

**LIBERTY TRUST**  
**Incorporated under the Charitable Trusts Act 1957**

**Annual Report**  
for the Year Ended 30 June 2004

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# **LIBERTY TRUST**

## **Incorporated under the Charitable Trusts Act 1957**

### Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2004

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#### **1. STATEMENT OF ACCOUNTING POLICIES**

##### REPORTING ENTITY

LIBERTY TRUST (the entity) is a Charitable Trust registered under the Charitable Trusts Act 1957.

##### 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.
- \* Advances to Ark Resources Ltd are shown at cost, and are secured by a debenture over the assets of that company.
- \* Loans to members are shown at expected realisable value. No provision has been made for doubtful debts.
- \* Fixed Assets are valued at cost less depreciation.

##### Depreciation

Depreciation is provided on all fixed assets, as detailed on the attached Schedule of Fixed Assets and Depreciation.

##### 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.

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Notes to and Forming Part of the Financial Statements  
For the Year Ended 30 June 2004

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**2. 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.

**3. CAPITAL COMMITMENTS**

Nil. (2003 = Nil)

**4. CONTINGENT LIABILITIES**

The Trust has not granted any securities nor given any guarantees in respect of liabilities payable by it or by any other party. (2003 = Nil)

**LIBERTY TRUST**  
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Statement of Financial Performance  
For the Year Ended 30 June 2004

<u>2003</u>		<u>2004</u>
	INCOME	
11.94	Interest Received - Cheque A/c	5.62
49,728.90	Interest Rec'd - Ark Resources	7,937.28
873.26	Interest Received - Craig & Co	765.93
4,991.91	Liberty Trust Tauranga	-
50.00	Donations & Grants Received	40.00
55,656.01	Total Income	8,748.83
	Less EXPENSES	
2,344.90	Postage & Stationery	388.22
1,431.62	Printing & Photocopying	415.88
488.00	Travel	232.00
16.15	General Expenses	8.44
150.00	Gifts	-
15,045.00	Donations	4,940.00
546.00	Depreciation	730.00
714.16	Tolls	265.40
10,794.53	Marketing & Advertising	1,749.80
191.70	Storage	191.70
43.66	Bank Fees & Interest	34.40
203.63	Training, Seminars & Subscript	199.75
-	ACC Levy	39.98
94.12	Internet Fees	237.09
370.24	Accounting Software Fees	183.35
6,815.11	Administration Wages	9,000.00
376.86	Auditing	200.00
4,000.00	Marketing Contract	3,000.00
43,625.68	Total Expenses	21,816.01
\$12,030.33	NET PROFIT/ (NET LOSS)	(\$13,067.18)

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

**LIBERTY TRUST**  
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Statement of Movements in Equity  
For the Year Ended 30 June 2004

<u>2003</u>		<u>2004</u>
2,435,624.45	OPENING MEMBERS EQUITY	2,657,112.83
	PLUS	
209,458.05	Contributions Received	224,639.72
12,030.33	Net Revenue less Expenses	(13,067.18)
221,488.38		211,572.54
\$2,657,112.83	TOTAL MEMBERS' EQUITY	\$2,868,685.37

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

**LIBERTY TRUST**  
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Statement of Financial Position  
As at 30 June 2004

<u>2003</u>		<u>2004</u>
	<b>CURRENT ASSETS</b>	
3,473.40	WestpacTrust - Cheque Account	2,567.33
-	Craig & Co - Investment	3,429.17
47,211.55	Ark Resources Ltd - Current	40,506.05
50,684.95	Total Current Assets	46,502.55
	<b>CURRENT LIABILITIES</b>	
448.96	Accounts Payable	568.90
10,600.00	Interest Free Loans Received	10,600.00
11,048.96	Total Current Liabilities	11,168.90
39,635.99	<b>Net Working Capital</b>	35,333.65
	<b>NON-CURRENT ASSETS</b>	
593.00	Computers & Software	873.25
18,940.44	Charitable Lending	11,607.44
2,597,943.40	Debenture - Ark Resources Ltd	2,820,871.03
2,617,476.84	Total Non-Current Assets	2,833,351.72
\$2,657,112.83	<b>TOTAL ASSETS</b>	\$2,868,685.37
	This is Represented by:	
	<b>CONTRIBUTIONS RECEIVED</b>	
2,418,896.55	Balance at 01/07/2003	2,628,354.60
209,458.05	Contributions Received	224,639.72
2,628,354.60	Accumulated Contributions	2,852,994.32
	<b>ACCUMULATED REVENUE</b>	
16,727.90	Balance at 01/07/2003	28,758.23
12,030.33	Net Revenue	(13,067.18)
28,758.23	Accumulated Revenue	15,691.05
\$2,657,112.83	<b>TOTAL CAPITAL</b>	\$2,868,685.37

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

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**Schedule of Fixed Assets and Depreciation**  
**As at 30 June 2004**

Asset	Cost Price	Book Value 01/07/2003	Additions Disposals	Gain/Loss on Disposal	Capital Profit	--- Depreciation --- Mth Rate	\$	Accum Deprec 30/06/2004	Book Value 30/06/2004
<u>PLANT &amp; EQUIPMENT</u>									
Computer & Printer	2,775	93				12 48.0% DV	45	2,727	48
Computer Upgrade & printer	914	48				12 48.0% DV	23	889	25
Publisher Software	219	14				12 48.0% DV	7	212	7
Laser 1220 Printer	1,620	438				12 48.0% DV	210	1,392	228
Admin Computer			1,010			11 48.0% DV	445	445	565
<b>TOTAL FIXED ASSETS</b>	<b>5,528</b>	<b>593</b>	<b>1,010</b>				<b>730</b>	<b>5,665</b>	<b>873</b>

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