

A

**NSW Urban Taskforce Limited**  
(ACN 102 685 174)  
**Annual Financial Report – 30 June 2007**

**Contents**

|   | Page |
|---|------|
| Directors' report                                     | 1-2  |
| Independent audit report                              | 3-4  |
| Directors' declaration                                | 5    |
| Income statement                                      | 6    |
| Balance sheet   | 7    |
| Cash flow statement                                   | 8    |
| Notes to and forming part of the financial statements | 9-18 |

# NSW Urban Taskforce Limited

## Director's report

The Directors present their report together with the financial report of NSW Urban Taskforce Limited ("the Company") for the financial year ended 30 June 2007 and the independent audit report thereon.

### Directors

The names of the directors in office at any time during the 2006/2007 financial year are:

Mr Robert Michael Rose  
Mr Dusko David Tanevski  
Mr Geoffrey John Cox  
Mr Allen Grant Linz  
Mr Duncan John Hardie

Mr Duncan John Hardie ceased to be company director on the 3<sup>rd</sup> April 2007.

### Directors' meetings

The number of directors' meetings and number of meetings attended by each of the directors of the Company during the financial year were:

| Director                | BOARD MEETINGS              |                           |
|-------------------------|-----------------------------|---------------------------|
|                         | Number of meetings attended | Number of meetings held * |
| Mr Robert Michael Rose  | 5                           | 6                         |
| Mr Dusko David Tanevski | 6                           | 6                         |
| Mr Geoffrey John Cox    | 5                           | 6                         |
| Mr Allen Grant Linz     | 3                           | 6                         |
| Mr Duncan John Hardie   | 3                           | 6                         |

\*Number of meetings held during the time the director held office during the year.

### Company secretary

Mr Dusko David Tanevski, MIAA was appointed to the position of Company secretary in October 2002. Mr D D Tanevski, managing director of KWC Capital Partners Pty Ltd has been working as an executive director to a number of companies since 1995 and prior to that worked as a strategic group executive to Australia Radio Network. Mr D D Tanevski sits on a number of industry and government advisory groups.

### Principal activities

The Company's principal activity during the year was to serve the membership in their activities associated with the Property Development Industry. There was no other significant changes in the nature of the activities of the Company during the year.

### Likely developments

Likely developments in the operations of the Company and the expected results of those operations have not been included in this report as the directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the Company.

### Review of operations

The net profit of the Company for the year was \$ 27,331 (2006: profit of \$98,585) after deducting income tax expense of \$nil (2006:\$nil).

### Significant changes in state of affairs

There were no significant changes in the Company's state of affairs during the financial year.

# NSW Urban Taskforce Limited

## Director's report

(continued)

### Events subsequent to reporting date

Since the end of the financial year the directors are not aware of any matter or circumstance that has significantly, or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company, in future financials years.

### Environmental issues

The operations of the Company are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory Law.

### Insurance of officers

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 officer or auditor of the Company.

### Lead Auditor's Independence Declaration under Section 307C of the Corporation Act 2001

A copy of the lead auditor's independence declaration as required under Section 307C of the Corporations Act is on page 3 of this annual report.

This report is made in accordance with a resolution of the directors.

Dusko David Tanevski  
Director

Sydney  
30th October 2007



## NSW Urban Taskforce Limited

### Lead auditor's independence declaration under Section 307C of the Corporation Act 2001

To: the directors of NSW Urban Taskforce Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2007 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporation Act 2001 in relation to the audit; and
- no contravention of any applicable code of professional conduct in relation to the audit.

K Pocketwalla Pty Limited



Anantharajah Senathirajah  
Partner

Sydney  
3<sup>15</sup> October 2007

# NSW Urban Taskforce Limited

## Independent Audit Report to the Members of NSW Urban Taskforce Limited

### Scope

#### The financial report and directors' responsibility

The financial report comprises the Income statement, Balance sheet, Cash flow statement, accompanying notes to the financial statements, and the directors' declaration as set out on pages from 5 to 18 for NSW Urban Taskforce Limited ("the Company") for the year ended 30 June 2007.

The directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to present and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

#### Audit approach

We conducted an independent audit in order to express an opinion to the members of the Company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Company's financial position, and performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

#### Audit Opinion

In our opinion, the financial report of NSW Urban Taskforce Limited is in accordance with:

- (a) the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Company's financial position as at 30 June 2007 and of its performance for the year ended on that date; and
  - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia.

