



**2006 Financial Statements**

**Advance Company Demo**

Contents of Financial Statements	1
Directory	2
Compilation Report	3
Annual Report	4
Income Statement	5
Statement of Changes in Equity	6
Balance Sheet	7
Statement of Shareholders' Accounts	8
Depreciation Schedule	9 - 10
Notes to and forming part of the Financial Statements	11 - 16

## Advance Company Demo

### Directory

---

As at 31 March 2006

<b>Nature of Business</b>	Contracting
<b>Address</b>	22 City Road Ponsonby Road Auckland
<b>Registered Office</b>	22 City Road Ponsonby Road Auckland
<b>Directors</b>	Mr Smith Mrs Smith
<b>Shareholders</b>	Mr Smith 550 Ordinary Shares Mrs Smith 550 Ordinary Shares
<b>Tax Status</b>	Advance Company Demo is a loss attributing qualifying company (LAQC), status approved on the 11 February 2003.
<b>Accountants</b>	Advance Professional Solutions Chartered Accountants 93 Factory Road Auckland
<b>Auditor</b>	Mr B Williams Chartered Accountants
<b>Bankers</b>	ANZ Bank
<b>IRD Number</b>	90-125-222
<b>Company Number</b>	1234567

## Advance Company Demo

### Report on the Engagement to Compile Financial Statements

For the Year Ended 31 March 2006

#### Reporting Scope

On the basis of information that you provided we have compiled, in accordance with "Service Engagement Standard Number 2: Compilation of Financial Information", the financial statements of Advance Company Demo for the year ended 31 March 2006 as set out on the following pages.

The financial statements have been prepared in accordance with General Accepted Accounting Practice in New Zealand (NZ GAAP), applying the Framework for Differential Reporting for entities adopting the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), unless otherwise described below..

#### Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the financial reporting basis stated above is appropriate to meet your needs and for the purpose that the financial statements were prepared. The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

#### No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information that you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

#### Ownership of work papers

Material that you provided to us remains yours and will be returned to you when the engagement is completed. Work papers that we create remain our property. However if your affairs at some time in the future are handled by another Chartered Accountant, we will make available, as required by the code of ethics, such information regarding your affairs that is essential to enable your new Chartered Accountant to perform the services we previously provided.

#### Disclaimer

As mentioned earlier in our report, we have compiled the financial information based on information provided to us. We have not performed an audit or review engagement on the financial statements and therefore neither we nor our employees accept any responsibility for the accuracy of the material from which the financial statements have been prepared. Further, the financial statements have been prepared at the request of, and for the purposes of, our client and neither we nor any of our employees accept any responsibility on any ground whatever, including liability in negligence, to any person.

---

**Advance Professional Solutions**

**Chartered Accountants**

**Auckland**

**3 August 2007**

## Advance Company Demo

### Annual Report

#### For the Year Ended 31 March 2006

The board of directors submit their annual report including the financial statements for Advance Company Demo for the year ended 31 March 2006 .

The shareholders of Advance Company Demo have exercised their right under section 211(3) of the Companies Act 1993 and unanimously agreed that this annual report need not comply with any of paragraphs (a) and (e) - (j) of section 211(1).

#### Auditor

A unanimous resolution was passed by the company at the last annual meeting that no auditor be appointed.

