

Financial Statements

Pepper Tree Farm Stallion Equity Unit Trust

ABN 61 973 533 732

For the year ended 30 June 2021

Prepared by Balance Accountants and Advisers

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Balance Sheet

Pepper Tree Farm Stallion Equity Unit Trust As at 30 June 2021

	NOTES	30 JUN 2021	30 JUN 2020
Assets			
Current Assets			
Bank Accounts			
Cash at Bank - Cheque Account		6,705	5,655
Cash at Bank - Other		148,000	177,500
Total Bank Accounts		154,705	183,155
Inventories			
Stock on Hand - Stallions		695,000	800,000
Total Inventories		695,000	800,000
Taxation			
ATO Integrated Client Account		421	421
Total Taxation		421	421
Other Current Assets			
Trade Debtors		4,753	7,627
Prepaid Expenses (Alabar)		-	24,711
Total Other Current Assets		4,753	32,338
Total Current Assets		854,879	1,015,915
Total Assets		854,879	1,015,915
Liabilities			
Current Liabilities			
Taxation			
GST		13,943	17,288
Total Taxation		13,943	17,288
Other Current Liabilities			
Other Creditors		-	14,631
Total Other Current Liabilities		-	14,631
Total Current Liabilities		13,943	31,920
Non-Current Liabilities			
Beneficiaries' Accounts		5,936	3,995
Total Non-Current Liabilities		5,936	3,995
Total Liabilities		19,879	35,915
Net Assets		835,000	980,000
Equity			
Trust Funds			

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

	NOTES	30 JUN 2021	30 JUN 2020
Trust Funds - 3,110,000 Issued Units		835,000	980,000
Total Trust Funds		835,000	980,000
Total Equity		835,000	980,000

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Beneficiary Accounts

Pepper Tree Farm Stallion Equity Unit Trust For the year ended 30 June 2021

	2021	2020
Beneficiary Accounts		
Beneficiaries Accounts Summary		
Opening Balance	3,995	1,454
Funds Drawn	(3,995)	(1,454)
Profit Distributed	5,936	3,995
Total Beneficiaries Accounts Summary	5,936	3,995
Detailed Beneficiary Accounts		
R & J Vandyke		
Opening Balance	2,248	818
Drawings - R & J Vandyke	(2,248)	(818)
Share of Profit - R & J Vandyke	3,340	2,248
Total R & J Vandyke	3,340	2,248
Christie Rothwell		
Opening Balance	238	87
Drawings - Christie Rothwell	(238)	(87)
Share of Profit - Christie Rothwell	353	238
Total Christie Rothwell	353	238
Lex Crosby Superannuation Fund		
Opening Balance	-	47
Drawings - Lex Crosby Superannuation Fund	-	(47)
Total Lex Crosby Superannuation Fund	-	-
Thomas Newham		
Opening Balance	64	23
Drawings - Thomas Newham	(64)	(23)
Share of Profit - Thomas Newham	95	64
Total Thomas Newham	95	64
Elite Superannuation Fund		
Opening Balance	128	47
Drawings - Elite Superannuation Fund	(128)	(47)
Share of Profit - Elite Superannuation Fund	191	128
Total Elite Superannuation Fund	191	128
Elite Bloodstock Pty Ltd		
Opening Balance	128	47
Drawings - Elite Bloodstock Pty Ltd	(128)	(47)
Share of Profit - Elite Bloodstock Pty Ltd	191	128
Total Elite Bloodstock Pty Ltd	191	128
Kramerica Industries Superannuation Fund		
Opening Balance	64	23
Drawings - Kramerica Industries Superannuation Fund	(64)	(23)

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	2021	2020
Share of Profit - Kramerica Industries Superannuation Fund	95	64
Total Kramerica Industries Superannuation Fund	95	64
Robert Watson		
Opening Balance	128	47
Drawings - Robert Watson	(128)	(47)
Share of Profit - Robert Watson	191	128
Total Robert Watson	191	128
Nevana Superannuation Fund		
Opening Balance	64	23
Drawings - Nevana Superannuation Fund	(64)	(23)
Share of Profit - Nevana Superannuation Fund	95	64
Total Nevana Superannuation Fund	95	64
Khaliffa Superannuation Fund		
Opening Balance	64	23
Drawings - Khaliffa Superannuation Fund	(64)	(23)
Share of Profit - Khaliffa Superannuation Fund	95	64
Total Khaliffa Superannuation Fund	95	64
Fisher Superannuation Fund		
Opening Balance	64	23
Drawings - Fisher Superannuation Fund	(64)	(23)
Share of Profit - Fisher Superannuation Fund	95	64
Total Fisher Superannuation Fund	95	64
McCloy Superannuation Fund		
Opening Balance	385	140
Drawings - McCloy Superannuation Fund	(385)	(140)
Share of Profit - McCloy Superannuation Fund	573	385
Total McCloy Superannuation Fund	573	385
Emmett & Co Staff Pension Fund		
Opening Balance	193	70
Drawings - Emmett & Co Staff Pension Fund	(193)	(70)
Share of Profit - Emmett & Co Staff Pension Fund	286	193
Total Emmett & Co Staff Pension Fund	286	193
Peter Connolly		
Opening Balance	48	18
Drawings - Peter Connolly	(48)	(18)
Share of Profit - Peter Connolly	72	48
Total Peter Connolly	72	48
Raymond Connolly		
Opening Balance	48	18
Drawings - Raymond Connolly	(48)	(18)
Share of Profit - Raymond Connolly	72	48
Total Raymond Connolly	72	48

