

**Red Earth City Pty Limited ABN
72 141 969 226**

Financial Statements
For the year ended 30 June 2010

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Red Earth City Pty Limited ABN 72 141 969 226

Detailed Profit and Loss Statement For the year ended 30 June 2010

	2010 \$
Income	
Sales	47,029.86
Interest received	0.33
Total income	<u>47,030.19</u>
Expenses	
Accountancy	94.00
Bank Fees And Charges	49.65
Donations	800.00
Electricity	200.00
Contr, s/contr and commisn	1,347.86
Fuel & oil	195.00
Grants paid	9,822.03
Hire/rent of Plant & Equipment	3,085.20
Insurance	1,288.10
Man build expenses	4,033.80
Materials & supplies	9,154.10
M/V car - Repairs	1,285.35
Postage	39.60
Printing & stationery	765.17
Repairs & maintenance	208.95
Travel & accomodation	6,286.60
Total expenses	<u>38,655.41</u>
Profit from Ordinary Activities before income tax	<u>8,374.78</u>

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

Red Earth City Pty Limited ABN 72 141 969 226

Profit and Loss Statement
For the year ended 30 June 2010

	2010 \$
Operating profit before income tax	8,374.78
Income tax attributable to operating profit (loss)	1,951.80
Operating profit after income tax	6,422.98
Retained profits at the beginning of the financial year	—
Total available for appropriation	6,422.98
Retained profits at the end of the financial year	6,422.98

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Red Earth City Pty Limited ABN 72 141 969 226

Detailed Balance Sheet As At 30 June 2010

	Note	2010 \$
Current Assets		
Cash Assets		
Cash At Bank		9,797.30
		<u>9,797.30</u>
Other		
Accrued Revenue		1,320.33
		<u>1,320.33</u>
Total Current Assets		<u>11,117.63</u>
Non-Current Assets		
Other		
Preliminary expenses		376.00
		<u>376.00</u>
Total Non-Current Assets		<u>376.00</u>
Total Assets		<u>11,493.63</u>
Current Liabilities		
Payables		
Unsecured:		
Accrued Expense		2,398.85
		<u>2,398.85</u>
Current Tax Liabilities		
Taxation		1,951.80
		<u>1,951.80</u>
Total Current Liabilities		<u>4,350.65</u>

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Red Earth City Pty Limited ABN 72 141 969 226

Detailed Balance Sheet As At 30 June 2010

	Note	2010 \$
Non-Current Liabilities		
Financial Liabilities		
Secured:		
Loans from other persons		600.00
		<u>600.00</u>
Total Non-Current Liabilities		<u>600.00</u>
Total Liabilities		<u>4,950.65</u>
Net Assets		<u><u>6,542.98</u></u>
 Equity		
Issued Capital		
Issued & paid up capital		120.00
Retained profits / (accumulated losses)		6,422.98
Total Equity		<u><u>6,542.98</u></u>

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Red Earth City Pty Limited ABN 72 141 969 226

Directors' Declaration

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies prescribed in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards described in Note 1 to the financial statements and the Corporations Regulations; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2010 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Dated:

Red Earth City Pty Limited ABN 72 141 969 226

Compilation Report to Red Earth City Pty Limited

We have compiled the accompanying special purpose financial statements of Red Earth City Pty Limited, which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Position as at 30 June 2010, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1 to the financial statements.

The Responsibility of the Directors of Red Earth City Pty Limited

The directors of Red Earth City Pty Limited, are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of the information provided by the directors of Red Earth City Pty Limited, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the directors of Red Earth City Pty Limited. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Level 1, 1 National Park Street
NEWCASTLE WEST NSW

Kinvale Accountants

14 March, 2011