

Special Purpose Condensed Financial Reports

AGE Limited

For the 9 months ended 30 September 2023

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Company Directory

AGE Limited

For the 9 months ended 30 September 2023

Nature of Business

Education

Registered Office

Level 1
60 Highbrook Drive
East Tamaki
AUCKLAND

Company Number

6315728

New Zealand Business Number

9429046200099

Directors

Evan Christian

Katherine Allsopp-Smith

Shareholder

2061 LP 1000 Ordinary Shares

Chartered Accountant

BDO Auckland
Level 1
60 Highbrook Drive
East Tamaki
AUCKLAND

Bankers

ANZ Bank

Solicitors

Brown Partners
Level 3
18 Shortland Street
AUCKLAND

Chapman Tripp
Level 34
15 Customs Street West
AUCKLAND

Approval of Financial Report

AGE Limited

For the 9 months ended 30 September 2023

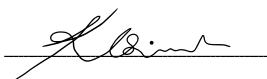
The Directors are pleased to present the approved financial report including the historical financial statements of AGE Limited for the 9 months ended 30 September 2023 .

Approved

For and on behalf of the Board of Directors:



Evan Christian



Katherine Allsopp-Smith

21 / 12 / 23

Date

Statement of Profit or Loss

AGE Limited

For the 9 months ended 30 September 2023

	NOTES	JAN-SEP 2023	JAN-DEC 2022
Income			
Revenue and Fees received		1,748,611	1,852,283
Subvention Income		360,237	1,422,533
Total Income		2,108,847	3,274,816
Expenses			
Depreciation		161,326	217,214
Interest Expense		131,246	216,007
Other Expenses		420,810	648,837
Rent & Rates		343,348	491,067
Salaries & Wages		1,052,117	1,610,231
Total Expenses		2,108,847	3,183,356
Net Profit for the Period		-	91,460

This statement has been prepared by management without undertaking an audit engagement or review engagement and should be read with the Notes to the financial statements.

Balance Sheet

AGE Limited

As at 30 September 2023

	NOTES	NOTES	30 SEP 2023	31 DEC 2022	
Assets					
Current assets					
Cash and cash equivalents		3	293,292	208,632	
Trade and other receivables			283,643	649,475	
Subvention Receivable			1,782,769	1,422,533	
Inventories			23,280	23,280	
Prepayments			20,977	8,529	
Total Current assets			2,403,962	2,312,449	
Non current assets					
Property, plant and equipment		4	2,653,559	2,813,644	
Refurbishment in Progress			6,359	-	
Intangibles		5	4,413	4,942	
Total Non current assets			2,664,330	2,818,586	
Total Assets			5,068,292	5,131,036	
Liabilities					
Current liabilities					
Trade and other payables -related parties		7	955,000	908,741	
Trade and other payables -others			190,056	273,347	
GST payable			54,115	62,554	
Student Fees Unearned			477,307	690,680	
Borrowings		6	8,516	8,516	
Total Current liabilities			1,684,994	1,943,838	
Non current liabilities					
Borrowings		6	4,926	11,313	
Other non current liabilities			112,500	70,000	
Related party loans		6	7	2,962,646	2,802,659
Total Non current liabilities			3,080,071	2,883,972	
Total Liabilities			4,765,066	4,827,809	
Equity					
Share capital			1,000	1,000	
Retained earnings			302,226	302,226	
Total Equity			303,226	303,226	
Total liabilities and equity			5,068,292	5,131,036	

This statement has been prepared by management without undertaking an audit engagement or review engagement and should be read with the Notes to the financial statements.

Statement of Changes in Equity

AGE Limited

For the 9 months ended 30 September 2023

	JAN-SEP 2023	DEC 2022
Issued capital		
Issued capital		
1,000 Ordinary Shares	1,000	1,000
Total Issued capital	1,000	1,000
Total Issued capital	1,000	1,000
	JAN-SEP 2023	DEC 2022
Retained earnings		
Retained earnings		
Opening Balance	302,226	210,766
Current Period Earnings	-	91,460
Total Retained Earnings	302,226	302,226
Total Retained Earnings	302,226	302,226
	JAN-SEP 2023	DEC 2022
Equity		
Retained Earnings	302,226	302,226
1,000 Ordinary Shares	1,000	1,000
Total Equity	303,226	303,226

This statement has been prepared by management without undertaking an audit engagement or review engagement and should be read with the Notes to the financial statements.

Notes to the Financial Statements

AGE Limited

For the 9 months ended 30 September 2023

1. Statement of Accounting Policies

Reporting entity

The financial statements presented here are for the entity AGE Limited, incorporated under the Companies Act 1993.

