material unrecognised financial liabilities with unrelated counterparties.

Differential Reporting

The Company qualifies for differential reporting exemptions as it is not an issuer (as defined in the Financial Reporting Act 2003) in the current or preceding accounting period, and is not large as defined by the Financial Reporting Act 2013 as total revenue does not exceed \$30 million, nor do total assets exceed \$60 million. The Company is not publicly accountable as defined in the Framework of Differential Reporting,

The Company has taken advantage of all differential reporting exemptions.

Measurement Base

The general accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical basis have been followed by the entity except where revaluations of assets are incorporated. Accrual accounting is used to match expenses and revenues and reliance is placed on the fact that the entity is a going concern.

The financial statements are presented in New Zealand Dollars (NZD).

Ark Resources Ltd

Notes To and Forming Part of the Financial Statements For the Year Ended 31 March 2015

Specific Accounting Policies

The following accounting policies have been employed in the preparation of these financial statements.

Goods and Services Tax

The Company is not registered for GST and all income, expenses and accounts payable are shown inclusive of GST paid, if any.

Valuation of Assets

Cash on Hand and Bank Accounts are shown at the holding value.

Accounts receivable have been valued at expected realisable value.

Loans are shown at expected realisable value. No provision has been made for doubtful debts.

All loans are secured by registered mortgages.

Market value of the securities offered against the loans given are not expected to drop below the loans outstanding due to the structure and criteria of loans given.

Liabilities

Liabilities are recognised when the goods and services to which they relate are received.

Liabilities are carried at the amount of cash which is required to settle those liabilities.

Advances from Liberty Trust are secured by a debenture over the Company's assets.

Changes in Accounting Policy

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

2. TAXATION

No provision for income tax has been made as there is no current or deferred tax payable.

3. BAPTIST SAVINGS AND DEVELOPMENT

The loan to New Zealand Baptist Savings and Development Society Incorporated of \$192,000 was secured against New Zealand land and buildings. Interest was forgone on this loan for charitable purposes.

4. LOANS OUTSTANDING

	2015	2014
Opening Balance:	\$9,266,660	\$8,854,426
Less Repayments:	-\$2,235,064	-\$2,598,812
Plus New Lending:	<u>\$4,033,687</u> (33 new loans)	<u>\$3,014,810</u> (17 new)
Loans Outstanding:	\$11,065,175	\$9,266,660
Less Current Portion:	- <u>\$2,297,121</u>	- <u>\$1,937,067</u>
Non-Current Portion	\$8,768,054	\$7,329,593

No loans were in arrears greater than \$10,000 or 5% of the loan advanced.

Ark Resources Ltd

Notes To and Forming Part of the Financial Statements For the Year Ended 31 March 2015

5. EQC FUNDS

\$141,795.95 is held in Rabobank on behalf of S. Kent & R. Aston as directed by the Earthquake Commission (2014 = \$106,910.83). S. Kent & R. Aston had a loan outstanding of \$23,968 at 31 March 2015 (2014 = \$36,474).

6. RELATED PARTY TRANSACTIONS

1. The Company is funded by Liberty Trust - a New Zealand registered charitable trust (Charity Reg: CC11287) which seeks to teach and demonstrate the Bible's financial principles in order to relieve financial burdens and advance the Kingdom of God. The following directors of the Company are trustees of Liberty Trust: Kelvin Deal & Jonathan Segedin. The directors receive no income or benefit from the Company or Liberty Trust as a result of their position.

2. Loans from Liberty Trust are shown at cost, and are secured by a debenture over the assets of the Company.

	2015	2014
Opening balance	\$10,159,988	\$9,230,088
Further Advances	<u>\$1,125,800</u>	<u>\$929,900</u>
Closing balance	\$11,285,788	\$10,159,988

The Liberty Trust Current Account had a balance of \$20,863.75 at 31 March 2015. (2014 = \$45,541.45)

3. The Chairman, Evan Harvey was paid Loans Officer Fees of \$14,200 during the year ended 31 March 2015. (2014 = \$6,700)

4. The Secretary, Mark Langridge, received a loan in the normal course of business in March 2007 and the balance at 31 March 2015 was \$20,280. (2014 = \$37,928)

5. The Treasurer, Kerryanne Dalgleish, received a loan in the normal course of business in August 2013 and the balance at 31 March 2015 was \$137,156. (2014 = \$184,250)

7. CAPITAL COMMITMENTS & CONTINGENT LIABILITIES

At the date of this report there are no known future capital commitments or contingent liabilities for which the Company may be liable. (2014 = Nil)

8. SUBSEQUENT EVENTS

There were no known subsequent events impacting the financial statements reported for the year ended 31 March 2015. (2014 = Nil)

