

# FINDEX

---

HRL Property Limited

Special Purpose Financial Report For The Year Ended 30 June 2023

# FINDEX

HRL Property Limited

## Special Purpose Financial Report Contents

For The Year Ended 30 June 2023

	Page
Company Directory	1
Statement of Financial Performance	2
Statement of Movements in Equity	3
Statement of Financial Position	4 - 5
Schedule of Fixed Assets and Depreciation	6
Statement of Accounting Policies	7
Notes to the Financial Statements	8 - 9
Compilation Report	10

# FINDEX

## HRL Property Limited

### Company Directory

As At 30 June 2023

<b>Nature of Business</b>	Property Investment	
<b>Directors</b>	Paul D Le Gros (Resigned 3 March 2023) John J Loughlin (Resigned 30 November 2022) Samuel D Newbury Andrew J Leete (Appointed 25 May 2023)	
<b>Accountants</b>	Findex NZ Limited 20 Oxford Street Richmond 7020	
<b>Solicitors</b>	Cooney Lees Morgan 247 Cameron Road Tauranga 3110	
<b>Bankers</b>	Nelson Building Society 111 Trafalgar Street Nelson 7010	
<b>IRD Number</b>	134-069-494	
<b>Tax Status</b>	Standard Company	
<b>Incorporation Number</b>	8184721	
<b>Shareholders</b>	B P McCashin, McCashin Trustees Limited Quayside Holdings Limited Total Ordinary Shares	363,020 636,980 <hr/> 1,000,000
<b>Date of Incorporation</b>	17 May 2021	

# FINDEX

## HRL Property Limited

### Statement of Financial Performance

For The Year Ended 30 June 2023

	Notes	2023 \$	2022 \$
<b>Income</b>			
Lease Income		125,416	102,500
<b>Expenses</b>			
Accountancy Fees		9,227	5,505
Bank and Loan Fees		6,258	1,311
Consultancy Fees		420	-
Depreciation		2,327	2,376
General Expenses		-	660
Insurance		-	(329)
Interest		183,187	164,733
IRD and TDC Penalties - Non Deductible		309	253
Legal Fees - Deductible		-	9,400
Valuation Fees - Non Deductible		3,177	-
Subscriptions and Licences		307	231
<b>Total Expenses</b>		<b>205,212</b>	<b>184,140</b>
<b>Net Deficit</b>		<b>(79,796)</b>	<b>(81,640)</b>

This statement should be read in conjunction with the statement of accounting policies and notes to the financial statements on pages 7 to 9 and is subject to the Accountant's compilation report on page 10.

# FINDEX

## HRL Property Limited

### Statement of Movements in Equity

For The Year Ended 30 June 2023

	Notes	Share Capital	Retained Earnings	Realised Capital Reserves	Revaluation Reserves	Total
		\$	\$	\$	\$	\$
<b>Balance at 1 July 2022</b>		<b>1,000</b>	<b>(132,810)</b>	-	-	<b>(131,810)</b>
Net Deficit			(79,796)			<b>(79,796)</b>
Gain on Revaluation of Property					1,144,249	<b>1,144,249</b>
<b>Balance at 30 June 2023</b>		<b>1,000</b>	<b>(212,606)</b>	-	<b>1,144,249</b>	<b>932,643</b>
<b>Balance at 1 July 2021</b>		-	<b>(51,170)</b>	-	-	<b>(51,170)</b>
Net Deficit			(81,640)			<b>(81,640)</b>
Contributions From Owners		1,000				<b>1,000</b>
<b>Balance at 30 June 2022</b>		<b>1,000</b>	<b>(132,810)</b>	-	-	<b>(131,810)</b>

This statement should be read in conjunction with the statement of accounting policies and notes to the financial statements on pages 7 to 9 and is subject to the Accountant's compilation report on page 10.

# FINDEX

## HRL Property Limited

### Statement of Financial Position

As At 30 June 2023

	Notes	2023 \$	2022 \$
<b>Current Assets</b>			
NBS Cheque Account		225,090	55,533
Accounts Receivable		-	7,565
Prepayments		847	-
<b>Total Current Assets</b>		<b>225,937</b>	<b>63,098</b>
<b>Non Current Assets</b>			
Property, Plant and Equipment		6,152,673	5,010,751
Birchwood - Dam Resource Consent		46,386	46,386
<b>Total Non Current Assets</b>		<b>6,199,059</b>	<b>5,057,137</b>
<b>Total Assets</b>		<b>6,424,996</b>	<b>5,120,235</b>
<b>Current Liabilities</b>			
Accounts Payable		7,506	1,498
GST Payable		1,547	1,497
<b>Total Current Liabilities</b>		<b>9,053</b>	<b>2,995</b>
<b>Non Current Liabilities</b>			
Shareholder Advances	2		
- Hop Revolution Limited		-	542,019
- McCashin Family Trust		852,735	655,971
- Quayside Holdings Limited		1,496,265	1,151,010
		<b>2,349,000</b>	<b>2,349,000</b>
NBS Commercial Loan	2	2,506,300	2,500,050
Quayside Holdings Limited	2	400,000	400,000
McCashin Family Trust	2	228,000	-
<b>Total Non Current Liabilities</b>		<b>5,483,300</b>	<b>5,249,050</b>
<b>Total Liabilities</b>		<b>5,492,353</b>	<b>5,252,045</b>
<b>Net Assets/(Net Liabilities)</b>		<b>932,643</b>	<b>(131,810)</b>
<b>Shareholder Equity</b>			
Share Capital	3	1,000	1,000
Accumulated Deficit		(212,606)	(132,810)
Reserves	4	1,144,249	-
<b>Total Shareholder Equity</b>		<b>932,643</b>	<b>(131,810)</b>