K Pocketwalla Pty Limited



Anantharajah Senathirajah  
Partner

Signed at Sydney this 31<sup>st</sup> day of October 2007

## NSW Urban Taskforce Limited

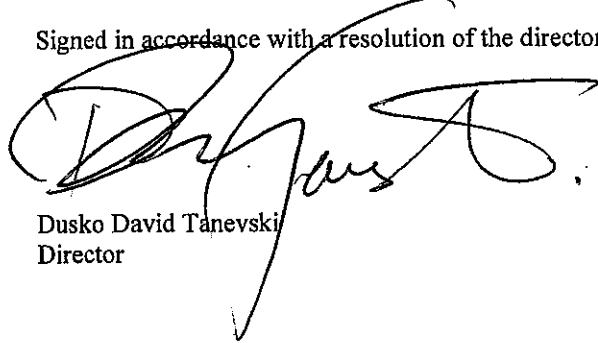
### Directors' declaration

In the opinion of the directors of NSW Urban Taskforce Limited ("the Company")

- (a) the financial statements and notes, as set out on pages 6 to 18 are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the financial position of the Company as at 30 June 2007 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date; and
  - (ii) complying with Accounting Standards in Australia, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Date at Sydney this 30 day of October 2007

Signed in accordance with a resolution of the directors.



Dusko David Tanevski  
Director

## NSW Urban Taskforce Limited

### Income statement

For the year ended 30 June 2007

|   | Notes | 2007<br>\$    | 2006<br>\$    |
|---|-------|---------------|---------------|
| Total revenue from ordinary activities  | 2     | 673,527       | 613,981       |
| Accounting, admin and audit fees  |       | (28,088)      | (15,388)      |
| Business card and letterhead  |       | (900)         | (2,470)       |
| Communication expense   |       | (8,596)       | (7,674)       |
| Consulting fees   |       | (265,840)     | (198,589)     |
| Depreciation  |       | (6,894)       | (5,524)       |
| Education and training  |       | (947)         | (12,227)      |
| Employee expenses   |       | (94,648)      | (95,175)      |
| Events expenses   |       | (150,134)     | (107,632)     |
| Legal and authority   |       | (105)         | (4,203)       |
| Media release expense   |       | (20,000)      | (15,000)      |
| Parking   |       | (4,245)       | -             |
| Postage and courier   |       | (3,178)       | (3,203)       |
| Printing  |       | (7,016)       | -             |
| Rental expense  |       | (26,992)      | (25,168)      |
| Stationery  |       | (8,315)       | (6,358)       |
| Subscriptions and membership  |       | (2,170)       | (2,966)       |
| Other expenses from ordinary activities   |       | (18,128)      | (13,819)      |
| <b>Profit from ordinary activities before income tax</b>  |       | <b>27,331</b> | <b>98,585</b> |
| Income tax expense  | 4     | -             | -             |
| <b>Total changes in equity other than those resulting from transactions with owners as owners</b> | 11    | <b>27,331</b> | <b>98,585</b> |

*The above income statement should be read in conjunction with the accompanying notes.*

# NSW Urban Taskforce Limited

## Balance sheet

As at 30 June 2007

|                                   | Notes | 2007<br>\$     | 2006<br>\$     |
|-----------------------------------|-------|----------------|----------------|
| <b>Current assets</b>             |       |                |                |
| Cash assets                       | 5     | 365,900        | 352,586        |
| Receivables                       | 6     | 111,003        | 41,312         |
| <b>Total current assets</b>       |       | <u>476,903</u> | <u>393,898</u> |
| <b>Non – current assets</b>       |       |                |                |
| Property, plant and equipment     | 7     | 27,794         | 18,088         |
| Receivables                       | 6     | 6,098          | 6,274          |
| <b>Total non – current assets</b> |       | <u>33,892</u>  | <u>24,362</u>  |
| <b>Total assets</b>               |       | <u>510,795</u> | <u>418,260</u> |
| <b>Current liabilities</b>        |       |                |                |
| Payables                          | 8     | 94,781         | 30,505         |
| Tax liabilities                   | 9     | 3,551          | 829            |
| Provisions                        | 10    | -              | 1,794          |
| <b>Total current liabilities</b>  |       | <u>98,332</u>  | <u>33,128</u>  |
| <b>Total liabilities</b>          |       | <u>98,332</u>  | <u>33,128</u>  |
| <b>Net assets</b>                 |       | <u>412,463</u> | <u>385,132</u> |
| <b>Equity</b>                     |       |                |                |
| Retained earnings                 | 11    | 385,132        | 286,547        |
| Current year profit               |       | 27,331         | 98,585         |
| <b>Total equity</b>               |       | <u>412,463</u> | <u>385,132</u> |