For and on behalf of the Board

\_\_\_\_\_ Director

Mr Smith

Date \_\_\_\_\_

\_\_\_\_\_ Director

Mrs Smith

Date \_\_\_\_\_

## Advance Company Demo

### Income Statement

For the Year Ended 31 March 2006

	Note	2006	2005
		\$	\$
<b>Operating Revenue</b>			
Sales		545,077	480,000
<b>Less Cost of Sales</b>			
Opening Stock		4,735	-
Purchases		235,199	193,794
		<b>239,934</b>	<b>193,794</b>
Closing Stock		17,941	4,735
<b>Total Cost of Sales</b>		<b>221,993</b>	<b>189,059</b>
		<b>323,084</b>	<b>290,941</b>
<b>Less Direct Costs</b>			
Freight & Cartage		16	697
Plant Hire		10,362	1,972
Protective Clothing		875	638
Truck & Tractor		11,449	12,690
Subcontractors		25,311	29,913
Wages		142,495	124,537
<b>Total Direct Costs</b>		<b>190,508</b>	<b>170,447</b>
<b>Net Revenue</b>		<b>132,576</b>	<b>120,494</b>
<b>Less Expenses</b>			
Administration Expenses		9,027	4,972
Overhead Expenses		6,692	6,753
Farm Expenses		6,293	-
Finance Expenses		3,294	4,913
Non Cash Expenses		23,179	19,596
Non Deductible Expenses		656	535
<b>Total Expenses</b>	4	<b>49,141</b>	<b>36,769</b>
<b>Net Surplus before Shareholder Salaries</b>		<b>83,435</b>	<b>83,725</b>
Shareholders Salaries		75,060	64,983
<b>Net Surplus</b>		<b>8,375</b>	<b>18,742</b>
Total Other Income	3	-	76
<b>Surplus before Income Tax</b>		<b>8,375</b>	<b>18,818</b>
Income Tax Expense	5	323	462
<b>Net Surplus for the Period</b>		<b>8,052</b>	<b>18,356</b>

These financial statements is to be read in conjunction with the accompanying Notes and the Compilation Report. These statements has been compiled without undertaking an audit or review engagement.

## Advance Company Demo

### Statement of Changes in Equity

For the Year Ended 31 March 2006

Note	2006	2005
	\$	\$
<b>Surplus and Revaluations</b>		
Net Surplus	8,052	18,356
<b>Total Income and Expenses for the Year</b>	<b>8,052</b>	<b>18,356</b>
<b>Contributions and Distributions</b>		
<b>Contributions</b>		
1000 Ordinary Share Class B of \$1	1,000	-
<b>Distributions</b>		
Dividend Payable	100	-
Equity at the Beginning of the Year	18,051	(305)
<b>Equity at the End of the Year</b>	<b>27,003</b>	<b>18,051</b>
<b>Movements in Retained Earnings</b>		
<b>Opening Balance</b>	17,951	(405)
<b>Plus:</b>		
Net Surplus	8,052	18,356
<b>Less:</b>		
Dividend Payable	100	-
<b>Retained Earnings Closing Balance</b>	<b>25,903</b>	<b>17,951</b>

These financial statements is to be read in conjunction with the accompanying Notes and the Compilation Report. These statements has been compiled without undertaking an audit or review engagement.

## Advance Company Demo

### Balance Sheet

As at 31 March 2006

	Note	2006	2005
		\$	\$
<b>Current Assets</b>			
Cash at Bank - ANZ Bank		3,178	8,613
Accounts Receivable	6	23,023	55,592
GST Receivable		1,853	5,220
Stock on Hand		17,941	4,735
<b>Total Current Assets</b>		<b>45,995</b>	<b>74,160</b>
<b>Non Current Assets</b>			
Property, Plant and Equipment	7	133,541	152,837
<b>Total Non Current Assets</b>		<b>133,541</b>	<b>152,837</b>
<b>Total Assets</b>		<b>179,536</b>	<b>226,997</b>
<b>Current Liabilities</b>			
Accounts Payable	8	13,166	17,655
Other Payables & Accruals	8	2,001	-
Income Tax Payable	9	785	462
Shareholders Current Accounts	10	136,581	190,829
<b>Total Current Liabilities</b>		<b>152,533</b>	<b>208,946</b>
<b>Net Assets</b>		<b>27,003</b>	<b>18,051</b>
<b>Shareholders Funds</b>			
<b>Paid in Capital</b>			
100 Ordinary Shares Class A of \$1		100	100
1000 Ordinary Share Class B of \$1		1,000	-
<b>Total Paid in Capital</b>	12	<b>1,100</b>	<b>100</b>
Retained Earnings	13	25,903	17,951
<b>Total Equity</b>		<b>27,003</b>	<b>18,051</b>

\_\_\_\_\_  
Mr Smith

Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mrs Smith

Director

\_\_\_\_\_  
Date

## Advance Company Demo

### Statement of Shareholders' Advance Accounts

For the Year Ended 31 March 2006

	2006	2005
	\$	\$
<b>Mr &amp; Mrs Smith</b>		
Opening Balance	190,829	7,710
<b>Plus:</b>		
Shareholder Salary	10,000	183,684
Other Drawings	65,061	64,983
Donations	100	-
	<b>75,161</b>	<b>248,667</b>
<b>Less:</b>		
Drawings	129,409	65,548
<b>Closing Balance</b>	<b>136,581</b>	<b>190,829</b>
<b>Total of Shareholders' Advance Accounts</b>	<b>136,581</b>	<b>190,829</b>

These financial statements is to be read in conjunction with the accompanying Notes and the Compilation Report. These statements has been compiled without undertaking an audit or review engagement.

