MYALL RIVER DOWNS PTY LTD
AND CONTROLLED ENTITIES
A.B.N. 36 000 442 900

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2009

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DIRECTORS' REPORT

Your directors present their report on the consolidated company for the financial year ended 30 June, 2009.

DIRECTORS

The names of the directors in office at any time during, or since the end of the year are:

Mr Geoffrey John Cox
Mr Andrew Douglas Cox
Mrs Gail Marie Mullins

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

The company secretary is Geoffrey Cox.

DIRECTORS INFORMATION

Mr Geoffrey John Cox

Position: Managing Director

Responsibilities: Geoffrey Cox has been in the business of property development in NSW for 31 years. He was appointed as a director of Myall River Downs Pty Limited on 9 January 1969. Mr Cox is employed by Crighton Properties Pty Limited and holds the position of managing director.

Mr Andrew Douglas Cox

Position: Director

Responsibilities: Andrew Cox was appointed as a director of Myall River Downs Pty Limited on 1 November 1991. Andrew is employed by Crighton Properties Pty Limited and holds the position of marketing director and is also involved in the general management of the group.

Mrs Gail Marie Mullins

Position: Director

Responsibilities: Gail Mullins was appointed as a director of Myall River Downs Pty Limited on 23 February 1989. Mrs Mullins is employed by Crighton Lifestyle Resorts Real Estate Pty Limited and holds the position of Chief Executive Officer of the Tea Gardens Grange and the Hermitage Retirement Villages.

OPERATING RESULTS

The loss of the company for the financial year after providing for income tax amounted to $5,038,841 (2008 : $2,151,281 loss).

SIGNIFICANT CHANGES IN THE YEAR

On 1 July 2008 the group was acquired in its entirety by Crighton Properties Pty Limited. The operations of the group have not changed since the acquisition.

PRINCIPAL ACTIVITIES

The principal activities of the company during the financial year were property development.

No significant change in the nature of these activities occurred during the year.

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DIRECTORS' REPORT

AFTER BALANCE DATE EVENTS

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

FUTURE DEVELOPMENTS

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

DIVIDENDS

No dividends were paid during the year and the directors have not recommended the payment of any dividends.

SHARES IN COMPANIES

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

INDEMNIFYING OFFICER OR AUDITOR

During the year, the company effected a directors and officer's liability policy. The insurance policy provides cover for the directors named in this report, the company secretary, officers and former directors and officers of the company.

This policy prohibits the disclosure of the nature of the indemnification and the insurance cover, and the amount of the premium.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor of the company.

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

Signed in accordance with a resolution of the Board of Directors:

Director: ______________________
Mr Geoffrey John Cox

Director: ______________________
Mr Andrew Douglas Cox

Dated this 30 **day of** October 2009

Unit 1, 1 Pioneer Avenue, Tuggerah

ALL CORRESPONDENCE TO:
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Tuggerah NSW 2259
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BISHOP COLLINS
CHARTERED ACCOUNTANTS
ABN 13 188 486 905

David A McClelland FCA
Ian M Rodrigues FCA
Bradley I Wilson CPA

Telephone: (02) 4353 2333
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AUDITORS' INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF MYALL RIVER DOWNS PTY LTD AND CONTROLLED ENTITIES

We hereby declare, that to the best of our knowledge and belief, during the year ended 30 June, 2009 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Bishop Collins
Chartered Accountants

Name of Partner: David McClelland

David McClelland

Address: Unit 1, 1 Pioneer Avenue TUGGERAH NSW 2259

Dated this 30th **day of** October 2009

MYALL RIVER DOWNS PTY LTD
AND CONTROLLED ENTITIES
A.B.N. 36 000 442 900

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Revenue	2	333,593	1,327,254	-	-
Movement in fair value of villas	2	(719,377)	2,728,994	-	-
Movement in fair value of investment properties	2	(5,029,547)	(4,194,178)	(5,029,547)	(4,194,178)
Other income	2	713,721	1,011,425	36,120	18,455
		(4,701,610)	873,495	(4,993,427)	(4,175,723)
Materials and subcontractors	4	(299,293)	(1,095,595)	-	-
Advertising expenses		(196,450)	(450,130)	(69)	-
Auditors' remuneration	3	(27,945)	(22,378)	(25,600)	(7,840)
Commissions paid		(78,809)	-	-	-
Depreciation and amortisation expenses	4	(220,464)	(330,976)	(35,375)	(38,074)
Employee benefits expenses		(326,743)	(514,564)	-	-
Finance costs	4	(636,270)	(835,922)	(268,231)	(264,787)
Freight and cartage		-	-	-	(330)
Loss on sale of fixed assets	4	-	(8,843)	-	-
Repairs and maintenance		(76,890)	(294,611)	(72,598)	(282,868)
Utilities		(106,524)	(106,947)	(62,814)	(69,640)
Other expenses		(527,689)	(623,064)	(180,251)	(197,564)
Loss before income tax		(7,198,687)	(3,409,535)	(5,638,365)	(5,036,826)
Tax (expense)/ income	5	2,159,846	1,258,254	1,691,546	1,258,254
Loss after income tax		(5,038,841)	(2,151,281)	(3,946,819)	(3,778,572)
Retained earnings at the beginning of the financial year		20,751,491	22,902,772	22,242,813	26,021,385
Profit attributable to members of the company		15,712,650	20,751,491	18,295,994	22,242,813

The accompanying notes form part of these financial statements.

