that referred to in the financial statements or notes thereto.

During the financial year there was no significant change in the share of equity of the company other than

significant changes in share of affiliate.

A review of the operations of the company during the financial year and the results of those operations

The profit for the financial year after providing for income tax amounted to $68,490 (2011: $70,472).

On 8 October 2012, the directors of the company recommend the dividend paid on 30 October 2012.

On 8 October 2012, the directors of the company recommends that dividend paid on 30 October 2012.

Dividends paid or recommended

No dividend was paid on 30 October 2012, due to the trading deficit for the year ended 30 June 2012.

Significant changes in the nature of these activities included:

Directors have been elected at the annual general meeting of the company during the course of the financial year.

Directors are required to act in accordance with the provisions of the Australian Securities and Investments Commission Act 2001.

The names of the directors in office at any time during or since the end of the financial year are:

\[\text{Paul Soon Lee, Korea, (appointed on 11/01/11)}\]
\[\text{Chang Soo Tjon, Korea, (appointed on 11/01/11)}\]
\[\text{Douglas Kim, Australia, (re-elected on 26/01/12)}\]
\[\text{Kevin Park} \]
\[\text{Joona Young Lee, Korea, (appointed on 23/04/12)}\]
\[\text{Sun Do Kim} \]
\[\text{Yeon Shin Lee} \]
\[\text{Moon H. Kim} \]
\[\text{Un Doc Park, Australia, (re-elected on 23/04/12)}\]
\[\text{Jeong Hyun Lee, Korea, (re-elected on 23/04/12)}\]
\[\text{Sook In Lee, Korea, (re-elected on 26/01/12)}\]
\[\text{Kim Kwang Il, Korea, (re-elected on 26/01/12)}\]

The names of the directors in office at any time during or since the end of the financial year are:

Year ended 30 June 2012.

Your directors present their report on Korean Community Financial Services Limited, the company for the

DIRECTORS REPORT

ABN 65 269 793 567

KOREAN COMMUNITY FINANCIAL SERVICES LIMITED
In the interests of 700,000 ordinary shares of Korean Community Financial Services Limited

Experience: Managing Director of NEXEd Holding Pte Ltd

Age: 33

Director and Company Secretary (Appointed on 22/04/12)

Joan Young Lee

In the interests of 250,000 ordinary shares of Korean Community Financial Services Limited

Experience: Managing Director of NEXEd Holding Pte Ltd

Age: 51

Director (Resigned on 26/09/12)

Kwang Il Kim

In the interests of 500,000 ordinary shares of Korean Community Financial Services Limited

Experience: Managing Partner of KFP Lawyers

Age: 60

Deputy Chairman (Resigned on 24/04/12)

Un Duk Park

In the interests of 200,000 ordinary shares of Korean Community Financial Services Limited

Chairman of Korean Community Financial Services Limited with 37 years of experience in

banking industry

Experience: Chairman of Korean Community Financial Services Limited (Appointed on 17/01/12)

Chang Soo Yoon

Information on Directors

Issue.

The business of the company's operations are not regulated by any significant environmental

Environmental Issues

company. Accordingly, this information has not been disclosed in this report.

Accordingly, this information and the expected results of those operations is likely to result in unreasonable prejudice to the

years, and the expected results of those operations is likely to result in unreasonable prejudice to the

Disclosure of Information Regarding Likely Developments in the Operations of the Company

Future Developments

operations, or the scope of the business of the company in future financial years.

Significantly affected by the operations of the company. The results of those

Financial Statements of Korean Community Financial Services Limited, since the end of the financial year that

considerations, other than those referred to in the

After Balance Date Events

The company has reviewed the financial statements for a further two years from 1 October 2012.

