

## Appendix 4E

### Preliminary final report For the Year Ended 30 June 2012

1. Company details

<b>STANFIELD FUNDS MANAGEMENT LIMITED</b>
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ABN	Financial year ended (‘current year’)	Financial year ended (‘previous year’)
54 006 222 395	30 June 2012	30 June 2011

2. Results for announcement to the market

<b>2.1 Revenue from continuing operations (See explanatory Note 2.6 (a)).</b>	<i>(decreased revenue)</i> 62%	to	1,091,598
<b>2.2 profit from operations after tax Attributable to members.</b>	<i>(increased loss)</i> 4,426%	to	(1,387,236)
<b>2.3 Net profit for the period attributable to members.</b>	<i>(increased loss)</i> 9,688%	to	(1,313,903)
<b>2.4 Dividends</b>	<b>Amount per security</b>		<b>Franked amount per security</b>
<i>Final dividend proposed</i>	Nil		Nil
<i>Interim dividend</i>	Nil		Nil
<b>2.5 Record date for determining entitlements to the final dividend.</b>			N/A
<b>2.6 Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable the figures to be understood:</b>			
<i>Revenues are lower due to:</i>			
• <i>Non-recurring mark to market gain in previous year.</i>			
• <i>Legacy litigation from Celtex Limited finalised in 2012 year.</i>			
• <i>Discontinued operations</i>			

3. **Consolidated income statement**

	Current year \$	Previous year \$
Revenues from continuing operations	1,091,598	2,987,822
Revenue from other operating activities	17,234	173,537
Expenses from ordinary activities, excluding borrowing costs and impairment of assets (refer note 3.1)	(1,881,274)	(1,981,261)
Borrowing costs/Impairment of Assets	(614,794)	(1,148,065)
<b>Profit/(Loss) before income tax</b>	<b>(1,387,236)</b>	<b>32,033</b>
Income tax benefit/expense	-	-
<b>Net profit for the year</b>	<b>(1,387,236)</b>	<b>32,033</b>
Other comprehensive income	73,333	(18,343)
<b>Net (loss) attributable to members</b>	<b>(1,313,903)</b>	<b>13,690</b>

3.1 *Expenses from ordinary activities (excluding borrowing costs and impairment of assets)*

<i>Details of "Expenses from ordinary activities"</i>	Current year \$	Previous year \$
Cost of goods sold	-	-
Direct costs	-	-
Employee benefits expense	(293,113)	(794,433)
Depreciation and amortisation expense	(797)	(1,095)
Other expenses from ordinary activities	(1,587,364)	(1,185,733)
<b>Total Expenses</b>	<b>(1,881,274)</b>	<b>(1,981,261)</b>

**3.2 Other disclosures relating to the income statement**

	Current year \$	Previous year \$
<b>Net gain on the disposal of assets:</b>		
- Gain on disposal of fixed assets	-	-
<b>Net revenue/(expense) since the beginning of the reporting period resulting from deductions from the carrying amounts of assets :</b>		
- depreciation of non-current assets	(797)	(1,095)
- amortisation of intangible and other assets	-	-

**3.3 Revision of accounting estimates**

<b>Details of Revision of Accounting Estimates in accordance with AASB 118</b>
N/A

**4. Condensed consolidated balance sheet**

	Current year \$	Previous year \$
<b>Current assets</b>		
Cash and cash equivalents	2,704,969	422,003
Trade and other receivables	259,138	1,082,437
Other current assets	1,940,436	1,653,337
<b>Total current assets</b>	<b>4,904,543</b>	<b>3,157,777</b>
<b>Non-current assets</b>		
Property, plant and equipment	-	797
Intangibles	50,000	50,000
Other	1,536,056	1,921,925
<b>Total non-current assets</b>	<b>1,586,056</b>	<b>1,972,722</b>
<b>Total assets</b>	<b>6,490,599</b>	<b>5,130,499</b>

**4. Condensed consolidated balance sheet (continued)**

	Current year \$	Previous year \$
<b>Current liabilities</b>		
Trade & other payables and provisions	335,093	1,046,033
Borrowings	3,509,400	1,652,851
<b>Total current liabilities</b>	<b>3,844,493</b>	<b>2,698,884</b>
<b>Non-current liabilities</b>		
Borrowings	4,360,523	3,012,193
<b>Total non-current liabilities</b>	<b>4,360,523</b>	<b>3,012,193</b>
<b>Total liabilities</b>	<b>8,205,016</b>	<b>5,711,077</b>
<b>Net assets</b>	<b>(1,714,413)</b>	<b>(580,578)</b>
<b>Equity</b>		
Contributed equity	16,859,779	16,759,779
Reserves	151,330	71,262
(Accumulated losses)	(18,725,522)	(17,411,619)
<b>Equity attributable to members of the parent entity</b>	-	-
Non-controlling interests in controlled entities	-	-
<b>Total equity</b>	<b>(1,714,413)</b>	<b>(580,578)</b>