MYALL RIVER DOWNS PTY LTD
AND CONTROLLED ENTITIES
A.B.N. 36 000 442 900

BALANCE SHEET
AS AT 30 JUNE 2009

	Note	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	307,643	181,092	27,409	7,039
Trade and other receivables	7	19,020	149,692	73	-
Inventories	8	50,858	62,225	50,858	62,225
Investment property	9	901,255	900,000	901,255	900,000
Other current assets	10	147,873	147,246	99,515	83,544
TOTAL CURRENT ASSETS		1,426,649	1,440,255	1,079,110	1,052,808
NON-CURRENT ASSETS					
Trade and other receivables	7	9,854,264	9,369,390	7,984,517	7,617,449
Financial assets	11	-	-	34	34
Property, plant and equipment	12	11,855,906	11,953,642	192,862	228,236
Investment property	9	30,129,353	35,318,527	19,262,900	24,550,000
Tax assets	13	650,944	-	182,645	-
Other non-current assets	10	45,667	68,287	5,603	10,596
TOTAL NON-CURRENT ASSETS		52,536,134	56,709,846	27,628,561	32,406,315
TOTAL ASSETS		53,962,783	58,150,101	28,707,671	33,459,123
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	14	348,662	176,027	56,213	29,577
Financial liabilities	15	4,921,606	64,134	4,906,847	38,749
Provisions	16	51,072	57,401	-	-
Tax liabilities	13	-	(29,399)	-	(29,400)
TOTAL CURRENT LIABILITIES		5,321,340	268,163	4,963,060	38,926
NON-CURRENT LIABILITIES					
Financial liabilities	15	24,534,028	26,744,004	4,715	3,744,087
Provisions	16	21,065	23,347	-	-
Tax liabilities	13	6,775,581	8,284,446	3,845,783	5,354,647
Other non-current liabilities	17	1,588,499	2,069,030	1,588,499	2,069,030
TOTAL NON-CURRENT LIABILITIES		32,919,173	37,120,827	5,438,997	11,167,764
TOTAL LIABILITIES		38,240,513	37,388,990	10,402,057	11,206,690
NET ASSETS		15,722,270	20,761,111	18,305,614	22,252,433

The accompanying notes form part of these financial statements.

MYALL RIVER DOWNS PTY LTD
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BALANCE SHEET
AS AT 30 JUNE 2009

	Note	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
EQUITY					
Share capital	**18**	9,620	9,620	9,620	9,620
Retained earnings	**19**	15,712,650	20,751,491	18,295,994	22,242,813
TOTAL EQUITY		15,722,270	20,761,111	18,305,614	22,252,433

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

CONSOLIDATED	Note	Retained earnings $	Total $
Balance at 1 July 2007		22,902,772	22,902,772
Profit attributable to equity shareholders		(2,151,281)	(2,151,281)
Balance at 30 June 2008		20,751,491	20,751,491
Profit attributable to equity shareholders		(5,038,841)	(5,038,841)
Balance at 30 June 2009		15,712,650	15,712,650
Share Capital	**18**		9,620

PARENT	Note	Retained earnings $	Total $
Balance at 1 July 2007		26,021,385	26,021,385
Profit attributable to equity shareholders		(3,778,572)	(3,778,572)
Balance at 30 June 2008		22,242,813	22,242,813
Profit attributable to equity shareholders		(3,946,819)	(3,946,819)
Balance at 30 June 2009		18,295,994	18,295,994
Share Capital	**18**		9,620

The accompanying notes form part of these financial statements.

