

**NIUE BOND LIQUOR  
COMPANY LIMITED**

**Financial Statements**

**For the year ended 30 June 2024**

**Niue Bond Liquor Company Limited**  
**Contents**  
**For the year ended 30 June 2024**

	<b>Page</b>
Directors' statement	3
Statement of financial performance	4
Statement of changes in equity	4
Statement of financial position	5
Statement of cash flows	6
Notes to the financial statements	7-13
Independent auditor's report	14-15

**Niue Bond Liquor Company Limited**  
**Directors' statement**  
**For the year ended 30 June 2024**

The Board of the Niue Bond Liquor Company Limited is pleased to present the Company's financial statements for the year ended 30 June 2024.

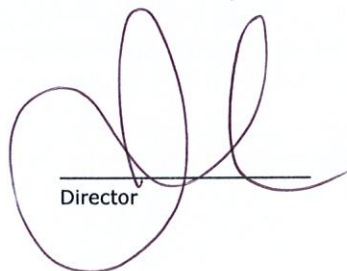
We hereby declare that:

- We have been responsible for the preparation of these financial statements and the judgments made in them.
- We are responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
- We confirm that all statutory requirements in relation to the financial statements have been complied with, unless stated otherwise in these financial statements.
- In our opinion these financial statements fairly reflect the financial position and operations of the Company for the year ended 30 June 2024.

The financial statements were authorised for issue by the Board on 19/05/25



Director



Director

**Niue Bond Liquor Company Limited**  
**Statement of financial performance**  
**For the year ended 30 June 2024**

	Notes	2024 \$	2023 \$
Sales		1,862,329	1,608,623
Interest		598	1,207
<b>Total revenue</b>		<b>1,862,927</b>	<b>1,609,830</b>
Cost of goods sold	7	2,595,240	931,470
<b>Gross profit</b>		<b>(732,313)</b>	<b>678,360</b>
<b>Expenditure</b>			
Personnel expenses		225,851	207,677
Depreciation and amortisation	11,12	36,045	41,539
Maintenance and materials		9,630	18,149
Losses on assets disposal	11,12	-	50,736
Travel expenses		9,767	15,302
Other expenses		293,328	262,912
Other donations		7,000	14,341
<b>Total expenditure</b>	4	<b>581,621</b>	<b>610,656</b>
<b>Net profit/(loss) before tax</b>		<b>(1,313,934)</b>	<b>67,704</b>
Income tax (expense)/refund	6	344,677	(19,949)
<b>Net profit/(loss) for the year</b>		<b>(969,257)</b>	<b>47,755</b>

**Statement of changes in equity**  
**For the year ended 30 June 2024**

	Share capital \$	Retained earnings \$	Total equity \$
<b>Balance at 30 June 2022</b>	<b>459,799</b>	<b>1,414,023</b>	<b>1,873,822</b>
Net profit for the year	-	47,755	47,755
<b>Balance at 30 June 2023</b>	<b>459,799</b>	<b>1,461,778</b>	<b>1,921,577</b>
Net (loss) for the year	-	(969,257)	(969,257)
<b>Balance at 30 June 2024</b>	<b>459,799</b>	<b>492,521</b>	<b>952,320</b>

**Niue Bond Liquor Company Limited**  
**Statement of financial position**  
**As at 30 June 2024**

	Notes	2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		397,748	740,969
Inventories	7	677,562	1,209,941
Trade and other debtors	8	65,747	62,399
Related party debtors	16	1,220,895	720,895
<b>Total current assets</b>		<b>2,361,952</b>	<b>2,734,204</b>
<b>Non-current assets</b>			
Property, plant and equipment	11	107,911	131,689
Deferred tax asset	6	-	49,683
Intangible assets	12	9,223	13,698
<b>Total non-current assets</b>		<b>117,134</b>	<b>195,070</b>
<b>Total assets</b>		<b>2,479,086</b>	<b>2,929,274</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other creditors	9	1,226,741	308,192
Employee entitlements	10	4,335	9,455
Provision for income tax	6	295,690	690,050
<b>Total current liabilities</b>		<b>1,526,766</b>	<b>1,007,697</b>
<b>Total liabilities</b>		<b>1,526,766</b>	<b>1,007,697</b>
<b>Net assets</b>		<b>952,320</b>	<b>1,921,577</b>
<b>Equity</b>			
Share capital		459,799	459,799
Retained earnings		492,521	1,461,778
<b>Total equity</b>		<b>952,320</b>	<b>1,921,577</b>

The accompanying notes form part of these financial statements.

