

# ARK RESOURCES LTD

## Financial Statements for the Year Ended 31 March 2011

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# Ark Resources Ltd

## Directory For the Year Ended 31 March 2011

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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

Phone: 07 304 8097

### **DIRECTORS**

Evan Harvey (Chairman)

Mark Langridge (Secretary)

Kerryanne Dalgleish (Treasurer)

Kathleen Deal

Kelvin Deal

Jonathan Segedin

### **ADMINISTRATION**

Evan Harvey - Lending Officer

Mark Langridge BSc (Hons) - Secretary, Computer Modelling

Kerryanne Dalgleish BMS (Hons) - Administrator & Treasurer

Kathleen Deal - Office Administration

### **AUDITOR**

Goldsmiths Chartered Accountants

### **BANKERS**

Westpac New Zealand Limited

Rabobank New Zealand

### **SOLICITORS**

Keam & Associates, Tauranga

## **AUDIT REPORT**

To the Readers of the financial report of the **ARK RESOURCES LIMITED**.

We have audited the financial report. The financial report provides information about the past financial performance of ARK RESOURCES LIMITED and its financial position as at 31 March 2011. This information is stated in accordance with the accounting policies.

### **Shareholders' Responsibilities**

The Shareholder is responsible for the preparation of a financial report which gives a true and fair reflection of the financial position of ARK RESOURCES LIMITED as at 31 March 2011 and of the results of operations and cash flows for that year.

### **Auditor's Responsibilities**

It is our responsibility to express an independent opinion on the financial report presented by the Committee and report our opinion to you.

### **Basis of Opinion**

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Shareholders in the preparation of the financial report, and
- whether the accounting policies are appropriate to ARK RESOURCES LIMITED circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand except that our work was limited as explained below. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary. We obtained sufficient evidence to give reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

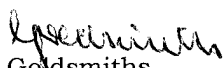
Other than in our capacity as auditors we have no relationship with or interests in ARK RESOURCES LIMITED other than preparation of financial statements. We did not audit the accounts the previous year as this was carried out by Peter Reid.

We have obtained all the information and explanations we have required.

In our opinion:

- Proper accounting records have been kept by the Company so far as appears from our examination of these records; and
- The financial statements on pages 3 to 10;
  - comply with generally accepted accounting practices in New Zealand; and
  - give a true and fair view of the financial position of the Company as at 31 March 2011, and the financial performance and cash flows for the year ended on that date.

Our audit was completed on 19 July 2011 and our unqualified opinion is expressed as at that date.

Auditors:   
Goldsmiths  
Chartered Accountants  
Address: P O Box 810 Whakatane

# Ark Resources Ltd

## Directors' Annual Report for the Year Ended 31 March 2011

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The Directors hereby present their Annual Report including Financial Statements of the Company for the financial year ended 31 March 2011.

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. 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 2011 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 material 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 2011 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 \$7,200 (2010 = \$6,100) for professional services as Loans Officer. No other directors received remuneration.

No director received benefit outside the course of normal business. (2010 = Nil)

**g) Employee Remuneration**

No employee received remuneration and/ or any other benefits exceeding \$100,000 during the financial year. (2010 = Nil)

**h) Donations Made**

No donations were made by the Company during the financial year. (2010 = Nil)



# Ark Resources Ltd

## Directors' Annual Report for the Year Ended 31 March 2011

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### **i) Directors**

Directors at 31 March 2011:

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.

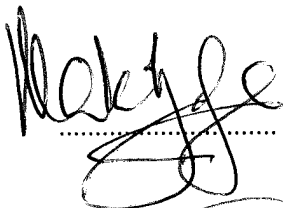
No Director acquired or disposed of any interest in shares in the Company.

### **j) Amounts Payable to Auditor**

No amount was payable by the Company to the auditor of the Company for audit fees or other services at 31 March 2011. An amount of \$500 was paid for auditing services during the financial year. (2010 = \$500)

### **k) Signed on behalf of the Board of Directors:**

For and on behalf of the Board

  
..... Director

  
..... Director

Date 24 May 2011



# Ark Resources Ltd

## Notes To and Forming Part of the Financial Statements For the Year Ended 31 March 2011

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### 1. STATEMENT OF ACCOUNTING POLICIES

#### Reporting Entity

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

#### Date of Authorisation

The financial statements of the Company are for the year ended 31 March 2011. The financial statements were authorised for issue by the Board on 24 May 2011.

#### 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). They comply with New Zealand equivalents to IFRSs (NZ IFRSs) and other applicable Financial Reporting Standards, as appropriate for companies that qualify for, and apply, differential reporting concessions.

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

#### Differential Reporting

The Company qualifies for differential reporting exemptions as it is not an issuer and is not required to file financial statements with the Registrar of Companies and is not large as defined by the Financial Reporting Act 1993. The Company 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 Company 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:

The Company 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.



# Ark Resources Ltd

## Notes To and Forming Part of the Financial Statements For the Year Ended 31 March 2011

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### 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 material changes in Accounting Policies. All policies have been applied on bases consistent with those used in previous years.

## **2. TAXATION**

Taxation has been provided on the Company's assessable income.

