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PRM CLOUD SOLUTIONS PTY LTD

ABN 82 009 027 178

Financial Statements
For the year ended 30 June 2012

LINDSAY BROWN & ASSOCIATES
CHARTERED ACCOUNTANTS
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Liability limited by a scheme approved under Professional Standards Legislation

PRM CLOUD SOLUTIONS PTY LTD
ABN 82 009 027 178

PRM CLOUD SOLUTIONS PTY LTD

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PRM CLOUD SOLUTIONS PTY LTD**ABN 82 009 027 178****Compilation Report to PRM CLOUD SOLUTIONS PTY LTD**

We have compiled the accompanying special purpose financial statements of PRM CLOUD SOLUTIONS PTY LTD, which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Position as at 30 June 2012, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1 to the financial statements.

The Responsibility of the Director of PRM CLOUD SOLUTIONS PTY LTD

The director of PRM CLOUD SOLUTIONS PTY LTD is solely responsible for the information contained in the special purpose financial statements and has determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet the director's needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of the information provided by the director of PRM CLOUD SOLUTIONS PTY LTD, 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, in compiling the financial statements. 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 statements were compiled exclusively for the benefit of the director of PRM CLOUD SOLUTIONS PTY LTD. We do not accept responsibility to any other person for the contents of the special purpose financial statements.



LINDSAY BROWN & ASSOCIATES
LEVEL 1, 250 BAY STREET
BRIGHTON VIC

19 March, 2013

PRM CLOUD SOLUTIONS PTY LTD

ABN 82 009 027 178

Director's Declaration

The director has 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 prescribed in Note 1 to the financial statements.

The director of the company declares that:

1. the financial statements and notes are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards described in Note 1 to the financial statements and the Corporations Regulations; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2012 and of 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 director's 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 director.



Leigh Kelson
Director

Dated: 20.4.2013

PRM CLOUD SOLUTIONS PTY LTD

ABN 82 009 027 178

Detailed Balance Sheet As At 30 June 2012

	Note	2012 \$	2011 \$
Current Assets			
Cash			
Bank - ANZ Business		44,587.12	8,780.36
Bank - ANZ GST A/C		48.40	48.40
Cash on hand		12.00	12.00
Rental bond		4,260.00	
Receivables			
Trade debtors		198,603.05	60,510.45
Loans to directors - 2008		113,860.05	113,860.05
Loans to directors - 2009		88,690.03	88,690.03
Loans to directors - 2010		21,538.97	21,538.97
Loans to directors - 2012		10,973.31	
Total current assets		<u>482,572.93</u>	<u>293,440.26</u>
Non-Current Assets			
Property Plant and Equipment			
Office equipment - at cost		6,898.06	3,521.78
Less: Accumulated depreciation		(1,828.91)	(864.91)
Motor vehicles - at cost		84,172.91	118,073.91
Less: Accumulated depreciation		(51,845.00)	(67,910.00)
Intangibles			
Development costs - Micloud.com		11,677.50	
Total non-current assets		<u>49,074.56</u>	<u>52,820.78</u>
Total assets		<u>531,647.49</u>	<u>346,261.04</u>

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

PRM CLOUD SOLUTIONS PTY LTD
ABN 82 009 027 178
Detailed Balance Sheet As At 30 June 2012

	Note	2012 \$	2011 \$
Current Liabilities			
Accounts payable			
Unsecured liabilities			
Trade creditors		67,860.90	66,504.65
Insurance payable		2,873.75	
GST liabilities			
GST Liability		40,072.53	8,605.23
Other ATO liabilities:			
ATO ICA		79,987.71	85,097.33
PAYG Withholding Payable		6,454.00	8,322.00
Provision for FBT			(5,287.00)
Borrowings			
Unsecured liabilities			
Credit Card - Amex Corporate			188.00
Credit Card - Amex Blue		0.67	0.67
Credit Card - Citibank		19,705.32	23,214.99
Credit Card - ANZ Business One		9,796.42	2,299.33
Credit Card - Amex Gold			105.75
Credit Card - NAB Bus. Access Visa		(128.65)	2,707.13
Provisions			
Superannuation Payable		79,771.30	63,718.05
Accrued Expenses			8,500.00
Customer Overpayments			(13,079.00)
Total current liabilities		306,393.95	250,897.13
Non-Current Liabilities			
Borrowings			
Unsecured liabilities			
Loan - Goode Nicholson P/L		170,000.00	90,000.00
Secured liabilities			
Hire purchase		46,663.63	65,651.29
Less: Unexp interest charges		(5,051.06)	(8,019.44)
Total non-current liabilities		211,612.57	147,631.85

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PRM CLOUD SOLUTIONS PTY LTD

ABN 82 009 027 178

Detailed Balance Sheet As At 30 June 2012

	Note	2012 \$	2011 \$
Total liabilities		518,006.52	398,528.98
Net Assets		13,640.97	(52,267.94)
Equity			
Issued Capital			
Ordinary Fully Paid Shares		20,020.00	14.00
\$1 Class B Shares Fully Paid			6.00
\$1 Class B Shares - Premium Reserve			79,994.00
Share Premium Reserve		79,994.00	
Retained profits / (accumulated losses)		(86,373.03)	(132,281.94)
Total Equity		13,640.97	(52,267.94)