**Niue Bond Liquor Company Limited**  
**Statement of cash flows**  
**For the year ended 30 June 2024**

	Notes	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		1,851,753	1,638,582
Receipts of interest		598	1,207
Payments to suppliers		(1,456,809)	(1,449,980)
Payments to employees		(230,971)	(213,563)
<b>Net cash (used in)/generated by operations</b>		<b>164,571</b>	<b>(23,754)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	11	(7,792)	(27,211)
<b>Net cash used in investing activities</b>		<b>(7,792)</b>	<b>(27,211)</b>
<b>Cash flows from financing activities</b>			
Loans made to related parties		(500,000)	(1,793)
<b>Net cash used in financing activities</b>		<b>(500,000)</b>	<b>(1,793)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(343,221)</b>	<b>(52,758)</b>
Cash and cash equivalents at the beginning of the year		740,969	793,727
<b>Cash and cash equivalents at the end of the year</b>		<b>397,748</b>	<b>740,969</b>
<b>Reconciliation from net profit/(loss) to net cash flows from operations</b>			
<b>Net profit/(loss)</b>		(969,257)	47,755
<b>Adjustments for non cash items</b>			
Depreciation and amortisation	11,12	36,045	41,539
Loss on disposal of assets	11,12	-	50,736
Movement in provision for doubtful debt		7,228	(3,491)
(Decrease)/increase of provision for income tax	6	(394,360)	19,949
Reversal of deferred tax asset	6	49,683	-
<b>Total adjustments for non cash items</b>		<b>(301,404)</b>	<b>108,733</b>
<b>Movements in working capital</b>			
(Increase)/decrease in debtors		(10,576)	29,958
Decrease/(increase) in inventories		532,379	(396,670)
(Decrease)/increase in creditors		913,429	186,469
<b>Total movements in working capital</b>		<b>1,435,232</b>	<b>(180,243)</b>
<b>Net cash flows from operating activities</b>		<b>164,571</b>	<b>(23,755)</b>

**Niue Bond Liquor Company Limited**  
**Notes to the financial statements for the year ended 30 June 2024**

**1 Reporting entity**

The Niue Bond Liquor Company Limited (the 'Company') was established on 24 November 2011 to assume the Bond Store's sales of alcoholic beverages from 1 July 2012. The Company is wholly owned by the Government of Niue.

**2 Summary of significant accounting policies**

**2.1 Basis of preparation**

The financial statements have been prepared on a going concern.  
The financial statements have been prepared on a historical cost basis except for financial instruments which are recorded at fair value.

**2.2 Statement of compliance**

These financial statements include the financial information of the Company for the year ended 30 June 2024. The financial statements have been prepared using the accounting policies described on pages 7 to 9 and comply with Government of Niue Accounting Policies.  
In preparing the financial statements, management has prepared a statement of financial position as at 30 June 2024 and a statement of financial performance, statement of cash flows, and statement of changes in equity for the year ended 30 June 2024.

**2.3 Functional and presentation currency**

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Company is New Zealand dollars.

**2.4 Revenue**

Revenue is measured at the fair value of consideration received or receivable. Sales are recognised when the products are sold to the customer.

**2.5 Cash and cash equivalents**

Cash includes cash on hand and funds on deposit, for less than 12 months with banks and is measured at its face value.

**2.6 Debtors**

Debtors are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less impairment charges.

Debtors are impaired when there is objective evidence that the Company will not be able to collect amounts due under the original collection terms. Significant financial difficulties of the debtor, probability of the debtor entering into bankruptcy, and default in payments are considered indicators that the debt may be impaired. Impairment is the difference between the original amount due and the present value of estimated future cash flows collectable, discounted using the effective interest rate. The carrying amount of the debtor is reduced using an impairment provision account, and the amount of the loss is recognised through surplus or deficit. Overdue receivables that are renegotiated are reclassified as current i.e. not past due.

**2.7 Inventories**

Inventories held for sale are valued at the lower of cost and net realisable value. Cost includes all expenses incurred to bring goods to the Company: purchase price, import duties, freight and handling costs.

