

# Financial Statements

Evolocity Limited

For the period ended 30 April 2015

Prepared by Staples Rodway Limited

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# Directory

Evolocity Limited

For the period ended 30 April 2015

## Nature of Business

Event Management

## Registered Office

Staples Rodway  
Level 9, 45 Queen Street  
Auckland, 1010

## Directors

Robert Bruce McEwan  
Leslie Allan Black (appointed 30 April 2015)  
Heidi Melissa Mardon (appointed 30 April 2015)  
Alan Direen (appointed 14 May 2015)  
Hideaki Fukutake (resigned 30 April 2015)  
Mark Herbert George Gilbert (resigned 30 April 2015)  
Duncan John Stewart (resigned 30 April 2015)

## Shareholders

|                     |            |
|---------------------|------------|
| Robert Bruce McEwan | 100        |
| <b>Total</b>        | <b>100</b> |

## Bankers

BNZ

## Auditor

Crowe Horwath New Zealand Audit Partnership

## Accountant

Staples Rodway Limited  
PO Box 3899  
Auckland 1140

# Approval of Financial Report

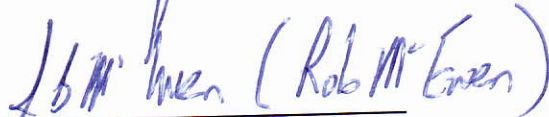
Evolocity Limited

For the period ended 30 April 2015

The Directors are pleased to present the approved financial report including the historical financial statements of Evolocity Limited for the period ended 30 April 2015.

APPROVED

For and on behalf of the Board of Directors

 (Rob McEwen)

Director

Date 10/9/15

Director

Date

# Statement of Profit or Loss

Evolocity Limited

For the period ended 30 April 2015

| Account                             | Notes | Apr 2014-Apr 2015 | Apr 2013-Mar 2014 |
|-------------------------------------|-------|-------------------|-------------------|
| <b>Trading Income</b>               |       |                   |                   |
| Event Entry                         |       | 3,208             | -                 |
| Exhibitors                          |       | 4,322             | -                 |
| Grants received                     |       | 10,000            | -                 |
| Sponsorship                         |       | 141,930           | -                 |
| Ticket Sales                        |       | 31,626            | -                 |
| <b>Total Trading Income</b>         |       | <b>191,086</b>    | <b>-</b>          |
| <b>Gross Profit</b>                 |       | <b>191,086</b>    | <b>-</b>          |
| <b>Other Income</b>                 |       |                   |                   |
| Interest Income                     |       | 70                | -                 |
| Other Revenue                       |       | 52,073            | -                 |
| <b>Total Other Income</b>           |       | <b>52,143</b>     | <b>-</b>          |
| <b>Expenses</b>                     |       |                   |                   |
| Accounting Fees                     |       | 1,662             | -                 |
| Administration Fees                 |       | 2,075             | -                 |
| Advertising & Marketing             |       | 27,573            | 692               |
| Bank Fees                           |       | 4                 | 5                 |
| Computer Expenses                   |       | 1,225             | -                 |
| Consultancy Costs                   |       | 48,569            | 14,300            |
| Freight & Courier                   |       | 16,148            | -                 |
| Insurance                           |       | 1,500             | -                 |
| Management Fees                     |       | 6,054             | -                 |
| Motor Vehicle Expenses              |       | 67                | -                 |
| Printing & Stationery               |       | 747               | -                 |
| Purchases & Materials               |       | 12,410            | -                 |
| Rental Costs                        |       | 670               | -                 |
| Subcontractors                      |       | 42,501            | -                 |
| Subscriptions                       |       | 300               | 310               |
| Telephone & Internet                |       | 11,047            | -                 |
| Travel and Accommodation            |       | 22,828            | 384               |
| <b>Total Expenses</b>               |       | <b>195,381</b>    | <b>15,691</b>     |
| <b>Net Profit (Loss) Before Tax</b> |       | <b>47,848</b>     | <b>(15,691)</b>   |
| Tax Expense                         |       | -                 | -                 |
| <b>Net Profit (Loss) After Tax</b>  |       | <b>47,848</b>     | <b>(15,691)</b>   |

These financial statements are to read in conjunction with the accompanying notes.