PRM CLOUD SOLUTIONS PTY LTD

ABN 82 009 027 178

Profit and Loss Statement

For the year ended 30 June 2012

	2012 \$	2011 \$
Operating profit before income tax	45,908.91	(42,159.95)
Income tax (credit) attributable to operating profit (loss)		
Operating profit after income tax	45,908.91	(42,159.95)
Retained profits (accumulated losses) at the beginning of the financial year	(132,281.94)	(90,121.99)
Total available for appropriation (deficiency)	(86,373.03)	(132,281.94)
Retained profits (deficit) at the end of the financial year	(86,373.03)	(132,281.94)

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PRM CLOUD SOLUTIONS PTY LTD

ABN 82 009 027 178

Trading Account

For the year ended 30 June 2012

	2012 \$	2011 \$
Trading Income		
Licenses & Referral Fees	179,500.62	172,454.45
Professional Services	786,233.10	667,045.02
Support Contracts	14,250.00	8,690.00
Total Trading Income	979,983.72	848,189.47
Cost of Sales		
Add:		
License Fees	41,417.78	106,022.96
Direct Expenses		2,518.08
Exchange Rate Gain/Loss	1,767.40	217.98
Commission	670.31	
Consulting fees	11,750.00	
	55,605.49	108,759.02
Add:		
Sub-Contract Labour	224,803.34	326,180.53
Consulting labour	81,180.37	
	305,983.71	326,180.53
Cost of Sales	361,589.20	434,939.55
Gross Profit from Trading	618,394.52	413,249.92

PRM CLOUD SOLUTIONS PTY LTD

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Detailed Profit and Loss Statement

For the year ended 30 June 2012

	2012 \$	2011 \$
Income		
Trading profit	618,394.52	413,249.92
Interest received		34.31
Interest received - Div 7A		19,804.90
FBT Contribution	4,657.36	6,661.80
Other income	488.53	10.55
Total income	<u>623,540.41</u>	<u>439,761.48</u>
Expenses		
Accountancy	50,949.38	18,130.00
Administration	9,736.00	
Bank Fees And Charges	4,543.05	2,940.79
Cleaning/rubbish removal	1,654.04	748.00
Computers and software	5,576.00	9,506.97
Consultants fees		3,000.00
Depreciation	10,007.00	15,060.00
Fixed assets written off	8,793.00	4,077.00
Donations	100.00	
Entertainment	4,103.07	2,672.06
Licence Fees		1,456.78
Fines	962.00	189.00
General expenses	331.49	2,459.77
Insurance	7,253.19	2,520.24
Interest - Australia	19,063.63	21,703.83
Interest - ATO	11,598.38	7,894.54
Legal fees	2,466.12	
Light & power	1,571.70	1,230.88
Marketing expenses	23,965.63	46,175.97
Office supplies	3,765.73	920.35
M/V other - Fuel & oil	2,204.46	1,653.67
M/V other - Rego/Insurance	2,612.93	4,189.98

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PRM CLOUD SOLUTIONS PTY LTD

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Detailed Profit and Loss Statement**For the year ended 30 June 2012**

	2012	2011
	\$	\$
M/V other - Repairs	508.67	598.18
M/V other - Other	1,777.22	3,391.05
Postage and freight	67.27	49.37
Printing & stationery	1,049.04	416.23
Rent on land & buildings	27,000.00	1,591.35
Repairs & maintenance	562.73	12.27
Salaries - ordinary	83,500.41	76,275.28
Salaries - Associated persons	180,267.00	163,192.00
Sponsorships	780.00	
Staff amenities	140.40	1,262.99
Staff relocation expenses	7,707.88	
Staff training	1,640.49	2,445.40
Staff annual leave accrued		2,230.88
Staff expense claims		2,009.12
Storage		1,284.00
Subscriptions	12,784.39	9,709.83
Superannuation	7,464.82	6,864.79
Superannuation - Assoc persons	16,224.03	14,687.28
Telephone and internet	8,543.12	9,998.60
Travel, accom & conference	55,043.13	20,245.13
Water		273.14
Worker's compensation	1,314.08	856.12
GST rounding	0.02	(0.46)
Prior year adjustment		1,911.15
Unexplained variances from prior years		16,087.90
Total expenses	<u>577,631.50</u>	<u>481,921.43</u>
Profit from Ordinary Activities before income tax	<u>45,908.91</u>	<u>(42,159.95)</u>

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PRM CLOUD SOLUTIONS PTY LTD

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Detailed Profit and Loss Statement**For the year ended 30 June 2012****2012****2011****\$****\$**

Note 1: Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial report preparation requirements of the Corporations Act 2001. The directors have determined that the company is not a reporting entity.

PRM CLOUD SOLUTIONS PTY LTD is a company limited by shares, incorporated and domiciled in Australia.

The financial report has been prepared in accordance with the requirements of the Corporations Act 2001 and the following applicable Accounting Standards and Urgent Issues Group Consensus Views:

AASB 1031: Materiality