**Niue Bond Liquor Company Limited**  
**Notes to the financial statements for the year ended 30 June 2024**

**2.8 Property, plant and equipment, and software**

**2.8.1 Recognition of property, plant and equipment, and software**

Property, plant, and equipment consists of: land, buildings, electronic equipment (including computer equipment), and furniture and fittings. Software consists of separately purchased and installed software.

Property, plant, and equipment, and software is measured at cost less accumulated depreciation and amortisation, and impairment losses. Generally, individual assets, or groups of assets, are capitalised if their cost is greater than \$1,000.

**2.8.2 Additions**

The cost of an item of property, plant, and equipment, or software is recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the Company and the cost of the item can be measured reliably.

Assets under construction are not recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment, or software is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

**2.8.3 Disposals**

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the profit or loss.

**2.8.4 Depreciation and amortisation**

Depreciation and amortisation are provided on a straight-line basis on all property, plant and equipment, at rates that will write down the cost of the assets to their estimated residual values over their useful lives.

The useful lives of major classes of property, plant and equipment and software have been estimated as follows:

- Buildings	10 - 40 Years
- Vehicles	5 Years
- Electronic Equipment	3 - 5 Years
- Furniture & Fixings	5 - 10 Years
- Software	5 Years

**2.8.5 Impairment of property, plant and equipment, and software**

Property, plant and equipment, and software with finite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised through profit or loss.

**2.9 Creditors**

Creditors are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

**2.10 Employee entitlements**

Employee benefits expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, and annual leave earned but not yet taken at balance date and expected to be settled within 12 months.



## **2.11 Commitments**

Expenses yet to be incurred on non-cancellable contracts that have been entered into on or before balance date are disclosed as commitments to the extent that there are equally unperformed obligations. Cancellable commitments that have penalty or exit costs explicit in the agreement on exercising that option to cancel are included in commitments at the value of that penalty or exit cost.

## **2.12 Niue Consumption Tax**

All income and expenditure items are recognised net of Niue Consumption Tax (NCT). Assets and liabilities are recognised net except for accounts receivable and accounts payable.

## **2.13 Income tax**

Income tax expense is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years.

The income tax calculated on losses that are carried forward in order to compensate with future taxable income, is not recognised as an asset unless it is virtually certain that future taxable income will be available for such compensation.

## **3 Events and decisions with significant accounting impacts**

### **3.1 Changes in accounting policies**

There have been no changes in accounting policy for the year.

### **3.2 Changes in accounting estimates**

Material effects of changes in accounting estimates are recognised in the Income Statement in the current year to the extent that they have an effect on the current year or previous years. There have been no changes in accounting estimates for the year.

### **3.3 Material prior year errors**

If errors are detected that have a material impact on prior years, then these are applied retrospectively, and comparatives are restated. No material prior year errors were identified in the current year.

### **3.4 Compliance with legislation**

Niue Bond Liquor Company Limited is governed by the Companies Act 2006. Section 130(1)a states that the Company shall within four months after the end of the Company's financial year prepare and furnish to shareholders financial statements in respect of that year. Section 131 requires that the Financial Statements be audited. These financial statements were prepared and audited outside of the four month requirement.

### **3.5 Breaches of tax**

Income Tax returns must be filed with the Niue Tax office no later than five months after the end of the tax year (30 June for the Niue Bond Liquor Company Limited). Niue Bond Liquor Company Limited has not yet filed its tax return for the years ending 30 June 2013 to 30 June 2023, and has also failed to request filing extensions.

### **3.6 Subsequent events**

There were no subsequent events after balance date.

