

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Special Purpose Financial Statements
For the year ended 30 June 2019

HENRY MELVILLE & CO
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DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Contents	Page
Directors' Report	2
Trading Account	4
Detailed Income Statement	5
Detailed Balance Sheet	6
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	16
Compilation Report	17

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Directors' Report
For the year ended 30 June 2019

Your directors present their report on the Company for the financial year ended 30 June 2019.

Directors

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

Peter Flude
Peter Rogers
John Ireland
John Pauling
Dennis Coffey
David Platt
Craig Coffey (alternate for Dennis Coffey)

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

Principal Activities

The principal activity of the Company is to carry out the sub-division, marketing and sale of the land held by the Company at Hennessy Road, Dubbo ('the Project land'). Macquarie View Estate Dubbo has been registered as the name of the Project land development.

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

Results of Operations

The profit of the Company for the financial year after providing for income tax was \$227,670 (2018: \$650,490).

Review of Operations

The Company has entered into a Development and Finance Deed ('the Development Deed') with J K Williams Contracting Pty Ltd ('JKW') to facilitate the development of the Company land. JKW has over 50 years of experience in civil contracting and is based in Penrith NSW. A Management Committee has been established under the Development Deed, consisting of members appointed by the Company and JKW. Under the Development Deed, JKW has agreed to carry out certain development works and provide certain services in connection with the subdivision of the Project land. The Company is responsible for the payment of holding costs and Dubbo Regional Council development contributions and charges.

JKW's remuneration under the Development Deed is 50% of the net proceeds of sale, payable on settlement of lot sales. JKW has been granted a second mortgage over the Company's land as security for services provided under the Development Deed.

During the year ended 30 June 2018, construction of Stage 3A was finalised. Some profit amounts that were deferred from recognition in 2017 were recognised in 2018 (see Note 1 (d)). Construction of Stage 3B was commenced and completed during the year ended 30 June 2018. No construction was undertaken during the year ended 2019. A **summary** of the total number of lots **exchanged** is below:

	Total number of lots per Stage	Balance of remaining lots per Stage	30 June 2019		30 June 2018	
			Total number of lots exchanged	Total consideration (GST excl.)	Total number of lots exchanged	Total consideration (GST excl.)
Stage 3A	31	6	5	\$940,596	10	\$2,851,637
Stage 3B	17	6	5	\$863,467	6	\$1,098,684
Total	48	12	10	\$1,804,063	16	\$3,950,321

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Directors' Report
For the year ended 30 June 2019

Review of Operations (continued)

During the year ended 30 June 2019, J K Williams Contracting Pty Ltd ('JKW') lodged the Stage 4 and Stage 6 plans with Dubbo Regional Council ('DRC'). DRC approved the plans for Stage 4 and Stage 6. The Construction Certificates will be released upon payment of the applicable fees by JKW to DRC.

Events Subsequent to Balance Date

Since balance date, J K Williams Contracting Pty Ltd ('JKW') has committed to the completion of 4 half acre lots with work to commence in November/December 2019, as no half acre lots remain for sale.

Presales of the Stage 4 lots will commence in early 2020.

Since the end of the financial year, no other matters or circumstances have arisen 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 subsequent years.

Likely Developments and Expected Results of Operations

There are no likely developments in the operations, or expected results of those operations, of the Company other than continuing to carry out the sub-division, marketing and sale of the Project land which is expected to continue to result in the generation of sales revenue during future financial years.

Dividends

Dividends of \$277,675, being \$0.145 per share, were declared during the year ended 30 June 2019 (2018: \$347,093 being \$0.18125 per share). Dividends of \$277,675, being \$0.145 per share, were paid during the year ended 30 June 2019 (2018: \$347,093, being \$0.18125 per share).

Options

No options over unissued 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.

Indemnification of Officers


During or since the end of the financial year the Company has not given any indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums for any person who has been an officer of the Company.

Proceedings on Behalf of the Company

No person has applied for leave of the 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.