# Statement of Changes in Equity

Evolocity Limited

For the period ended 30 April 2015

| Account                      | Apr 2014-Apr 2015 | Mar 2013-Mar 2014 |
|------------------------------|-------------------|-------------------|
| <b>Equity</b>                |                   |                   |
| Opening Balance              | (15,691)          | -                 |
| Increases                    |                   |                   |
| Profit/(Loss) for the Period | 47,848            | (15,691)          |
| Total Increases              | 47,848            | (15,691)          |
| Total Equity                 | 32,157            | (15,691)          |

# Balance Sheet

Evolocity Limited  
As at 30 April 2015

| Account                          | Notes | 30 Apr 2015 | 31 Mar 2014 |
|----------------------------------|-------|-------------|-------------|
| <b>Assets</b>                    |       |             |             |
| <b>Current Assets</b>            |       |             |             |
| Cash and Bank                    |       | 31,841      | 29,995      |
| BNZ - Current Account            |       | 31,841      | 29,995      |
| <b>Total Cash and Bank</b>       |       | 11,500      | 27,398      |
| Accounts Receivable              |       | 1,375       | -           |
| Income Tax Receivable            | 4     | 19          | -           |
| Other Current Assets             |       | 44,735      | 57,393      |
| <b>Total Current Assets</b>      |       |             |             |
| <b>Non-Current Assets</b>        |       |             |             |
| Property, Plant and Equipment    |       | 501         | -           |
| <b>Total Non-Current Assets</b>  |       | 501         | -           |
| <b>Total Assets</b>              |       | 45,236      | 57,393      |
| <b>Liabilities</b>               |       |             |             |
| <b>Current Liabilities</b>       |       |             |             |
| Accounts Payable                 |       | 2,002       | 6,498       |
| GST Payable                      |       | 2,077       | 3,587       |
| Short Term Loans                 | 8     | -           | 30,000      |
| Other Current Liabilities        |       | 9,000       | 33,000      |
| <b>Total Current Liabilities</b> |       | 13,079      | 73,085      |
| <b>Total Liabilities</b>         |       | 13,079      | 73,085      |
| <b>Net Assets</b>                |       | 32,157      | (15,691)    |
| <b>Equity</b>                    |       |             |             |
| Retained Earnings                |       | 32,157      | (15,691)    |
| <b>Total Equity</b>              |       | 32,157      | (15,691)    |

These financial statements are to be read in conjunction with the accompanying notes.



# Notes to the Financial Statements

Evolocity Limited

For the period ended 30 April 2015

## 1. Reporting Entity

These are the financial statements of Evolocity Limited. Evolocity Limited is a company registered under the Companies Act 1993 and is engaged in the business of Event Management.

Evolocity Limited is also a registered charity under the Charities Act 2005.

These financial statements were prepared exclusively for the benefit of Directors and Shareholders. We do not accept responsibility to any other person for the contents of the financial statements. They are therefore defined as special purpose reports.

## 2. Statement of Accounting Policies

### Basis of Preparation

These financial statements have been prepared in accordance with taxation principles contained in the Income Tax Act 2007 and disclosure requirements contained in the Tax Administration (Financial Statements) Order 2014.

### 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

The company transitioned on 1 April 2014 from preparation of general purpose financial information in accordance with New Zealand generally accepted accounting policies ("NZ GAAP") to special purpose financial reporting in accordance with the Income Tax Act 2007 and the Tax Administration (Financial Statements) Order 2014. The transition had minimal impact on the accounting policies of the company.

All other accounting policies were applied consistently during the year.

### Accounts Receivables

Accounts Receivables are recognised at estimated realisable value.

### Revenue

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured.