**Niue Bond Liquor Company Limited**  
**Notes to the financial statements for the year ended 30 June 2024**

**4 Operating expenditure**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Salaries & wages (employees)	200,150	176,018
Payments to contractors	23,368	29,032
Other staff benefits	2,333	2,627
<b>Personnel expenses</b>	<b>225,851</b>	<b>207,677</b>
Depreciation of property, plant & equipment	31,570	37,064
Amortisation of software	4,475	4,475
<b>Depreciation &amp; amortisation (Notes 11 and 12)</b>	<b>36,045</b>	<b>41,539</b>
Repairs & maintenance	9,123	17,853
Other supplies	507	296
<b>Maintenance &amp; materials</b>	<b>9,630</b>	<b>18,149</b>
Losses on assets disposal	-	50,736
<b>Losses on assets disposal</b>	<b>-</b>	<b>50,736</b>
Travel	-	3,050
Fuel	9,767	12,252
<b>Travel &amp; transport</b>	<b>9,767</b>	<b>15,302</b>
Communication	2,976	4,726
Electricity	22,080	14,315
Professional fees	133,189	124,961
Debtor impairments (see Note 8)	47,922	40,694
Operational lease and rent	49,026	55,194
Other expenses	38,135	23,022
<b>Other expenses</b>	<b>293,328</b>	<b>262,912</b>
Donations to related parties	7,000	14,341
<b>Other grants</b>	<b>7,000</b>	<b>14,341</b>
<b>Total operating expenditure</b>	<b>581,621</b>	<b>610,656</b>

**5 Audit fees**

Other expenses include the agreed audit fees for the current year amounting to \$77,800 (2023: \$68,514).

**6 Taxation**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Net surplus/(deficit) before tax	(1,313,934)	67,704
Deduct: Income not subject to Niue income tax	(598)	(1,207)
<b>Income subject to Niue income tax</b>	<b>(1,314,532)</b>	<b>66,497</b>
Income tax rate	30%	30%
Income tax for the current year	(394,360)	19,949
Tax losses carried forward	394,360	-
Deferred tax asset utilised	-	(19,949)
Reversal of deferred tax	(49,683)	-
<b>Income tax expense for the year</b>	<b>(49,683)</b>	<b>-</b>

The opening deferred tax asset of \$49,683 was recognised in relation to previous losses carried forward. During the time it was recognised, the Company was expecting to be in a profit making position.

The Company has revisited this expectation following the results of the current financial year. Consequently, the previously recognised deferred tax asset has been reversed resulting in a tax expense in current financial year.

The income tax expense for the year solely relates to deferred tax (2023: nil)

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Provision for income tax</b>		
Opening balance	690,050	690,050
Income tax for the current year	-	19,949
Reduction due to losses	(394,360)	-
Deferred tax asset utilised	-	(19,949)
<b>Closing balance</b>	<b>295,690</b>	<b>690,050</b>

**Niue Bond Liquor Company Limited**  
**Notes to the financial statements for the year ended 30 June 2024**

**7 Inventories**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Opening balance	1,209,941	813,271
Purchases	2,062,861	1,328,140
Cost of goods sold	(2,595,240)	(931,470)
<b>Total inventories</b>	<b>677,562</b>	<b>1,209,941</b>
<i>Split between:</i>		
Inventory in transit	36,586	58,808
Inventory on hand	640,976	1,151,133
	<b>677,562</b>	<b>1,209,941</b>

**8 Trade and other debtors**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Trade debtors - Customer	113,670	103,093
Provision for doubtful debts	(47,923)	(40,694)
<b>Total debtors</b>	<b>65,747</b>	<b>62,399</b>

**9 Trade and other creditors**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Audit fees	67,910	120,369
NCT payable	389,263	106,232
Trade creditors intercompany	707,634	4,325
Other liabilities	61,935	77,266
<b>Total trade and other creditors</b>	<b>1,226,741</b>	<b>308,192</b>

**10 Employee entitlements**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Accrued salaries and wages	3,174	3,754
Annual leave	1,161	5,701
<b>Total employee entitlements</b>	<b>4,335</b>	<b>9,455</b>

**11 Property, plant and equipment**

	<b>Buildings</b>	<b>Vehicles</b>	<b>Electronic equipment</b>	<b>Furniture and fittings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cost at 1 July 2023	76,967	87,945	57,099	140,356	362,367
Additions	4,500	-	3,292	-	7,792
<b>Cost at 30 June 2024</b>	<b>81,467</b>	<b>87,945</b>	<b>60,391</b>	<b>140,356</b>	<b>370,159</b>
Accumulated depreciation at 1 July 2023	40,869	60,007	53,447	76,355	230,678
Depreciation	4,617	10,070	3,727	13,156	31,570
<b>Accumulated depreciation at 30 June 2024</b>	<b>45,486</b>	<b>70,077</b>	<b>57,174</b>	<b>89,511</b>	<b>262,248</b>
<b>Net book value at 1 July 2023</b>	<b>36,098</b>	<b>27,938</b>	<b>3,652</b>	<b>64,001</b>	<b>131,689</b>
<b>Net book value at 30 June 2024</b>	<b>35,981</b>	<b>17,868</b>	<b>3,217</b>	<b>50,845</b>	<b>107,911</b>