MYALL RIVER DOWNS PTY LTD
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		515,082	1,299,952	-	13,539
Payments to suppliers and employees		(1,821,673)	(3,274,187)	(286,938)	(365,984)
Interest received		2,801	19,017	365	4,914
Income tax (paid)/received		29,436	-	29,436	-
Interest paid		(259,919)	(816,813)	(259,918)	(253,345)
Net cash used in operating activities	20	(1,534,273)	(2,772,031)	(517,055)	(600,876)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for property, plant and equipment		(27,514)	(3,613,500)	-	(524,661)
Payments for investments		(752,381)	(1,037,327)	(224,233)	-
Net cash used in investing activities		(779,895)	(4,650,827)	(224,233)	(524,661)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from bank borrowings		1,727,304	5,750,725	1,160,000	380,000
Proceeds from resident loans		2,251,696	3,793,597	-	-
Proceeds from finance leases		-	130,438	-	-
Payment of bank borrowings		(2,308,557)	(3,120,715)	-	-
Payment of finance leases		(67,460)	(74,167)	(31,275)	(34,207)
Related party loans		837,736	(66,491)	(367,068)	741,571
Net cash provided by financing activities		2,440,719	6,413,387	761,657	1,087,364
Net increase (decrease) in cash held		126,551	(1,009,471)	20,369	(38,173)
Cash at beginning of financial year		181,092	1,190,563	7,039	45,212
Cash at end of financial year	6	307,643	181,092	27,408	7,039

The accompanying notes form part of these financial statements.

1 Statement of Significant Accounting Policies

This financial report includes the consolidated financial statements and notes of Myall River Downs Pty Limited and Controlled Entities (consolidated entity or group) and the separate financial statements and notes of Myall River Downs Pty Limited as an individual parent entity (parent entity). Myall River Downs Pty Limited and Controlled Entities are companies limited by shares, incorporated and domiciled in Australia. Myall River Downs Pty Limited is listed on the Bermuda Stock Exchange.

Reporting basis and conventions

The directors have prepared the financial statements on the basis that the company is a non reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of members.

The financial report has been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements are presented in Australian dollars which is the entity's functional and presentation currency.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of this report are as follows:

Principles of Consolidation

A controlled entity is any entity over which Myall River Downs Pty Ltd has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect the holdings of actual and potential voting rights are considered.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Accounting Policies

Going Concern

The financial report has been prepared on the going concern basis, which defines the entity as:
(a) being able to pay its debts as and when they fall due; and
(b) being able to continue in operation without any intention or necessity to liquidate or otherwise wind up its operations.

Income Tax

The tax expense/(income) for the year comprises current tax expense/(income) and deferred tax expense/(income).

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 reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax assets and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

This method was not applied in the prior year.

Inventories

In respect to livestock, cost is calculated on the average cost basis used for income tax purposes.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	10 - 40 %
Motor Vehicles	18.5 - 22.5%
Office Equipment	10 - 40%
Furniture & Fittings	10 - 40%
Leased Vehicles & Equipment	25%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Investment Property

The retirement village and villas include land and/or buildings that earn income. All tenant leases were made on an arm's length basis. These investment properties are carried at fair value based on independent or director's valuation.

All other investment properties are held for capital appreciation. They are valued annually by independent valuers or directors and carried at fair value. Changes in fair value are recorded in the income statement.

Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership are transferred to the company, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Employee Benefits

Provision is made for the group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at its current value.

Superannuation

Contributions are made by the group to an employee superannuation fund and are charged as expenses when incurred. The entity has no legal obligation to provide benefits to employees on retirement.

Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

Revenue and Other Income

Revenue from the sale of properties is recognised at completion of the sales contract as this corresponds to the transfer of significant risks and rewards of ownership of the properties and cessation of all involvement in those properties.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is recognised on an accrual basis.

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

Self Care Villas, Redemption and Rollover

Self care residents who enter the villages during the financial year as a result of the redemption of a previous resident, enter on the basis of a 99 year lease, with an interest free loan granted by the incoming resident. When the resident leaves the village, there is a deferred management fee (the departure fee) and a shared capital gain calculated.

Resident Loans and Capital Gain Payable to Resident

Resident loans are measured at face value, representing the principal amount. Resident loans are non-interest bearing and repayable upon departure.

Resident capital gains represent the residents' share of capital gains (as set out in the lease agreements) on the leased villas that have accrued at balance sheet date and are payable to residents on their departure. The capital gain on the villas is calculated on the difference between the current value of the villas, as determined by the directors and the original lease value of the villas.

Departure Fees

Departure fees become payable by residents when they depart the village. The amount payable by the departing resident is calculated based upon a long term lease agreement with respect to the relevant villas. The departure fee is calculated with reference to the re-lease value of the relevant villas and the length of residency of each departing resident.

Departure fees that have accrued but are not payable as at the balance sheet date are recognised as non-current assets in the balance sheet. The accrual amount is calculated by forecasting when each resident is expected to depart the village, by reference to the anticipated average length of occupancy of each resident, and the amount of departure fees that would be payable at that time, based on directors assessment of current and historical evidence of values and transactions in an open market. These forecast amounts are then discounted to determine a net present value of future departure fees as at the balance sheet date.

Borrowing Costs

Borrowing costs in the form of bank and legal fees associated with an application for finance are capitalised and amortised over five years.