# Advance Company Demo

## Depreciation Schedule

For the Year Ended 31 March 2006

	RATE & TYPE	% PVT USE	COST on HAND	OPENING WDV	ADDITIONS	DATE of ADDITION	SALE PRICE	PARTSALE PRICE	PROFIT (LOSS)	DISPOSAL DATE	COST	CAPITAL GAIN/LOSS	DEPN	ACCUM DEPN	PRIVATE DEPN	ACCUM PRIVATE	CLOSING WDV
<b>Buildings</b>																	
Letts Garage	4.00D		7,111	6,827	-	17/03/04	-	-	-	-	-	-	273	557	-	-	6,554
Baker Timber Supplies	4.00D		132	127	-	23/03/04	-	-	-	-	-	-	5	10	-	-	122
Shed	4.00D		48,258	46,649	-	30/06/04	-	-	-	-	-	-	1,866	3,475	-	-	44,783
			<b>55,502</b>	<b>53,604</b>	-		-	-	-	-	-	-	<b>2,144</b>	<b>4,042</b>	-	-	<b>51,460</b>
<b>Plant &amp; Equipment</b>																	
Post Rammer Series III Mask	14.40D		11,400	10,032	-	16/06/04	-	-	-	-	-	-	1,445	2,813	-	-	8,587
Person Log Fork	14.40D		1,260	1,169	-	20/10/04	-	-	-	-	-	-	168	259	-	-	1,001
Agritank	9.00D		2,050	1,865	-	15/04/04	-	-	-	-	-	-	168	353	-	-	1,697
Compressor	14.40D		275	242	-	22/06/04	-	-	-	-	-	-	35	68	-	-	207
Tool Box	60.00D		265	119	-	31/05/04	-	-	-	-	-	-	71	217	-	-	48
Excel 500 Litre Spray Tank	15.00D		63	55	-	01/06/04	-	-	-	-	-	-	8	16	-	-	47
1/2 Share Compressor	12.00D		56	50	-	01/06/04	-	-	-	-	-	-	6	12	-	-	44
Workbench	12.00D		116	104	-	01/06/04	-	-	-	-	-	-	12	24	-	-	92
Compressor Motor	12.00D		157	141	-	01/06/04	-	-	-	-	-	-	17	33	-	-	124
Fairbrother Post Rammer	22.00D		5,162	4,216	-	01/06/04	-	-	-	-	-	-	928	1,874	-	-	3,288
Shindawa Chainsaw	50.00D		217	127	-	01/06/04	-	-	-	-	-	-	64	154	-	-	63
Bailey Extension Ladder	22.00D		206	168	-	01/06/04	-	-	-	-	-	-	37	75	-	-	131
Powerpro Cordless Drill	50.00D		148	86	-	01/06/04	-	-	-	-	-	-	43	105	-	-	43
			<b>21,375</b>	<b>18,374</b>	-		-	-	-	-	-	-	<b>3,002</b>	<b>6,003</b>	-	-	<b>15,372</b>
<b>Motor Vehicles</b>																	
Mitsubishi Triton D/Cab CHJ786	31.20D		38,581	31,559	-	20/09/04	-	-	-	-	-	-	9,847	16,869	-	-	21,712
Honda Farm Bike	26.00D		9,332	7,310	-	03/06/04	-	-	-	-	-	-	1,901	3,923	-	-	5,409
Toyota Hilux	26.00D		2,000	1,567	-	01/06/04	-	-	-	-	-	-	407	840	-	-	1,160
Case Tractor Ihcx70 & Front End Loader	12.00D		38,500	34,650	-	01/06/04	-	-	-	-	-	-	4,158	8,008	-	-	30,492
Trailer	18.00D		544	462	-	01/06/04	-	-	-	-	-	-	83	165	-	-	379
Toyota Hilux	26.00D		1,800	1,410	-	01/06/04	-	-	-	-	-	-	367	757	-	-	1,043
Tandem Trailer	18.00D		2,755	2,342	-	01/06/04	-	-	-	-	-	-	422	835	-	-	1,920

These financial statements is to be read in conjunction with the accompanying Notes and the Compilation Report. These statements has been compiled without undertaking an audit or review engagement.