DIRECTORS' REPORT (Cont'd)

ABN 62 999 177 641

KOREAN COMMUNITY FINANCIAL SERVICES LIMITED
Paul Soon Jae Kwon

Director (Appointed on 1/10/12)

Diarenst in Shares: 10,000 ordinary shares of Korean Community Financial Services Limited

Experience: Managing Director of Matrix Education P/L

Age: 51

Dongdo Ho Kim

Director (Resigned on 26/09/12)

Diarenst in Shares: 5,000 ordinary shares of Korean Community Financial Services Limited

Experience: Managing Director of New-Tech C & P Pty Limited

Age: 38

Moon Ji Kim

Director

Diarenst in Shares: 32,500 ordinary shares of Korean Community Financial Services Limited

Experience: Managing Director of Sunshine Group Australia Pty Limited

Age: 55

Jeong Hyeon Lee (Resigned on 26/09/12)

Director and Company Secretary (Resigned on 23/04/12)

Diarenst in Shares: 10,000 ordinary shares of Korean Community Financial Services Limited

Experience: Managing Partner of KF Lawyers

Age: 50

Heath Kwon

Director

Diarenst in Shares: 20,000 ordinary shares of Korean Community Financial Services Limited

Experience: Managing Director of Dental Focus

Age: 51

Kammath Park

Director

Diarenst in Shares: 46,000 ordinary shares of Korean Community Financial Services Limited

Experience: Managing Director of Sun Doo Motors

Age: 53

Sun Do Kim

Director

Diarenst in Shares: 500 ordinary shares of Korean Community Financial Services Limited

Experience: Managing Director of The Sydney Korean Herald

Age: 44

Yoon Shin Lee

Director

Information on Directors (cont'd)

ABN 52 099 137 541
KOREAN COMMUNITY FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT (CONT'D)
The company was not a party to any such proceedings during the year.

The company did not engage in any legal proceedings during the year.

The company is not a party to any legal proceedings.

No director or officer of the company was involved in any legal proceedings during the year.

The company did not incur any expenses in connection with legal proceedings.

The company did not pay any premiums in respect of legal proceedings.

The company did not incur any fees in respect of legal proceedings.

The company did not incur any costs in respect of legal proceedings.

The company did not incur any expenses in respect of legal proceedings.

The company did not incur any legal expenses.

The company did not incur any legal fees.

The company did not incur any legal costs.

The company did not incur any legal expenses.

The company did not incur any legal fees.

The company did not incur any legal costs.

The company did not incur any legal expenses.

The company did not incur any legal fees.

The company did not incur any legal costs.

The company did not incur any legal expenses.

The company did not incur any legal fees.

The company did not incur any legal costs.

The company did not incur any legal expenses.

The company did not incur any legal fees.

The company did not incur any legal costs.

The company did not incur any legal expenses.

The company did not incur any legal fees.

The company did not incur any legal costs.

The company did not incur any legal expenses.

The company did not incur any legal fees.

The company did not incur any legal costs.

The company did not incur any legal expenses.

The company did not incur any legal fees.

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The company did not incur any legal expenses.

The company did not incur any legal fees.

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The company did not incur any legal fees.

The company did not incur any legal costs.

The company did not incur any legal expenses.

The company did not incur any legal fees.

The company did not incur any legal costs.

The company did not incur any legal expenses.

The company did not incur any legal fees.

The company did not incur any legal costs.

The company did not incur any legal expenses.

The company did not incur any legal fees.

The company did not incur any legal costs.

The company did not incur any legal expenses.

The company did not incur any legal fees.
DATED at Sydney this 30th day of Oct 2012

Chairman

Chang Soo Young

Signed in accordance with a resolution of the Board of Directors

The above Independent Directors under Section 207C of the Companies Act 2001 forms part of the
Auditors Independence Declaration

Secretary on 28/4/12.

Lee - Managing Director of Chung Young Lee has been appointed as a company
The foregoing person holds the position of company secretary at the end of the financial year John Young

Company Secretary

DIRECTORS REPORT (CONTD)

ACN 62 065 177 841
KOREAN COMMUNITY FINANCIAL SERVICES LIMITED
CROWN HOMESTYLE RESERVOIR

Chairman of the Board of Directors

Principal
Roger Wong

CROWE HORMATH SYDNEY

Chair, Homestyle Reservoir

Yours sincerely

[Signature]

I, the Auditor, having read and considered the applicable code of conduct and the requirements of the Corporations Act 2001, declare that in my opinion and belief, there have been no contraventions of the Auditor's Independence Requirements of the Corporations Act 2001 in relation to the Audit of Splendid Homes Limited for the financial year ended 30 June 2012.

The Auditor

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Korean Community Financial Services Ltd.

