

# **Ark Resources Limited**

## **Financial Statements for the Year Ended 31 March 2005**

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# ARK RESOURCES LTD

## Directors Annual Report for the Year Ended 31 March 2005

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The directors submit their report in respect of the financial year ended 31 March 2005:

**Financial Statements**

The financial statements for the year ended 31 March 2005 follow this report.

For and on behalf of the Board

..... Director

..... Director

Date .....

**Resolution of Annual Meeting of Shareholders of  
ARK RESOURCES LTD**

**For the Year Ended 31 March 2005**

DULY PASSED BY ENTRY IN THE COMPANY'S MINUTE BOOK  
PERSUANT TO SECTION 122 OF THE COMPANIES ACT 1993

RESOLVED:

Annual Accounts:

That the Annual Report and Statement of Accounts for the year ended 31 March 2005 be approved and adopted.

Auditor:

That Peter Reid, Chartered Accountant of Whakatane, be appointed auditor of the company for the ensuing year and the Directors be authorised to negotiate his fees.

Director's Remuneration:

That all amounts paid or credited to the Directors as salary, expenses or Directors' Fees, as recorded in the books of the company up to 31 March 2005 be and are hereby approved as being either reimbursement of expenses properly incurred or emoluments for services rendered to the company.

AND

That remuneration and/or fees be paid to the Directors in the ensuing year at a rate up to that paid or credited in the previous financial year, and that this amount be reviewed by the Shareholders for approval at the next Annual Meeting.

Dividend:

That, in accordance with the recommendation of Directors, no dividend be declared.

CONFIRMED BY SHAREHOLDERS:

..... Date .....

..... Date .....

..... Date .....

# ARK RESOURCES LTD

## Notes To and Forming Part of the Financial Statements For the Year Ended 31 March 2005

### 1. STATEMENT OF ACCOUNTING POLICIES

#### Reporting Entity

Ark Resources Ltd (the entity) is a Limited Liability Company registered under the Companies Act 1993.

#### Differential Reporting

The entity qualifies for differential reporting exemptions as it is not publicly accountable as defined in the Framework of Differential Reporting, and the operation is not considered large when applying the tests contained within the Framework for Differential Reporting.

The entity has taken advantage of all differential reporting exemptions.

#### Measurement Base

Unless otherwise specified, the measurement base adopted is that of historical cost.

#### Specific Accounting Policies

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

#### Goods and Services Tax:

This entity is not registered for GST and all expenses 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.

#### 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.

#### Changes in Accounting Policy

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

### 2. ADVANCES FROM LIBERTY TRUST

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

# **ARK RESOURCES LTD**

## **Notes To and Forming Part of the Financial Statements For the Year Ended 31 March 2005**

### **3. RELATED PARTY TRANSACTIONS**

The Entity has not undertaken any material transactions with related parties. No related party debts have been written off or forgiven during the year.

### **4. CAPITAL COMMITMENTS**

Nil. (2004 = Nil)

### **5. CONTINGENT LIABILITIES**

Blue Rock Holdings Ltd Bond guarantee.

# ARK RESOURCES LTD

## Statement of Financial Performance For the Year Ended 31 March 2005

<u>2004</u>		<u>2005</u>
	<u>INCOME</u>	
1,317.74	Interest Received - Solicitors	348.56
3,189.84	Interest Received - Craig & Co	3,677.17
7,200.00	Mortgage Administration Fees	6,400.00
1,496.55	Mortgagors' Contributions	-
13,204.13		10,425.73
	<u>Less EXPENSES</u>	
114.75	Accountancy	-
250.00	Auditing	300.00
72.90	Stationery	5.57
15.00	General Expenses	-
50.00	Gifts	-
198.84	Tolls	178.54
334.80	Travel	-
347.94	Bank Fees & Interest	468.33
64.46	Bank Connect Fees	122.56
7,937.28	Interest - Liberty Trust	6,816.16
2,400.00	Loans Officer	2,400.00
11,785.97		10,291.16
\$1,418.16	<b>NET INCOME OVER EXPENSES</b>	\$134.57
178.53	Taxation	44.41
\$1,239.63	<b>NET INCOME AFTER TAXATION</b>	\$90.16

Note: This Statement must be read in conjunction with the accompanying Notes to the Financial Statements and the Auditor's Report.

# ARK RESOURCES LTD

## Statement of Movements in Equity For the Year Ended 31 March 2005

<u>2004</u>		<u>2005</u>
(759.57)	Shareholders' Equity at 01/04/2004	480.06
	Plus	
1,239.63	Net Revenue less Expenses	90.16
<u>\$480.06</u>	<b>SHAREHOLDERS' EQUITY</b>	<u>\$570.22</u>

Note: This Statement must be read in conjunction with the accompanying Notes to the Financial Statements and the Auditor's Report.