**Niue Bond Liquor Company Limited**  
**Notes to the financial statements for the year ended 30 June 2024**

**12 Intangible assets**

	<b>Software</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
Cost at 1 July 2023	27,637	27,637
<b>Cost at 30 June 2024</b>	<b>27,637</b>	<b>27,637</b>
Accumulated amortisation at 1 July 2023	13,939	13,939
Amortisation	4,475	4,475
<b>Accumulated amortisation at 30 June 2024</b>	<b>18,414</b>	<b>18,414</b>
<b>Net book value at 1 July 2023</b>	<b>13,698</b>	<b>13,698</b>
<b>Net book value at 30 June 2024</b>	<b>9,223</b>	<b>9,223</b>

**13 Financial instruments**

**13.1 Credit risk**

The Company is from time to time exposed to a small credit risk resulting from sales that are settled overnight. The exposure is monitored regularly by reviewing amounts owing.

**13.2 Currency risk**

The Company purchases most goods from New Zealand and in New Zealand dollars, but is from time to time exposed to foreign exchange risk as a result of purchases from suppliers outside Niue and New Zealand. The exposure is managed by reviewing the foreign exchange rate at the time of purchase before confirming the purchase. All sales are in New Zealand dollars, so the Company is not exposed to currency risk on sales.

**13.3 Interest rate risk**

The Company is not exposed to significant interest rate risk.

**13.4 Fair value**

The fair value of financial instruments are equivalent to their carrying value in the statement of financial position.

**14 Commitments**

There were no commitments as at 30 June 2024 (2023: nil).

**15 Contingent liabilities**

There were no contingent liabilities as at 30 June 2024 (2023: nil).

**16 Related party transactions**

The Company regularly enters into transactions with the Government of Niue and other entities within the group. Significant transactions (excluding NCT) during the year were as follows.

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Sales to Government (Treasury)	25,396	16,290
Sales to Telecom Niue Limited	1,358	-
Sales to Niue Philatelic and Numismatic Coporation	141	-
Purchases from Niue Philatelic and Numismatic Coporation	(19,413)	(2,560)
Audit fees paid to Government (Treasury)	-	(53,665)
Customs charges paid to Government (Treasury)	(163,249)	(105,353)
Electricity purchased from Government (Treasury)	(22,080)	-
Purchases of communication services from Telecom Niue Limited	(580)	(422)
Purchases of electricity prepaid tokens from Telecom Niue Limited	-	(12,562)
<b>Total transactions</b>	<b>(178,427)</b>	<b>(158,272)</b>

**Niue Bond Liquor Company Limited**  
**Notes to the financial statements for the year ended 30 June 2024**

**16 Related party transactions (continued)**

The prepaid tokens for electricity are purchased from Telecom Niue Limited, who then passes the payment to the electricity provider, Government of Niue. The comparative period payments were included within purchases of communication services from Telecom Niue Limited.

These and other events resulted in the following balances (including NCT if applicable) owing to/(owed by) the Company as at 30 June.

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Payable to Telecom Niue Limited	(35)	(35)
NCT payable to Government (Treasury)	(389,263)	(106,232)
Payable to Government (Treasury)	(707,599)	(4,290)
<b>Total payable</b>	<b>(1,096,897)</b>	<b>(110,557)</b>

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Receivable from Government Departments	599,382	599,382
Receivable from Niue Philatelic and Numismatic Corporation	619,893	119,893
Receivable from Broadcasting Corporation of Niue	1,620	1,620
<b>Total receivable</b>	<b>1,220,895</b>	<b>720,895</b>

The Company also makes regular tax payments to the Tax Office (Treasury). PAYE is paid on behalf of its employees. Details of Company Income Tax are disclosed in Note 6.

**17 Directors**

The following Directors were in office during the year:

Prime Minister Mr Dalton Tagelagi (Chair)  
Hon. Mr Crossley Tatui  
Mrs Doreen Siataga  
Mr Justin Kamupala