Korean Community Financial Services Ltd

30 October 2012

[Signature]

Dear Board Members,

SRAITHFIELD NSW 2035

44 The Boulevard
Korean Community Financial Services Ltd

The Board of Directors

[Signature]

Crowe Horwath, Sydney

[Stamp]
The accompanying notes form part of these financial statements.

<table>
<thead>
<tr>
<th></th>
<th>$</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>104.722</td>
<td>98.490</td>
<td></td>
</tr>
<tr>
<td>104.722</td>
<td>98.490</td>
<td></td>
</tr>
<tr>
<td></td>
<td>68.656</td>
<td>(6.354)</td>
</tr>
<tr>
<td></td>
<td>171.288</td>
<td>143.743</td>
</tr>
<tr>
<td></td>
<td>38.775</td>
<td>34.106</td>
</tr>
<tr>
<td></td>
<td>112.769</td>
<td>114.104</td>
</tr>
<tr>
<td></td>
<td>507.955</td>
<td>507.106</td>
</tr>
<tr>
<td></td>
<td>900.00</td>
<td>900.00</td>
</tr>
<tr>
<td>2012</td>
<td>995.304</td>
<td>1046.317</td>
</tr>
</tbody>
</table>

Total comprehensive income for the year

Other comprehensive income, net of tax

Net profit before income tax

Income tax (expense) / benefit

Profit after income tax

Administrative expenses

Depreciation and amortisation expenses

Occupancy costs expense

Employee benefits expense

 Borrowing costs expense

Cost of sales

Revenue

FOR THE YEAR ENDED 30 JUNE 2012

STATEMENT OF COMPREHENSIVE INCOME

ABN 25 099 137 541

KOREAN COMMUNITY FINANCIAL SERVICES LIMITED

Notes
### Statement of Financial Position

**AS AT 30 June 2012**

**KOREAN COMMUNITY FINANCIAL SERVICES LIMITED**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

**TOTAL CURRENT ASSETS**

- **Trade and other receivable**: 19,326
- **Cash and cash equivalents**: 10,428
- **Other assets**: 9,325

**TOTAL NON-CURRENT ASSETS**

- **Plant and equipment**: 131,938
- **Deferred tax assets**: 13,000
- **Other assets**: 10,000

**TOTAL ASSETS**

**TOTAL CURRENT LIABILITIES**

- **Payables**: 9,488
- **Interest bearing liabilities**: 10,453
- **Provisions**: 12,220

**TOTAL NON-CURRENT LIABILITIES**

- **Interest bearing liabilities**: 16,492
- **Provisions**: 7,531

**TOTAL LIABILITIES**

**NET ASSETS**

**EQUITY**

- **Issued Capital**: 8,973,900
- **Accumulated losses**: (616,493)
- **Total Equity**: 28,087

---

**$**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets</td>
<td>14</td>
<td>14</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>37,875</td>
<td>37,875</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>11,325</td>
<td>11,325</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td>23,520</td>
<td>23,520</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>37,875</td>
<td>37,875</td>
</tr>
<tr>
<td>Total current assets</td>
<td>10,831</td>
<td>10,831</td>
</tr>
<tr>
<td>Total non-current assets</td>
<td>245,745</td>
<td>245,745</td>
</tr>
<tr>
<td>Total assets</td>
<td>266,576</td>
<td>266,576</td>
</tr>
<tr>
<td>Total equity</td>
<td>28,087</td>
<td>28,087</td>
</tr>
</tbody>
</table>
The accompanying notes form part of these financial statements.

<table>
<thead>
<tr>
<th></th>
<th>280,807</th>
<th>687,300</th>
</tr>
</thead>
<tbody>
<tr>
<td>104,722</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(616,493)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Balance at 30 June 2011

- Profit/(loss) attributable to the entities for the period
- Dividends declared during the year
- Shares issued during the year

<table>
<thead>
<tr>
<th></th>
<th>772,415</th>
<th>687,300</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (772,415)</td>
<td>687,300</td>
<td></td>
</tr>
<tr>
<td>Total $</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated losses</td>
<td>721,050</td>
<td></td>
</tr>
<tr>
<td>Share Capital</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Balance at 1 July 2010

<table>
<thead>
<tr>
<th></th>
<th>348,297</th>
<th>687,300</th>
</tr>
</thead>
<tbody>
<tr>
<td>684,960</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Balance at 30 June 2012