## **3. RELATED PARTY TRANSACTIONS**

The Company has a significant debt to Liberty Trust. Liberty Trust is a New Zealand registered charitable trust 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 Liberty Trust.

Advances from Liberty Trust are shown at cost, and are secured by a debenture over the assets of the Company. The debenture owed to Liberty Trust at 31 March 2010 was \$6,642,998.15 and further advances of \$913,289.77 were made throughout the year including interest of \$7,914.79. The debenture owed to Liberty Trust at 31 March 31 March 2011 was \$7,556,287.92.

## **4. CAPITAL COMMITMENTS & CONTINGENT LIABILITIES**

At the date of this report there are no known future commitments or contingent liabilities for which the Company may be liable. (2010 = Nil)

## **5. SUBSEQUENT EVENTS**

There were no known subsequent events impacting on the financial statements reported for the year ended 31 March 2011. (2010 = Nil)



# Ark Resources Ltd

## Statement of Financial Performance For the Year Ended 31 March 2011

<u>2010</u>		<u>2011</u>
	<u>INCOME</u>	
3,167.43	Contributions from Borrowers	2,840.00
1,085.72	Interest Received - Solicitors	4,213.39
1,413.52	Interest Received - Bank	1,681.69
<u>8,400.00</u>	Mortgage Administration Fees	<u>9,800.00</u>
14,066.67		18,535.08
	<u>Less EXPENSES</u>	
-	Printing & Photocopying	13.80
500.00	Auditing	500.00
293.63	Postage & Stationery	355.50
15.00	Accountancy	-
-	Dispute Resolution Subscription	1,000.00
-	Financial Service Provider Registration	629.95
83.83	Tolls	141.80
-	Internet Fees	63.24
32.89	Bank Fees & Interest	50.94
224.25	Bank Connect Fees	268.61
6,789.98	Interest - Liberty Trust	7,914.79
<u>6,100.00</u>	Loans Officer Fees	<u>7,200.00</u>
14,039.58		18,138.63
<u>\$27.09</u>	<b>NET INCOME OVER EXPENSES</b>	<u>\$396.45</u>
8.10	Taxation	118.80
<u>\$18.99</u>	<b>NET INCOME AFTER TAXATION</b>	<u>\$277.65</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 Movements in Equity As at 31 March 2011

<u>2010</u>			<u>2011</u>
	<b>Shareholders' Equity</b>		
60.00	<u>Share Capital</u>		60.00
	<u>Retained Profits</u>		
722.09	Balance at 01/04/2010	741.08	
<u>18.99</u>	Net Revenue	<u>277.65</u>	
741.08			1,018.73
<u><u>\$801.08</u></u>	<b>SHAREHOLDERS' EQUITY</b>		<u><u>\$1,078.73</u></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

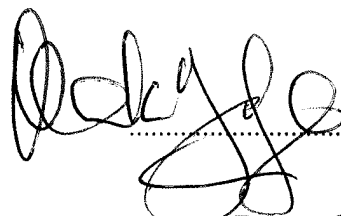
## Statement of Financial Position As at 31 March 2011

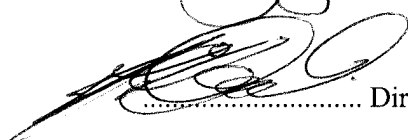
<u>2010</u>			<u>2011</u>
	<u>Current Assets</u>		
6,825.93	Westpac Cheque Account	15,033.24	
65,723.73	Call Investment A/c	13,391.29	
<u>825.04</u>	Resident Withholding Tax	<u>1,840.44</u>	
73,374.70			30,264.97
	<u>Current Liabilities</u>		
33,193.86	Liberty Trust - Current	16,841.65	
<u>8.10</u>	Provision for Taxation	<u>118.80</u>	
33,201.96			16,960.45
<u>40,172.74</u>	<b>Net Working Capital</b>		<u>13,304.52</u>
	<u>Non-Current Assets</u>		
6,603,626.49	Loans Outstanding		7,544,062.13
	<u>Non Current Liabilities</u>		
6,642,998.15	Debenture - Liberty Trust		7,556,287.92
<u>\$801.08</u>	<b>NET ASSETS</b>		<u>\$1,078.73</u>

This is Represented by:

### Shareholders' Equity

60.00	<u>Share Capital</u>		60.00
	<u>Retained Profits</u>		
722.09	Balance at 01/04/2010	741.08	
<u>18.99</u>	Net Revenue	<u>277.65</u>	
741.08			1,018.73
<u>\$801.08</u>	<b>SHAREHOLDERS' EQUITY</b>		<u>\$1,078.73</u>

 Director

 Director

Date 24 May 2011



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

## Statement of Fund Flows For the Year Ended 31 March 2011

<u>2010</u>		<u>2011</u>
<u>\$2,408,664.00</u>	New Loan Advances	<u>\$2,595,674.00</u>
	<u>Funded from:</u>	
18.99	Net Income after Taxation	277.65
18,160.23	Bank Accounts	44,125.13
1,651,586.40	Loan Repayments	1,655,238.36
738,153.85	Advances from Liberty Trust	896,937.56
744.53	Taxation Receivable	(904.70)
<u>\$2,408,664.00</u>		<u>\$2,595,674.00</u>



Note: This Statement must be read in conjunction with the accompanying Notes and Audit Report.