Ark Resources Ltd

Statement of Financial Performance For the Year Ended 31 March 2015

<u>2014</u>		<u>2015</u>
	<u>INCOME</u>	
2,340.00	Contributions from Borrowers	390.00
6,418.82	Interest Received - Solicitors	5,531.81
3,502.06	Interest Received - Bank	4,591.23
502.00	Donations & Grants Received	151.52
7,800.00	Mortgage Administration Fees	14,800.00
20,562.88		25,464.56
	<u>Less EXPENSES</u>	
4,025.00	Auditing	500.00
956.50	Stationery & Equipment	-
-	Anti-Money Laundering	287.50
922.50	Dispute Resolution Subscription	896.88
442.00	Financial Service Provider Registration	742.83
22.94	Internet Fees	22.94
100.76	Bank Fees & Interest	47.28
383.77	Banklink Fees	526.09
548.50	Legal Expenses	-
3,216.00	Interest on EQC Funds	3,780.00
6,700.00	Loans Officer Fees	14,200.00
17,317.97		21,003.52
\$3,244.91	NET INCOME OVER EXPENSES	\$4,461.04
3,922.68	Liberty Trust Support	4,000.00
-	Taxation	-
(\$677.77)	NET INCOME OVER EXPENSES	\$461.04

This Statement is to be read in conjunction with the accompanying Notes to the Financial Statements and the Audit Report.



Ark Resources Ltd

Statement of Movements in Equity As at 31 March 2015

<u>2014</u>		<u>2015</u>
	Shareholders' Equity	
60.00	<u>Share Capital</u>	60.00
	<u>Retained Profits</u>	
632.90	Balance at 01/04/2014	(44.87)
(677.77)	Net Revenue	461.04
(44.87)		416.17
<u>\$15.13</u>	SHAREHOLDERS' EQUITY	<u>\$476.17</u>

This Statement is to be read in conjunction with the accompanying Notes to the Financial Statements and the Audit Report.

Ark Resources Ltd

Statement of Financial Position As at 31 March 2015

<u>2014</u>		<u>2015</u>
	<u>Current Assets</u>	
56,630.40	Westpac Cheque Account	45,315.92
286,000.00	Baptist Savings (interest free)	192,000.00
107,211.62	Rabobank Call Account	144,505.48
593,957.54	Keam Standen - Trust A/c	-
2,938.39	Resident Withholding Tax	2,953.94
1,937,067.05	Loans Outstanding - Current	2,297,120.60
<u>2,983,805.00</u>		<u>2,681,895.94</u>
	<u>Current Liabilities</u>	
943.05	Accounts Payable	1,026.09
45,541.45	Liberty Trust - Current	20,863.75
106,910.83	EQC Funds held	141,795.95
<u>153,395.33</u>		<u>163,685.79</u>
<u>2,830,409.67</u>	Net Working Capital	<u>2,518,210.15</u>
	<u>Non-Current Assets</u>	
7,329,593.38	Loans Outstanding - Non Current	8,768,053.94
	<u>Non Current Liabilities</u>	
10,159,987.92	Debenture - Liberty Trust	11,285,787.92
<u>\$15.13</u>	NET ASSETS	<u>\$476.17</u>

This is Represented by:

Shareholders' Equity

60.00	<u>Share Capital</u>	60.00
	<u>Retained Profits</u>	
632.90	Balance at 01/04/2014	(44.87)
(677.77)	Net Revenue	461.04
<u>(44.87)</u>		<u>416.17</u>
<u>\$15.13</u>	SHAREHOLDERS' EQUITY	<u>\$476.17</u>


 Director

 Director
 Date 12/9/15

This Statement is to be read in conjunction with the accompanying Notes to the Financial Statements and the Audit Report.

Ark Resources Ltd

Lending Report As at 31 March 2015

<u>2014</u>		<u>2015</u>
5,699.02	225	-
9,587.54	229	-
7,600.00	232	2,400.00
37,927.50	237	20,280.42
17,000.00	242	11,200.00
4,500.00	243	-
948.85	251	-
27,459.36	252	17,536.32
16,856.00	253	6,728.00
8,787.00	254	-
14,117.90	255	2,743.10
31,611.32	259	20,082.92
4,600.00	260	-
4,919.92	261	-
9,222.83	262	2,172.83
19,772.35	263	10,830.95
26,412.98	264	18,387.38
41,331.59	266	31,731.59
2,753.00	267	-
10,877.23	268	-
16,239.20	269	4,667.60
25,690.82	270	13,886.36
33,167.76	271	14,292.72
9,870.00	273	-
46,941.68	274	110,947.20
11,833.39	276	2,535.75
30,434.56	277	16,790.80
33,810.00	278	22,435.00
12,868.12	279	6,493.12
27,816.87	280	-
7,137.50	281	5,862.50
21,000.00	284	8,000.00
29,377.44	285	13,777.44
33,901.76	286	23,195.84
143,528.69	288	100,470.05
25,292.50	289	12,006.50
26,286.20	291	13,143.44
53,076.36	292	30,076.24
37,150.78	293	15,722.10
34,570.80	294	17,284.96
10,128.08	295	5,547.92
30,856.98	296	17,142.66
23,277.50	297	8,848.94
51,856.96	298	42,773.00
63,588.40	299	47,000.20

This Statement is to be read in conjunction with the accompanying Notes to the Financial Statements.