This Directors' Report is signed in accordance with a resolution of the Board of Directors:



PETER ROGERS

Date: 18 October 2019

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Trading Account
For the year ended 30 June 2019

	2019	2018
	\$	\$
Income		
Sales of Land	<u>1,804,063</u>	<u>3,950,321</u>
Cost of Sales		
Add:		
Opening finished goods	4,906,580	5,325,611
Council Fees	-	367,892
JK Williams – service fee	689,013	1,830,487
JK Williams – estimated service fee	(941,795)	(161,224)
Other Development Costs	<u>257,658</u>	<u>276,885</u>
	<u>4,911,456</u>	<u>7,639,651</u>
Less:		
Closing finished goods	<u>3,627,332</u>	<u>4,906,580</u>
Add:		
Legals – King Cain	14,539	22,976
Commission – Raine & Horne	15,990	28,000
Commission – Ray White	20	17,585
Commission – Elders	-	20,825
Commission – Redden & Hansen	19,060	37,550
Commission – Bannockburn	16,790	22,225
Commission – Bob Berry Real Estate	6,400	-
Sales promotion	<u>2,850</u>	<u>3,000</u>
	<u>75,649</u>	<u>152,161</u>
Cost of Sales	<u>1,359,773</u>	<u>2,885,232</u>
Gross Profit from Trading	<u>444,290</u>	<u>1,065,089</u>

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

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Detailed Income Statement
For the year ended 30 June 2019

	2019	2018
	\$	\$
Income		
Gross Profit from Trading	444,290	1,065,089
Interest received	11,599	4,270
Other income	850	2,273
Total income	<u>456,739</u>	<u>1,071,632</u>
Expenses		
Accountancy	12,135	13,023
Administration expense	12,606	14,306
Amortisation	-	5,841
Bank fees and charges	234	219
Borrowing expenses	-	1,965
Depreciation	1,893	2,524
Directors fees	60,000	60,000
Filing fees	263	254
General expenses	421	75
Insurance	2,037	2,126
Interest - Australia	-	26,824
Land tax	22,866	23,473
Legal fees	5,023	-
Meeting expenses	449	216
Tractor expenses	2,316	555
Postage	-	100
Printing & stationery	849	867
Rates – Dubbo Regional Council	15,116	14,959
Rates – Local Land Services	-	99
Repairs & maintenance	-	545
Travel, accom & conference	6,322	6,034
Valuation expenses	182	400
Total expenses	<u>142,712</u>	<u>174,405</u>
Net profit before income tax	<u>314,027</u>	<u>897,227</u>

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

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Detailed Income Statement
For the year ended 30 June 2019

	2019	2018
	\$	\$
Net profit before income tax	<u>314,027</u>	<u>897,227</u>
Income tax expense	(86,357)	(246,737)
Net profit after income tax	<u>227,670</u>	<u>650,490</u>
Retained profits at the beginning of the financial year	634,732	331,335
Dividends provided for	<u>(277,675)</u>	<u>(347,093)</u>
Retained profits at the end of the financial year	<u>584,727</u>	<u>634,732</u>

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

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Detailed Balance Sheet
As At 30 June 2019

	Note	2019 \$	2018 \$
Current Assets			
Cash & Cash Equivalents			
NAB Cheque Account		169,439	80,633
NAB Term Deposit		696,324	-
Solicitor Trust accounts		20,000	20,000
		<u>885,763</u>	<u>100,633</u>
Trade & Other Receivables			
Unsecured, non-interest bearing			
Trade debtors		1,001	1,660,321
Other accruals		275	-
GST receivable		27,237	-
		<u>28,513</u>	<u>1,660,321</u>
Inventories			
Land	3,4	349,880	658,232
Development costs	3,4	996,798	1,969,919
		<u>1,346,678</u>	<u>2,628,151</u>
Other			
Prepayments		18,318	28,407
		<u>18,318</u>	<u>28,407</u>
Total Current Assets		<u>2,279,272</u>	<u>4,417,512</u>
Non-Current Assets			
Inventories			
Land held for resale	3,4	1,114,322	1,114,322
Development costs	3,4	1,166,332	1,164,107
		<u>2,280,654</u>	<u>2,278,429</u>
Property, Plant & Equipment			
Plant & Equipment – at cost		13,591	13,591
Less: Accumulated depreciation		(7,912)	(6,019)
		<u>5,679</u>	<u>7,572</u>
Total Non-Current Assets		<u>2,286,333</u>	<u>2,286,001</u>
Total Assets		<u>4,565,605</u>	<u>6,703,513</u>

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DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Detailed Balance Sheet
As At 30 June 2019