Nature of business

The company is engaged in the operation of an online Virtual and Physical School. The nature of the company's business has not changed during the period under review.

Basis of preparation

The directors have chosen to prepare special purpose financial reports which may not necessarily comply with generally accepted accounting practice.

The financial statements have been prepared for one or more of the following parties:

- the entity's owners
- Inland Revenue.

Historical cost

These financial statements have been prepared on a historical cost basis.

Functional currency

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$.

Share capital

As at 30 September 2023, the company has issued 1,000 ordinary shares. Each fully paid ordinary share confers on the holder one vote at a meeting of the company, a share in distributions approved by the Directors, and a share in distribution of the surplus assets of the company on dissolution.

Changes in accounting policies

There has been no changes in accounting policies during the period. Accounting policies were applied consistently.

Going Concern

The company is currently dependent on funding made from related parties and may require further funds in the future. The directors have made enquires and have no reason to anticipate that sufficient funding to allow the company to continue as a going concern will not be made available for the foreseeable future.

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.

Sales of services are recognised in the period by reference to the stage of completion of the transaction at the end of the reporting period.

Interest received is recognised as interest accrues, gross of refundable tax credits received.

Accounts receivable

Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, 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.

Property, plant & 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.

All other repairs and maintenance expenditure is recognised in profit or loss as incurred.

Depreciation is calculated on a straight line basis over the estimated useful life of the asset using depreciation rates based on management's assessment. The following estimated depreciation rates have been used:

- Motor vehicles 10% SL
- Computer equipment 20% SL
- Furniture and fittings 10% SL
- Office equipment 20% SL
- Leasehold Improvements 5% - 20% SL

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 period the asset is derecognised.

Intangible Assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are tested for impairment whenever there is an indication that the intangible asset may be impaired.

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.

Goods and services tax

The financial statements are stated exclusive of goods and services tax (GST) except for accounts receivable and accounts payable, which are stated inclusive of GST.

Comparative figures

The comparative figures shown are for a 12 month period.

Subvention Payments

The Income Tax Act allows loss-making companies to transfer their tax losses to other companies by way of a profitable company making a subvention payment to a loss-making company where both companies meet certain requirements. AGE Limited is a member of a group of companies that meets those requirements.

Where AGE Limited is a loss-making company it records the subvention receipt it expects to receive as Subvention Receivable income in its Statement of Profit or Loss and as a current asset on its Balance Sheet in the period the receipt relates to. Where AGE Limited is a profit-making company it records the subvention payment it expects to make as Subvention Payable expense in its Statement of Profit or Loss and as a current liability on its Balance Sheet in the period the payment relates to.

Any variation between the Subvention Receivable or Subvention Payable expected is accounted for in the period the variation crystallises.

	SEP 2023	DEC 2022
2. Income tax expense		
Net profit (loss) per financial statements		
Current period earnings (losses)		
Current period earnings (losses)	-	91,460
Total Current period earnings (losses)	-	91,460
Total Net profit (loss) per financial statements	-	91,460
Prima facie tax expense at 28%	-	25,609
Income tax effects:		
Timing differences - fixed asset depreciation	(15,776)	(29,773)
Timing differences - accruals and provisions	21,959	3,967
Non deductible expenses	148	198
Total Income tax effects:	6,330	(25,609)
	SEP 2023	DEC 2022

3. Cash and cash equivalents

Cash at bank and cash equivalents

AGE Limited – Trust Account	84,983	37,483
AGE Ltd - At Call Deposit	41,503	-
ANZ Bank Account	166,806	171,149
Total Cash at bank and cash equivalents	293,292	208,632

	SEP 2023	DEC 2022
4. Property, plant and equipment		
Computers & Software		
Computers and software owned	124,998	127,260
Accumulated depreciation - fixed assets owned	(93,059)	(83,834)
Total Computers & Software	31,939	43,426
Furniture and fittings		
Furniture and fittings owned	571,532	571,532
Accumulated depreciation - furniture and fittings owned	(230,079)	(187,214)
Total Furniture and fittings	341,454	384,319
Leasehold Improvements		
Leasehold improvements	2,554,536	2,553,656
Accumulated depreciation - leasehold improvements	(347,336)	(250,323)
Total Leasehold Improvements	2,207,200	2,303,333
Office equipment		
Office equipment owned	27,873	27,873
Accumulated depreciation - office equipment owned	(12,816)	(9,571)
Total Office equipment	15,057	18,302
Vehicles		
Vehicles owned	84,737	84,737
Accumulated depreciation - vehicles owned	(26,828)	(20,473)
Total Vehicles	57,910	64,265
Total Property, plant and equipment	2,653,559	2,813,644
	SEP 2023	DEC 2022
5. Intangibles		
Trademarks	7,060	7,060
Accumulated amortisation	(2,648)	(2,118)
Total Intangibles	4,413	4,942

