

Southern Fleet Leasing Limited
Financial Statements
For the Year Ended 31st March 2016

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Southern Fleet Leasing Limited

Company Directory

As at 31st March 2016

Date of Incorporation

24 March 2015

Company Number

5644471

IRD Number

116-436-388

Business Location

15 Sir James Wattie Drive
Hornby, Christchurch

Registered Office

2nd Floor, 137 Victoria Street, Christchurch

Nature of Business

Truck Leasing

Share Capital

10,000 Ordinary Shares

Shareholders

Brendan Prendergast Family Trust	4999
Joanne Prendergast Family Trust	4999
Brendan Prendergast	1
Joanne Prendergast	1
	<u>10000</u>

Directors

Brendan Gerard Prendergast

Chartered Accountants

Graeme Marriott
Nexia Christchurch Ltd
P O Box 4160, Christchurch
Phone (03) 379-0829

Solicitor

Cran Bull
Saunders & Co
PO Box 18, Christchurch
Phone (03) 379-7690

Bankers

ANZ
Christchurch

Southern Fleet Leasing Limited

Annual Report

For the Year Ended 31st March 2016



Financial Statements

The board of directors present the approved annual report including the historical financial statements of the Company for the year ended 31st March 2016.

Non-compliance by agreement

The shareholders of the Company have exercised their right under section 211(3) of the Companies Act 1993, and unanimously agreed that this annual report need not comply with any of paragraphs (a) and (e)-(j) of section 211(1) of the Act.

For and on behalf of the board:

Director

A handwritten signature in blue ink, consisting of stylized letters, positioned above a horizontal line.

15th June 2016

Southern Fleet Leasing Limited

Statement of Financial Performance

For the Year Ended 31st March 2016

	Note	2016 \$	2015 \$
INCOME			
Lease Income	2,201,808		-
Interest Received	78		-
Total Income		2,201,886	-
EXPENDITURE			
Accountancy Fees	2,560		-
Bank Charges	7,314		-
Computer Expenses	256		-
Legal Expenses	1,643		-
Total Expenses		11,773	-
Net Surplus Before Depreciation		2,190,113	-
Less Depreciation Adjustments			
Depreciation as per Schedule	1,642,213		-
Depreciation - Loss on Sale	42,134		-
Net Depreciation Adjustment		1,684,347	-
NET SURPLUS BEFORE INTEREST & TAXATION		505,766	-
LESS			
Interest - Loans		380,227	-
NET SURPLUS BEFORE TAXATION		125,539	-
LESS			
Income Tax Expense		126,137	-
NET DEFICIT AFTER TAXATION		(598)	-

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements and the Compilation Report. It has not been subject to an audit or review engagement.

Southern Fleet Leasing Limited
Statement of Movements in Equity
For the Year Ended 31st March 2016

	2016 \$	2015 \$
EQUITY AT START OF PERIOD	-	-
SURPLUS & REVALUATIONS		
Net (Deficit) After Tax	(598)	-
TOTAL RECOGNISED REVENUES & EXPENSES	(598)	-
EQUITY AT END OF PERIOD	<u>(\$598)</u>	<u>-</u>

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements and the Compilation Report. It has not been subject to an audit or review engagement.

Southern Fleet Leasing Limited
Statement of Financial Position
As at 31st March 2016



	Note	2016 \$	2015 \$
CURRENT LIABILITIES			
Taxation		126,137	-
Accounts Payable		222,596	7,673,149
Term Loans - Current Portion	8	1,453,584	-
Move Logistics Limited		<u>1,532,371</u>	<u>-</u>
TOTAL CURRENT LIABILITIES		3,334,688	7,673,149
NON-CURRENT LIABILITIES			
UDC Assetlink Loan		5,291,477	-
SHAREHOLDERS' EQUITY			
Share Capital		-	-
Retained Earnings		<u>(598)</u>	<u>-</u>
TOTAL SHAREHOLDERS' EQUITY		(598)	-
		<u><u>\$8,625,567</u></u>	<u><u>\$7,673,149</u></u>

Director

15th June 2016

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements and the Compilation Report. It has not been subject to an audit or review engagement.

CURRENT ASSETS

ANZ Business Flex Facility

GST Refund Due

Accounts Receivable

TOTAL CURRENT ASSETS

NON-CURRENT ASSETS

Motor Vehicles

Plant & Machinery

TOTAL NON-CURRENT ASSETS

Note

2016
\$

2015
\$

155,662

28,108

254,011

437,781

7.198.753

989,033

8,187,786

7.023.367

649,782

7,673,149

\$8,625,567

\$7,673,149

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements and the Compilation Report. It has not been subject to an audit or review engagement.

Southern Fleet Leasing Limited

Notes to the Accounts

For the Year Ended 31st March 2016

1. STATEMENT OF ACCOUNTING POLICIES

GENERAL ACCOUNTING POLICIES

ENTITY & MEASUREMENT BASE

These are the financial statements of Southern Fleet Leasing Limited ('the company'). They have been prepared in accordance with the Financial Reporting Act 2013. Southern Fleet Leasing Limited is a company incorporated in New Zealand registered under the Companies Act 1993. Southern Fleet Leasing Limited is engaged in the business of Truck Leasing.

The special purpose financial statements were authorised for issue in accordance with a resolution of directors dated 15th June 2016.

The financial statements of Southern Fleet Leasing Limited have been prepared in accordance with Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by the New Zealand Institute of Chartered Accountants. The general accounting policies recognised as appropriate for the measurement and reporting of financial statements have been followed in the preparation of these financial statements.