# Ark Resources Ltd

## Lending Report As at 31 March 2011

*Note: Names hidden for privacy*

<u>2010</u>		<u>2011</u>
1,520.95	154	-
23,680.00	160	16,920.00
23,438.00	166	14,598.00
5,256.00	172	-
19,252.64	173	15,202.64
1,691.14	176	-
15,367.35	177	-
9,547.24	178	-
5,071.28	181	-
1,916.52	182	-
24,307.65	183	17,203.65
14,957.00	184	6,341.00
16,760.00	190	3,760.00
9,175.00	191	-
12,200.00	192	-
20,177.87	194	15,107.87
18,250.00	196	8,450.00
13,384.88	198	5,914.88
28,517.33	201	20,157.77
20,000.00	202	9,800.00
15,345.60	203	14,999.40
21,908.84	205	11,765.96
28,925.50	206	15,812.50
25,125.85	207	15,031.45
17,417.08	208	7,125.50
13,386.81	209	9,226.81
31,435.37	210	22,482.41
28,548.20	211	-
34,666.84	212	21,666.88
3,000.00	213	-
45,047.52	214	28,154.64
97,202.74	215	60,311.14
12,899.84	217	4,299.80
63,312.50	218	44,547.50
42,250.15	220	29,250.19
33,809.88	222	23,667.12
49,389.65	223	34,960.95
37,165.06	224	26,307.98
57,312.96	225	44,368.77
37,172.16	226	27,020.16
41,068.56	227	-
54,088.00	228	36,064.00
54,822.74	229	43,513.94
74,205.20	230	52,633.76
45,295.00	231	33,715.00
28,400.00	232	23,200.00
41,193.64	234	30,336.52

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 2011

*Note: Names hidden for privacy*

<u>2010</u>		<u>2011</u>
69,142.00	235	51,856.00
47,279.69	236	-
108,515.82	237	90,868.74
3,952.58	238	-
28,602.05	239	21,318.05
21,116.50	240	-
31,809.72	241	23,769.72
32,021.24	242	26,021.24
122,000.00	243	92,000.00
123,373.34	244	107,171.34
4,762.52	247	-
16,130.29	251	12,334.93
62,191.16	252	53,920.80
57,368.00	253	47,240.00
134,499.00	254	103,071.00
59,617.10	255	48,242.30
55,920.00	258	46,080.00
33,731.67	259	27,303.17
46,200.00	260	35,800.00
45,491.44	261	35,348.56
52,327.83	262	41,047.83
55,537.95	263	46,596.55
60,856.18	264	52,161.78
59,547.40	265	47,833.00
77,820.59	266	69,984.59
18,181.16	267	14,324.12
62,877.23	268	49,877.23
62,525.60	269	50,954.00
84,712.75	270	68,047.75
108,667.92	271	89,792.88
36,180.04	272	-
73,070.00	273	59,290.00
130,046.00	274	109,269.92
34,892.92	275	27,607.24
50,714.24	276	41,262.08
85,009.60	277	71,365.84
79,528.75	278	67,935.00
38,368.12	279	31,993.12
108,093.83	280	87,504.59
15,537.50	281	12,787.50
45,000.06	282	35,000.10
73,250.00	284	60,250.00
87,590.76	285	72,997.44
76,725.44	286	66,019.52
254,416.71	288	211,416.75
78,436.50	289	65,150.50
54,214.35	290	44,785.83

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 2011

*Note: Names hidden for privacy*

<u>2010</u>	<u>2011</u>
78,857.24 291	65,714.48
140,653.74 292	117,653.62
123,689.68 293	101,436.82
104,046.58 294	86,760.74
28,536.80 295	23,956.64
85,714.26 296	71,999.94
90,178.58 297	66,563.18
109,476.16 298	92,190.40
129,941.20 299	113,353.00
143,809.52 300	122,238.08
124,241.72 301	104,813.22
159,239.59 302	138,569.20
81,592.25 303	70,848.62
163,961.58 304	139,104.54
143,235.06 305	125,823.30
216,061.22 307	196,306.10
102,671.22 308	88,981.86
41,000.00 309	30,749.96
150,000.00 310	128,571.84
- 311	85,369.06
- 312	(1,000.00)
- 313	154,503.65
- 314	116,985.24
- 315	155,740.00
- 316	98,787.61
- 317	86,914.14
- 318	196,472.24
- 319	55,713.55
- 320	104,470.60
- 321	107,000.00
- 322	85,934.00
- 323	146,205.72
- 324	119,770.60
- 325	56,344.00
- 326	129,560.44
- 327	136,647.06
- 328	165,000.00
- 329	42,610.86
- 330	59,934.52
- 331	49,785.72
- 332	92,158.38
- 333	61,000.00
- 335	141,000.00
<u>\$6,603,626.49</u>	<u>\$7,544,062.13</u>
Total Loans Outstanding	

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