

LIBERTY TRUST

Annual Report for the Year Ended 30 June 2005

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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 2005

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

Donations from Contributors are now included as income in the Statement of Financial Performance. Apart from this there have been no material changes in Accounting Policy since the previous Financial Statements.

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Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2005

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. (2004 = 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. (2004 = Nil)

LIBERTY TRUST

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Statement of Financial Performance For the Year Ended 30 June 2005

<u>2004</u>		<u>2005</u>
	INCOME	
224,639.72	Donations from Contributors	153,922.25
5.62	Interest Received - Cheque A/c	6.92
7,937.28	Interest Rec'd - Ark Resources	6,816.16
765.93	Interest Received - Craig & Co	2,037.34
40.00	Grants & Other Donations	50.00
<u>233,388.55</u>	Total Income	<u>162,832.67</u>
	Less EXPENSES	
388.22	Postage & Stationery	1,298.78
415.88	Printing & Photocopying	2,700.87
232.00	Travel & Accommodation	658.45
8.44	General Expenses	50.00
4,940.00	Donations	6,100.00
730.00	Depreciation	407.25
265.40	Tolls	525.51
1,749.80	Marketing & Advertising	5,072.43
191.70	Storage	191.76
34.40	Bank Fees & Interest	8.00
199.75	Training, Seminars & Subscript	1,042.47
-	Loss on disposal of equipment	397.00
39.98	ACC Levy	52.65
237.09	Internet Fees	-
183.35	Bank Connect Fees	150.28
9,000.00	Administration Wages	10,165.70
200.00	Auditing	200.00
3,000.00	Marketing Contract	1,000.00
<u>21,816.01</u>	Total Expenses	<u>30,021.15</u>
<u>\$211,572.54</u>	NET PROFIT	<u>\$132,811.52</u>

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

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Statement of Movements in Equity For the Year Ended 30 June 2005

<u>2004</u>		<u>2005</u>
2,657,112.83	OPENING MEMBERS EQUITY	2,868,685.37
	PLUS	
211,572.54	Net Revenue less Expenses	132,811.52
<u>211,572.54</u>		<u>132,811.52</u>
<u><u>\$2,868,685.37</u></u>	TOTAL MEMBERS' EQUITY	<u><u>\$3,001,496.89</u></u>

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 2005

<u>2004</u>		<u>2005</u>
	CURRENT ASSETS	
2,567.33	WestpacTrust - Cheque Account	955.85
3,429.17	Craig & Co - Investment	41,566.51
40,506.05	Ark Resources Ltd - Current	39,728.85
46,502.55	Total Current Assets	82,251.21
	CURRENT LIABILITIES	
568.90	Accounts Payable	380.00
10,600.00	Interest Free Loans Received	14,960.00
-	Current Rebates	17,411.44
11,168.90	Total Current Liabilities	32,751.44
35,333.65	Net Working Capital	49,499.77
	NON-CURRENT ASSETS	
873.25	Computers & Software	694.00
11,607.44	Charitable Lending	7,967.44
2,820,871.03	Debenture - Ark Resources Ltd	3,052,296.64
2,833,351.72	Total Non-Current Assets	3,060,958.08
	TERM LIABILITIES	
-	Term Rebates	108,960.96
-	Total Term Liabilities	108,960.96
\$2,868,685.37	TOTAL ASSETS	\$3,001,496.89
	This is Represented by:	
	MEMBER'S EQUITY	
2,657,112.83	Balance at 01/07/2004	2,868,685.37
211,572.54	Net Revenue	132,811.52
\$2,868,685.37	TOTAL CAPITAL	\$3,001,496.89

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 2005

Asset	Private Use	Cost Price	Book Value 01/07/2004	Additions Disposals	Gain/Loss on Disposal	Capital Profit	--- Depreciation ---		Accum Deprec 30/06/2005	Book Value 30/06/2005
							Mth	Rate	\$	
<u>PLANT & EQUIPMENT</u>										
Computer & Printer		2,775	48	0	(48)					0
Computer Upgrade & printer		914	25	0	(25)					0
Publisher Software		219	7	0	(7)					0
Laser 1220 Printer		1,620	228				12	48.0% DV	109	1,501
Admin Computer		1,010	565	0	(317)		11	48.0% DV	248	0
Admin Computer Replacement				625			2	48.0% DV	50	50
<u>TOTAL FIXED ASSETS</u>		<u>6,538</u>	<u>873</u>	<u>625</u>	<u>(397)</u>				<u>407</u>	<u>1,551</u>
										<u>694</u>

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