

Newbale Clothing Pty Ltd

ABN: 33 136 405 091

**Financial Report for the year ended
30th June 2012**

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Profit and Loss Statement for the year ended 30th June 2012

	Notes	2012 \$	2011 \$
EBITDA		(312,821)	(562,577)
Less: Interest and depreciation		(49,566)	(48,219)
Net Profit / (Loss) before tax		(362,387)	(610,796)

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Balance Sheet for the period ending 30th June 2012

	Notes	2012 \$	2011 \$
Assets			
Current Assets			
Cash and cash equivalents	1	283,866	85,285
Inventory	2	1,441,086	789,196
Trade and other receivables	3	487,033	252,043
Total Current Assets		2,211,985	1,126,524
Non-Current Assets			
Office/Store Equipment, Computers	4	422,042	156,066
Total Non-Current Assets		422,042	156,066
Total Assets		2,634,027	1,282,590
Liabilities			
Current Liabilities			
Trade and other payables	5	974,172	338,429
Tax Liabilities	6	304,290	201,372
Total Liabilities		1,278,462	539,801
Net Assets		1,355,565	742,789
Equity			
Capital	7	2,950,587	1,975,424
Retained earnings	8	(1,595,022)	(1,232,635)
Total Equity		1,355,565	742,789

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Notes to the Financial Statements

Statement of Significant Accounting Policies

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

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

- **Office/Store Equipment**

Office/Store equipments are carried at cost. All assets, are depreciated over their useful lives.

The depreciable amount of Office/Store is depreciated on a straight-line basis. Depreciation commences from the time the asset is available for its intended use.

- **Depreciation**

The depreciation method and useful life used for items of Office/Store equipment reflects the pattern in which their future economic benefits are expected to be consumed by the company. Depreciation commences from the time the asset is held ready for use. The depreciation method and useful life of assets is reviewed annually to ensure they are still appropriate.

- **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held as Bank guarantees with banks, with original maturities of three months or less.

- **Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

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

- **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 (ATO).

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.

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	Notes	2012 \$	2011 \$
1	Cash and Cash Equivalents		
	Cash Petty	(75)	100
	Cheque Account – 226710155033	57,094	84,345
	Bank USD Account # 5601	840	840
	Chq Account 06200510877191	78,861	-
	Paypal Online Account	-	-
	Newbale Wholesale	147,146	-
		283,866	85,285
2	Inventory		
	Finished Goods	671,600	483,947
	WIP	769,486	305,249
		1,441,086	789,196
3	Trade and Other Receivables		
	Current		
	Term Lease Deposit	283,149	223,061
	Trade Debtors	141,486	16,725
	Other Receivable	9,374	6,446
	Prepaid Expense	53,024	5,811
		487,033	252,043
4	Office/Store Equipment, Computers		
	Office/Store Equipment at Cost	2,858	-
	Office/Store Furniture and Fittings	434,779	172,328
	Acc Deprn: Office/Store Furniture	(95,624)	(50,680)
		342,013	121,648
	Computer - General	24,545	24,173
	Acc Deprn: Computer General	(8,655)	(4,851)
	Computer - Laptop	6,086	2,192
	Software	46,576	10,745
		68,552	32,259
	Trademark	12,727	2,727
	Acc Deprn: Trademark	(1,250)	(568)
		11,477	2,159
		422,042	156,066

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	Notes	2012 \$	2011 \$
5	Trade and Other Payables		
	Current		
	Trade Creditors	571,932	275,268
	Other Trade Creditors	21,104	54,025
	Loan Account - Wholesale	372,000	-
	Annual Leave Provision	9,136	9,136
		974,172	338,429
6	Tax Liabilities		
	GST on Sales	696,124	221,041
	GST Paid - Capital Items	1,855	1,855
	GST Paid - Non Capital Item	(687,283)	(158,355)
	Staff PAYG Withholding	258,475	83,626
	Staff Super Liabilities	35,119	53,205
	Total	304,290	201,372
7	Equity		
	Newbale Clothing Nominees P/L		
	ATF Newbale Clothing Unit Trust	2,950,587	1,975,424
		2,950,587	1,975,424
8	Retained Earnings		
	Retained Earnings: Prior Years	(1,232,635)	(621,839)
	Current Earnings	(362,387)	(610,796)
	Retained earnings at the end of the financial year	(1,595,022)	(1,232,635)
9	Equity Shareholding for the period ending 30th June		
	Newbale Clothing Nominees P/L		
	ATF Newbale Clothing Unit Trust		
	Opening Balance	1,975,424	864,980
	Changes during the year	975,163	1,110,444
	Closing Balance	2,950,587	1,975,424

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Compilation Report

Your directors present their report for the financial year ended 30th June 2012

Directors

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

Date of commencement if during the course of the reporting financial year.

