

# ANNUAL FINANCIAL STATEMENTS

Red Earth City Pty Ltd

ABN 72141969226

For the year ended 31 March 2018

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# Trading Statement

## Red Earth City Pty Ltd For the year ended 31 March 2018

	NOTES	2018	2017
<b>Trading Income</b>			
Sale of goods		674,239	604,514
<b>Cost of Good Sold</b>			
<b>Purchases</b>			
<b>Purchases</b>			
Fire Equipment		861	1,600
DPI - Crew Costs		1,659	4,702
DPI- Equipment Hire		35,400	12,512
DPI- Materials		7,148	6,623
DPI- Other Services		28	50
Leave No Trace Team Expenses		1,043	376
Ice Expense		6,102	-
Infrastructure- Container Transport		2,186	-
Radio Communications		4,319	4,000
Signage		140	230
Site Works		17,303	18,150
Toilet Hire & Service		63,515	1,010
Venue and Permit Costs		25,093	670
Installations- Centre Camp		4,469	250
Installations- Effigy		19,282	14,962
Installations- Red Earth Radio		318	1,542
Installations- Temple		13,919	20,868
Wristbands		1,222	1,208
Ticketing Fees		16,278	16,899
Ticket Refunds		50,552	559,091
<b>Total Purchases</b>		<b>270,836</b>	<b>664,743</b>
<b>Total Purchases</b>		<b>270,836</b>	<b>664,743</b>
<b>Total Cost of Good Sold</b>		<b>270,836</b>	<b>664,743</b>
Gross Profit		403,402	(60,229)

# Trading Income Statement

## Red Earth City Pty Ltd For the year ended 31 March 2018

	NOTES	2018	2017
<b>Income</b>			
Trading profit		403,402	(60,229)
<b>Total Income</b>		<b>403,402</b>	<b>(60,229)</b>
<b>Other Income</b>			
Other Income		201,715	201,740
Interest Income		847	14
<b>Total Other Income</b>		<b>202,562</b>	<b>201,754</b>
<b>Total Income</b>		<b>605,964</b>	<b>141,525</b>
<b>Expenses</b>			
Travel and accommodation		20,408	7,635
Admin Team Expenses		5,318	53
Art Grants		33,821	36,309
Artery Team Expenses		1,550	659
Bank Fees		431	408
Bicycle Expenses		-	22
Civic Services Team Expenses		7	449
Comms Team Expenses		1,104	111
Consulting & Accounting		2,546	3,100
Crew Meal Costs		16,314	4,912
Crew Training Costs		1,193	1,756
Crew Wrangler Team Expenses		733	864
Depreciation		7,373	7,272
FART Team Expenses		7,455	286
Filing Fees		-	402
Fines, Penalties & Damages		-	900
Fire Enclave Expenses		-	5,721
Kitchen Expenses		2,863	2,415
Printing Event & Survival Guides		7,067	3,584
Freight & Courier		158	-
Gate Expenses		1,116	1,051
Gate Operational Expenses		942	838
General Donations		720	600
General Expenses		468	-
Greeters Team Expenses		249	528
Indigenous Affairs		1,400	-
Insurance		11,883	10,362
Interest Expense		752	914
Light, Power, Heating		442	366
Low Value Assets - Immediate Write Off		1,292	5,387
Medical Services		31,252	4,189

	NOTES	2018	2017
Motor Vehicle Fuel		4,923	1,565
Motor Vehicle Servicing		458	-
PEER Team Expenses		270	421
Postage costs		-	14
Publications and Printing (general)		3,228	179
Rangers Expenses		6,186	1,608
REC community grants		-	1,000
REC General Expenses		478	1,432
REC Travel Costs		1,777	891
Rent and Storage		1,806	1,925
Restructure Committee		2,781	-
Sanctuary Team Costs		-	650
Schwag and Appreciation		1,945	1,842
Security Services		16,139	-
Software Expenses		1,372	-
Subscriptions		3,950	2,583
Summit Expenses		7,639	6,524
Telephone and Internet		327	-
Temple Guardians Expenses		204	-
Tent and Office Hire		3,469	41
Theme Camp Grants		16,977	18,151
Theme Camp Team Expenses		200	201
Travel Costs		1,835	1,709
Waste Services		6,411	640
Website and Social Media costs		145	121
<b>Total Expenses</b>		<b>241,374</b>	<b>142,592</b>
<b>Profit/(Loss) before Taxation</b>		<b>364,590</b>	<b>(1,067)</b>
<b>Income Tax Expense</b>			
Income Tax Expense		98,013	-
<b>Total Income Tax Expense</b>		<b>98,013</b>	<b>-</b>
<b>Net Profit After Tax</b>		<b>266,576</b>	<b>(1,067)</b>
<b>Net Profit After Dividends Paid</b>		<b>266,576</b>	<b>(1,067)</b>

