

Annual Report

LegaSea Limited
For the year ended 30 June 2017

Prepared by Lynch Phibbs Limited

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Directory

Legasea Limited

For the year ended 30 June 2017

Nature of Business

Ecological and Fisheries Protection

Registered Office

Lynch Phibbs Limited
Level Five, 60 Parnell Road
Parnell, Auckland

Incorporation Number

3674320

Directors

Peter Campbell
Mark Connor

Chartered Accountant

Lynch Phibbs Limited
Level Five, 60 Parnell Road
Parnell, Auckland

Bankers

ASB Bank

Shareholders

New Zealand Sport Fishing Council
Incorporated

100 Shares

Governance Advisory Subcommittee

Peter Campbell (Chair)
Richard Baker
Lewis Avenell
Ross Lucas
Scott Macindoe
Mark Connor

Approval of Financial Report

LegaSea Limited For the year ended 30 June 2017

The Directors are pleased to present the approved financial report including the historical financial statements of LegaSea Limited for year ended 30 June 2017.

APPROVED

For and on behalf of the Board of Directors.

Peter Campbell

Date

Mark Connor

Date

Statement of Income and Expenditure

LegaSea Limited

For the year ended 30 June 2017

	NOTES	2017	2016
Income			
Donations received for Advocacy, Research, Education and Alignment			
LegaSea Legends	3	84,534	78,338
Public		19,585	16,057
Unaffiliated Clubs		-	1,620
Total Donations received for Advocacy, Research, Education and Alignment		104,119	96,014
Distributions made for Advocacy, Research, Education and Alignment			
Distributions remitted to NZSFC		(101,027)	(90,735)
Distributions remitted to LegaSea Hawke's Bay	4	(3,092)	(5,279)
Total Distributions made for Advocacy, Research, Education and Alignment		(104,119)	(96,014)
Other Income			
Platinum Partners	5	46,000	64,928
Gold Partners		49,500	53,141
Building LegaSea Sponsors		12,152	72,757
LegaSea Works Sponsors		527	18,707
Sponsorship Income Distributed to LegaSea Hawke's Bay	6	(2,003)	(5,440)
Donations From Events and Affiliated Clubs		12,817	10,096
Merchandise Sales		32,375	39,267
Establishment Donations		-	68,000
Grants Received	7	215,900	143,848
Event income		-	3,542
Interest Received		141	810
Total Other Income		367,409	469,655
Total Income		367,409	469,655
Expenditure			
Public Outreach			
Communications Activities		52,279	34,163
Social Media Programme		29,315	19,070
Database Building, Research and Maintenance		18,531	16,024
Brochures and Other Brand Collateral		13,217	8,054
Website Development and Maintenance		17,304	25,860
Event Attendances, Followup and Reporting		62,837	34,772
Hutchwilco NZ Boat Show	8	6,197	22,996
Campaigns		42,481	14,366
Alignment Programme		4,643	2,038
Volunteer Capacity Building		5,028	11,194
Free Fish Heads [FFH]		942	886
Merchandise Purchases and Expenses		29,903	44,895
Distribution expenses - Packaging, postage and freight		3,457	2,248

The accompanying notes form part of, and are to be read in conjunction with, this financial report and auditors report.

	NOTES	2017	2016
NZSFC Reporting and Club Relationships		21,540	8,856
Total Public Outreach		307,673	245,422
Fundraising			
Partner Programme		38,737	25,272
Building LegaSea and LegaSea Works		14,082	48,044
LegaSea Legends programme - sales and collateral		11,008	44,532
Public Donor Fundraising		8,398	10,720
Grant Seeking		21,072	10,873
Credit Card Commissions and Processing Costs		5,711	6,143
Total Fundraising		99,008	145,584
Governance, Strategy and Planning			
Budgeting		1,590	2,040
Governance		32,140	4,444
Strategic Planning		20,701	18,351
Total Governance, Strategy and Planning		54,431	24,835
Administration			
Accountancy fees		3,050	2,060
Audit Fees and Expenses		3,530	3,017
Bank Fees		669	829
Book Keeping		24,923	20,506
Depreciation		966	552
Office Expenses		7,424	6,127
Recruitment		20,090	10,236
Vega.Works Database Management System		20,762	12,846
Total Administration		81,414	56,172
Total Expenditure		542,526	472,013
Net Surplus (Deficit) for the Year		(175,116)	(2,358)

The accompanying notes form part of, and are to be read in conjunction with, this financial report and auditors report.

Statement of Financial Position

LegaSea Limited As at 30 June 2017

	NOTES	30 JUN 2017	30 JUN 2016
Assets			
Current Assets			
Bank		30,837	13,831
Trade and Other Receivables		28,667	30,473
GST Receivable		18,028	6,304
Inventories		14,374	14,235
Income Tax Receivable		39	182
Total Current Assets		91,945	65,024
Non-Current Assets			
Property, Plant and Equipment		2,899	3,866
Total Non-Current Assets		2,899	3,866
Total Assets		94,845	68,890
Liabilities			
Current Liabilities			
Trade and Other Payables		65,087	44,017
Loan - Interest Free		240,000	60,000
Total Current Liabilities		305,087	104,017
Total Liabilities		305,087	104,017
Net Assets		(210,243)	(35,126)
Equity			
Share Capital		100	100
Retained Earnings		(35,226)	(51,476)
Current year earnings		(175,116)	16,250
Total Equity		(210,243)	(35,126)

The accompanying notes form part of, and are to be read in conjunction with, this financial report and auditors report.

