

LUNALITE INTERNATIONAL PTY LTD
A.B.N. 62 115 799 776

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2013

LUNALITE INTERNATIONAL PTY LTD
A.B.N. 62 115 799 776

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LUNALITE INTERNATIONAL PTY LTD
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INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
Revenue		(9,172)	154,200
Other income		(45,399)	-
		(54,571)	154,200
Changes in inventories of finished goods and work in progress		(43,129)	(117,284)
Raw materials and consumables used		2,903	-
Accountancy expenses		(3,550)	(3,468)
Advertising expenses		(4,520)	(3,099)
Bad and doubtful debt expenses		(21,161)	-
Depreciation and amortisation expenses		(19,841)	(23,953)
Employee benefits expenses		-	(76,744)
Other expenses		(279,280)	(91,705)
Loss for the year		(423,149)	(162,053)
Accumulated losses at the beginning of the financial year		(361,534)	(199,481)
Loss attributable to members of the company		(784,683)	(361,534)

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

LUNALITE INTERNATIONAL PTY LTD
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PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
SALES		
Sales	(11,012)	153,776
LESS: COST OF GOODS SOLD		
Purchases	(2,903)	-
LESS: MANUFACTURING COSTS		
Artwork/Graphics	-	1,111
Freight & Cartage	4,589	11,693
Subcontractors	38,540	40,968
Equipment Lease	-	6,370
Purchases	-	5,257
Purchases - Imports	-	51,885
	43,129	117,284
GROSS (LOSS) PROFIT FROM TRADING	(51,238)	36,492
OTHER INCOME		
Interest Received	1,840	424
Capital Gain(Loss) on Sale of Non-current Assets	(45,399)	-
	(43,559)	424
	(94,797)	36,916

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LUNALITE INTERNATIONAL PTY LTD
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PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
EXPENSES		
Accountancy Fees	3,550	3,468
Advertising	4,520	3,099
Bad Debts Written Off	21,161	-
Bank Charges	660	1,088
Bookkeeping Fees	4,175	2,118
Computer Expenses	-	472
Couriers	-	119
Consultancy Services	191,700	-
Depreciation	19,841	23,953
Filing Fees	230	227
Fines & Penalties	(217)	1,607
Fringe Benefits Tax	4,955	3,965
Insurance	12,166	3,825
Internet Expenses	-	1,455
Interest Paid	4,590	13,352
Legal Costs	1,000	1,200
Motor Vehicle Expenses	10,946	15,485
Parking & Tolls	-	1,480
Printing & Stationery	225	574
Rent	7,807	21,813
Repairs & Maintenance	(448)	1,496
Staff Amenities	-	771
Staff Training	560	-
Storage Fees	-	1,649
Subscriptions	-	19
Superannuation Contributions	-	6,273
Telephone	6,334	4,141
Travelling Expenses	34,597	15,620
Wages	-	69,700
	<u>328,352</u>	<u>198,969</u>
Loss before income tax	<u>(423,149)</u>	<u>(162,053)</u>
Income tax expense	-	-
Loss after income tax	<u><u>(423,149)</u></u>	<u><u>(162,053)</u></u>

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LUNALITE INTERNATIONAL PTY LTD
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BALANCE SHEET
AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	17,718	51,630
Trade and other receivables	3	15,271	35,490
TOTAL CURRENT ASSETS		<u>32,989</u>	<u>87,120</u>
NON-CURRENT ASSETS			
Financial assets	4	-	45,399
Property, plant and equipment	5	721,246	215,419
TOTAL NON-CURRENT ASSETS		<u>721,246</u>	<u>260,818</u>
TOTAL ASSETS		<u>754,235</u>	<u>347,938</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	6	56,637	45,894
TOTAL CURRENT LIABILITIES		<u>56,637</u>	<u>45,894</u>
TOTAL LIABILITIES		<u>56,637</u>	<u>45,894</u>
NET ASSETS		<u>697,598</u>	<u>302,044</u>
EQUITY			
Issued capital	7	1,482,281	663,578
Accumulated losses	8	(784,683)	(361,534)
TOTAL EQUITY		<u>697,598</u>	<u>302,044</u>

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LUNALITE INTERNATIONAL PTY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 Statement of Significant Accounting Policies

The directors have prepared the financial statements on the basis that the company is a non reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

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

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

Property, Plant and Equipment

All property, plant and equipment excluding freehold land and buildings, are initially measured at cost and are depreciated over their useful lives to the company.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

Depreciation

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the company. Depreciation commences from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation method and useful life of assets is reviewed annually to ensure they are still appropriate.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, 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.