*The above balance sheet should be read in conjunction with the accompanying notes.*



## NSW Urban Taskforce Limited

### Cash flow statement

For the year ended 30 June 2007

|  | Notes | 2007<br>\$      | 2006<br>\$      |
|--|-------|-----------------|-----------------|
| <b>Cash flows from operating activities</b>                |       |                 |                 |
| Cash receipts in the course of operations                  |       | 587,997         | 608,930         |
| Cash payments in the course of operations                  |       | (573,920)       | (499,111)       |
| Interest received  |       | 15,837          | 10,560          |
| <b>Net cash provided by/(used in) operating activities</b> | 17(b) | <u>29,914</u>   | <u>120,379</u>  |
| <b>Cash flows from investing activities</b>                |       |                 |                 |
| Payment for property, plant and equipment                  |       | (16,600)        | (18,088)        |
| <b>Net cash provided/(used) in investing activities</b>    |       | <u>(16,600)</u> | <u>(18,088)</u> |
| <b>Cash flows from financing activities</b>                |       |                 |                 |
| Loan to others   |       | -               | -               |
| Borrowing from others                                      |       | -               | -               |
| Loan repayment   |       | -               | (51,812)        |
| <b>Net cash provided/(used) in financing activities</b>    |       | <u>-</u>        | <u>(51,812)</u> |
| <b>Net increase/(decrease) in cash held</b>                |       | 13,314          | 50,479          |
| <b>Cash at beginning of the financial year</b>             |       | <u>352,586</u>  | <u>302,107</u>  |
| <b>Cash at end of the financial year</b>                   | 17(a) | <u>365,900</u>  | <u>352,586</u>  |

*The above cash flow statement should be read in conjunction with the accompanying notes.*

# **NSW Urban Taskforce Limited**

## **Notes to the financial statements**

30 June 2007

### **Contents**

|                |   |           |
|----------------|---|-----------|
| <b>Note 1</b>  | <b>Summary of significant accounting policies</b>   | <b>10</b> |
| <b>Note 2</b>  | <b>Revenue</b>  | <b>11</b> |
| <b>Note 3</b>  | <b>Profit from ordinary activities</b>  | <b>11</b> |
| <b>Note 4</b>  | <b>Taxation</b>   | <b>12</b> |
| <b>Note 5</b>  | <b>Cash assets</b>  | <b>12</b> |
| <b>Note 6</b>  | <b>Receivables</b>  | <b>12</b> |
| <b>Note 7</b>  | <b>Plant and equipment</b>  | <b>12</b> |
| <b>Note 8</b>  | <b>Payables</b>   | <b>13</b> |
| <b>Note 9</b>  | <b>Tax liabilities</b>  | <b>13</b> |
| <b>Note 10</b> | <b>Provisions</b>   | <b>13</b> |
| <b>Note 11</b> | <b>Accumulated profits</b>  | <b>13</b> |
| <b>Note 12</b> | <b>Financial instruments</b>  | <b>13</b> |
| <b>Note 13</b> | <b>Remuneration of directors</b>  | <b>14</b> |
| <b>Note 14</b> | <b>Remuneration of auditors</b>   | <b>15</b> |
| <b>Note 15</b> | <b>Related parties</b>  | <b>15</b> |
| <b>Note 16</b> | <b>Segment information</b>  | <b>16</b> |
| <b>Note 17</b> | <b>Notes to the statement of cash flows</b>   | <b>16</b> |
| <b>Note 18</b> | <b>Events subsequent to reporting date</b>  | <b>16</b> |
| <b>Note 19</b> | <b>Impact of adopting Australian equivalents to International Financial Reporting Standards</b> | <b>16</b> |
| <b>Note 20</b> | <b>Other Company information</b>  | <b>18</b> |

# NSW Urban Taskforce Limited

## Notes to the financial statements

30 June 2007

### Note 1 Summary of significant accounting policies

The Principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRSs), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and *Corporations Act 2001*.