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	2021	2020
Lex Crosby		
Opening Balance	128	-
Drawings - Lex Crosby	(128)	-
Share of Profit - Kenneth Lex Crosby	191	128
Total Lex Crosby	191	128
Total Detailed Beneficiary Accounts	5,936	3,995

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Income Statement

Pepper Tree Farm Stallion Equity Unit Trust For the year ended 30 June 2021

	NOTES	2021	2020
Income			
Trading Profit		(6,232)	1,680
Total Income		(6,232)	1,680
Other Income			
Interest Received - Bank		1	6
Other Revenue		12,857	17,630
Total Other Income		12,858	17,636
Total Income		6,626	19,317
Expenses			
Accountancy Fees		690	3,500
Stakes Payments		-	11,821
Total Expenses		690	15,321
Profit / (Loss) Before Distribution		5,936	3,995
Distribution of Trust Income			
Trust Income Distributed		5,936	3,995
Total Distribution of Trust Income		5,936	3,995
Undistributed Income		-	-

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Trading Statement

Pepper Tree Farm Stallion Equity Unit Trust For the year ended 30 June 2021

	NOTES	2021	2020
Trading Income			
Sales			
Trading Revenue			
Distribution (Australia)		90,397	146,603
Distribution (New Zealand)		8,371	15,077
Total Trading Revenue		98,768	161,680
Total Sales		98,768	161,680
Cost of Sales			
Opening Stock - Stallions		800,000	960,000
Closing Stock - Stallions		(695,000)	(800,000)
Total Cost of Sales		105,000	160,000
Gross Profit		(6,232)	1,680
Gross Profit (%)		(6)	1

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Notes to the Financial Statements

Pepper Tree Farm Stallion Equity Unit Trust For the year ended 30 June 2021

1. Statement of Significant Accounting Policies

The trustees have prepared the financial statements of the trust on the basis that the trust is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the trust deed, the information needs of stakeholders and for the basis of preparation of the income tax return. The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the purposes of preparation. 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 financial statements were authorised for issue on 22 August 2018 by the trustees.

Income Tax

The income tax expense for the year comprises current income tax expense. The trust 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 the end of the reporting period. Current tax liabilities are therefore measured at the amounts expected to be paid to / recovered from 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.

Financial Assets

Investments held are originally recognised at cost, which includes transaction costs. They are subsequently measured at fair value which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

These notes should be read in conjunction with the attached compilation report.

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the trust that remain unpaid at 30 June 2018. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

Employee Benefits

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related costs.

Provisions

Provisions are recognised when the trust 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.

Directors Declaration of the Trustee Company

Pepper Tree Farm Stallion Equity Unit Trust For the year ended 30 June 2021

The directors of the trustee company declare that Pepper Tree Farm Stallion Equity Unit Trust 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 of the financial statements.

In accordance with a resolution of the Board of Directors, the directors of the trustee company declare that:

1. The financial statements and notes present fairly Pepper Tree Farm Stallion Equity Unit Trust's financial position as at 30 June 2021 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.
2. In the directors opinion there are reasonable grounds to believe that Pepper Tree Farm Stallion Equity Unit Trust will be able to pay its debts as and when they become due and payable.

Director: Robert Vandyke _____

Director: Julie Vandyke _____

Date:

Compilation Report

Pepper Tree Farm Stallion Equity Unit Trust For the year ended 30 June 2021

Compilation report to Pepper Tree Farm Stallion Equity Unit Trust

We have compiled the accompanying special purpose financial statements of Pepper Tree Farm Stallion Equity Unit Trust, which comprise the balance sheet as at 30 June 2021, the income statement, the statement of cash flows, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Directors

The directors of the trustee company are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the directors who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.

Andrew Pullen

Balance Accountants & Advisers

Chartered Accountant

18 Redfern Street, Cowra, NSW, 2794

Dated: 20 October 2021