## Advance Company Demo

### Depreciation Schedule

For the Year Ended 31 March 2006 (continued)

	RATE & TYPE	% PVT USE	COST on HAND	OPENING WDV	ADDITIONS	DATE of ADDITION	SALE PRICE	PARTSALE PRICE	PROFIT (LOSS)	DISPOSAL DATE	COST	CAPITAL GAIN/LOSS	DEPN	ACCUM DEPN	PRIVATE DEPN	ACCUM PRIVATE	CLOSING WDV
			93,513	79,301	-		-	-	-		-	-	17,185	31,397	-	-	62,116
<b>Office Equipment</b>																	
Panasonic Plain Paper Fax with Cordless Phone	39.60D		364	340	-	21/02/05	-	-	-		-	-	135	159	-	-	205
Compaq Computer	40.00D		905	603	-	01/06/04	-	-	-		-	-	241	543	-	-	362
Canon Inkjet Printer	33.00D		228	165	-	01/06/04	-	-	-		-	-	54	117	-	-	111
Canon Scanner	40.00D		147	98	-	01/06/04	-	-	-		-	-	39	88	-	-	59
Computer Desk	14.40D		284	253	-	04/07/04	-	-	-		-	-	36	67	-	-	217
Chair	18.00D		116	100	-	04/07/04	-	-	-		-	-	18	34	-	-	82
Toshiba Satellite Notebook & Mouse	60.00D		2,718	-	2,718	08/03/06	-	-	-		-	-	139	139	-	-	2,579
Workstation	19.20D		1,164	-	1,164	08/06/05	-	-	-		-	-	186	186	-	-	978
			5,927	1,559	3,882		-	-	-		-	-	848	1,333	-	-	4,594
<b>Total Assets</b>			176,316	152,838	3,882		-	-	-		-	-	23,179	42,775	-	-	133,541

These financial statements is to be read in conjunction with the accompanying Notes and the Compilation Report. These statements has been compiled without undertaking an audit or review engagement.

**For the Year Ended 31 March 2006**

## **1 Statement of Accounting Policies**

### **Reporting Entity**

Advance Company Demo is a company incorporated in New Zealand registered under the Companies Act 1993, and is a reporting entity for the purposes of the Financial Reporting Act 1993. The financial statements of the company have been prepared in accordance with the Financial Reporting Act 1993.

Advance Company Demo is involved in the business of Contracting.

### **Statement of Compliance and Basis of Preparation**

The financial statements have been prepared in accordance with General Accepted Accounting Practice in New Zealand (NZ GAAP), applying the Framework for Differential Reporting for entities adopting the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), and its interpretations as appropriate for profit-orientated entities' that qualify for and apply differential reporting concessions. These are the company's first NZ IFRS financial statements and NZ IFRS 1 has been applied. The information is presented in New Zealand dollars.

The accounting principles recognised as appropriate for the measurement and reporting of Income Statement and Balance Sheet on an historical cost basis are followed by the company

### **Specific Accounting Policies**

The following specific accounting policies which materially affect the measurement of Income Statement and Balance Sheet have been applied

(a) Revenue

Revenue is recognised when goods are despatched to the customer.

(b) Expenses

Expenses have been classified on their business function.

(c) Inventories

Inventories are recognised at lower of cost and net realisable value, determined on a first-in first out basis.

(d) Trade Receivables

Trade receivables are recognised at estimated realisable value.

(e) Property, Plant and Equipment

Property, Plant and Equipment are recognised at cost less aggregate depreciation. Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2004. Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year.

