

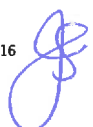
Special Purpose Annual Report

LegaSea Limited
For the year ended 30 June 2022

Prepared by Phibbs & Co Limited

Contents

- 3 Directory
- 4 Approval of Financial Report
- 5 Statement of Income and Expenditure
- 7 Statement of Financial Position
- 8 Statement of Changes in Equity
- 9 Shareholder Current Accounts
- 10 Depreciation Schedule
- 11 Notes to the Financial Statements
- 16 Audit Report



Directory

LegaSea Limited

For the year ended 30 June 2022

Nature of Business

Ecological and Fisheries Protection

Registered Office

Phibbs & Co Limited, 8 Murdoch Road, Grey Lynn, Auckland 1021

Incorporation Number

3674320

Directors

Peter Campbell
Mark Connor

Chartered Accountant

Phibbs & Co Limited, 8 Murdoch Road, Grey Lynn, Auckland 1021

Bankers

ASB Bank

Shareholders

New Zealand Sport Fishing Council Incorporated
--

100 Shares

Legasea Governance Advisory Standing Committee

Peter Campbell (Chair)

Mark Connor

Ian Steele

Ross Lucas

Scott Macindoe

Bob Gutsell

Richard Baker

Dirk Sieling

Approval of Financial Report

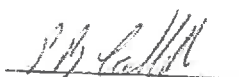
LegaSea Limited

For the year ended 30 June 2022

The Directors are pleased to present the approved financial report including the historical financial statements of LegaSea Limited for year ended 30 June 2022.

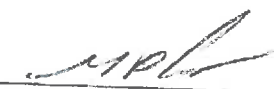
APPROVED

For and on behalf of the Board of Directors.



Peter Campbell

Date 29/5/22



Mark Connor

Date 29/8/22



Statement of Income and Expenditure

LegaSea Limited

For the year ended 30 June 2022

	NOTES	2022	2021
Revenue			
Donations Received - Advocacy, Research, Education & Alignment			
LegaSea Legends		116,096	111,605
Donations - Events		1,034	8,782
Grants to be distributed for Fisheries Management	5	-	15,000
Public		10,365	19,920
Unaffiliated Clubs		7,730	3,906
Total Donations Received - Advocacy, Research, Education & Alignment		135,225	159,213
Distributions Allocated - Advocacy, Research, Education & Alignment			
Distributions Remitted - NZSFC		(132,385)	(155,974)
Distributions Remitted - LegaSea Hawke's Bay	3	(2,840)	(3,239)
Total Distributions Allocated - Advocacy, Research, Education & Alignment		(135,225)	(159,213)
Other Income			
Platinum Partners		112,226	111,527
Gold Partners		88,215	70,128
Hawkes Bay Building LegaSea & LegaSea Works		6,250	6,250
Building LegaSea Sponsors		30,491	22,650
Sponsorship Income Distributed - LegaSea Hawke's Bay	4	(5,000)	(5,000)
LegaSea Works Sponsors		8,435	8,598
Donations - Affiliated Clubs		8,333	7,013
Merchandise Sales		16,205	15,233
Grants Received for LegaSea projects and running costs	5	663,877	451,940
Grants received for debt reduction	5	-	105,000
Grants received for Free Fish Heads	5	4,500	-
Total Other Income		933,531	793,340
Total Revenue		933,531	793,340
Gross Profit		933,531	793,340
Expenditure			
Public Outreach			
Communications Activities		114,707	67,152
Social Media Programme		19,294	14,316
Database Building, Research & Maintenance		11,105	10,322
Brochures & Collateral		2,539	13,560
Website Development & Maintenance		4,307	8,392
Event Attendances, Followup & Reporting	7	32,197	36,433
Alignment Programme		14,656	3,103
Volunteer Programme		9,483	3,703
Merchandise Purchases & Expenses		15,751	3,490
Shipping Costs - Packaging, Postage & Freight		1,204	1,135