- Profit/(loss) attributable to the entities for the period
- Dividends declared during the year
- Shares issued during the year

<table>
<thead>
<tr>
<th></th>
<th>697,300</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (697,300)</td>
<td>616,493</td>
<td></td>
</tr>
<tr>
<td>Total $</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated losses</td>
<td>860,907</td>
<td></td>
</tr>
<tr>
<td>Share Capital</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Balance at 1 July 2011

For the Year Ended 30 June 2012

Statement of Changes in Equity

ABN 52 099 137 641
Korean Community Financial Services Limited
<table>
<thead>
<tr>
<th>Description</th>
<th>2011 $</th>
<th>2012 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at end of financial year</td>
<td>232,340</td>
<td>237,900</td>
</tr>
<tr>
<td>Cash at beginning of financial year</td>
<td>204,128</td>
<td>228,912</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash held</td>
<td>128,212</td>
<td>116,399</td>
</tr>
<tr>
<td>Repayment of borrowings</td>
<td>12,242</td>
<td>6,367</td>
</tr>
<tr>
<td>Dividend paid</td>
<td>(6,082)</td>
<td>(2,982)</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>3,818,412</td>
<td>3,161,150</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(4,820)</td>
<td>(3,595)</td>
</tr>
<tr>
<td>Interest received</td>
<td>1,847</td>
<td>724</td>
</tr>
<tr>
<td>Receipts from customers and customers</td>
<td>992,526</td>
<td>1,048,896</td>
</tr>
<tr>
<td>Notes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
income assets are recognised to the extent that it is probable that future cash flows will be carried from the balance sheet date.

The Directors for current income tax expense is based on the profit for the year adjusted for any non-

NOTE 4: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2012
NOTES TO THE FINANCIAL STATEMENTS

KOREAN COMMUNITY FINANCIAL SERVICES LIMITED

ABN 28 099 171 541
Revenue

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

and net of bank overdrafts

Bank or financial institution investments in money market instruments maturing within less than 14 days

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at call deposits within

Cash

Contributions are made by the company to employee superannuation funds and are charged as expenses when incurred.

Employee entitlements

Employee entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one

year have been measured at the present value of the estimated future cash outflows to be made for those employees.

Employee entitlements expected to be settled within one year together with entitlements arising from services rendered by employees that the company is obligated to provide

are reconciled as

(employee entitlements)

Class of fixed asset

Depreciation bases

Diminishing value

5%-11%

Furniture & Equipment

The depreciation rates used for each class of depreciable assets are:

The depreciable asset is held ready for use.

The depreciable amount of all fixed assets are depreciated on a diminishing value basis over their

Depreciation

amounts.

The expected net cash flows have not been discounted to their present value. In determining recoverable

assets the expected net cash flows within the asset’s life will be recovered from the assets through employment and subsequent disposal. The expected net cash flows will be

The recoverable amount is assessed on the basis of the cash flows that the asset is expected to generate. It is not

expected that all cash flows will be achieved.

Depreciation and impairment losses.

Plant and equipment are measured on the cost basis or fair value less any accumulated

Plant and equipment

Each class of plant and equipment is carried at cost or fair value less any accumulated

Rounded.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

FOR THE YEAR ENDED 30 JUNE 2012

NOTE TO THE FINANCIAL STATEMENTS

ABN 22 099 177 641

KOREAN COMMUNITY FINANCIAL SERVICES LIMITED
Inclued interest on short-term and long-term borrowings.

Borrowing costs are recognised as expenses in the period in which they are incurred. Borrowing costs

(i) Payment Terms

Receivables are recognised at amount owed. Receivables are recognised at original invoice less provision for any uncollectible debts.

Receivables and payables are non-interest bearing and generally have payment terms between 30 and 90 days. Receivables and payables are recognised at amount owed.

(ii) Goods and Services Tax (GST)

Receivables are recognised as amount owed. The amount owed is calculated as amount owed at the time of invoice. GST is included in recognised amount,

Receivables and payables are recognised at amount owed.

(iii) Intangible

the recoverable amount of cash-generating unit to which the asset belongs.