#### (a) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

*The company is an entity exempt from taxation pursuant to section 50-40 of the 1997 Act.*

#### (a) Acquisitions of assets

The purchase method of accounting is used to account for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, share issued or liabilities incurred or assumed at the date of exchange plus costs directly contributable to the acquisition.

#### (d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid.

#### (e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

#### (f) Trade receivables

Trade receivables are organized initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 120 days from the date of recognition for land development and resale debtors, and no more than 30 days for other debtors.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is organized in the income statement.

#### (h) Property, plant and equipment

All the assets, excluding freehold land and buildings, are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation on all assets is calculated using the reducing balance method to allocate their cost of revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Office furniture and equipment: 3 – 8 years

# NSW Urban Taskforce Limited

## Notes to the financial statements

30 June 2007

### Note 1 Summary of significant accounting policies – continued

#### (i) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

#### (j) Use and revisions of accounting estimates

The preparation of the financial report requires the making of estimations and assumptions that affect the organized amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are organized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future.

|   | 2007           | 2006           |
|---|----------------|----------------|
|   | \$             | \$             |
| <b>Note 2 Revenue</b>                         |                |                |
| <b>Revenue from ordinary activities</b>       |                |                |
| <i>From operating activities</i>              |                |                |
| Membership fees                               | 401,500        | 403,000        |
| Administration consulting services            | -              | 17,135         |
| Media release                                 | 20,000         | 15,000         |
| Events and functions                          | 236,190        | 168,286        |
| Total revenue from rendering services         | <u>657,690</u> | <u>603,421</u> |
| Interest – other parties                      | 15,837         | 10,560         |
| <b>Total revenue from ordinary activities</b> | <u>673,527</u> | <u>613,981</u> |

### Note 3 Profit from ordinary activities

#### Profit from ordinary activities before income tax expense includes the following specific items

|                                     |         |         |
|-------------------------------------|---------|---------|
| Consulting fee                      | 265,840 | 198,589 |
| Depreciation of plant and equipment | 6,894   | 5,524   |
| Events                              | 150,134 | 107,632 |
| Employee benefits                   | 94,648  | 95,175  |
| Rental expense                      | 26,992  | 25,168  |

# NSW Urban Taskforce Limited

## Notes to the financial statements

30 June 2007

|  | 2007<br>\$ | 2006<br>\$ |
|--|------------|------------|
| <b>Note 4            Taxation</b>  |            |            |
| <b>Income tax expense</b>  |            |            |
| Profit from ordinary activities before income tax expense                                      | 27,331     | 98,585     |
| Prima facie income tax calculated @ 30% (2006:30%) on the profit from ordinary activities      | 8,199      | 29,576     |
| Income tax adjusted for permanent differences  | -          | -          |
| Exempt from taxation pursuant to section 50-40 of the 1997 Act                                 | (8,199)    | (29,576)   |
| Income tax expense attributable to operating profit  | -          | -          |
| <br>   |            |            |
| <b>Note 5            Cash assets</b>   |            |            |
| Cash at bank and on hand   | 365,900    | 352,586    |
| Term deposit   | -          | -          |
| Other  | -          | -          |
| Total cash assets  | 365,900    | 352,586    |
| <br>   |            |            |
| <b>Note 6            Receivables</b>   |            |            |
| <u>Current</u>   |            |            |
| Trade debtors  | 91,478     | 12,877     |
| Deposits   | 19,525     | 28,435     |
|  | 111,003    | 41,312     |
| <br>   |            |            |
| <u>Non-current</u>   |            |            |
| Company formation  | -          | 176        |
| Rental security deposit  | 6,098      | 6,098      |
|  | 6,098      | 6,274      |
| <br>   |            |            |
| <b>Note 7            Plant and equipment</b>   |            |            |
| Office furniture and equipment   |            |            |
| <i>At cost</i>   | 45,026     | 28,426     |
| <i>Accumulated depreciation</i>  | (17,232)   | (10,338)   |
| Total plant and equipment net book value   | 27,794     | 18,088     |
| <br>   |            |            |
| <b>Reconciliations</b>   |            |            |
| Reconciliation of the carrying amounts for each class of plant and equipment are set out below |            |            |
| <br>   |            |            |
| <i>Office furniture and equipment</i>  |            |            |
| Carrying amount at beginning of year   | 18,088     | 5,519      |
| Additions  | 16,600     | 18,093     |
| Depreciation   | (6,894)    | (5,524)    |
| Carrying amount at end of year   | 27,794     | 18,088     |