	Note	2019 \$	2018 \$
Current Liabilities			
Trade & Other Payables			
Unsecured, non-interest bearing:			
Trade creditors		33,924	64,560
Other accruals		39,115	110,000
Amounts withheld from salary & wages		882	882
GST payable		-	119,661
		<u>73,921</u>	<u>295,103</u>
Secured, non-interest bearing:			
Trade creditors – JK Williams	4	-	801,487
Accrual – JK Williams	4	<u>966,149</u>	<u>1,907,942</u>
		<u>966,149</u>	<u>2,709,429</u>
		<u>1,040,070</u>	<u>3,004,532</u>
Current Tax Liabilities			
Taxation		58,173	44,561
Deferred income tax liability		<u>6,675</u>	<u>143,728</u>
		<u>64,848</u>	<u>188,289</u>
Total Current Liabilities		<u>1,104,918</u>	<u>3,192,821</u>
Non-Current Liabilities			
Trade & Other Payables			
Unsecured, non-interest-bearing liabilities:			
Accrual – JK Williams	4	<u>960,960</u>	<u>960,960</u>
		<u>960,960</u>	<u>960,960</u>
Total Non-Current Liabilities		<u>960,960</u>	<u>960,960</u>
Total Liabilities		<u>2,065,878</u>	<u>4,153,781</u>
Net Assets		<u>2,499,727</u>	<u>2,549,732</u>
Equity			
Issued Capital			
Issued & paid up capital		1,915,000	1,915,000
Retained profits		<u>584,727</u>	<u>634,732</u>
Total Equity		<u>2,499,727</u>	<u>2,549,732</u>

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

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Statement of Cash Flows
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Cash Flows From Operating Activities			
Receipts from customers		3,263,302	4,595,106
Payments to suppliers		(2,002,023)	(3,462,431)
Tax paid		(209,799)	(319,331)
Interest received		11,325	5,744
Interest and other costs of finance		<u>-</u>	<u>(29,144)</u>
Net cash provided by operating activities	2(b)	<u>1,062,805</u>	<u>789,944</u>
Cash Flows From Investing Activities			
Purchase property, plant & equipment		<u>-</u>	<u>-</u>
Net cash used in investing activities		<u>-</u>	<u>-</u>
Cash Flows From Financing Activities			
Proceeds from borrowings - NAB		-	345,177
Repayment of borrowings - NAB		-	(1,056,716)
Dividends paid		<u>(277,675)</u>	<u>(347,093)</u>
Net cash used in financing activities		<u>(277,675)</u>	<u>(1,058,632)</u>
Net increase/(decrease) in cash held		785,130	(268,688)
Cash at the beginning of the year		<u>100,633</u>	<u>369,321</u>
Cash at the end of the year	2(a)	<u>885,763</u>	<u>100,633</u>

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

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Notes to the Financial Statements
For the year ended 30 June 2019

Note 1: Statement of Significant Accounting Policies

These financial statements are special purpose financial statements prepared for use by the directors and members of the Company. The directors have determined that the Company is not a reporting entity.

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.

The financial statements are also prepared on an accruals basis from the records of the Company. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following accounting policies have been adopted in the preparation of this financial report which are consistent with the previous period, unless otherwise stated.

(a) Property, Plant and Equipment

Property, plant and equipment are included at cost, independent valuation or directors' valuation. All assets, excluding freehold land, are depreciated over their useful lives to the Company.

(b) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or non-deductible items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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 is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability settled. Deferred tax is credited in the Income Statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Notes to the Financial Statements
For the year ended 30 June 2019

Note 1: Statement of Significant Accounting Policies (continued)

(c) Land Held for Resale

Freehold land acquired for the purpose of development and resale is valued at the lower of cost and net realisable value. Development costs are capitalised until the developed residential lots reach marketable condition.

(d) Recognition of Income

Sales of allotments are brought to account at the time of exchange of contracts in accordance with the percentage of completion method. This means that sales 'off the plan' are recognised in accordance with the percentage of the development work completed by reference to the Development and Finance Deed entered into with JK Williams Contracting Pty Ltd. As a result of the application of the percentage of completion method, profit amounts of \$Nil have been deferred for recognition in future accounting periods (2018: \$Nil).

Interest revenue is recognised on a proportional basis taking in to account the interest rates applicable to the financial assets.

(e) 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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST. The margin method of calculating GST payable has been adopted in relation to the sale of residential land allotments.

(f) Key Judgements

The Directors evaluate estimates and judgements incorporated into the annual 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 internally and externally

The Company entered into a Development and Finance Deed ('the Deed') with JK Williams Contracting Pty Ltd ('JKW'). Under the Deed, JKW has agreed to carry out certain development works and provide certain services in connection with the subdivision of the Company's Hennessy Road Dubbo land. JKW's remuneration under the Deed is 50% of the net proceeds of sale, payable on settlement of lot sales.