Statement of Changes in Equity

LegaSea Limited

For the year ended 30 June 2017

	2017	2016
Equity		
Opening Balance	(35,126)	(32,768)
Increases		
Profit for the Period	(175,116)	(2,358)
Total Increases	(175,116)	(2,358)
Total Equity	(210,243)	(35,126)

The accompanying notes form part of, and are to be read in conjunction with, this financial report and auditors report.

Depreciation Schedule

LegaSea Limited

For the year ended 30 June 2017

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
Plant and Equipment at Cost						
LegaSea instant Marquee	4,418	3,866	-	-	966	2,899
Total Plant and Equipment at Cost	4,418	3,866	-	-	966	2,899
Total	4,418	3,866	-	-	966	2,899

The accompanying notes form part of, and are to be read in conjunction with, this financial report and auditors report.

Notes to the Financial Statements

LegaSea Limited

For the year ended 30 June 2017

1. Reporting Entity

LegaSea Limited is a company incorporated under the Companies Act 1993 and is engaged in the business of Ecological and Fisheries Protection.

This special purpose financial report was authorised for issue in accordance with a resolution of directors dated 2017.

2. Statement of Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand.

The financial statements have been prepared for the owners and for the purposes of meeting the company's income tax requirements.

Historical Cost

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period. The company changed balance date from March to June, so the comparative figures include the 15 month period from 1 April 2015 to 30 June 2016.

Inventories

Inventories are stated at the lower of cost and net realisable value.

Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Upon derecognition, the asset revaluation reserve relating to the asset disposed shall be transferred to retained earnings.

Depreciation

Account	Method	Rate
LegaSea instant Marquee	Diminishing Value	25%

Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

Goods and Services Tax

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

3. LegaSea Legends

The LegaSea legends programme was launched at the Hutchwilco New Zealand Boat Show in May 2015.

4. Donations from Hawke's Bay

80% of donations received from the Hawke's Bay region is remitted to LegaSea Hawke's Bay on a monthly basis.

5. Platinum Partners

From the 2016 year, Gold and Platinum partner income has been accounted for separately.

6. Sponsorship income from Hawke's Bay

80% of sponsor income received from the Hawke's Bay region is remitted to LegaSea Hawke's Bay on a monthly basis

7. Grants Received

Funder	Project	Gross Received	Spent	Unspent
The Guardians of the Sea Charitable Trust	Public Awareness and Fundraising	\$90,000	\$50,000	\$40,000
The Guardians of the Sea Charitable Trust	Supporter Engagement	\$90,000	\$90,000	\$0
Spark Foundation	Fish Care	\$2,000	\$2,000	\$0
Foundation North	Fish Care	\$18,900	\$18,900	\$0
Lion Foundation	Fish Care	\$15,000	\$820	\$14,180
TOTAL		\$215,900	\$161,720	\$54,180

The carried forward grants of \$55,484 from 30 June 2016 were all spent during the 2017 year.

As at 30 June 2017 \$54,180 of the grants received remains unspent.

8. Hutchwilco New Zealand Boat Show

Expenditure relates to two shows which were held in May of each year.

	2017	2016
9. Income Tax		
Net Profit (Loss) Before Tax	(175,116)	(2,358)
Less Losses Carried Forward	(34,871)	(32,513)
Total Losses to Be Carried Forward	(209,987)	(34,871)
	2017	2016

10. Equity

Retained Earnings		
Opening Balance	(35,126)	(32,768)
Current Year Earnings	(175,116)	(2,358)
Total Retained Earnings	(210,243)	(35,126)
Total Equity	(210,243)	(35,126)
	2017	2016

11. Imputation Credit Account

Imputation Credit Account

Opening Balance

Prior year custom row adjustment	182	160
Total Opening Balance	182	160

Increases

Income Tax Paid	-	-
Resident Withholding Tax Paid	39	182
Total Increases	39	182

Decreases

Income Tax Refund	182	160
Total Decreases	182	160

Total Imputation Credit Account	39	182
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12. Related Parties

Peter Campbell is the chair of the governance advisory subcommittee.

Scott Macindoe has advanced interest free loans to LegaSea Limited. During the year \$180,000 worth of advances have been made to the company. The loan at balance date was \$240,000 (2016:\$60,000). Scott has taken out a \$1,000,000 life insurance policy with a memorandum of understanding that \$500,000 would be available to LegaSea Limited in the event of his death.

Steve Sangster was the administrator for the company until February 2017. Subsequently this position has been taken up by Louise O'Sullivan. During the year payments are made to S&A Sangster Partnership for secretarial and administration services at market rates. (2017 \$19,367 - 2016 [15mths]: \$36,843)

The New Zealand Sports Fishing Council is the sole shareholder of the company. Donations received by the company are passed on to the NZSFC (2017 \$101,027 - 2016 [15mths]: \$90,735).

13. Comparative Information

The comparative information is 15 months till the end of June 2016.

14. Shareholding Disclosure

At balance date, the New Zealand Sport Fishing Council Incorporated held 100 fully paid ordinary shares in Legasea Limited.

Audit Report

LegaSea Limited
For the year ended 30 June 2017