# NSW Urban Taskforce Limited

## Notes to the financial statements 30 June 2007

|                                       | 2007<br>\$                 | 2006<br>\$ |
|---------------------------------------|----------------------------|------------|
| <b>Note 8</b>                         | <b>Payables</b>            |            |
| Trade creditors                       | 6,066                      | 30,505     |
| Other                                 | 88,715                     | -          |
|                                       | 94,781                     | 30,505     |
| <b>Note 9</b>                         | <b>Tax liabilities</b>     |            |
| GST payable                           | 724                        | (3,878)    |
| PAYG withheld from salaries and wages | 2,827                      | 4,707      |
|                                       | 3,551                      | 829        |
| <b>Note 10</b>                        | <b>Provisions</b>          |            |
| Superannuation payable                | -                          | 1,794      |
| <b>Note 11</b>                        | <b>Accumulated profits</b> |            |
| Balance at beginning of the year      | 385,132                    | 286,547    |
| Net profit for the year               | 27,331                     | 98,585     |
| Balance at end of the year            | 412,463                    | 385,132    |

### Note 12 Financial instruments

#### (a) Credit risk exposures

Credit risk represents the loss that would be organized of counterparties failed to perform as contracted.

#### Recognised financial instruments

The credit risk on financial assets, excluding investments, which have been organized on the balance sheet, is the carrying amount, net of any provision for doubtful debts.

The company organized concentrations of credit risk by undertaking transactions with large number of customers.

#### (a) Interest rate risk exposures

The Company's financial assets and liabilities are subject to interest rate risk. The Company does not use derivatives to organize this risk and these will fluctuate in accordance with movements in the market interest rates.

The Company's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

| 2007                    | Notes | Floating<br>interest<br>rate<br>\$ | Fixed interest maturing in: |                       |                               | Non-<br>interest<br>bearing<br>\$ | Total<br>\$ |
|-------------------------|-------|------------------------------------|-----------------------------|-----------------------|-------------------------------|-----------------------------------|-------------|
|                         |       |                                    | 1 year<br>or less<br>\$     | 1 to 5<br>years<br>\$ | More<br>than<br>5 years<br>\$ |                                   |             |
| <i>Financial assets</i> |       |                                    |                             |                       |                               |                                   |             |
| Cash assets             | 5     | 365,900                            | -                           | -                     | -                             | -                                 | 365,900     |
| Receivables             | 6     | -                                  | -                           | -                     | -                             | 117,101                           | 117,101     |

# NSW Urban Taskforce Limited

## Notes to the financial statements

30 June 2007

|                                       |           |         |   |   |   |         |         |
|---------------------------------------|-----------|---------|---|---|---|---------|---------|
|                                       |           | 365,900 | - | - | - | 117,101 | 483,001 |
| <b>Weighted average interest rate</b> | <b>4%</b> |         |   |   |   |         |         |
| <i>Financial liabilities</i>          |           |         |   |   |   |         |         |
| <b>Payables</b>                       | <b>8</b>  | -       | - | - | - | 94,781  | 94,781  |
| <b>Tax liabilities</b>                | <b>9</b>  | -       | - | - | - | 3,551   | 3,551   |
| <b>Provisions</b>                     | <b>10</b> | -       | - | - | - | -       | -       |
| <b>Net financial assets</b>           |           | 365,900 | - | - | - | 18,769  | 384,669 |

| 2006                    | Notes    | Floating<br>interest<br>rate<br>\$ | Fixed interest maturing in: |                       |                               | Non-<br>interest<br>bearing<br>\$ | Total<br>\$ |
|-------------------------|----------|------------------------------------|-----------------------------|-----------------------|-------------------------------|-----------------------------------|-------------|
|                         |          |                                    | 1 year<br>or less<br>\$     | 1 to 5<br>years<br>\$ | more<br>than<br>5 years<br>\$ |                                   |             |
| <i>Financial assets</i> |          |                                    |                             |                       |                               |                                   |             |
| <b>Cash assets</b>      | <b>5</b> | 352,586                            | -                           | -                     | -                             | -                                 | 352,586     |
| <b>Receivables</b>      | <b>6</b> | -                                  | -                           | -                     | -                             | 47,586                            | 47,586      |
|                         |          | 352,586                            | -                           | -                     | -                             | 47,586                            | 400,172     |