When it is not possible to estimate the recoverable amount of a cash-generating unit, the company estimates

Improvement in entity by performed annually for goodwill and intangible assets with indefinite lives.

the recoverable amount of cash-generating unit to which the asset belongs.

When it is not possible to estimate the recoverable amount of a cash-generating unit, the company estimates

Improvement in entity by performed annually for goodwill and intangible assets with indefinite lives.

(iv) Impairment of Assets

NOTE 4: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

FOR THE YEAR ENDED 30 JUNE 2012
NOTES TO THE FINANCIAL STATEMENTS
ABN 25 099 137 641
KOREAN COMMUNITY FINANCIAL SERVICES LIMITED
(a) New accounting standards for application in future periods

The ASB has issued new revenue and related standards, and interpretations that have mandates to be applied, but
will be significant. Further assessments will be made each year.

Key estimates - implementation

The company has had to apply the new standards as of the reporting period. The company has adopted early adoption of these

Key estimates - implementation

The company, as a result of early adoption, has reclassified the amounts incorporated a

In assessing recoverable amounts, key marketable securities and economic data, obtained both externally and within the

(m) Critical accounting estimates and judgements

The financial report has been prepared on a going concern basis, which assumes that the company will be

(i) Going concern

Over the life of the lease (term), lease obligations under operating leases are recognised as liability and amortised on a straight-line basis.

Less amortisation incurred on operating leases.

The lease interest expense, lease payments are capitalised as intangible assets. The present value of the asset is the minimum lease payments.

Future rentals of the leased property and minimum lease payments. The interest expense is capitalised as part of the Amortisation of leased

Lessee

(on) Leases

NOTE 4: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (COND)

FOR THE YEAR ENDED 30 JUNE 2012
NOTES TO THE FINANCIAL STATEMENTS
ABN 65 099 171 644
KOREAN COMMUNITY FINANCIAL SERVICES LIMITED
<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental expenses on operating leases</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Franchise Fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortisation of non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motor Vehicle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation of non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other persons</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowing costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of fixed overhead costs of franchise</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses (income tax revenue) has been determined after profit (loss) from ordinary activities before income tax</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note 3: Profit from Ordinary Activities**

<table>
<thead>
<tr>
<th>Description</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Revenue</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>$</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>2010</td>
</tr>
</tbody>
</table>

For the year ended 30 June 2011

Notes to the Financial Statements
ABN 25 099 137 541
Korean Community Financial Services Limited
### NOTE 5: CASH ASSETS

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>13.2.11</td>
<td>Deferred income tax asset</td>
</tr>
<tr>
<td>13.2.11</td>
<td>Tax losses carried forward</td>
</tr>
<tr>
<td>3.5.11</td>
<td>Non-depreciable motor vehicle depreciation</td>
</tr>
<tr>
<td>3.5.11</td>
<td>Non-depreciable expenses relating to franchise renewal</td>
</tr>
<tr>
<td>8.2.11</td>
<td>Closing balance of current and non-current provisions</td>
</tr>
</tbody>
</table>

#### C. DEFERRED INCOME TAX

Income tax expense attributable to operating loss
- Movement in timing difference
- Other non-allowable items
  - Tax effect of:
    - Adjusted before income tax at 30%
      - Primarily income tax payable on profit/loss from ordinary activities as follows:
        - The primary factor to be considered is non-temporary differences. Deferred income tax expenses/(income) relating to obligations and reversals of temporary differences.

### NOTE 4: INCOME TAX EXPENSE (BENEFIT)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$2012</td>
</tr>
</tbody>
</table>

FOR THE YEAR ENDED 30 JUNE 2012
NOTES TO THE FINANCIAL STATEMENTS
ABN 52 099 137 541
KOREAN COMMUNITY FINANCIAL SERVICES LIMITED
NOTE 8: PLANT AND EQUIPMENT

Deposits paid
Current

NOTE 7: OTHER ASSETS

expected these balances will be recovered when due. Company from outside parties. Other receivables, referred to costs refundable to the

Other receivables are non-interest bearing receivables and

NOTE 6: RECEIVABLES

92,951
24
19,052
24
92,934
85,991
$ 2012

$ 2011

FOR THE YEAR ENDED 30 JUNE 2012
NOTES TO THE FINANCIAL STATEMENTS
ABN 25 099 137 541
KOREAN COMMUNITY FINANCIAL SERVICES LIMITED
NOTE 11: PAYABLES

DEBT EQUITIES AND EQUITY

CURRENT

NOTE 4: ACCOUNTS RECEIVABLE

NOTE 10: DIRECT TAX ASSETS

NOTE 5: OTHER ASSETS

NOTE 8: PLANT AND EQUIPMENT (CONT.)