All other fees and interest charges are charged to the income statement as incurred.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Comparative Figures

Unless noted otherwise, when required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates - Independent Property Valuation

The group periodically revalues property held based on independent external valuations or directors valuations. These valuations assume a market for the property which will remain consistent with recent sales and does not take account of any future trends within the property market.. When a retirement village villa is constructed a pro rata allocation of the revalued amount applicable to the retirement village operations is allocated to the villa and included in villas at valuation.

As at balance date investment property, GST payable and deferred tax liability disclosed in the financial statements rely on, or are calculated from, the amounts disclosed on the independent/directors valuations of the properties held by the group.

Key judgments - Impairment

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. The fair value of the investments is considered to be represented by the net assets of the entity. Value-in-use calculations have not been performed since future cash flows are uncertain.

Key judgments - Classification of Properties

The directors are of the opinion that properties held by the group are held for the purpose of obtaining rental income and/or capital appreciation and are therefore classified as investment properties in accordance with AASB 140 Investment Property.

Key judgments - Uncertainty Regarding Continuity of Banking Finance

A portion of the group's external loan funding is due for renewal within twelve months. Discussion with financiers are ongoing and the continuance of funding has been indicated to the company and the group. However, the potential exists for the companies within the group to no longer be in accordance with their loan to valuation covenants and therefore be in breach of their funding agreements with respect to their financiers. Acknowledging this, the company and group have alternative plans in place to rationalise operations on the assumption that ongoing funding may not be available. These plans include the active marketing of non-core assets and the appointment of a leading international real estate agency to actively seek a joint venture partner for the group's current and future retirement village projects. These actions, if achieved, could reasonably be expected to avoid any breach of financial covenants with the group's financiers.

Key judgments - Uncertainty Regarding Valuation of Investment Property

The investment property held by Myall River Downs Pty Limited is valued at $19,262,900 with an associated deferred GST payable of $1,535,465.20 and deferred tax liability of $3,687,951. The directors' valuation is based on a 3 December 2005 independent valuation of this property, and a percentage reduction in valuation of a similarly located property held by Crighton Properties Pty Ltd at Riverside, Myall Road Tea Gardens. This independent valuation on the similarly located property was performed on 12 April 2009.

Change in Comparatives

Reclassification of Property, Plant and Equipment and Inventory to Investment Property

The properties held by Myall River Downs Pty Ltd are for capital appreciation, therefore meeting the definition of investment property according to AASB 140. These properties were previously disclosed as inventory or property, plant and equipment in the 2008 financial statements. In accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors a retrospective restatement is required.

The aggregate effect of the change on the annual financial statements for the year ended 30 June, 2009 is as follows (no taxation effect results from these changes):

	2009			2008		
	Previously stated	Adjustments	Restated	Previously stated	Adjustments	Restated
	$	$	$	$	$	$
Balance Sheet						
Current - Investments	-	-	-	-	900,000	900,000
Current - Inventory	-	-	-	2,683,226	(2,621,001)	62,225
Non Current - Investments	-	-	-	-	35,318,527	35,318,527
Non Current - Inventory	-	-	-	24,779,125	(24,779,125)	-
Property, Plant and Equipment	-	-	-	20,772,042	(8,818,400)	11,953,642

2 Revenue

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Operating activities				
Fees received	333,593	1,245,752	-	-
Total operating revenue	333,593	1,245,752	-	-
Movement in fair value of villas	(719,377)	2,728,994	-	-
Movement in fair value of investment properties	(5,029,547)	(4,194,178)	(5,029,547)	(4,194,178)
Non-operating activities				
Increase/(decrease) residents departure fee due on redemption	660,103	974,916	-	-
Interest received	2,801	19,017	365	4,916
Maintenance levies	-	81,502	-	-
Sundry income	15,062	3,953	-	-
Profit on trading of livestock	35,755	13,539	35,755	13,539
Other income	713,721	1,092,927	36,120	18,455
Total revenue	(4,701,610)	873,495	(4,993,427)	(4,175,723)
Interest revenue from:				
Financial Institutions	2,801	19,017	365	4,916
Total interest revenue	2,801	19,017	365	4,916

3 Auditors' Remuneration

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Auditor's Remuneration				
Audit Services	16,795	22,378	14,450	7,840
Accounting Services	11,150	-	11,150	-
	27,945	22,378	25,600	7,840

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $

4 Expenses

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Expenses				
Cost of sales	299,293	1,095,595	-	-
Borrowing Costs	8,062	5,038	4,993	4,993
Finance Charges	10,528	14,071	3,320	6,449
Interest Paid				
Other	-	86	-	-
Interest - Property	617,680	816,727	259,918	253,345
Total finance costs	636,270	835,922	268,231	264,787
Depreciation and Amortisation Expense				
Depreciation of property, plant and equipment	120,440	109,492	35,375	38,074
Amortisation	100,024	221,484	-	-
	220,464	330,976	35,375	38,074
Revenues and Net Gains				
Loss on Sale of Non-current Assets	-	(8,843)	-	-