|                                       |           |         |   |   |   |        |         |
|---------------------------------------|-----------|---------|---|---|---|--------|---------|
| <b>Weighted average interest rate</b> | <b>3%</b> |         |   |   |   |        |         |
| <i>Financial liabilities</i>          |           |         |   |   |   |        |         |
| <b>Payables</b>                       | <b>8</b>  | -       | - | - | - | 30,505 | 30,505  |
| <b>Tax liabilities</b>                | <b>9</b>  | -       | - | - | - | 829    | 829     |
| <b>Provisions</b>                     | <b>10</b> | -       | - | - | - | 1,794  | 1,794   |
| <b>Net financial assets</b>           |           | 352,586 | - | - | - | 14,458 | 367,044 |

**(c) Net fair value of financial assets and liabilities**

For all financial assets and liabilities, the fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets.

The aggregate fair values and carrying amount of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

**Note 13 Remuneration of directors**

The number of directors of the Company whose total income from the Company or any related party falls within the specific bands as follows:

|   | 2007<br>Number | 2006<br>Number |
|---|----------------|----------------|
| \$Nil to \$9,999  | 5              | 5              |
|   | 2007<br>\$     | 2006<br>\$     |
| Total income paid or payable, or otherwise made available, to all directors of the Company or any related parties in connection with the management of affairs of the Company | -              | -              |

# NSW Urban Taskforce Limited

## Notes to the financial statements

30 June 2007

### Note 14 Remuneration of auditors

|  | 2007  | 2006  |
|--|-------|-------|
|  | \$    | \$    |
| Auditors of the Company<br><i>K Pocketwalla</i><br>Audit of the financial report | 2,000 | 2,000 |

### Note 15 Related parties

#### Directors

The names of persons who were directors of the Company during the whole financial year are as follow:

Mr Robert Michael Rose  
Mr Dusko David Tanevski  
Mr Geoffrey John Cox  
Mr Allen Grant Linz  
Mr Duncan John Hardie

Mr Duncan John Hardie ceased to be company director on the 3<sup>rd</sup> April 2007.

Apart from the details disclosed in this note, no director has entered into a material contract with Company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

#### Remuneration of directors

Information on remuneration of directors is disclosed in note 13.

#### Non – director related parties

The classes of non-director related parties are:

- controlling entity of the Company
- wholly-owned controlled entity
- associates
- directors of related parties and their director-related entities

#### Transactions

All transactions with non-director related parties are on normal terms and conditions.

Mr David Tanevski is a director of KWC Capital Partners Pty Limited. During the year, the Company received \$ nil (2006: \$17,135) from KWC Capital Partners Pty Limited for administration consulting services provided by Michelle Peters, and paid \$59,937 (2006:\$42,760) to KWC Capital Partners Pty Limited for services, rent and outgoings.

Aggregate amounts receivable from, and payable to related parties:

|  | 2007  | 2006  |
|--|-------|-------|
|  | \$    | \$    |
| <u>Current assets</u>                            |       |       |
| Receivable from KWC Capital Partners Pty Limited | -     | 5700  |
| <u>Current liabilities</u>                       |       |       |
| Payable to KWC Capital Partners Pty Limited      | 3,158 | 2,589 |



# NSW Urban Taskforce Limited

## Notes to the financial statements

30 June 2007

### Note 16 Segment information

The Company operates predominantly in Sydney, Australia serves the membership in their activities associated with the Property Development Industry.