FOR THE YEAR ENDED 30 JUNE 2012
NOTES TO THE FINANCIAL STATEMENTS
ABN 52 009 197 641
KOREAN COMMUNITY FINANCIAL SERVICES LIMITED

$ 2011 $ 2012
118,254 31,894
150,448

Plant & equipment Motor vehicle

Total

Carrying amount at end of year
Depreciation expense
Additions
Balance at the beginning of the year
2012

(6,717)
(5,717)
(1,398)
(16,204)
(7,989)

16.201
6.717
118,254
31,894
150,448

$ 131,843
22,066
108,037

$ 131,843
22,066
108,037

(6,717)
(5,717)
(1,398)
(16,204)
(7,989)
At the beginning of the reporting period
Shares (Ordinary shares - refer to 14(a))
Fully paid ordinary shares

NOTE 14: CONTRIBUTED EQUITY

(b) Number of employees at year-end
(c) Aggregate employee benefits liability

NOTE 13: PROVISIONS

NOTE 12: INTEREST-BEARING LIABILITIES

FOR THE YEAR ENDED 30 JUNE 2012
NOTES TO THE FINANCIAL STATEMENTS
ABN 52 099 131 541
KOREAN COMMUNITY FINANCIAL SERVICES LIMITED
There have been no changes in the strategy adopted by management to control the capital of the company. The management of debt levels, distributions to shareholders and share issues includes an emphasis on capital structure in response to changes in share price and the market. These responses to market actions may result in a departure from any recommendations as spelt out in the number of shares issued and capital stock and the capital markets:

Since the prior year:

Management effectively manages the company’s capital by assessing the company’s financial risks and capital requirements.

There are no externally imposed capital requirements.

The company’s debt and capital includes ordinary share capital and financial liabilities supported by financial assets.

Continues as a going concern.

Management controls the capital of the company in order to maintain an appropriate debt to equity ratio.

Capita Manager

Unfranked dividends declared and paid during the year.

(a) Dividend Paid

(b) Fully Paid Ordinary Shares

Unpaid ordinary shares are not entitled to a vote when a poll is called.

(c) Unpaid Ordinary Shares

2011

2012

Ordinary shareholders have one vote on a show of hands.

(d) Show of Hands

4 shareholders meeting each ordinary share is entitled to one vote when a poll is called.

(e) Ordinary Shares Participation in dividends and the proceeds on winding up of the company in

NOTE 14: CONTRIBUTED EQUITY (CONTD)
However, the above annual rental increment is subject to
year 5.

Profits before taxation will be increased by 1% in years 2, 4 and 5.

The property lease is a non-cancelable lease with a five year
- later than 5 years
- not later than 5 years

Paid: 

Capitalized in the financial statements

Non-cancelable Operating Leases contracted for but not

(3) Operating Leases

NOTE 16: CAPITAL LEASING COMMITMENTS

Cash flows from operations
Increase (decrease) in provisions
Increase (decrease) in payables
Increase (decrease) in current assets
Increase (decrease) in receivables
Amortization
Depreciation

Non-cash flows in profit from ordinary activities
Profit from ordinary activities before extraordinary
ordinary activities after extraordinary

Cash flows from operating activities with profit from

(3) Reconciliation of cash flows from operating activities with profit from

Trust account
Cash at bank

The reconciliation of principal position as follows:
Statement of Cash Flows is reconciled to the related items in
Cash at the end of the financial year as shown in the

(4) Reconciliation of cash

NOTE 16: CASH FLOW INFORMATION

FOR THE YEAR ENDED 30 JUNE 2012
NOTES TO THE FINANCIAL STATEMENTS
ABN 25 099 137 541
KOREAN COMMUNITY FINANCIAL SERVICES LIMITED

$  2012
  2011
The economic entity is exposed to interest rate risk, which is the risk that a financial instrument’s market value will fluctuate as a result of changes in market interest rates and the economic variables influencing them.