5 Income Tax Expense

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
The components of tax expense comprise:				
Deferred Tax Expense/(Income)	(2,159,846)	(1,258,254)	(1,691,546)	(1,258,254)
The prima facie tax payable on loss before income tax is reconciled to the income tax expense as follows:				
Prima facie tax payable on loss before income tax at 30% (2008: 30%):	(2,159,846)	(1,022,861)	(1,691,509)	(1,511,038)
Add:				
Tax effect of:				
Tax loss not brought to account	-	617,431	-	252,784
	-	617,431	-	252,784

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

		Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
	Less:				
	Tax effect of:				
	Depreciation of villas	-	(34,126)	-	-
	Change in fair value of villas	-	(818,698)	-	-
		-	(852,824)	-	-
	Income tax expense attributable to company	(2,159,846)	(1,258,254)	(1,691,509)	(1,258,254)

6 Cash and Cash Equivalents

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Current				
Cash on Hand	1,504	1,504	470	470
Cash at Bank	306,139	179,588	26,939	6,569
	307,643	181,092	27,409	7,039

Reconciliation of cash
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Cash and cash equivalents	307,643	181,092	27,409	7,039
	307,643	181,092	27,409	7,039

7 Trade and Other Receivables

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Current				
Sundry Debtors	3,022	18,955	73	-
Trade Debtors	15,998	130,737	-	-
	19,020	149,692	73	-
Non-Current				
Departure Fee Due on Redemption	1,635,019	974,916	-	-
Loans - Related Parties	8,219,245	8,394,474	7,984,517	7,617,449
	9,854,264	9,369,390	7,984,517	7,617,449

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $

8 Inventories

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Current				
At cost:				
Stock on Hand - Cattle	50,858	62,225	50,858	62,225

9 Investment Property

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Current				
Investment Properties				
Investments - at Independent Valuation	190,000	190,000	190,000	190,000
Investments - at Directors Valuation	711,255	710,000	711,255	710,000
	901,255	900,000	901,255	900,000

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Non Current				
Investment Properties				
Investments - at Directors Valuation	19,262,900	24,550,000	19,262,900	24,550,000
Investments - at Cost	2,507,697	2,064,641	-	-
Amortisation on Investments	(101,677)	(114,514)	-	-
Balance at end of year	21,668,920	26,500,127	19,262,900	24,550,000
Villas - at Directors Valuation	-	-	-	-
Stage 1 Occupied Villas	2,833,128	1,685,522	-	-
Development Costs - Occupied Villas	1,449,899	879,006	-	-
Revaluation Adjustment - Occupied Villas	1,417,773	1,159,072	-	-
Stage 1 Unoccupied Villas	1,121,632	2,269,155	-	-
Development Costs - Unoccupied Villas	604,124	1,255,722	-	-
Revaluation Adjustment - Unoccupied Villas	591,844	1,569,923	-	-
WIP Stage 4A Homes - at Cost	442,033	-	-	-
Balance at end of year	8,460,433	8,818,400	-	-
	30,129,353	35,318,527	19,262,900	24,550,000

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $

10 Other Assets

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Current				
Security Deposits	88,200	88,200	77,750	77,750
Prepayments	27,972	28,527	16,772	801
Formation Costs	2,125	2,125	-	-
Prepaid Borrowing Expenses	29,576	28,394	4,993	4,993
	147,873	147,246	99,515	83,544
Non-Current				
Prepaid Borrowing Expenses	118,302	113,577	5,603	10,596
Less Accumulated Amortisation	(72,635)	(45,290)	-	-
	45,667	68,287	5,603	10,596

11 Financial Assets

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Non-Current				
Shares in Subsidiaries	-	-	34	34

12 Property, Plant and Equipment

LAND AND BUILDINGS

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Land:				
at cost	9,410,948	9,410,948	-	-
	9,410,948	9,410,948	-	-
Buildings:				
at cost	1,928,580	1,928,580	-	-
	1,928,580	1,928,580	-	-
Total Land and Buildings	11,339,528	11,339,528	-	-

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
PLANT AND EQUIPMENT				
Plant and Equipment:				
At cost	1,055,067	1,027,553	584,676	584,676
Accumulated depreciation	(552,131)	(431,691)	(391,814)	(356,440)
	502,936	595,862	192,862	228,236
Leased Plant and Equipment				
Capitalised leased assets	37,620	37,620	18,380	18,380
Accumulated amortisation	(24,178)	(19,368)	(18,380)	(18,380)
	13,442	18,252	-	-
Total Plant and Equipment	516,378	614,114	192,862	228,236
Total Property, Plant and Equipment	11,855,906	11,953,642	192,862	228,236