Name 1 : Matt Jensen

Name 2 : Matt Rogers

Name 3 : Stuart King

Name 4 : Neil Livingstone (resigned June 2013)

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

The director of the company declares that the company is a reporting entity and that this financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

Director's Declaration

The director of the company declares that:

1. The financial statements and notes, as set out on pages 1 to 8 present fairly the Company's financial position as at 30th June 2012 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;

Review of operations and financial results

A review of the operations of the Company during the financial year and the results of those operations found that the net loss of the Company for the financial year after providing for income tax amounted to (\$362,387)

Significant changes in state of affairs

No significant changes in the Company's state of affairs occurred during the financial year.

Principal activities

The principal activities of the Company during the financial year were:
(to include the principal activities of the business)

There have been no significant changes in the nature of these activities during the year.

Events arising since the end of the reporting period

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 development, prospects and business strategies

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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.

Environmental issues


The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Proceedings on behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

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

Director : 
Dated this day of : 26 July 2013
Name of Company : Newbale Clothing Pty Ltd
Name of Director : Matt Jensen

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Detailed Profit & Loss Statement

	2012	2011
	\$	\$
Sales		
Sales	4,688,409	2,496,953
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Less: Manufacturing Costs		
Cost of Sales	2,141,576	1,187,496
Gross Profit From Trading	2,546,833	1,309,457
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Other Income		
Interest Income and Currency Gain	28,514	1,790
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	2,575,347	1,311,247
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Expenses		
Accounting Fees	40,373	71,253
Advertising	138,624	23,238
Alterations	-	32,105
Bank Charges	59,752	21,081
Book Keeping Expenses	40,941	-
Campaign Production	174,600	78,504
Client Entertainment	3,627	(227)
Consultancy Fees	67,753	21,207
Depreciation	49,566	48,219
Design & Sampling Cost	601	-
Discounts Given	-	12,913
Electricity	10,760	1,549
Events/Sponsorship	3,661	-
Freight & Distribution	44,503	7,025
Insurance	21,732	14,143
Internet and Phone	21,605	14,086
Legal Fees	30,897	5,670
Motor Vehicle (incl. parking)	4,483	6,926
Office Amenities	5,226	8,831
Online	33,600	-
Packaging & Labels Cost	38,269	-
Payroll Tax Expense	20,000	-
POS/ Retail Marketing	34,509	32,252

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	2012	2011
	\$	\$
PR	73,269	38,085
Printing, Stationery, Courier	10,383	20,533
Professional Fees	302	7,500
Promotions	1,455	-
Recruitment Expenses	20,800	20,129
Rent	689,046	326,910
Repairs & Maintenance	8,984	7,240
Salaries and Wages	866,835	616,729
Software & ITSupport/ Maintena	34,509	25,733
Staff Casual/Permanent –Super	82,874	48,934
Staff Compensation Expense	28,087	20,892
Staff Contractors	160,341	-
Staff Entertainment	2,125	-
Store Expenses	19,458	10,272
Sundry	35,391	32,467
Sundry - Mgt Expenses	11,905	-
Training - External	-	340
Travel & Accommodation	54,239	54,830
Write off - Expense	(7,350)	292,674
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	2,937,734	1,922,043
Net Profit / (Loss) before tax	(362,387)	(610,796)
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Compilation Report

Scope

On the basis of information provided by the Director's, we have compiled in accordance with APES 315: 'Compilation of Financial Information' the special purpose financial report of the company for the period ended 30th June 2012.

The specific purpose for which the special purpose financial report has been prepared is set out in the Notes (pg 4). The extent to which Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is also set out in the Notes.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of the company and are appropriate to meet the needs of the directors.

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

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the company, may suffer arising from any negligence on our part. No person should rely upon the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the company and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

Twelve Pty Ltd



Paul Mattock

Suite 2, Level 1, 10-14 Boyle Street SUTHERLAND NSW 2232