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



Statement of Income and Expenditure

	NOTES	2022	2021
NZSFC Reporting & Club Relationships		1,752	10,280
Total Public Outreach		226,994	171,884
Fundraising			
Partner Programme		40,831	28,870
Building LegaSea & LegaSea Works		5,099	4,908
LegaSea Legends Sales & Collateral		7,525	11,475
Public Donor Fundraising		19,136	12,132
Grant Seeking - LegaSea establishment and running costs		10,736	11,061
Total Fundraising		83,326	68,446
Governance, Strategy & Planning			
Budgeting		5,344	4,919
Governance		79,691	53,575
Strategic Planning		14,513	23,822
Total Governance, Strategy & Planning		99,548	82,317
Administration			
Accountancy & Audit Fees		6,906	8,057
Book Keeping		49,964	41,656
LegaSea - Depreciation		9,887	19,621
Office Expenses		14,432	15,057
Recruitment Expenses		9,055	13,641
Vega.Works Database Management System		10,686	6,578
Total Administration		100,930	104,608
Campaigns			
Fishcare		36,542	5,976
Kai Ika		225,562	117,121
Rescue Fish		27,932	116,500
Other Campaigns	6	63,297	24,231
Total Campaigns		353,333	263,828
Total Expenditure		864,130	691,083
Net Surplus (Deficit) for the Year		69,401	102,257

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 2022

	NOTES	30 JUN 2022	30 JUN 2021
Assets			
Current Assets			
Bank		143,474	47,114
Trade and Other Receivables		5,931	8,850
GST Receivable		33,182	27,147
Inventories		7,538	4,251
Income Tax Receivable	8	247	247
Total Current Assets		190,372	87,609
Non-Current Assets			
Computer Software, Websites, Plant & Equipment and Vehicles		157,671	122,099
Total Non-Current Assets		157,671	122,099
Total Assets		348,043	209,708
Liabilities			
Current Liabilities			
Trade and Other Payables		95,935	134,496
Employee Entitlements		11,872	-
Unspent Grants	5	100,623	5,000
Total Current Liabilities		208,430	139,496
Non-Current Liabilities			
Loans	10	255,000	255,000
Shareholder Current Accounts		49,900	49,900
Total Non-Current Liabilities		304,900	304,900
Total Liabilities		513,330	444,396
Net Assets		(165,287)	(234,689)
Equity			
Share Capital		100	100
Retained Earnings		(165,387)	(234,789)
Total Equity		(165,287)	(234,689)

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 2022

	2022	2021
Equity		
Opening Balance	(234,689)	(336,945)
Increases		
Profit for the Period	69,401	102,257
Total Increases	69,401	102,257
Total Equity	(165,287)	(234,689)

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

Shareholder Current Accounts

LegaSea Limited

For the year ended 30 June 2022

	2022	2021
Shareholder Current Accounts		
New Zealand Sport Fishing Council Incorporated		
Opening Balance	49,900	(100)
Increases		
Funds Introduced	-	50,000
Total Increases	-	50,000
Total New Zealand Sport Fishing Council Incorporated	49,900	49,900
Total Shareholder Current Accounts	49,900	49,900