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Freehold Land $	Buildings $	Plant and Equipment $	Leased Plant and Equipment $	Total $
Balance at 1 July 2008	9,410,948	1,928,580	595,862	18,252	11,953,642
Additions	-	-	27,514	-	27,514
Depreciation/amortisation expense	-	-	(120,440)	(4,810)	(125,250)
Carrying amount at 30 June 2009	9,410,948	1,928,580	502,936	13,442	11,855,906

13 Tax

Liabilities

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Current				
Provision for Income Tax	-	(29,399)	-	(29,400)
Non-current				
Deferred Tax Liability	6,775,581	8,284,446	3,845,783	5,354,647
Assets				
Deferred Tax Asset	650,944	-	182,645	-

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $

14 Trade and Other Payables

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Current				
Trade Creditors	183,557	110,349	56,555	37,733
Other Creditors	26,355	66,361	7,015	4,932
Deposits Held	143,331	-	1,000	-
Input Tax Credits	(15,866)	(37,997)	(8,682)	(13,239)
GST Payable	11,285	37,314	325	151
	348,662	176,027	56,213	29,577

15 Financial Liabilities

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Current				
Hire Purchase Liability	37,352	70,688	17,823	42,146
Finance Charges	(5,746)	(9,435)	(976)	(3,397)
Lease Liability	-	4,804	-	-
Finance Charges	-	(1,923)	-	-
Loans - Bank	4,890,000	-	4,890,000	-
	4,921,606	64,134	4,906,847	38,749
Non-Current				
Hire Purchase Liability	56,738	80,788	5,035	15,305
Finance Charges	(7,242)	(12,618)	(320)	(1,218)
Lease Liability	-	19,810	-	-
Finance Charges	-	(3,552)	-	-
Loans - Bank	4,577,764	9,669,863	-	3,730,000
Loans - Related Parties	13,858,923	13,196,116	-	-
Resident Loans	6,045,293	3,793,597	-	-
Residents Capital Gain Payable on Sale	2,552	-	-	-
	24,534,028	26,744,004	4,715	3,744,087

16 Provisions

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Provision for Annual Leave	51,072	57,401	-	-
Provision for Long Service Leave	21,065	23,347	-	-
Total provisions	72,137	80,748	-	-

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Analysis of Total Provisions				
Current	51,072	57,401	-	-
Non-current	21,065	23,347	-	-
	72,137	80,748	-	-
Movements in carrying amounts of employee provisions:				
Balance at 01 July, 2008	80,748	72,137	-	-
Charge for the year	18,375	46,504	-	-
Transfers to related parties	(3,688)	-	-	-
Entitlements paid during the year	(23,298)	(37,893)	-	-
Balance at 30 June, 2009	72,137	80,748	-	-

17 Other Liabilities

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Non Current				
Deferred GST Payable	1,588,499	2,069,030	1,588,499	2,069,030

18 Share Capital

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
B Class Shares at $2	7,290	7,290	7,290	7,290
A Class Shares at $2	2,330	2,330	2,330	2,330
	9,620	9,620	9,620	9,620

19 Retained Earnings

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Retained earnings at the beginning of the financial year	20,751,491	22,902,772	22,242,813	26,021,385
Net loss attributable to members of the company	(5,038,841)	(2,151,281)	(3,946,819)	(3,778,572)
Retained earnings at the end of the financial year	15,712,650	20,751,491	18,295,994	22,242,813

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $

20 Cash Flow Information

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Reconciliation of Cash Flow from Operations with Profit after Income Tax				
Loss after income tax	(5,038,841)	(2,151,281)	(3,946,819)	(3,778,572)
Non-cash flows in profit:				
Loss on sale of non-current assets	-	8,843	-	-
Amortisation	100,024	221,484	-	-
Depreciation	120,440	109,492	35,375	38,074
Movement in fair value of investments	5,029,547	4,194,178	5,029,547	4,194,178
Movement in fair value of villas	719,377	(2,728,994)	-	-
Tax Expense / (Income)	(2,159,809)	(1,258,254)	(1,691,546)	(1,258,254)
Movement in departure fees due on redemption	(660,103)	(974,916)	-	-
Capitalised interest	357,761	-	-	-
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries				
(Increase) Decrease in current inventories	11,367	-	11,367	-
(Increase) Decrease in current receivables	130,672	(44,795)	(73)	-
(Increase) Decrease in prepayments	(5,352)	22,909	(10,978)	6,635
Increase (Decrease) in trade creditors	73,208	28,145	21,943	(12,141)
Increase (Decrease) in other creditors	96,548	(402,965)	4,730	11,694
Increase (Decrease) in provisions	(8,611)	6,613	-	-
Increase (Decrease) in income tax payable	29,399	197,510	29,399	197,510
Less (Increase) Decrease in investments creditors	(351,293)	-	-	-
Less (Increase) Decrease in interest creditors	21,393	-	-	-
Net cash provided by (used in) operating activities	(1,534,273)	(2,772,031)	(517,055)	(600,876)