	SEP 2023	DEC 2022
6. Borrowings		
Current		
IRD Small Business Loan	8,516	8,516
Total Current	8,516	8,516
Non-Current		
IRD Small Business loan	4,926	11,313
Wilshire Treasury Ltd	2,962,646	2,802,659
Total Non-Current	2,967,571	2,813,972
Total Borrowings	2,976,088	2,822,488

Please refer to Note 7 for further details.

Wilshire Treasury Ltd Loan

Repayments: repayable on demand, the directors do not expect the loan to be repaid within 12 months

Interest Rate: a margin of 10 basis points (0.10%) on Wilshire Treasury Ltd cost of funds advanced

Wilshire Treasury is the funding arm for the shareholder's business interests.

IRD Small Business Loan

This loan will be repaid by 27 May 2025. It is subject to interest at 3% per annum from 27 May 2022. The loan is unsecured.

7. Related Parties

Terms and conditions of transactions with related parties:

On terms standard across the shareholder's group, the loan from Wilshire Treasury Limited is secured, interest bearing and repayable on demand (see note 6).

During the period management fees payable to 2061 LP of \$75,000 were accrued (Last Year: \$100,000).

During the prior year, payable amounts to Christian Family Trust and to 2061 LP were assigned to Wilshire Treasury Ltd.

During the period, subvention income receivable of \$360,237 from New Zealand Mail Limited was accrued (Last Year: \$1,422,533).

During the period rent of \$275,961 (GST exclusive) have been charged by Wilshire Holdings Limited for the tenancy at 2 Sanders Ave, Takapuna.

For the period ended 30 September 2023 the company has not made any allowance for impairment losses relating to amount owed by related parties. These entities are related by way of common ownership and /or control.

	SEP 2023	DEC 2022
Related Parties Balances		
Receivables		
AGE Charitable Trust	1,337	1,337
Katherine Allsopp-Smith and Evan Christian	-	18,320
New Zealand Mail Limited	1,782,769	1,422,533
Wilshire Holdings Limited	18,341	-
Total Receivables	1,802,447	1,442,190

	SEP 2023	DEC 2022
Payables		
Other Payables		
2061 LP	175,000	100,000
AGE Foundation Charitable Trust (Fitout Rent)	240,000	240,000
Wilshire Holdings Limited	540,000	540,000
Wilshire Treasury Limited	-	28,741
Total Other Payables	955,000	908,741
Related Parties Loans Payable		
Wilshire Treasury Limited	2,962,646	2,802,659
Total Related Parties Loans Payable	2,962,646	2,802,659
Total Payables	3,917,646	3,711,400
	SEP 2023	DEC 2022

Related Parties Transactions

	SEP 2023	DEC 2022
Revenue		
New Zealand Mail Limited	360,237	1,422,533
Expenses		
2061 LP	75,000	100,000
Wilshire Holdings Limited	275,961	390,000
Wilshire Treasury Limited	131,246	215,610
	SEP 2023	DEC 2022

8. Operating lease - future minimum lease payments under non-cancellable leases

Current	400,096	464,473
Non-current	2,737,500	3,030,000
Total Operating lease - future minimum lease payments under non-cancellable leases	3,137,596	3,494,473

Premises and Fitout Lease - 2 Sanders Ave, Takapuna

AGE Limited has a lease on an annual basis for its tenancy at 2 Sanders Ave, Takapuna . Current rent is \$367,948 per annum plus outgoings. Current term expires on 31 December 2040.

Premises Lease - 414 Lake Road, Takapuna

AGE Limited has a lease on an annual basis for its tenancy at 414 Lake Road, Takapuna. Current rent is \$58,835 per annum plus outgoings. Current term expires on 23 December 2023.

Premises Lease - 46 Hurstmere Road, Takapuna

AGE Limited has a lease on an annual basis for its tenancy at 46 Hurstmere Road, Takapuna . Current rent is \$22,174 per annum plus outgoings. Current term expires on 4 October 2023.

9. Contingent assets and liabilities

There are no contingent assets and liabilities at 30 September 2023 (31 December 2022: Nil).

10. Subsequent Events

No significant events have occurred subsequent to balance date.