**5. Condensed consolidated statement of cash flows**

	Current year \$	Previous year \$
<b>Cash flows from operating activities</b>		
Cash receipts in the course of operations	712,780	1,501,298
Cash receipts from R&D Grant	-	-
Cash payments in the course of operations	(2,365,087)	(379,155)
Interest received	870,412	174,456
Interest paid	(49,957)	(281,611)
<b>Net cash (used) in operating activities</b>	<b>(831,852)</b>	<b>1,014,988</b>
<b>Cash flows from investing activities</b>		
Dividends received	-	9,000
Proceeds from sale of financial instruments	-	781,097
Purchase of financial instruments	(212,038)	(3,670,371)
<b>Net cash provided by/(used) in investing activities</b>	<b>(212,038)</b>	<b>(2,880,274)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issues of shares – net of share issue costs	100,000	-
Proceeds from issues of convertible notes	-	500,000
Proceeds from borrowings	1,891,159	4,125,462
Loans from related parties	1,335,698	(280,601)
Repayment of borrowings		(2,025,345)
<b>Net cash provided by financing activities</b>	<b>3,326,857</b>	<b>2,319,516</b>
<b>Net increase/(decrease) in cash held</b>	<b>2,282,966</b>	<b>454,230</b>
Net overdraft acquired on acquisition		-
Cash at beginning of period	422,003	(32,227)
Effects of exchange rate fluctuation on cash held in foreign currency	-	-
<b>Cash at end of period</b>	<b>2,704,969</b>	<b>422,003</b>

**5.1 Non-cash financing and investing activities**

*Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows.*

N/A
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**5.2 Reconciliation of cash**

<i>Reconciliation of cash at the end of the period (as shown in the condensed consolidated statement of cash flows) to the related items in the accounts is as follows:</i>	Current year	Previous year
	\$	\$
Cash on hand and at bank	2,704,969	422,003
Bank overdraft	-	-
<b>Total cash at end of period</b>	<b>2,704,969</b>	<b>422,003</b>

**5.3 Reconciliation of profit from ordinary activities after income tax to net cash inflow from operating activities**

	Current year	Previous year
	\$	\$
Net profit	<b>(1,313,903)</b>	<b>32,033</b>
Interest expense		
Depreciation, amortisation and impairment	797	789,445
Dividend Income	-	-
Unrealised (gain)/loss on investments	-	-
Realised loss on sale of listed shares	-	-
Debt forgiveness	-	-
Gain on discontinued operations		
(Increase)/decrease in assets:	597,307	(83,474)
Increase/(decrease) in liabilities:	(116,053)	405,398
<b>Net cash (outflows) from operating activities</b>	<b>(831,852)</b>	<b>1,011,065</b>

**6. Dividends**

**6.1 *Individual dividends per security***

	Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
<b>Final dividend:</b>				
Current year	-	-	-	-
Previous year	-	-	-	-
<b>Interim dividend:</b>				
Current year	-	-	-	-
Previous year	-	-	-	-

**6.2 *Total dividend per security (interim plus final)***

	Current year	Previous year
Ordinary securities	-	-

**7. Dividend Reinvestment Plans**

The dividend or distribution plans shown below are in operation.

N/A
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The last date(s) for receipt of election notices for the dividend or distribution plans

N/A
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Any other disclosures in relation to dividends (distributions).

N/A
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**8. Consolidated retained profits**

	Current year \$	Previous year \$
Retained losses at the beginning of the financial year	(17,411,619)	(17,334,982)
Net profit attributable to members	(1,313,903)	32,033
Net transfers from/(to) reserves	-	(108,667)
<b>Retained losses at the end of the financial year</b>	<b>(18,725,522)</b>	<b>(17,411,619)</b>

**9. NTA backing**

	Current year (\$)	Previous year (\$)
Net tangible asset backing per ordinary security	(0.464)	(0.002)

**10. Details of entities over which control has been gained or lost**

**10.1 Controlled Entities**

Name of entity (or group of entities)	N/A
Date control gained - Upon Incorporation	
Contribution of such entities to the reporting entity's profit/ (loss) from ordinary activities during the period (where material).	



**10.2 Loss of control over entities**

Name of entity (or group of entities)	N/A
Date control lost	N/A
Contribution of such entities to the reporting entity's profit/ (loss) from ordinary activities during the period (where material).	N/A
Consolidated profit/ (loss) from ordinary activities of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material).	N/A

**11. Details of associates and joint venture entities**

Name of associate/joint venture	Reporting entity's percentage holding	
	Current year	Previous year
	N/A	N/A

	Current year	Previous year
<b><i>Group's aggregate share of associates' and joint venture entities' profits/(losses):</i></b>	<b>\$</b>	<b>\$</b>
Profit/(loss) from ordinary activities before tax	-	-
Income tax on ordinary activities	-	-
<b>Profit/(loss) from ordinary activities after tax</b>	-	-
Extraordinary items net of tax	-	-
<b>Net profit/(loss)</b>	-	-
Adjustments	-	-
<b>Share of net profit/(loss) of associates and joint venture entities</b>	-	-

**12. Significant Information**

There have been no significant subsequent events since the end of the financial period that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

**13. Commentary on results for the period**

*The company's assets have increased from \$5.1million to \$6.5million, primarily through growth in our Term Investments offering*

*The company has invested significant resources to further grow its Term Investments.*

*Revenues down by non-recurring mark to market gain in previous year and discontinued operations.*

*Legacy litigation from Celtex Limited was finalised in 2012 year.*

**14. Accounts**

This report is based on +accounts to which one of the following applies.

*(Tick one)*

- |                                     |  |                          |   |
|-------------------------------------|--|--------------------------|---|
| <input type="checkbox"/>            | The +accounts have been audited.                   | <input type="checkbox"/> | The +accounts have been subject to review.                  |
| <input type="checkbox"/>            | The +accounts are in the process of being audited. | <input type="checkbox"/> | The +accounts are in the process of being reviewed.         |
| <input checked="" type="checkbox"/> | The +accounts are in the process of being audited. | <input type="checkbox"/> | The +accounts have <i>not</i> yet been audited or reviewed. |

**15. Audit**

**15.1** *If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, details are described below.*

N/A

**15.2.** *If the accounts have been audited or subject to review and are subject to dispute or qualification, details are described below*

N/A

Sign here:



(Managing Director)

Date: 31 August 2012

Print name: **Darren Olney-Fraser**