This statement should be read in conjunction with the statement of accounting policies and notes to the financial statements on pages 7 to 9 and is subject to the Accountant's compilation report on page 10.

# FINDEX

HRL Property Limited

## Statement of Financial Position

As At 30 June 2023

	Notes	2023	2022
--	-------	------	------

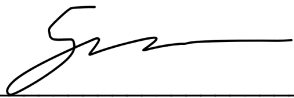
\$

\$

The Directors present the approved financial statements.

### APPROVED

For and on behalf of the Board.



Samuel D Newbury

15/10/2023

Date



Andrew J Leete

13 October 2023

Date

## HRL Property Limited

### Schedule of Fixed Assets and Depreciation

As At 30 June 2023

		% Private Date Use	Original Cost	Opening Accum Depn	Opening WDV	Additions Disposals	Gain/Loss on Disposal	Capital Profit	Rate	Deprn	Closing WDV
<b>Land (at cost)</b>											
Land 877 Korere-Tophouse Road	Jul 21		4,608,055	-	4,608,055	-	-	-	0.0% DV	-	4,608,055
<b>Total Land (at cost)</b>			4,608,055	-	4,608,055	-	-	-		-	4,608,055
<b>Buildings (at cost)</b>											
Main Dwelling	Jul 21		179,074	-	179,074	-	-	-	0.0% DV	-	179,074
Secondary Dwelling	Jul 21		78,525	-	78,525	-	-	-	0.0% DV	-	78,525
Cottage	Jul 21		28,729	-	28,729	-	-	-	0.0% DV	-	28,729
Woolshed	Jul 21		28,729	575	28,154	-	-	-	2.0% DV	563	27,591
Workshop	Jul 21		23,940	479	23,461	-	-	-	2.0% DV	469	22,992
Implement Shed	Jul 21		17,237	345	16,892	-	-	-	2.0% DV	338	16,554
Shed 1 (96 sq m)	Jul 21		16,279	326	15,953	-	-	-	2.0% DV	319	15,634
Shed 2 (40 sq m)	Jul 21		3,830	77	3,753	-	-	-	2.0% DV	75	3,678
Shed 3 (168 sq m)	Jul 21		17,237	345	16,892	-	-	-	2.0% DV	338	16,554
Shed 4 (102 sq m)	Jul 21		8,619	172	8,447	-	-	-	2.0% DV	169	8,278
Shed 5 (42 sq m)	Jul 21		2,873	57	2,816	-	-	-	2.0% DV	56	2,760
<b>Total Buildings (at cost)</b>			405,072	2,376	402,696	-	-	-		2,327	400,369
<b>Property Revaluation</b>											
Land and Improvements Revaluation July 2022	Jul 22		-	-	-	1,144,249	-	-	0.0% DV	-	1,144,249
<b>Total Property Revaluation</b>			-	-	-	1,144,249	-	-		-	1,144,249
<b>TOTAL FIXED ASSETS</b>			5,013,127	2,376	5,010,751	1,144,249	-	-		2,327	6,152,673



# FINDEX

## HRL Property Limited

### Statement of Accounting Policies

For The Year Ended 30 June 2023

#### **Reporting Entity**

HRL Property Limited is a company registered under the Companies Act 1993 and was incorporated on 17 May 2021.

HRL Property Limited is a property investment business.

The special purpose financial report was authorised for issue by the board of directors on the date stated on the Statement of Financial Position.

#### **Basis of Preparation**

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

These financial statements have been prepared for the company's owners and to meet the company's income tax requirements.

#### **Historical Cost**

These financial statements have been prepared on a historical cost basis except for certain assets which have been revalued as identified in specific accounting policies below. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

#### **Revenue Recognition**

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

#### **Property, Plant and Equipment**

Land and improvements have been revalued in accordance with the Duke and Cooke independent valuation of 07 July 2022.

#### **Depreciation**

Depreciation is charged to the Statement of Financial Performance at the same rates as are allowed by the Income Tax Act 2007 over the estimated useful life of each item of property, plant and equipment.