LUNALITE INTERNATIONAL PTY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

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

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

LUNALITE INTERNATIONAL PTY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
2 Cash and Cash Equivalents		
Deposits	2,250	2,250
Westpac Business Cheque Plus Account	3,069	49,239
Macquarie Bank	12,399	141
	<u>17,718</u>	<u>51,630</u>
3 Trade and Other Receivables		
Current		
ATO - Integrated Client A/C	991	-
Trade Debtors	-	33,413
Input Tax Credits	4,046	-
GST Payable	8,799	2,077
Other Debtors	1,435	-
	<u>15,271</u>	<u>35,490</u>
4 Financial Assets		
Non-Current		
Shares in Unlisted Companies	<u>-</u>	<u>45,399</u>
5 Property, Plant and Equipment		
Plant & Equipment		
Furniture & Fittings	3,157	3,157
Less: Accumulated Depreciation	(1,980)	(1,708)
	<u>1,177</u>	<u>1,449</u>
Office Equipment at Cost	172,247	256,579
Less: Accumulated Depreciation	(69,536)	(49,967)
	<u>102,711</u>	<u>206,612</u>
Demonstration Equipment	7,358	7,358
Contract Rights	610,000	-
Total Plant and Equipment	<u>721,246</u>	<u>215,419</u>
Total Property, Plant and Equipment	<u>721,246</u>	<u>215,419</u>

LUNALITE INTERNATIONAL PTY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
6 Trade and Other Payables		
Current		
Loan - M Niutta	20,456	-
Interest Payable	4,564	-
Westpac Visa Card Statement	20,389	19,651
Trade Creditors	-	17,970
FBT Payable	4,955	-
Payroll Liabilities	6,273	8,273
	<u>56,637</u>	<u>45,894</u>
7 Issued Capital		
Issued Capital	<u>1,482,281</u>	<u>663,578</u>
8 Accumulated Losses		
Accumulated losses at the beginning of the financial year	(361,534)	(199,481)
Net loss attributable to members of the company	(423,149)	(162,053)
Accumulated losses at the end of the financial year	<u>(784,683)</u>	<u>(361,534)</u>

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DIRECTORS' DECLARATION

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 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 2013 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
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.

Director: _____
Francis Shane Hurley

Director: _____
Mark Niutta

Dated this **day of**

**COMPILATION REPORT
TO LUNALITE INTERNATIONAL PTY LTD
A.B.N. 62 115 799 776**

We have compiled the accompanying special purpose financial statements of LUNALITE INTERNATIONAL PTY LTD A.B.N. 62 115 799 776 which comprise the balance sheet as at 30 June 2013, and the income statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

The specific purpose for which the special purpose financial report has been prepared is set out in Note 1.

The responsibility of directors

The directors are solely responsible for the information contained in the special purpose financial report and has determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs.

Our responsibility

On the basis of information provided by the directors, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

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

The special purpose financial report was prepared exclusively for the directors. We do not accept responsibility to any other person for the content of the special purpose financial statements.

Name of Firm: CONNOLLY & ASSOCIATES
Chartered Accountants

Name of Director: _____

A R Connolly

Address: Level 1, 282 Rokeby Road, Subiaco

Dated this **day of**

**Liability limited by a scheme approved under
Professional Standards Legislation**

LUNALITE INTERNATIONAL PTY LTD
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LETTER OF ACKNOWLEDGEMENT

To: Connolly & Assoc
Level 1, 282 Rokeby Road
SUBIACO WA 6008

The directors of the company acknowledge responsibility for the special purpose financial report for the period 30 June 2013 complied by your firm and confirm that:

- a) All material and relevant information has been provided to your firm;
- b) All underlying accounting data provided to your firm is complete and accurate;
- c) The financial reporting framework adopted and described in Note 1 is appropriate;
- d) The content and presentation of the financial report meets with our approval.

Director: _____
Francis Shane Hurley

Director: _____
Mark Niutta