### Note 17 Notes to the statement of cash flows

#### (a) Reconciliation of cash

For the purpose of the statement cash flows, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

|  | 2007           | 2006           |
|--|----------------|----------------|
|  | \$             | \$             |
| Cash assets (note5)  | <u>365,900</u> | <u>352,586</u> |
| <b>(b) Reconciliation of profit from ordinary activities after income tax to net cash provided by(used in)operating activities</b> |                |                |
| Profit from ordinary activities after income tax   | 27,331         | 98,585         |
| <i>Add/(less) non-cash items</i>   |                |                |
| Depreciation   | <u>6,894</u>   | <u>5,524</u>   |
| Net cash (used) in operating activities before change in assets and liabilities  | 34,225         | 104,109        |
| <i>Changes in assets and liabilities</i>   |                |                |
| Increase/(decrease) in receivables   | (69,515)       | 6,034          |
| Increase/(decrease) in payables  | 64,276         | 15,604         |
| Increase/(decrease) in tax liabilities   | 2,722          | (5,309)        |
| Increase/(decrease) in provisions  | <u>(1,794)</u> | <u>(59)</u>    |
| Net cash provided by/(used in) operating activities  | <u>29,914</u>  | <u>120,379</u> |

### Note 18 Events subsequent to reporting date

There were no events subsequent to reporting date that are expected to have a material effect on these financial statements.

### Note 19 Impact of adopting Australian equivalents to International Financial Reporting Standards

For reporting periods beginning on or after 1 January 2005, the Company must comply with Australian equivalents to International Financial Reporting Standards (AIFRS) as issued by the Australian Accounting Standards Board.

This financial report has been prepared in accordance with the Australian equivalents to International Financial Reporting Standards (IFRS) for reporting periods ended 30 June 2007.

The rules for first time adoption of AIFRS are set out in AASB 1 First Time Adoption of Australian Equivalents to International Financial Reporting Standards. In general, AIFRS accounting policies must be applied retrospectively to determine the opening AIFRS balance sheet as at transition date, being 1 July 2004.

**Reporting Basis and Conventions** - The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied. The accounting policies set out below have been consistently applied to all years presented

**Notes to the financial statements**

30 June 2007

**Note 19            Impact of adopting Australian equivalents to International Financial Reporting Standards -  
Continued**

**(a) Property, plant equipment**

Plant and equipment is measured on the cost basis less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

**(b) Impairment**

Under AIFRS, the carrying amount of the Company's non-current assets, excluding deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset is tested for impairment by comparing its recoverable amount to its carrying amount. If there is any indication that an asset is impaired (or for those tested annually), the recoverable amount will be estimated for the individual asset. If it is not possible to estimate the recoverable amount for the individual asset, the recoverable amount of the cash generating unit to which the asset belongs will be determined.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement unless they relate to a revalued asset, where the impairment loss will be treated in the same way as a revaluation decrease. Impairment losses recognised in respect of a cash generating unit are allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit and then to reduce the carrying amount of the other assets in the unit pro rata based on their carrying amounts.

*Calculation of recoverable amount*

The recoverable amount of assets will be greater of the fair value less costs to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the risk specific to the asset or cash generating unit. Cash flows are estimated for the asset or cash generating unit in its current condition and therefore will not include cash inflows and outflows improving or enhancing the asset's performance or expected to arise from future restructuring not yet committed to that testing date.

In the case of the Company there are no assets which have been affected by the impairment test.

**(c) Provisions**

Provision are recognised when there is a legal or constructive obligation, as a result of past events, for which it is probable that the outflow of economic benefit will result and that the outflow can be measured reliably.

**(d) Cash and Cash Equivalents**

Cash and Cash Equivalents includes cash on hand, deposits held at call with banks or financial institutions, 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.

**(e) Summary of impact of adoption of AIFRS on Company financial statements**

*(1) Reconciliation of total equity as presented under AIFRS to that under previous AGAAP*

There are no material differences between total equity determined under AIFRS and total equity presented under previous AGAAP.

**NSW Urban Taskforce Limited**

**Notes to the financial statements**

30 June 2007

**Note 19            Impact of adopting Australian equivalents to International Financial Reporting Standards -  
Continued**

*(2) Reconciliation of profit before tax as presented under AIFRS to that under previous AGAAP*

There are no material differences between profit before tax determined under AIFRS and profit before tax presented under previous AGAAP.

*(3) Reconciliation of cash flow under AIFRS to that under previous AGAAP*

There are no material differences between cash flow determined under AIFRS and cash flow presented under previous AGAAP.

**Note 20            Other Company information**

NSW Urban Taskforce Limited, incorporated and domiciled in Australia, is an unlisted public company limited by guarantees. The registered office of the Company is Level 12, 32 Martin Place, Sydney, NSW.

The Company had one employees at 30 June 2007 (2006: 2).