Revenue and Expenses for events are deferred until the event occurs as is any sponsorship income.

### Property, Plant and Equipment

Property, Plant and Equipment is recognised at cost less aggregate depreciation. 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.

Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007.

### 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.

With effect at 3 March 2015 Evolocity Limited was granted Charity Status. As a result, from this date, the entity is no longer liable for Income Tax.

### 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. Imputation Credits

The imputation credits available at 30 April 2015 are \$Nil (2014: \$Nil).



| Account   | Apr 2014-Apr 2015 | Apr 2013-Mar 2014 |
|---|-------------------|-------------------|
| <b>4. Income Tax Expense</b>                            |                   |                   |
| <b>Net Profit (Loss) per Financial Statements</b>       |                   |                   |
| Net Profit Before Tax                                   | 47,846            | (15,691)          |
| <b>Total Net Profit (Loss) per Financial Statements</b> | <b>47,846</b>     | <b>(15,691)</b>   |
| <b>Addbacks</b>   |                   |                   |
| Non Deductible Expenses                                 | 13,480            | -                 |
| Tax Losses lost due to change in Shareholding           | 4,358             | -                 |
| <b>Total Addbacks</b>                                   | <b>17,838</b>     | <b>-</b>          |
| <b>Deductions</b>                                       |                   |                   |
| Non-Taxable Income                                      | 50,000            | -                 |
| Losses Brought Forward                                  | 15,686            | -                 |
| <b>Total Deductions</b>                                 | <b>65,686</b>     | <b>-</b>          |
| <b>Taxable Profit (Loss)</b>                            | <b>-</b>          | <b>(15,691)</b>   |
| <b>Tax Payable at 28%</b>                               | <b>-</b>          | <b>-</b>          |
| <b>Imputation Credits</b>                               |                   |                   |
| Income Tax Paid   | 1,375             | -                 |
| Imputation Credits lost due to change in Shareholding   | (1,375)           | -                 |
| <b>Total Imputation Credits</b>                         | <b>-</b>          | <b>-</b>          |
| <b>Income Tax Expense</b>                               | <b>-</b>          | <b>-</b>          |
| <b>Income Tax</b>                                       | <b>-</b>          | <b>-</b>          |
| <b>Opening Balance</b>                                  | <b>1,375</b>      | <b>-</b>          |
| Income tax paid   | 1,375             | -                 |
| <b>Total Income Tax</b>                                 | <b>(1,375)</b>    | <b>-</b>          |
| <b>Income Tax Payable (Refund Due)</b>                  | <b>(1,375)</b>    | <b>-</b>          |

#### 5. Losses Carried Forward

Losses available at 30 April 2015 are \$Nil.

#### 6. Related Parties

Rob McEwan, a Director and Shareholder of Evolocity Limited, is also a Director and Shareholder of Tauhara Sunrise Limited a company which invoiced Evolocity Limited for the provision of consultancy services. During the period the Tauhara Sunrise Limited invoiced Evolocity Limited for \$57,878 comprising of consulting fees and disbursements. Included in the Accounts Payable at 30 April 2015 was \$1,860 owing to Tauhara Sunrise Limited.

Leslie Allan Black, a Director of Evolocity Limited, is also a Director and Shareholder of Electroflash Resourcing Limited a company which invoiced Evolocity Limited for the provision of consultancy services. During the period the Electroflash Resourcing Limited invoiced Evolocity Limited for \$10,350

#### 7. Contingent Liabilities and Commitments

The Company has no contingent liabilities or commitments as at 30 April 2015 (2014: Nil).

#### 8. Loans

\$30,000 was advanced to Evolocity Limited by efu Investments Limited on 20 February 2014. The advance was interest free and repayable by or on 19 February 2015, but not before 31 December 2014 unless mutually agreed by both parties. The full balance was repaid, by mutual agreement, on 12 March 2015.

#### 9. Subsequent Events

The ownership of Evolocity Limited was transferred to Rob McEwen on 30 April 2015, with the purchase of 100 Shares, representing all share capital, for the sum of \$4,000.