# ARK RESOURCES LTD

## Statement of Financial Position As at 31 March 2005

<u>2004</u>		<u>2005</u>
	<u>Current Assets</u>	
1,675.41	Westpac Cheque Account	1,480.46
67,459.13	Craig & Co - Investment A/c	54,722.82
-	Accounts Receivable	109.60
1,645.17	Resident Withholding Tax	2,964.32
70,779.71		59,277.20
	<u>Current Liabilities</u>	
56,356.73	Liberty Trust - Current Account	58,352.76
178.53	Provision for Taxation	222.94
56,535.26		58,575.70
14,244.45	<b>Net Working Capital</b>	701.50
	<u>Non-Current Assets</u>	
2,721,379.01	Loans Outstanding	2,953,739.75
	<u>Non Current Liabilities</u>	
2,735,143.40	Debenture - Liberty Trust	2,953,871.03
<u>\$480.06</u>	<b>NET ASSETS</b>	<u>\$570.22</u>
This is Represented by:		
<b>Shareholders' Equity</b>		
60.00	<u>Share Capital</u>	60.00
	<u>Retained Profits</u>	
(819.57)	Balance at 01/04/2004	420.06
1,239.63	Net Revenue	90.16
420.06		510.22
<u>\$480.06</u>	<b>SHAREHOLDERS' EQUITY</b>	<u>\$570.22</u>

NOTE: This Statement is to be read in conjunction with the accompanying Notes to the Financial Statements and the Auditor's Report.



# ARK RESOURCES LTD

## Lending Report As at 31 March 2005

<u>2004</u>		<u>2005</u>
22,933.75	101 * <i>Names deleted for privacy</i>	13,725.55
14,936.00	103	11,296.00
13,340.00	106	2,840.00
22,400.00	110	-
12,022.09	112	-
14,432.40	116	527.60
8,444.00	118	-
12,449.44	120	3,371.28
19,254.75	121	8,558.55
20,061.30	122	11,765.10
18,219.75	125	11,195.31
17,631.50	128	9,215.87
31,084.00	129	22,972.00
14,651.71	130	-
10,474.70	131	-
19,313.50	132	11,721.10
32,300.00	133	26,045.00
64,514.40	135	42,318.00
33,294.75	136	22,058.55
15,319.50	137	9,815.10
32,079.75	138	20,783.55
34,042.75	140	23,058.60
34,735.00	141	28,243.00
35,872.75	144	26,652.55
14,920.00	145	10,760.00
37,544.85	148	25,974.85
17,600.00	149	-
(105.46)	150	-
40,555.00	151	29,263.00
42,463.00	152	31,413.00
50,104.64	153	41,908.40
50,696.95	154	42,500.95
28,843.74	155	22,187.46
48,276.85	156	39,194.65
48,034.98	157	37,859.82
48,108.95	158	-
32,940.00	160	25,920.00
104,759.92	161	-
51,845.00	162	42,814.00
37,674.90	163	29,174.82
50,940.45	165	39,493.05
-	166	65,338.00
54,630.41	167	43,534.73
57,330.00	168	48,210.00
56,906.55	169	46,804.59
58,064.00	170	47,872.00

NOTE: This Statement is to be read in conjunction with the accompanying Notes to the Financial Statements and the Auditor's Report.

# ARK RESOURCES LTD

## Lending Report As at 31 March 2005

<u>2004</u>		<u>2005</u>
60,584.50	171	49,599.50
63,896.00	172	56,792.00
63,628.00	173	55,961.12
61,000.00	174	49,000.00
64,008.00	175	55,608.00
62,547.70	176	52,404.94
64,254.17	177	55,902.19
67,500.00	178	58,507.24
8,600.00	179	5,000.00
66,320.00	180	56,960.00
65,928.56	181	55,785.68
66,773.80	182	56,630.92
68,040.00	183	59,936.00
66,653.00	184	58,037.00
201,975.00	185	146,975.00
92,573.00	186	84,173.00
70,154.76	187	60,011.88
21,000.00	188	17,347.80
-	189	63,484.60
-	190	63,760.00
-	191	63,775.00
-	192	63,000.00
-	193	30,725.00
-	194	66,857.60
-	195	71,989.25
-	196	69,900.00
-	197	33,140.00
-	198	69,220.00
-	199	54,520.00
-	200	91,350.00
-	201	71,000.00
-	202	71,000.00
-	203	51,000.00
-	204	8,000.00
<u>\$2,721,379.01</u>	<u>TOTAL LOANS</u>	<u>\$2,953,739.75</u>

NOTE: This Statement is to be read in conjunction with the accompanying Notes to the Financial Statements and the Auditor's Report.