Buildings	4% DV
Plant & Equipment	9% - 60% DV
Motor Vehicles	12% - 31.2% DV
Office Equipment	14.4% - 60% DV

## Advance Company Demo

### Notes to and forming part of the Financial Statements

#### For the Year Ended 31 March 2006 (continued)

(f) Income Tax

The income tax expense recognised in the Income Statement is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years.

(g) Financial Instruments

Financial instruments are recognised in the Balance Sheet when the company becomes party to a financial contract. They include cash balances, deposits, bank overdraft, bills payable receivables, payables and intercom any balances.

All of the financial instruments of the company are initially recorded at cost and subsequently carried at amortised cost using the effective interest method. Due allowance is made for impaired receivables (doubtful debts).

(h) Goods and Services Taxation (GST)

Revenues and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Balance Sheet are stated net of GST except for receivables and payables which are stated inclusive of GST.

(i) Differential Reporting

The company qualifies for differential reporting as it is not publicly accountable and is not large as defined in the Framework for Differential Reporting. The company has taken advantage of all available differential reporting exemptions.

(j) Changes in Accounting Policies

The Organisation has implemented the New Zealand equivalent to International Financial Reporting Standards for the first time. This has necessitated several changes to the accounting policy.

**The principal changes are:**

- (1) There have been numerous changes to the disclosure made to comply with the New Zealand equivalent to International Reporting Standards. There is a significant change to the format of the Income Statement and Equity Statement.

## 2 Revenue

	2006	2005
	\$	\$
<b>Sales</b>		
Sales	545,077	480,000
<b>Other Income</b>		
Interest Received	-	2
Rebates	-	74
<b>Total Other Income</b>	-	76
<b>Total Revenue</b>	<b>545,077</b>	<b>480,076</b>

## 3 Other Income

	2006	2005
	\$	\$
Interest Received	-	2
Rebates	-	74
<b>Total Other Income</b>	-	76

These financial statements are to be read in conjunction with the accompanying Notes and the Compilation Report. These statements have been compiled without undertaking an audit or review engagement.

## Advance Company Demo

### Notes to and forming part of the Financial Statements

For the Year Ended 31 March 2006 (continued)

#### 4 Schedule of Expenses

	2006	2005
	\$	\$
<b>Administration Expenses</b>		
Accountancy Fees	4,010	684
Advertising	160	160
Entertainment - Deductible	559	481
Postage	-	40
Printing & Stationery	409	262
Subscriptions & Licences	216	176
Telephone & Tolls	3,503	3,169
Travelling Expenses	170	-
	<b>9,027</b>	<b>4,972</b>
<b>Overhead Expenses</b>		
General Expenses	18	58
Insurance	1,289	2,933
Rent	500	500
Repairs & Maintenance	414	-
Low Cost Assets	479	182
Plant	2,214	1,080
Vehicle Expenses	-	2,000
Vehicle Expenses	1,778	-
	<b>6,692</b>	<b>6,753</b>
<b>Farm Expenses</b>		
ACC Levies	6,293	-
<b>Finance Expenses</b>		
Bank Fees & Charges	1,013	1,339
Interest - Bank Overdraft	2,024	3,552
Interest Paid - Other	257	22
	<b>3,294</b>	<b>4,913</b>
<b>Non Cash Expenses</b>		
Depreciation Charge	23,179	19,596
<b>Non Deductible Expenses</b>		
Entertainment - Non Deductible	622	535
Other Non Deductible Expenses	34	-
	<b>656</b>	<b>535</b>
<b>Total Expenses</b>	<b>49,141</b>	<b>36,769</b>

These financial statements is to be read in conjunction with the accompanying Notes and the Compilation Report. These statements has been compiled without undertaking an audit or review engagement.

## Advance Company Demo

### Notes to and forming part of the Financial Statements

For the Year Ended 31 March 2006 (continued)

#### 5 Tax Reconciliation

	2006	2005
	\$	\$
Operating Surplus before Income Tax	8,375	18,818
<b>Permanent Differences</b>		
Entertainment - Non Deductible	622	535
Other Non Deductible Expenses	34	-
Imputation Credits	400	-
<b>Total Permanent Differences</b>	<b>1,056</b>	<b>535</b>
<b>Taxable Income</b>	<b>9,431</b>	<b>19,353</b>
Tax Expense at 33%	3,112	6,386
Imputation Credits	(400)	-
<b>Total Tax Expense</b>	<b>2,712</b>	<b>6,386</b>
<b>Tax Expense Comprises</b>		
Current Tax	2,712	6,386
	<b>2,712</b>	<b>6,386</b>

