

ANNUAL FINANCIAL STATEMENTS

Red Earth City Pty Ltd

ABN 72 141 969 226

For the year ended 31 March 2017

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Trading Statement

Red Earth City Pty Ltd For the year ended 31 March 2017

	NOTES	2017	2016
Trading Income			
Sales Income			
Sales Income			
Ticket Sales		604,514	437,037
Ice Sales		-	10,013
Total Sales Income		604,514	447,050
Total Sales Income		604,514	447,050
Cost of Good Sold			
Purchases			
Purchases			
DPI - Crew Costs		4,702	-
DPI - Fire Equipment		1,600	-
DPI- Equipment Hire		12,512	27,576
DPI- LNT		376	-
DPI- Materials		6,623	16,700
DPI- Other Services		50	-
Ice Expense		-	6,896
Infrastructure- Container Transport		-	1,670
Infrastructure- Other		41	-
Infrastructure- Radio Communications		4,000	3,857
Infrastructure - Sanctuary		650	-
Infrastructure- Signage		230	-
Infrastructure- Site Works		18,150	23,456
Infrastructure- Toilet Hire & Service		1,010	41,329
Infrastructure- Venue Hire Costs		670	27,196
Installations- Centre Camp		250	4,572
Installations- Effigy		14,962	15,719
Installations- Red Earth Radio		1,542	460
Installations- Temple		20,868	14,278
Ticketing Fees		16,899	-
Ticket Refunds		559,091	-
Total Purchases		664,226	183,709
Total Purchases		664,226	183,709
Total Cost of Good Sold		664,226	183,709
Gross Profit		(59,712)	263,341

Trading Income Statement

Red Earth City Pty Ltd
For the year ended 31 March 2017

	NOTES	2017	2016
Income			
Trading profit		(59,712)	263,341
Total Income		(59,712)	263,341
Other Income			
Interest Income		3	17
Other Income		201,740	1,279
Total Other Income		201,743	1,296
Total Income		142,031	264,637
Expenses			
Admin Team Expenses		53	28
Art Grants		36,309	30,790
Artery Team Expenses		659	714
ASIC Fees		249	246
Bank Fees		408	638
Bicycle Expenses		22	1,366
Civic Services Team Expenses		449	904
Comms Team Expenses		111	2,021
Communications		-	91
Consulting & Accounting		3,100	4,795
Crew Meal Costs		4,912	11,293
Crew Training Costs		1,756	3,849
Crew Wrangler Team Expenses		864	-
Depreciation		7,272	7,055
FART / Red MV Team Expenses		286	1,780
Fines & Penalties		900	870
Fire Art Grants		5,721	5,302
Gate Expenses		1,051	1,265
Gate Operational Expenses		838	-
General Donations		600	5,106
General Expenses		-	4,736
Greeters Team Expenses		528	-
Insurance		10,362	3,546
Interest Expense		1,444	950
Kitchen Expenses		2,409	3,899
Light, Power, Heating		366	-
Low Value Assets - Immediate Write Off		5,387	13,900
Medical Services		4,189	20,090
Motor Vehicle Fuel		1,565	3,009
Motor Vehicle Servicing		-	445
PEER Team Expenses		421	-

	NOTES	2017	2016
Postage costs		14	-
Printing Event & Survival Guides		3,584	5,032
Publications and Printing (general)		179	-
Rangers Expenses		1,608	-
REC Community Grants		1,000	800
REC General Expenses		1,432	1,000
REC Travel Costs		891	-
Rent and Storage		1,925	1,723
Repairs and Maintenance		-	4,557
Schwag and Appreciation		1,842	4,683
Security Services		-	12,386
Subscriptions		2,583	-
Summit Expenses		6,250	6,432
Theme Camp Grants		18,151	15,532
Theme Camp Team Expenses		201	-
Travel and accommodation		9,344	1,666
Waste Services		640	23,319
Website and Social Media costs		121	5,603
Wristbands		1,208	1,193
Total Expenses		143,206	212,615
Profit/(Loss) before Taxation		(1,175)	52,022
Income Tax Expense			
Income Tax Expense		-	17,364
Total Income Tax Expense		-	17,364
Net Profit After Tax		(1,175)	34,658
Net Profit After Dividends Paid		(1,175)	34,658

Balance Sheet

Red Earth City Pty Ltd As at 31 March 2017

	NOTES	31 MAR 2017	31 MAR 2016
Assets			
Current Assets			
BMA Bank Account		2,526	7,526
DPI Expense Bank Account		197	683
Effigy Bank Account		330	287
Expenses Bank Account		210	2,357
Income Bank Account		1,565	137,091
Kitchen Expenses Bank Account		41	509
Temple Bank Account		62	62
REC Term Deposit		50,000	-
Admin Card		750	-
Taxation		18,931	-
GST		55,725	599
Total Current Assets		130,337	149,113
Non-Current Assets			
Property, plant and equipment	2	16,973	24,245
Total Non-Current Assets		16,973	24,245
Total Assets		147,309	173,358
Liabilities			
Current Liabilities			
Taxation		-	11,767
Accounts Payable		964	8,836
Sundry Creditor		6,173	11,422
Temple		15	-
Total Current Liabilities		7,152	32,026
Non-Current Liabilities			
Loan		600	600
Total Non-Current Liabilities		600	600
Total Liabilities		7,752	32,626
Net Assets		139,557	140,732
Equity			
Retained Earnings		139,437	140,612
Share Capital		120	120
Total Equity		139,557	140,732

Notes to the Financial Statements

Red Earth City Pty Ltd For the year ended 31 March 2017

1. Statement of Significant Accounting Policies

The directors have determined that the company is not a reporting entity and accordingly, this financial report is a special purpose report prepared for the sole purpose of distributing a financial report to members and must not be used for any other purpose. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

The financial report has been prepared on an accrual basis and under the historical cost convention, except for certain assets, which, as noted, have been written down to fair value as a result of impairment. Unless otherwise stated, the accounting policies adopted are consistent with those of the prior year.