The Company has raised a provision for the estimated JKW remuneration for the completed lots. During the year ended 30 June 2019, the Company raised a further provision of \$Nil (2018: \$862,874). During the year ended 30 June 2019, the provision was reduced by \$853,022 (2018: \$862,655). The balance of the provision as at 30 June 2019 was \$927,052 (2018: \$1,780,074).

The Deed also provides for JKW to be reimbursed for all actual costs and fees incurred under the Deed. During the year ended 30 June 2015, the Company raised a provision for JKW costs of \$1,397,302 (excluding GST), based on information provided by JKW. During the year ended 30 June 2019, the provision was reduced by \$58,122 (2018: reduced by \$161,443). The reduction was calculated based on the number of lots exchanged as a proportion of the total number of lots in Stages 2-7 as at balance date. The balance of the provision as at 30 June 2019 is \$1,030,706 (2018: \$1,088,828).

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Notes to the Financial Statements
For the year ended 30 June 2019

	2019	2018
	\$	\$

Note 2 – Reconciliation Of Cash

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

(a) Cash for the purposes of the Statement of Cash Flows

NAB Business Account	169,439	80,633
NAB Term Deposit	696,324	-
Solicitor Trust accounts	<u>20,000</u>	<u>20,000</u>
	<u>885,763</u>	<u>100,633</u>

(b) Reconciliation Of Net Cash Provided By Operating Activities To Operating Profit After Income Tax

Operating profit after income tax	227,670	650,490
Add amortisation	-	5,841
Add depreciation	1,893	2,524
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in trade and other debtors	1,659,045	1,136,735
(Increase)/decrease in prepayments	10,089	(11,240)
(Increase)/decrease in inventories	1,279,248	225,375
Increase/(decrease) in trade creditors and accruals	(1,844,801)	(627,994)
Increase/(decrease) in interest payable	-	(356)
Increase/(decrease) in GST payable	(146,898)	(156,030)
Increase/(decrease) in taxation	(123,441)	(72,593)
Increase/(decrease) in unearned income	-	(362,808)
Net cash provided by operating activities	<u>1,062,805</u>	<u>789,944</u>

Note 3 – Inventories – Land

Land Stage 3A – at cost – current	172,634	330,983
Development costs Stage 3A – at cost – current	484,470	1,007,409
Land Stage 3B – at cost – current	177,246	327,249
Development costs Stage 3B – at cost – current	<u>512,328</u>	<u>962,510</u>
	<u>1,346,678</u>	<u>2,628,151</u>
 Land – at cost – non-current	 1,114,322	 1,114,322
Development costs - at cost – non-current	<u>1,166,332</u>	<u>1,164,107</u>
	<u>2,280,654</u>	<u>2,278,429</u>
 Total Inventories – Land	 <u>3,627,332</u>	 <u>4,906,580</u>

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Notes to the Financial Statements
For the year ended 30 June 2019

Note 4 – Commitments for Expenditure - JK Williams Contracting Pty Ltd

The Company entered into a Development and Finance Deed ('the Deed') with J K Williams Contracting Pty Ltd ('JKW'). Under the Deed, JKW has agreed to carry out certain development works and provide certain services in connection with the subdivision of the Company's Hennessy Road Dubbo land. JKW's remuneration under the Deed is 50% of the net proceeds of sale, payable on settlement of lot sales. A Management Committee has been established under the Deed, consisting of members appointed by the Company and JKW. The Company is responsible for the payment of holding costs and Dubbo Regional Council development contributions and charges. JKW has been granted a second mortgage over the Company's land as security for services provided under the Deed.

The attached financial statements include the following movements in the provision for the estimated JKW remuneration:

	30 June 2019	30 June 2018
	\$	\$
Opening provision	1,780,074	1,779,855
Provision raised	-	862,874
Provision reduced	(853,022)	(862,655)
Balance provision	<u>927,052</u>	<u>1,780,074</u>

JKW finished construction of Stages 3B and 3B during the year ended 30 June 2018. During the year ended 30 June 2018, the Company raised a provision for remuneration of JKW in relation to Stage 3B construction works of \$862,874.

No construction work was undertaken during the year ended 30 June 2019.

No provision is raised where the amount of the obligation cannot be measured with sufficient reliability, i.e. where no contracts for the sale of the lots have been exchanged as at balance date and no quantum meruit was determined at that date.