The financial statements of Southern Fleet Leasing Limited have been prepared on a historical cost basis, except as noted otherwise below. Accrual accounting is used to match expenses to revenues.

The information is presented in New Zealand dollars.

PARTICULAR ACCOUNTING POLICIES

The following is a summary of the significant accounting policies adopted by the entity in the preparation of the financial statements.

(a) ACCOUNTS RECEIVABLE

Accounts Receivable are stated at their net realisable value.

(b) FIXED ASSETS AND DEPRECIATION

Depreciation has been charged at rates designed to spread the cost of the assets over their respective lives. Assets are depreciated on a Straight Line (SL) or Diminishing Value (DV) basis. For Taxation purposes, depreciation has been calculated at the maximum rates allowed by the Inland Revenue Department for income tax purposes.

The depreciation rates for the following asset categories, range as follows:

Plant & Machinery 8.00% to 20.00% DV

Motor Vehicles 8.00% to 33.33% DV or over 2 to 20 years SL

(c) GOODS AND SERVICES TAX

These financial statements have been prepared on a GST exclusive basis.

(d) INCOME TAX

Income Tax is accounted for using the "Taxes Payable Method". The income tax expense charged to the Statement of Financial Performance is the estimated tax payable in the current year, adjusted for any differences between the estimated and actual tax payable in prior years.

Note: This Statement is to be read in conjunction with the Compilation Report. It has not been subject to an audit or review engagement.

Southern Fleet Leasing Limited

Notes to the Accounts

For the Year Ended 31st March 2016

CHANGES IN ACCOUNTING POLICIES

Southern Fleet Leasing Limited was incorporated on 24 March 2015 and commenced trading on 1 April 2015. Accordingly, there is no comparative information apart from the purchase of Motor Vehicles which took place 31 March 2015. Accounting policies have been consistently applied during the period.

2. PROPERTY, PLANT & EQUIPMENT

Motor Vehicles	
Net Asset Movement	12,298,251
Less Accumulated Depreciation	<u>(5,099,498)</u>
Closing Book Value	7,198,753
 Plant & Machinery	
Net Asset Movement	1,285,004
Less Accumulated Depreciation	<u>(295,971)</u>
Closing Book Value	989,033

3. CAPITAL COMMITMENTS

Southern Fleet Leasing Limited has no capital commitments as at 31st March 2016 (31st March 2015: Nil).

4. CONTINGENT LIABILITIES

Southern Fleet Leasing Limited has no contingent liabilities as at 31st March 2016 (31st March 2015: Nil).

5. IMPUTATION CREDIT ACCOUNT

The balance of Southern Fleet Leasing Limited's Imputation Credit Account as at 31st March 2016 was \$nil (31st March 2015: \$nil).

6. RELATED PARTY TRANSACTIONS

Brendan Prendergast is a shareholder and director of both Southern Fleet Leasing Ltd and MOVE Logistics Ltd. Jo Prendergast is a shareholder of both Southern Fleet Leasing Ltd and MOVE Logistics Ltd. Throughout the year these entities have had the following transactions:

- On 31 March 2015 MOVE Logistics Ltd sold to Southern Fleet Leasing Ltd Motor Vehicles for \$7,673,149 with payment made on 7th May 2015.

- Southern Fleet Leasing Ltd leased motor vehicles to MOVE Logistics Ltd during the year for revenue totalling \$2,201,808 (2015: \$nil).

- Payments were made by MOVE Logistics Ltd on behalf of Southern Fleet Leasing Ltd totalling \$37,865 to fund Southern Fleet Leasing's balance sheet.

- Funds advanced as at 31 March 2016: \$1,532,371 (2015: \$7,673,149).

Note: This Statement is to be read in conjunction with the Compilation Report. It has not been subject to an audit or review engagement.

Southern Fleet Leasing Limited

Notes to the Accounts

For the Year Ended 31st March 2016

7. TAX RECONCILIATION

In accordance with FRS12, non-deductible items have been accounted for in determining assessable income as follows;

Net Surplus per Statement of Financial Performance	125,539
Add Depreciation for Accounting Purposes	<u>1,684,347</u>
	1,809,886
Less Depreciation for Taxation Purposes	(1,359,398)
Net Surplus for Taxation Purposes	<u><u>\$450,488</u></u>

Provision for Taxation as follows:

Income Tax on above @ 28c	126,137
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8. TERM LIABILITIES

UDC Assetlink Loan of \$6,745,061 is secured by a general security interest, with current interest rate of 5.80% p.a. on the different loans. There is \$1,453,584 principal due within the twelve months after balance date.

Southern Fleet Leasing Limited

Compilation Report

For the Year Ended 31st March 2016

COMPILATION REPORT TO THE DIRECTORS

Scope

On the basis of information you provided we have compiled, in accordance with Service Engagement Standard No.2: Compilation of Financial Information, the financial statements of Southern Fleet Leasing Limited for the period ended 31 March 2016. Except as described below (if any), these statements have been prepared in accordance with the Companies Act 1993 and the Financial Reporting Act 2013 described in Note 1 to the financial statements.

Responsibility

You are solely responsible for the information contained in the financial statements and have determined that the Companies Act 1993 and the Financial Reporting Act 2013 used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

No Audit Or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

Disclaimer of Liability Statement

As mentioned earlier in our report above, we have compiled the financial information based on information provided to us which has not been subject to an audit or review engagement. Accordingly, neither we or any of our employees accept any responsibility for the reliability, accuracy or completeness of the compiled financial information nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on the compiled financial information.



NEXIA CHRISTCHURCH LIMITED
CHARTERED ACCOUNTANTS
CHRISTCHURCH

15TH JUNE 2016