MYALL RIVER DOWNS PTY LTD
AND CONTROLLED ENTITIES
A.B.N. 36 000 442 900

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 outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 26 present fairly the company's financial position as at 30 June, 2009 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: ______________________
Mr Geoffrey John Cox

Director: ______________________
Mr Andrew Douglas Cox

Dated this 30 **day of** October 2009

Unit 1, 1 Pioneer Avenue, Tuggerah

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BISHOP COLLINS
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MYALL RIVER DOWNS PTY LTD AND CONTROLLED ENTITIES A.B.N. 36 000 442 900

Report on the Financial Report

We have audited the accompanying financial report being a special purpose financial report, of Myall River Downs Pty Ltd and controlled entities which comprises the balance sheet as at 30 June, 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Myall River Downs Pty Ltd and controlled entities on the date shown, would be in the same terms if provided to the directors as at the date of this auditors' report.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MYALL RIVER DOWNS PTY LTD
AND CONTROLLED ENTITIES
A.B.N. 36 000 442 900

Qualified Auditors' Opinion

Basis for Qualified Opinion

We were not the appointed auditor for the year ended 30 June 2008 and we have therefore not audited the income statement, statement of changes in equity, notes to the financial statements or cash flow statement for the year ended 30 June 2008 or the balance sheet as at 30 June 2008.

In our opinion, except for the information in the preceding paragraphs, the financial report for Myall River Downs Pty Ltd and Controlled Entities are in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the entity's financial position as at 30 June 2009 and of its performance for the year ended on that date; and

(b) the financial report presents fairly, in all material respects, the financial position of Myall River Downs Pty Ltd and Controlled Entities as of 30 June 2009, and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Emphasis of Matter

Significant Uncertainty Regarding Continuity as a Going Concern

Without qualifying our opinion further, we draw attention to note 1 and 15 in the financial report which indicates that a portion of the group's external loan funding is due for renewal within twelve months. Discussions with financiers are ongoing however, the potential exists for the companies within the group to no longer be in accordance with their loan to valuation covenants and therefore be in breach of their funding agreements with respect to their financiers. Acknowledging this, the company and the group have alternative plans in place to rationalise operations on the assumption that ongoing funding may not be available. These plans include the active marketing of non-core assets and the appointment of an agency to actively seek a joint venture partner for the group's retirement village projects. These actions, if achieved, could reasonably be expected to avoid any breach of financial covenants with the group's financiers however, should these actions not be achieved there exists a material uncertainty which may cast doubt about the company and the group's ability to continue as a going concern and realise their assets in the normal course of business.

Significant Uncertainty Regarding Valuation of Investment Property

Without qualifying our opinion, we draw attention to note 1 (Critical Judgements & Estimates) and note 9 in regards to the valuation of the investment property held by Myall River Downs Pty Ltd at Tea Gardens. Given the significance of this property there is uncertainty that may have a material affect on the interpretation of the financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MYALL RIVER DOWNS PTY LTD
AND CONTROLLED ENTITIES
A.B.N. 36 000 442 900

Name of Firm: Bishop Collins
Chartered Accountants

Name of Partner: David McClelland
David McClelland
*320260

Address: Unit 1, 1 Pioneer Avenue TUGGERAH NSW 2259

Dated this 30th **day of** October 2009

Unit 1, 1 Pioneer Avenue, Tuggerah

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INDEPENDENT AUDITORS' DISCLAIMER
TO THE MEMBERS OF MYALL RIVER DOWNS PTY LTD
AND CONTROLLED ENTITIES
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The additional financial data presented on the following pages is in accordance with the books and records of Myall River Downs Pty Ltd and controlled entities which have been subjected to auditing procedures applied in our statutory audit of the company for the year ended 30 June, 2009. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly we do not express an opinion on such financial data and no warrant of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm, nor any employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such data, including any errors or omissions therein, arising through negligence or otherwise however caused.