Hideaki Fukutake, Mark Herbert George Gilbert and Duncan John Stewart also resigned as a condition of the Sale and Purchase.

# 10. Restatement of Comparative Amounts

During the year ended 30 April 2015 a transaction was indentified which had been recorded at the incorrect date in the prior period.

This had the effect of understating both the Bank and Loan accounts on the Balance Sheet by \$29,995 and \$30,000 respectively and Bank Fees by \$5 in the Statement of Profit and Loss as at 31 March 2014.

Given the significance of this misstatement, management has elected to restate the comparative amounts. There is no impact to the Bank, Loan or Bank Fees accounts for the 2015 year.

The result of the restatements is shown below. Opening retained earning is now restated to (\$15,691), compared to the presented 2014 closing balance of (\$15,686)

|                                       | 2014 As Presented | Restatement  | 2014 Restated     |
|---------------------------------------|-------------------|--------------|-------------------|
| Advertising and Marketing             | \$692             | \$0          | \$692             |
| Consultancy Costs                     | \$14,300          | \$0          | \$14,300          |
| Subscriptions                         | \$310             | \$0          | \$310             |
| Travel and Accommodation              | \$384             | \$0          | \$384             |
| Bank Fees                             | \$0               | \$5          | \$5               |
| <b>Total Expenses</b>                 | <b>\$15,686</b>   | <b>\$5</b>   | <b>\$15,691</b>   |
| <b>Profit/(Loss) before Taxation</b>  | <b>(\$15,686)</b> | <b>(\$5)</b> | <b>(\$15,691)</b> |
| <b>Net Profit/(Loss) for the Year</b> | <b>(\$15,686)</b> | <b>(\$5)</b> | <b>(\$15,691)</b> |

|                                  | 2014 As Presented | Restatement     | 2014 Restated     |
|----------------------------------|-------------------|-----------------|-------------------|
| <b>Current Assets</b>            | <b>\$0</b>        | <b>\$29,995</b> | <b>\$29,995</b>   |
| Bank                             | \$27,398          | \$0             | \$27,398          |
| Accounts Receivable              | \$27,398          | \$29,995        | \$57,393          |
| <b>Total Current Assets</b>      | <b>\$27,398</b>   | <b>\$29,995</b> | <b>\$57,393</b>   |
| <b>Total Assets</b>              |                   |                 |                   |
| <b>Liabilities</b>               |                   |                 |                   |
| <b>Current Liabilities</b>       | <b>\$6,498</b>    | <b>\$0</b>      | <b>\$6,498</b>    |
| Accounts Payable                 | \$3,587           | \$0             | \$3,587           |
| GST                              | \$33,000          | \$0             | \$33,000          |
| Income in Advance                | \$0               | \$30,000        | \$30,000          |
| Loan - Efu Investments           | \$43,805          | \$30,000        | \$73,805          |
| <b>Total Current Liabilities</b> | <b>\$43,805</b>   | <b>\$30,000</b> | <b>\$73,805</b>   |
| <b>Total Liabilities</b>         | <b>(\$15,686)</b> | <b>(\$5)</b>    | <b>(\$15,691)</b> |
| <b>Net Assets</b>                |                   |                 |                   |
| <b>Equity</b>                    | <b>(\$15,686)</b> | <b>(\$5)</b>    | <b>(\$15,691)</b> |
| Retained Earnings                |                   |                 |                   |

# 11. Going Concern

The going concern assumption upon which these financial statements are prepared is reliant upon the company obtaining in the ensuing years revenues at levels greater than continuing costs and also the continued support of its sponsors and other funding by way of grants.

Should the company not retain the ongoing financial support by way of sponsorship and grants, it would no longer be able to continue as a going concern and adjustments would need to be made to the company's financial statements to provide for any possible loss on realisations of the company's assets. In addition, the company would likely be required to provide for further liabilities arising.