

LIBERTY TRUST

Financial Statements for the Year Ended 31 March 2009

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AUDITOR'S REPORT.

To the Trustees of the Liberty Trust

I have audited the Financial Reports on pages 4 - 7. The Financial Report provides information about the past performance of the Liberty Trust and its financial position as at 31 March 2009. This information is stated in accordance with the accounting policies set out on page 2.

Trustees Responsibilities. The Trustees are responsible for the preparation of the financial statements which reflect the financial position of the Liberty Trust as at 31 March 2009 and the results of the operations for the year ended on that date.

Auditor's Responsibility. It is my responsibility to express an independent opinion on the financial statements presented by the Trustees and to report my opinion to you.

Basis of Opinion.

As an audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements, it also includes assessing; (1) the significant estimates and judgments made by the Trustees in the preparation of the financial statements and (2) whether the accounting policies are appropriate to the Liberty Trust.

I conducted my audit in accordance with generally accepted auditing standards. I planned and performed my audit so as to obtain all the information and explanations which I considered necessary. This was in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

I have prepared the financial statements based on source documentation maintained by the Trustees. The Trustees have taken responsibility for the financial statements. Other than in my capacity as Auditor, I have no relationship with or interest in the Liberty Trust.

Unqualified Opinion.

I have obtained all the information and explanations I have required.

In my opinion proper accounting records have been kept by the Trustees and the Financial Reports on Pages 4 - 7, give a true and fair view and fairly reflects the financial position of The Liberty Trust as at the 31 March 2009 and the results of its operations for the year ended at that date.

My audit was completed on 17 July 2009 and my unqualified opinion is expressed on that date

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



LIBERTY TRUST

Notes to and Forming Part of the Financial Statements For the Year Ended 31 March 2009

1. STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

LIBERTY TRUST (the entity) is a Charitable Trust registered under the Charitable Trusts Act 1957 and registered as a charitable entity with the Charities commission under registration number CC11287.

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 registered for GST and all expenses are shown exclusive 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.
- * 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.

LIBERTY TRUST

Notes to and Forming Part of the Financial Statements For the Year Ended 31 March 2009

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. (2008 = 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. (2008 = Nil)

LIBERTY TRUST

Statement of Financial Performance For the Year Ended 31 March 2009

<u>2008</u>		<u>2009</u>
	INCOME	
262,562.85	Donations from Contributors	730,099.06
	<u>Other Income</u>	
-	Other Donations Received	20,535.85
26,394.95	Interest Rec'd - Ark Resources	13,021.72
11,837.02	Interest Received - Call A/c	2,804.91
2,566.43	Book Sales	1,535.73
26.49	Other Interest Received	39.23
40,824.89	Total Other Income	37,937.44
303,387.74	Total Income	768,036.50
	Less EXPENSES	
4,180.77	Book Expenses	2,200.00
1,021.71	Postage & Stationery	5,753.75
1,769.50	Printing & Photocopying	2,957.22
1,108.64	Travel & Accomodation	6,449.33
102.53	Office Equipment	52.45
76.42	Gifts	88.89
8,550.00	Donations Given	8,688.89
989.00	Depreciation	807.00
987.01	Tolls	1,223.66
11,777.70	Marketing & Advertising	12,581.53
11.41	Storage	11.41
3.37	Bank Fees & Interest	16.11
342.63	Training, Seminars & Subscript	355.00
-	Loss on Sale LTA equipment	144.00
-	Accountancy	187.75
216.67	Internet Fees	356.20
354.73	Bank Connect Fees	344.66
14,447.95	Administration Wages	18,462.66
300.00	Auditing	500.00
4,335.11	Legal & Trademark Fees	1,550.09
50,575.15	Total Expenses	62,730.60
<u>\$252,812.59</u>	NET SURPLUS	<u>\$705,305.90</u>

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

LIBERTY TRUST

Statement of Movements in Equity For the Year Ended 31 March 2009

<u>2008</u>		<u>2009</u>
3,279,073.52	OPENING MEMBERS EQUITY	4,693,088.17
	PLUS	
1,161,202.06	LT Auckland Equity	-
252,812.59	Net Surplus	705,305.90
<u>1,414,014.65</u>		<u>705,305.90</u>
<u>\$4,693,088.17</u>	TOTAL MEMBERS' EQUITY	<u>\$5,398,394.07</u>

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

LIBERTY TRUST

Statement of Financial Position As at 31 March 2009

<u>31/03/2008</u>		<u>31/03/2009</u>
	CURRENT ASSETS	
1,600.75	Westpac - Main Account	5,322.25
128,172.63	Call Account	86,112.88
5,531.40	Ark Resources Ltd - Current	5,077.27
253.63	GST Receivable	589.02
2,880.00	Books on Hand	2,975.00
138,438.41	Total Current Assets	100,076.42
	CURRENT LIABILITIES	
2,165.00	Accounts Payable	9,961.23
26,201.78	Rebates offered	25,543.02
28,366.78	Total Current Liabilities	35,504.25
110,071.63	Net Working Capital	64,572.17
	NON-CURRENT ASSETS	
1,679.10	Plant & Equipment	728.10
2,900.00	Charitable Lending	-
5,239,003.81	Debenture - Ark Resources	5,932,960.89
5,243,582.91	Total Non-Current Assets	5,933,688.99
	TERM LIABILITIES	
660,566.37	Provision for Rebates	599,867.09
660,566.37	Total Term Liabilities	599,867.09
<u>\$4,693,088.17</u>	TOTAL ASSETS	<u>\$5,398,394.07</u>
	This is Represented by:	
	MEMBER'S EQUITY	
3,279,073.52	Balance at 01/04/2008	4,693,088.17
1,161,202.06	LT Auckland Equity	-
252,812.59	Net Surplus	705,305.90
<u>\$4,693,088.17</u>	TOTAL CAPITAL	<u>\$5,398,394.07</u>

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

LIBERTY TRUST

Schedule of Fixed Assets and Depreciation As at 31 March 2009

Asset	Cost Price	Book Value 01/04/2008	Additions Disposals	Gain/Loss on Disposal	Capital Profit	---- Depreciation ---- Mth Rate	\$	Accum Deprec 31/03/2009	Book Value 31/03/2009
<u>PLANT & EQUIPMENT</u>									
Laser 1220 Printer	1,620	21				12 48.0% DV	10	1,609	11
Admin Computer	625	99				12 48.0% DV	48	574	51
Laptop & Accessories	1,071	220				12 48.0% DV	106	957	114
Toshiba Projector	1,600	398				12 48.0% DV	191	1,393	207
Presario Notebook	755	664				12 48.0% DV	319	410	345
LTA Computer Equipment	494	277	0	(144)		12 48.0% DV	133		0
TOTAL FIXED ASSETS	6,165	1,679		(144)			807	4,943	728

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