The accounting policies that have been adopted in the preparation of the statements are as follows:

Income Tax

The income tax expense for the year comprises current income tax expense. The company does not apply deferred tax. Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at 31 March 2017. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

Property, Plant and Equipment

Property, plant and equipment is initially recorded at the cost of acquisition or fair value less, if applicable, any accumulated depreciation and impairment losses. Plant and equipment that has been contributed at no cost, or for nominal cost, is valued and recognised at the fair value of the asset at the date it is acquired. The plant and equipment is reviewed annually by directors to ensure that the carrying amount is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the utilisation of the assets and the subsequent disposal. The expected net cash flows have been discounted to their present values in estimating recoverable amounts.

Freehold land and buildings are measured at their fair value, based on periodic, but at least triennial, valuations by independent external valuers, less subsequent depreciation for buildings.

Increases in the carrying amount of land and buildings arising on revaluation are credited in equity to a revaluation surplus. Decreases against previous increases of the same asset are charged against fair value reserves in equity. All other decreases are charged to profit or loss.

Any accumulated depreciation at the date of revaluation is offset against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Intangibles

Goodwill is recognised as the excess of the purchase price for a business acquired over the fair value of the net assets at the date of acquisition. Goodwill is assessed for impairment annually and is carried at cost less accumulated impairment losses.

Trade and Other Receivables

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful debt has been created.

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at 31 March 2017. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

Provisions

Provisions are recognised when the entity has a legal or constructive obligation resulting from past events, for which it is probable that there will be an outflow of economic benefits and that outflow can be reliably measured. Provisions are measured using the best estimate available of the amounts required to settle the obligation at the end of the reporting period.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Revenue Recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Revenue from the rendering of services is recognised upon the delivery of the services to customers.

Revenue from commissions is recognised upon delivery of services to customers.

Revenue from interest is recognised using the effective interest rate method.

Revenue from dividends is recognised when the entity has a right to receive the dividend.

All revenue is stated net of the amount of goods and services tax (GST).

Goods and Services Tax

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

	2017	2016
2. Property Plant and Equipment		
Plant and Equipment		
Plant and equipment at cost	47,543	47,543
Accumulated depreciation of plant and equipment	(30,571)	(23,298)
Total Plant and Equipment	16,973	24,245
Total Property Plant and Equipment	16,973	24,245

Depreciation Schedule

Red Earth City Pty Ltd

For the year ended 31 March 2017

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
General Pool						
Army tents x 2	6,000	2,764	-	-	829	1,935
Distribution boards	1,575	726	-	-	218	508
Fire fighting trailer	2,952	1,360	-	-	408	952
General Tools - Assorted	3,945	2,599	-	-	780	1,819
New Generators x 2	9,952	4,585	-	-	1,375	3,209
Shipping containers x 2	5,940	2,737	-	-	821	1,916
Solar array	7,640	3,520	-	-	1,056	2,464
Solar Power Equipment	977	644	-	-	193	451
Stretch Tent	4,990	3,287	-	-	986	2,301
Stretch Tent	1,650	760	-	-	228	532
Tent	1,922	1,266	-	-	380	886
Total General Pool	47,543	24,248	-	-	7,274	16,973
Total	47,543	24,248	-	-	7,274	16,973

Appropriation Statement

Red Earth City Pty Ltd

For the year ended 31 March 2017

	NOTES	2017	2016
Retained Earnings after Appropriation			
Retained Earnings At Start of Year		140,612	105,954
Profit / (loss) Before Taxation		(1,175)	52,022
Income Tax Expense			
Income Tax Expense		-	17,364
Total Income Tax Expense		-	17,364
Retained Earnings After Appropriation		139,437	140,612

Directors Declaration

Red Earth City Pty Ltd

For the year ended 31 March 2017

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 outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, present fairly the company's financial position as at 31 March 2017 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
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.

Director: Robin MacPherson _____

Director: Richard Martin _____

Director: Philip Smart _____

Compilation Report

Red Earth City Pty Ltd For the year ended 31 March 2017

Compilation report to Red Earth City Pty Ltd.

We have compiled the accompanying special purpose financial statements of Red Earth City Pty Ltd, which comprise the income statement, balance sheet and statement of cash flows for the period ended 31 March 2017, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance and financial position of the company that satisfies the needs of the members.

The Responsibility of the Directors

You 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 your needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by you, 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 of the trustee company 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 members of Organisation legal / trading name. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

TCM Accounting

PO BOX 1800, NEWCASTLE NSW 2300

NATALIE CREER

Dated: 10 November 2017