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 2022

ASSET TYPE	NAME	RATE	EXPENSE ACCOUNT	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
Fixed Assets - Kai Ika										
Plant & Equipment - Kai Ika	1.00 IO-100 Knife Sharpener	10.00%	Kai Ika Depreciation	7,422	6,402	-	-	640	1,661	5,762
Plant & Equipment - Kai Ika	Kai Ika Water Tank & Container Development	8.00%	Kai Ika Depreciation	20,099	18,121	-	-	1,450	3,427	16,672
Plant & Equipment - Kai Ika	Toshiba Tecra Z30t-B	50.00%	Kai Ika Depreciation	649	155	-	-	78	571	78
Motor Vehicle - Kai Ika	1999 Isuzu Elf - LRF281	16.00%	Kai Ika Depreciation	15,826	9,976	-	-	1,596	7,446	8,380
Motor Vehicle - Kai Ika	Kai Ika Events Trailer	13.00%	Kai Ika Depreciation	46,202	-	46,202	-	3,003	3,003	43,199
Motor Vehicle - Kai Ika	Kai Ika Filleting Trailer	13.00%	Kai Ika Depreciation	29,114	28,799	-	-	3,744	4,059	25,055
Motor Vehicle - Kai Ika	Kai Ika Filleting Trailer	13.00%	Kai Ika Depreciation	25,937	21,587	-	-	2,806	7,156	18,781
Motor Vehicle - Kai Ika	Trailer Improvements 2022	13.00%	Kai Ika Depreciation	14,350	-	14,350	-	311	311	14,039
Motor Vehicle - Kai Ika	Trailer with attached chiller	13.00%	Kai Ika Depreciation	17,391	16,826	-	-	2,187	2,753	14,639
Kai Ika	Fish Crate 35ltr 713x442x222mm (Blue) AP6 x30		Kai Ika Depreciation	1,020	-	1,020	-	298	298	723
Total Fixed Assets - Kai Ika				178,011	101,867	61,572	-	16,113	30,685	147,326
Fixed Assets - LegaSea										
Plant and Equipment - LegaSea	LegaSea instant Marquee	25.00%	LegaSea - Depreciation	4,418	917	-	-	229	3,730	688
Computer Software - LegaSea	Website - Rescue Fish	50.00%	LegaSea - Depreciation	27,245	12,487	-	-	6,244	21,001	6,244
Computer Software - LegaSea	Websites	50.00%	LegaSea - Depreciation	34,497	6,828	-	-	3,414	31,083	3,414
Total Fixed Assets - LegaSea				66,160	20,232	-	-	9,887	55,815	10,345
Total				244,171	122,099	61,572	-	26,000	86,500	157,671

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 2022

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.

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.

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.

The Websites are considered fixed assets classified as Computer Software because they generate ongoing value over the foreseeable future.

Depreciation

Account	Method	Rate
Computer Software	Diminishing Value	50%
Plant & Equipment	Diminishing Value	8 - 50%
Vehicles	Diminishing Value	13 - 16%

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.

Going Concern Assumption

The Company is technically insolvent due to the value of liabilities and contingent liabilities exceeding the value of assets. The Directors acknowledges that the on-going viability of the entity is solely reliant on ongoing funding to be provided by its Shareholders.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The recognition of non-exchange revenue from Grants and Donations depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue. Stipulations that are 'conditions' specifically require the company to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the 'conditions' are satisfied. Stipulations that are 'restrictions' do not specifically require the company to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

Bank Accounts and Cash

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with maturities of 3 months or less.

Accounts Receivables

There are no amounts overdue nor impaired as at year end relating to trade receivables from exchange and non-exchange transactions (2021: \$Nil).

The outstanding balances owed are receivable on normal trade terms and accordingly do not attract interest.

3. 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.

4. 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

5. Grants Received

Funder	Project	Gross Received	Spent	Unspent
Guardians of the Sea	Projects & running costs	\$350,000	\$350,000	\$0
Guardians of the Sea	Victory Knives kai ika operation costs	\$19,151	\$19,151	\$0
Lottery Community	Kai ika distribution and project management	\$50,000	\$50,000	\$0
Mt Wellington Foundation	Kai ika events trailer	\$5,000	\$5,000	\$0
Papatuanuku training grant	Training Kai ika filleters	\$5,000	\$5,000	\$0
Marine Research Foundation	Feasibility Kai ika	\$10,000	\$0	\$10,000
Kai Ora Fund	Free fish heads northland area	\$4,500	\$0	\$4,500
Guardians of the Sea	Projects & running costs	\$400,000	\$313,877	\$86,123
Auckland Council Waste Management	Kai ika project	\$6,580	\$6,580	\$0
Total		\$850,230	\$749,607	\$100,623
Funds brought forward from previous year		\$5,000	\$5,000	\$0
GRAND TOTAL		\$855,230	\$754,607	\$100,623

Funds brought forward from previous year was from the Ministry of Social Development grant.

The \$855,230 is shown in the financial statements in the following accounts:

	2022	2021
Accounts		
Grants to be distributed for Fisheries Management	-	15,000
Grants Received for LegaSea projects and running costs	663,877	451,940
Grants received for debt reduction	-	105,000
Grants received for Free Fish Heads	4,500	-
Kai Ika Grants Received	86,230	141,374
Unspent Grants	100,623	5,000
Total Accounts	855,230	718,314

6. Other Campaigns

Other Campaigns are Scallop Campaign and Snapper8, Hauraki Gulf Alliance, Fisheries Amendment Bill.