The Deed also provides for JKW to be reimbursed for all actual costs and fees incurred under the Deed. During the year ended 30 June 2015, the Company raised a provision for JKW costs of \$1,397,302 (excluding GST), based on information provided by JKW. During the year ended 30 June 2019, the provision was reduced by \$58,122 (2018: reduced by \$161,443). The reduction was calculated based on the number of lots exchanged as a proportion of the total number of lots in Stages 2-7 as at balance date. The balance of the provision as at 30 June 2019 is \$1,030,706 (2018: \$1,088,828).

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Notes to the Financial Statements
For the year ended 30 June 2019

Note 5 - Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions.

Transactions with Director related parties:

Directors are reimbursed costs associated with attendance at Board meetings.

Trade creditors includes \$Nil (2018: \$Nil) of unpaid Directors' fees. The Company paid \$291,648 of the prior years accrued Directors' fees during the year ended 30 June 2017. The balance of the prior year accrued Directors fees were paid during the year ended 30 June 2018.

	2019	2018
	\$	\$
1. Regional Consultants Pty Ltd, a company controlled by Mr Peter Flude:		
- Fees for provision of Mr Flude's directorial services	12,750	12,750
- Payment of prior year accrued directors fees	-	48,917
2. Marjon Holdings Ltd, a company controlled by Mr John Ireland:		
- Dividend payment	5,800	6,525
3. Mr John Ireland:		
- Directors Fees	9,000	9,000
4. Bannockburn Properties Pty Ltd, a company controlled by Mr Peter Rogers:		
- Fees for provision of Mr Roger's directorial services	12,750	12,750
- Commission in Trading Account	16,790	22,225
- Dividend payment	17,400	21,025
5. Lakeshed Pty Ltd, a company controlled by Mr John Pauling:		
- Fees for provision of Mr Pauling's directorial services	8,500	8,500
- Payment of prior year accrued directors fees	-	42,162
6. Supreme Pty Ltd, a company controlled by Mr John Pauling:		
- Dividend payment	2,900	3,625
7. Coffey Safety Services Pty Ltd, a company controlled by Mr Craig Coffey:		
- Fees for provision of Mr Craig Coffey's alternative directorial services	-	4,250

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Notes to the Financial Statements
For the year ended 30 June 2019

	2019	2018
	\$	\$

Note 5 - Related Party Transactions (continued)

Transactions with Director related parties (continued):

8. Coffey Management Pty Ltd, a company controlled by Mr Dennis Coffey:		
- Fees for provision of Mr Dennis Coffey's directorial services	8,500	4,250
9. Paris Fire Investments Pty Ltd, a company controlled by Mr Dennis Coffey:		
- Dividend payment	29,000	36,250
10. Coffey Holdings Pty Ltd, a company controlled by Mr Dennis Coffey:		
- Dividend payment	14,500	18,125
11. The Bayside Trust, a trust controlled by Mr David Platt:		
- Fees for provision of Mr Platt's directorial services	8,500	8,500
12. G & P Developments Pty Ltd, a company controlled by Mr David Platt:		
- Dividend payment	14,500	18,125

Note 6 - Events Occurring After Balance Date

Since balance date, J K Williams Contracting Pty Ltd ('JKW') has committed to the completion of 4 half acre lots with work to commence in November/December 2019, as no half acre lots remain for sale.

Presales of the Stage 4 lots will commence in early 2020.

Since the end of the financial year, no other matters or circumstances have arisen 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 subsequent years.

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Directors' Declaration

The Directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described 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 30 June 2019 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
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.



PETER ROGERS

Date: 18 October 2019

DUBBO RESIDENTIAL ESTATE PTY LIMITED
ABN 24 118 617 904

Compilation Report to DUBBO RESIDENTIAL ESTATE PTY LIMITED

We have compiled the accompanying special purpose financial statements of Dubbo Residential Estate Pty Ltd, which comprise the Balance Sheet as at 30 June 2019, the Trading Account, Income Statement and Statement of Cash Flows for the year then ended, a summary of significant accounting policies and other explanatory notes. These have been prepared in accordance with the financial reporting framework described in Note 1 to the financial statements.

The Responsibility of the Directors of Dubbo Residential Estate Pty Ltd

The directors of Dubbo Residential Estate Pty Ltd are solely responsible for the information contained in the special purpose financial statements and the reliability, accuracy and completeness of the information.

Our Responsibility

On the basis of information provided by the directors of Dubbo Residential Estate Pty Ltd, we have compiled the accompanying special purpose financial statements in accordance with the financial reporting framework 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 Australian Accounting Standards. 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 for the benefit of the directors of Dubbo Residential Estate Pty Ltd 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.



HENRY MELVILLE & CO
138 William Street
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Date: 16 October 2019