#### 6 Current Assets - Receivables

	2006	2005
	\$	\$
<b>Accounts Receivable</b>		
Accounts Receivable	23,023	55,592

#### 7 Fixed Assets

	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
<b>Fixed Assets 2006</b>				
Buildings	55,502	2,144	4,042	51,460
Plant & Equipment	21,375	3,002	6,003	15,372
Motor Vehicles	93,513	17,185	31,397	62,116
Office Equipment	5,927	848	1,333	4,594
<b>Total Fixed Assets 2006</b>	<b>176,316</b>	<b>23,179</b>	<b>42,775</b>	<b>133,541</b>
<b>Fixed Assets 2005</b>				
Buildings	55,502	1,898	1,898	53,604
Plant & Equipment	21,375	3,001	3,001	18,374
Motor Vehicles	93,513	14,212	14,212	79,301
Office Equipment	2,044	485	485	1,559
<b>Total Fixed Assets 2005</b>	<b>172,434</b>	<b>19,596</b>	<b>19,596</b>	<b>152,838</b>

These financial statements is to be read in conjunction with the accompanying Notes and the Compilation Report. These statements has been compiled without undertaking an audit or review engagement.

## Advance Company Demo

### Notes to and forming part of the Financial Statements

For the Year Ended 31 March 2006 (continued)

<b>8 Current Liabilities - Payables</b>	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
<b>Accounts Payable</b>		
Accounts Payable - Other	1,109	17,655
Accounts Payable - PGG Wrightson	11,389	-
Accounts Payable - Farmlands	668	-
<b>Total Accounts Payable</b>	<b>13,166</b>	<b>17,655</b>
<b>Other Payables &amp; Accruals</b>		
Accounts Payable - Sundry	2,001	-
<b>Total Creditors and Accruals</b>	<b>15,167</b>	<b>17,655</b>
<b>9 Income Tax</b>	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
<b>Opening Balance</b>	462	-
<b>Plus:</b>		
Provision for Taxation	323	462
<b>Total Tax Payable</b>	<b>785</b>	<b>462</b>
<b>10 Shareholders Advance Accounts</b>	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
<b>Mr &amp; Mrs Smith</b>		
Opening Balance	190,829	7,710
<b>Plus:</b>		
Shareholder Salary	10,000	183,684
Other Drawings	65,061	64,983
Donations	100	-
	<b>75,161</b>	<b>248,667</b>
<b>Less:</b>		
Drawings	129,409	65,548
<b>Closing Balance</b>	<b>136,581</b>	<b>190,829</b>
<b>Total of Shareholders Advance Accounts</b>	<b>136,581</b>	<b>190,829</b>
<b>11 Imputation Credits</b>	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	1	1
<b>Plus:</b>		
[ICA Credits that DO affect Tax Reconciliation 001 - 499]	400	-
<b>Closing Balance</b>	<b>401</b>	<b>1</b>

These financial statements is to be read in conjunction with the accompanying Notes and the Compilation Report. These statements has been compiled without undertaking an audit or review engagement.

## Advance Company Demo

### Notes to and forming part of the Financial Statements

For the Year Ended 31 March 2006 (continued)

	2006	2005
<b>12 Share Capital</b>	<b>\$</b>	<b>\$</b>
100 Ordinary Shares Class A of \$1		
Opening Balance	100	100
1000 Ordinary Share Class B of \$1		
Movement for period	1,000	-
<b>Total Share Capital</b>	<b>1,100</b>	<b>100</b>
<b>13 Retained Earnings</b>	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	17,951	(405)
<b>Plus:</b>		
Net Surplus	8,052	18,356
<b>Less:</b>		
Dividend Payable	100	-
<b>Retained Earnings Closing Balance</b>	<b>25,903</b>	<b>17,951</b>

### 14 Contingent Liabilities

The Company has no contingent liabilities as at 31 March 2006, (2005 Nil).

### 15 Capital Commitments

The Company has no capital commitments as at 31 March 2006, (2005 Nil).