Ark Resources Ltd

Lending Report As at 31 March 2015

<u>2014</u>		<u>2015</u>
57,523.76	300	35,952.32
49,452.69	301	30,262.35
118,694.88	302	96,808.08
39,373.84	304	30,000.00
73,588.02	305	56,176.26
137,040.74	307	117,516.02
44,491.44	308	29,661.30
1,708.18	309	-
63,875.28	310	42,447.12
(1,000.00)	312	(1,000.00)
79,262.68	313	-
60,632.96	314	41,373.32
90,100.00	315	69,420.00
64,587.61	316	51,987.61
36,473.87	317	23,968.39
167,008.99	318	152,942.35
29,999.11	319	21,427.63
57,458.92	320	41,788.36
53,000.00	321	35,000.00
46,505.00	322	33,362.00
78,577.20	323	56,646.36
76,217.80	324	-
34,348.00	325	27,016.00
73,417.60	326	54,703.32
87,454.14	327	71,056.50
102,066.94	328	84,566.94
27,239.83	329	22,181.01
52,496.80	330	40,792.12
175,250.13	331	141,178.74
34,519.20	333	28,804.00
91,285.80	335	70,547.76
167,605.00	336	139,082.32
69,954.30	337	53,536.02
27,875.00	338	21,375.00
70,700.06	339	58,763.72
106,505.25	340	81,219.73
166,554.26	342	146,053.26
63,335.19	343	53,430.19
47,401.10	344	26,901.10
74,586.20	345	62,475.40
60,250.00	346	45,850.00
75,656.71	347	63,774.45
59,406.64	349	50,867.46
114,103.96	350	96,339.20
68,462.25	351	66,462.25

This Statement is to be read in conjunction with the accompanying Notes to the Financial Statements.

Ark Resources Ltd

Lending Report As at 31 March 2015

<u>2014</u>		<u>2015</u>
106,108.11	352	-
-	353	141,700.00
33,470.01	354	19,977.27
81,190.56	355	65,476.32
100,138.14	356	80,756.58
155,525.00	357	131,878.00
225,150.07	358	192,900.10
-	359	90,685.84
63,333.30	360	54,392.10
125,771.60	362	102,743.14
176,928.40	363	156,284.40
42,062.50	364	36,407.50
10,490.52	365	7,370.52
167,516.42	366	138,087.80
192,354.06	367	166,864.91
18,642.91	368	15,171.52
89,239.00	369	77,461.00
167,777.50	370	116,630.50
64,451.22	371	56,617.82
59,753.80	372	52,924.84
-	373	205,171.75
180,000.75	374	135,717.75
193,701.56	375	170,861.60
258,000.04	376	215,000.08
609,202.36	377	484,023.76
91,648.00	378	80,425.60
510,970.10	379	429,747.90
27,384.30	380	19,140.30
94,457.00	381	78,714.00
181,830.00	382	155,475.99
184,249.98	383	137,155.66
89,680.00	384	76,228.00
188,748.75	385	165,153.75
69,809.36	386	51,661.00
190,543.44	387	167,284.62
99,797.60	388	75,368.80
-	389	82,400.00
-	390	41,148.00
-	391	159,400.00
-	392	87,800.00
-	393	171,551.57
-	394	48,790.00
-	395	31,000.00
-	396	57,821.80
-	397	88,134.80

This Statement is to be read in conjunction with the accompanying Notes to the Financial Statements.

Ark Resources Ltd

Lending Report As at 31 March 2015

<u>2014</u>		<u>2015</u>
-	398	67,947.26
-	399	218,900.00
-	400	240,522.80
-	401	71,927.00
-	402	87,140.64
-	403	175,600.00
-	404	238,574.25
-	406	144,711.60
-	407	277,224.34
-	408	76,950.96
-	409	150,032.05
-	410	111,805.57
-	411	243,949.05
-	412	103,476.20
-	413	91,558.91
-	414	34,260.00
-	415	81,227.00
-	417	197,277.78
-	418	20,781.25
-	419	20,691.18
-	421	81,000.00
-	422	40,400.00
<u>\$9,266,660.43</u>	<u>TOTAL LOANS OUTSTANDING</u>	<u>\$11,065,174.54</u>

This Statement is to be read in conjunction with the accompanying Notes to the Financial Statements.