Name of Firm: Bishop Collins
Chartered Accountants

Name of Partner: David McClelland
David McClelland

Address: Unit 1, 1 Pioneer Avenue TUGGERAH NSW 2259

Dated this 30th **day of** October 2009

MYALL RIVER DOWNS PTY LTD
AND CONTROLLED ENTITIES
A.B.N. 36 000 442 900

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
SALES				
Fees Received	333,593	1,245,752	-	-
Movement in Fair Value - Villas	(719,377)	2,728,994	-	-
Movement in Fair Value - Investment Properties	(5,029,547)	(4,194,178)	(5,029,547)	(4,194,178)
	(5,415,331)	(219,432)	(5,029,547)	(4,194,178)
LESS: COST OF SALES				
Materials and Contractors	299,293	1,095,595	-	-
GROSS LOSS FROM TRADING	(5,714,624)	(1,315,027)	(5,029,547)	(4,194,178)
OTHER INCOME				
Sundry Income	11,930	634	-	-
Contract Extras	5	7	-	-
Insurance Claims	2,320	1,562	-	-
Administration Fees	807	1,750	-	-
Interest Received	2,801	19,017	365	4,916
Increase/(Decrease) Resident Departure Fee due on Redemption	660,103	974,916	-	-
Maintenance Levies	-	22,996	-	-
Maintenance Levies - Unoccupied Villas	-	58,506	-	-
Profit on trading of livestock	35,755	13,539	35,755	13,539
Loss on Sale of Non-current Assets	-	(8,843)	-	-
	713,721	1,084,084	36,120	18,455
	(5,000,903)	(230,943)	(4,993,427)	(4,175,723)

MYALL RIVER DOWNS PTY LTD
AND CONTROLLED ENTITIES
A.B.N. 36 000 442 900

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
EXPENSES				
Administration Costs	-	1,750	-	-
Advertising	196,450	450,130	69	-
Amortisation	100,024	221,484	-	-
Auditor's Remuneration	27,945	22,378	25,600	7,840
Bank Charges	96,764	93,631	93,144	89,993
Borrowing Costs	8,062	5,038	4,993	4,993
Capital Expenditure W/off	4,219	9,226	-	-
Cleaning	10,622	16,664	-	-
Commission Paid	78,809	-	-	-
Consultancy Fees	17,917	46,281	-	2,040
Computer Expenses	-	983	-	-
Consumables and Replacements	396	40,068	-	-
Data Processing Charges	443	1,672	-	-
Depreciation	120,440	109,492	35,375	38,074
Entertainment Expenses	217	154	-	-
Filing Fees	1,225	636	801	212
Finance Charges	10,528	14,071	3,320	6,449
Freight & Cartage	-	-	-	330
Fuel	8,399	12,244	-	14,081
General Expenses	1,826	2,675	-	-
Ground Care	534	2,555	-	-
Hire of Plant & Equipment	64,160	8,643	863	-
Employee Entitlements	(4,924)	6,613	-	-
Insurance	114,047	110,350	16,763	15,773
Interest Paid	617,680	816,813	259,918	253,345
Legal Costs	12,088	40,122	629	276
Light & Power	13,218	15,900	-	15
Livestock Expenses	28,480	49,660	30,893	54,602
Medical Supplies	1,708	512	-	-
Maintenance Levy Subsidy	50,541	63,987	-	-
Motor Vehicle Expenses	22,892	18,814	34,685	15,652
Newspapers	223	539	-	-
Office Expenses	7,277	10,232	-	-
Pasture Improvements	-	2,696	-	3,101
Payroll Tax	29,196	53,924	-	-
Permits, Licences & Fees	2,249	1,430	-	-
Pest Control	1,058	10	476	-
Postage	11,676	9,910	-	-
Printing & Stationery	45,692	45,893	-	261

MYALL RIVER DOWNS PTY LTD
AND CONTROLLED ENTITIES
A.B.N. 36 000 442 900

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Group 2009 $	Group 2008 $	Parent 2009 $	Parent 2008 $
Property Expenses	2,017	4,954	100	1,090
Increase/(Decrease) in Resident Capital Gain Payable	2,552	-	-	-
Rates & Taxes	71,406	72,738	62,814	69,625
Recruitment Costs	-	4,055	-	-
Repairs & Maintenance	76,890	294,611	72,598	282,868
Resident Activities	3,999	1,001	-	-
Salaries & Wages	262,735	376,197	-	-
Security Costs	842	6,040	-	-
Safety Equipment	4,418	7,563	1,839	483
Sponsorships	-	40	-	-
Staff Amenities	25	107	-	-
Staff Training & Welfare	1,007	6,152	-	-
Subscriptions & Donations	2,508	3,863	-	-
Sundry Expenses	4,680	(46)	-	-
Superannuation Contributions	37,649	65,411	-	-
Telephone	21,900	18,309	-	-
Travelling Expenses	982	2,074	58	-
Uniforms	1,055	6,160	-	-
Waste Disposal	1,038	2,183	-	-
	2,197,784	3,178,592	644,938	861,103
Loss before income tax	(7,198,687)	(3,409,535)	(5,638,365)	(5,036,826)