# Balance Sheet

## Red Earth City Pty Ltd As at 31 March 2018

	NOTES	31 MAR 2018	31 MAR 2017
<b>Assets</b>			
<b>Current Assets</b>			
BMA		7,526	2,526
DPI Card		2,995	-
Effigy Card		4,978	-
Expenses Bank Account		22,594	50
Income Bank Account		365,439	1,565
Kitchen Card		230	-
OLD DPI Account		-	197
OLD Effigy Account		-	330
OLD Kitchen Account		-	41
OLD Temple Account		-	47
Petty Cash Account		148	(7)
REC Company Admin M/card		1,001	750
REC Term Deposit		100,677	50,000
Sundry Debtors		17,905	-
Temple Card		3,003	-
<b>Total Current Assets</b>		<b>526,496</b>	<b>55,499</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	2	12,334	16,973
<b>Total Non-Current Assets</b>		<b>12,334</b>	<b>16,973</b>
<b>Total Assets</b>		<b>538,830</b>	<b>72,472</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Taxation		-	(19,472)
Accounts Payable		5,447	1,265
GST		28,527	(55,760)
Sundry Creditor		24,732	6,173
<b>Total Current Liabilities</b>		<b>58,707</b>	<b>(67,794)</b>
<b>Non-Current Liabilities</b>			
Loan		600	600
<b>Total Non-Current Liabilities</b>		<b>600</b>	<b>600</b>
<b>Total Liabilities</b>		<b>59,307</b>	<b>(67,194)</b>
<b>Net Assets</b>		<b>479,524</b>	<b>139,666</b>
<b>Equity</b>			
Retained Earnings		406,122	139,546

Balance Sheet

	NOTES	31 MAR 2018	31 MAR 2017
<b>Reserves</b>			
Income Tax Payable Provision		73,281	-
<b>Total Reserves</b>		<b>73,281</b>	<b>-</b>
Share Capital		120	120
<b>Total Equity</b>		<b>479,524</b>	<b>139,666</b>

# Notes to the Financial Statements

## Red Earth City Pty Ltd For the year ended 31 March 2018

### 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 2018. 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.

#### 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.

	2018	2017
<b>2. Property Plant and Equipment</b>		
<b>Plant and Equipment</b>		
Plant and equipment at cost	50,277	47,543
Accumulated depreciation of plant and equipment	(37,943)	(30,570)
<b>Total Plant and Equipment</b>	<b>12,334</b>	<b>16,973</b>
<b>Total Property Plant and Equipment</b>	<b>12,334</b>	<b>16,973</b>

# Depreciation Schedule

## Red Earth City Pty Ltd

For the year ended 31 March 2018

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
<b>Electrical Equipment CAPITAL EXPENDITURE</b>						
Broadband Antenna	233	-	233	-	233	-
<b>Total Electrical Equipment CAPITAL EXPENDITURE</b>	<b>233</b>	<b>-</b>	<b>233</b>	<b>-</b>	<b>233</b>	<b>-</b>
<b>Fire Equipment CAPITAL EXPENDITURE</b>						
Site Phone	531	-	531	-	531	-
Site Phones	531	-	531	-	531	-
<b>Total Fire Equipment CAPITAL EXPENDITURE</b>	<b>1,062</b>	<b>-</b>	<b>1,062</b>	<b>-</b>	<b>1,062</b>	<b>-</b>
<b>General Infrastructure CAPITAL EXPENDITURE</b>						
Army tents x 2	6,000	1,935	-	-	580	1,354
Distribution boards	1,575	508	-	-	152	356
Fire fighting trailer	2,952	952	-	-	286	666
General Tools - Assorted	3,945	1,819	-	-	546	1,274
Kitchen Benches	335	-	335	-	335	-
New Generators x 2	9,952	3,209	-	-	963	2,247
Shipping containers x 2	5,940	1,916	-	-	575	1,341
Solar array	7,640	2,464	-	-	739	1,725
Solar Power Equipment	977	451	-	-	135	316
Stretch Tent	4,990	2,301	-	-	690	1,611
Stretch Tent	1,650	532	-	-	160	372
Tent	1,922	886	-	-	266	620
<b>Total General Infrastructure CAPITAL EXPENDITURE</b>	<b>47,878</b>	<b>16,973</b>	<b>335</b>	<b>-</b>	<b>5,427</b>	<b>11,881</b>
<b>Power and Hand Tools CAPITAL EXPENDITURE</b>						
Cam locks and post lifter	119	-	119	-	119	-
Generator Battery	136	-	136	-	136	-
<b>Total Power and Hand Tools CAPITAL EXPENDITURE</b>	<b>255</b>	<b>-</b>	<b>255</b>	<b>-</b>	<b>255</b>	<b>-</b>
<b>Roadworks or Site Works CAPITAL EXPENDITURE</b>						
Data Projector	531	-	531	-	78	453
<b>Total Roadworks or Site Works CAPITAL EXPENDITURE</b>	<b>531</b>	<b>-</b>	<b>531</b>	<b>-</b>	<b>78</b>	<b>453</b>
<b>Shelter and Access Equipment CAPITAL EXPENDITURE</b>						
Shelter	318	-	318	-	318	-
<b>Total Shelter and Access Equipment CAPITAL EXPENDITURE</b>	<b>318</b>	<b>-</b>	<b>318</b>	<b>-</b>	<b>318</b>	<b>-</b>
<b>Total</b>	<b>50,277</b>	<b>16,973</b>	<b>2,734</b>	<b>-</b>	<b>7,373</b>	<b>12,334</b>

# Appropriation Statement

Red Earth City Pty Ltd

For the year ended 31 March 2018

	NOTES	2018	2017
<b>Retained Earnings after Appropriation</b>			
Retained Earnings At Start of Year		139,546	140,613
Profit / (loss) Before Taxation		364,590	(1,067)
<b>Income Tax Expense</b>			
Income Tax Expense		98,013	-
<b>Total Income Tax Expense</b>		<b>98,013</b>	-
Retained Earnings After Appropriation		406,122	139,546

# Directors Declaration

**Red Earth City Pty Ltd**

**For the year ended 31 March 2018**

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 2018 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 2018

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 2018, 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

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**NATALIE CREER**

Dated: 21 August 2018