7. Public Outreach - Event Attendances, Follow Up & Reporting

Events attended in the 2022 financial year: Howick Village Eco Day, Tairua Boat Show, Whitianga Ocean Festival, Hutchwilco Boat Show.

	2022	2021
8. Income Tax		
Net Profit (Loss) Before Tax	69,401	102,257
Deductions from Taxable Profit		
Losses Carried Forward	(234,535)	(336,790)
Wages Accrual	11,872	-
Total Deductions from Taxable Profit	(222,663)	(336,790)
Taxable Profit	(153,262)	(234,534)
Tax Payable at 28%	-	-
Deductions from Tax Payable		
Opening Balance	(247)	(1)
Withholding Tax	-	(245)
Total Deductions from Tax Payable	(247)	(247)
Income Tax Payable (Refund Due)	247	247
	2022	2021

9. Imputation Credit Account

Imputation Credit Account		
Opening Balance		
Opening Balance	239	1
Total Opening Balance	239	1
Increases		
Income Tax Paid	-	-
Resident Withholding Tax Paid	-	238
Total Increases	-	238
Decreases		
Income Tax Refund	-	-
Total Decreases	-	-
Total Imputation Credit Account	239	239

10. Related Parties

Scott Macindoe has advanced unsecured interest free loans to LegaSea Limited. The loan at balance date was \$255,000 (2021:\$255,000). The Loans are only repayable from surpluses after all other expenses have been paid. On the 30th of July 2013 Scott took out a 10 year \$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. This insurance policy will expire on the 30th of July 2023.

The New Zealand Sports Fishing Council (NZSFC) is the sole shareholder of the company. Donations received by the company from the public and unaffiliated clubs are passed on to the NZSFC (2022 \$132,385 - 2021 \$155,974). The NZSFC invests these

monies in advocacy, education, research and alignment activities. Unspent monies are accounted for in a reserve for expenditure on future activities of this nature.

The Directors of LegaSea Ltd are Mark Connor and Peter Campbell. Mark is a past President of the New Zealand Sport Fishing Council (2012, 13, 14, 15) and is the current Zone 8 (South Island) Board Representative. He also serves on the LegaSea Governance Advisory Standing Committee and the Fisheries Management Standing Committee. Peter Campbell is a Vice President of the NZSFC. He Chairs the Finance Standing Committee and serves on the LegaSea Governance Advisory Standing Committee and Fisheries Management Standing Committee.

Scott Macindoe is a volunteer and acts in an advisory and support capacity to LegaSea. He is a co-opted Board Member to the NZSFC and serves on the LegaSea Governance Advisory Standing Committee and the Fisheries Management Standing Committee.

11. Shareholding Disclosure

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

12. Contingent Liabilities

There are no contingent liabilities at the reporting date. (2021: \$Nil)

13. Contingent Commitments

There are no contingent commitments at the reporting date. (2021: \$Nil).

14. Events After Balance Date

The board is not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these special purpose financial statements that have significantly or may significantly affect the operations of the company. (2021: \$Nil).



INDEPENDENT AUDITOR'S REPORT

To the Directors of LegaSea Limited

Opinion

We have audited the financial statements of LegaSea Limited on pages 3 to 15, which comprise the balance sheet as at 30 June 2022, and the statements of profit or loss and changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of LegaSea Limited as at 30 June 2022, and its financial performance for the year then ended, in accordance with Special Purpose Financial Reporting Framework for For-Profit Entities (SPFR for FPEs), issued by Chartered Accountants Australia & New Zealand.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of LegaSea Limited in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, LegaSea Limited.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements have been prepared for the owners and for the purposes of meeting the company's income tax requirements. As a result, the financial statements may not be suitable for another purpose.

Directors' Responsibility for the Financial Statements

The Directors are responsible on behalf of the entity for determining that the SPFR for FPE framework adopted is acceptable in LegaSea Limited's circumstances, the preparation of financial statements, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise

from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- conclude on the appropriateness of the use of the going concern basis of accounting by the Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



PKF Kerikeri Limited
Kerikeri
29 August 2022