#### **Income Tax**

The income tax expense recognised in the Statement of Financial Performance is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years.

#### **Accounts Receivable**

Accounts receivable are recognised less an allowance for any uncollectable amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

#### **Goods and Services Tax (GST)**

All revenue and expense transactions are recorded net of GST. Where applicable, all assets and liabilities have been stated net of GST with the exception of receivables and payables which are stated inclusive of GST.

#### **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 period.

# FINDEX

## HRL Property Limited

### Notes to the Financial Statements

For The Year Ended 30 June 2023

	2023	2022
	\$	\$
<b>1 Tax Reconciliation</b>		
<b>Operating Deficit Before Tax</b>	<b>(79,796)</b>	<b>(81,640)</b>
<b>Adjustments for Permanent Differences</b>		
<b>Non Deductible Expenditure</b>		
IRD and TDC Penalties - Non Deductible	309	253
Valuation Fees - Non Deductible	3,177	-
<b>Permanent Differences</b>	<b>3,486</b>	<b>253</b>
<b>Tax Loss Before Loss Offsets</b>	<b>(76,310)</b>	<b>(81,387)</b>
Losses Brought Forward	(81,387)	(51,170)
Losses Lost Due to Change in Shareholding	-	(51,170)
<b>Adjusted Net Surplus/(Deficit) Before Tax</b>	<b>(157,697)</b>	<b>(81,387)</b>
<b>Tax Loss To Carry Forward</b>	<b>(157,697)</b>	<b>(81,387)</b>
<b>Income Tax Payable as per Tax Return</b>	<b>-</b>	<b>-</b>
<b>Losses Carried Forward are Made up of:</b>		
Business Losses	157,697	81,387
	<b>157,697</b>	<b>81,387</b>
<b>2 Borrowings</b>		
NBS Commercial Loan	2,506,300	2,500,050
Quayside Holdings Limited	400,000	400,000
McCashin Family Trust	228,000	-
Shareholder Advances	2,349,000	2,349,000
<b>Total Borrowings</b>	<b>5,483,300</b>	<b>5,249,050</b>
<b>Represented by:</b>		
Current Portion	-	542,019
Non Current Portion	5,483,300	4,707,031
<b>Total Borrowings</b>	<b>5,483,300</b>	<b>5,249,050</b>

The NBS Commercial Loan is fixed at an interest rate of 8.24% per annum until 1 June 2024. The loan is secured by a first charge mortgage over the property at 877 Korere-Tophouse Road, Korere.

The loan from Quayside Holdings Limited is at an interest rate of 7.5% and is secured by a General Security Agreement over all present and after acquired property of HRL Property Limited.

The loan from McCashin Family Trust is at an interest rate of 7.5% and is secured by a General Security Agreement over all present and after acquired property of HRL Property Limited.

# FINDEX

## HRL Property Limited

### Notes to the Financial Statements

For The Year Ended 30 June 2023

	2023	2022
	\$	\$
<b>3 Capital</b>		
<b>Issued and Paid in Capital</b>		
Share Capital Contributed	1,000	1,000
<b>Total Issued and Paid in Capital</b>	<u>1,000</u>	<u>1,000</u>
<p>All shares have equal voting rights and share equally in dividends and surplus on winding up.</p>		
<b>4 Reserves</b>		
Asset Revaluation Reserve	1,144,249	-
<b>Total Reserves</b>	<u>1,144,249</u>	<u>-</u>

#### 5 Capital Commitments

No capital commitments have been contracted for or provided for at balance date (2022:Nil).

#### 6 Contingent Liabilities

There were no contingent liabilities at balance date (2022:Nil).

# FINDEX

HRL Property Limited

## Compilation Report

For The Year Ended 30 June 2023

### Compilation Report to the Directors of HRL Property Limited

#### Scope

On the basis of information provided by you we have compiled, in accordance with Service Engagement Standard No. 2: Compilation of Financial Information, the special purpose financial statements of HRL Property Limited for the year ending 30 June 2023 as set out on pages 1 to 9. These have been prepared on the basis disclosed in the statement of accounting policies and notes to the financial statements on pages 7 to 9.

#### Responsibilities

You have determined that the basis upon which the financial statements have been prepared is appropriate to meet your needs and for the purpose that the financial statements were prepared. The Directors are solely responsible for the information contained in the special purpose financial statements and have determined that the financial reporting framework used is appropriate to meet your needs and for the purpose that the special purpose financial statements were prepared.

The financial statements were prepared exclusively for your benefit. Neither we nor any of our employees accept responsibility on any grounds whatsoever, including liability in negligence, for the contents of the special purpose financial statements to any other person.

#### No audit or review engagement undertaken

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

#### Disclaimer of Liability

As mentioned earlier in our report, 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 nor 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.

Findex NZ Limited



Richmond

20 September 2023