Interest rate risk includes credit risk.

The main risk to the company is exposure to changes in the market instruments’ interest rate risk.

II. Financial Risk Exposures and Management

Risk management policies are approved and reviewed by the Board on a regular basis. These policies include credit risk, market risk, and cash flow requirements.

The Board of Directors, with the assistance of the financial management team, seeks to assist the company in managing its overall risk profile.

The Board of Directors meet on a regular basis to monitor financial risk exposures and to evaluate the effectiveness of risk management strategies in light of the current economic conditions and the results of the previous financial year.

I. Treasury Risk Management

The company does not have any derivative instruments at 30 June 2012.

The main purpose of non-derivative financial instruments is to raise finance for company operation.

Investments, accounts receivable, and payables, trade, cash, and leases.

Financial instruments consist mainly of short-term lending, trade receivable, and accounts payable.

NOTE 17: FINANCIAL RISK MANAGEMENT

Residual value of minimum lease payments on 4 December 2009, the term of lease is five years with the

Present value of minimum lease payments.

Less: guaranty charge

Minimum lease payments

- later than 1 year but not later than 5 years

- not later than 1 year

Payable:

(2) Finance lease

$ 2011

<table>
<thead>
<tr>
<th>$</th>
<th>$ 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>45,430</td>
<td>45,931</td>
</tr>
<tr>
<td>(7,743)</td>
<td>(7,990)</td>
</tr>
<tr>
<td>63,174</td>
<td>38,547</td>
</tr>
<tr>
<td>26,720</td>
<td>13,227</td>
</tr>
</tbody>
</table>

NOTE 16: CAPITAL & LEASING COMMITMENTS (CONT'D)
<table>
<thead>
<tr>
<th>Net Financial Liabilities</th>
<th>104,994</th>
<th>46,829</th>
<th>104,994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Financial Liabilities</td>
<td>100.0%</td>
<td>8.8%</td>
<td>104,994</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Lease Liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade Creditors and Accruals</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td>104,994</td>
<td>46,829</td>
<td>104,994</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td>100.0%</td>
<td>8.8%</td>
<td>104,994</td>
</tr>
<tr>
<td>Receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>30 June 2011</td>
<td>30 June 2011</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Note 17: Financial Risk Management (Contd)

For the Year Ended 30 June 2012

Notes to the Financial Statements

ABN 65 099 137 544

Korean Community Financial Services Limited
The net fair values of financial assets and liabilities approximate the carrying values as disclosed in the balance sheet. The company does not have any unrecognised financial instruments at year end.

**Net Fair Values**

The company is not exposed to any material commodity price risk.

**Price risk**

With the exception of the frankfurter, the company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company.

**Receivables credit risk**

- Customers that do not meet the group’s strict credit policies may only purchase in cash or using
  - and trade settlement;
  - all potential customers are required to accept cash or time-based settlement terms

The board of directors monitors credit risk by actively assessing the quality and liquidity of customer exposure to customers as well as through certain deposits with financial institutions.

Credit risk is managed on a company basis and reviewed regularly by the board of directors. Liabilities from trade receivables are recorded at face value, excluding the value of any collateral or other security.

**Credit Risk**

The company is not exposed to fluctuations in foreign currencies.

**Liquidity risk**

The company manages liquidity risk by monitoring projected cash flows and ensuring that adequate funds are available to meet the company’s obligations.

**Foreign currency risk**

Note 17: Financial Risk Management (Cont'd)

For the Year Ended 30 June 2012

NOTES TO THE FINANCIAL STATEMENTS

ABN 52 099 137 644

KOREAN COMMUNITY FINANCIAL SERVICES LIMITED
The directors may, from time to time, hold deposits and loan accounts with the franchisee that are originated by or through the company, and in respect of such deposits and loan accounts, the directors are subject to the same terms and conditions as other arms’ length customers with the company. The directors are entitled to a material contract or related party transaction.

The names of directors who have held office during the financial year are:

<table>
<thead>
<tr>
<th>Name</th>
<th>Date of Appointment</th>
<th>Date of Resignation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paul John</td>
<td>1/10/11</td>
<td>1/10/12</td>
</tr>
<tr>
<td>Chang Soon</td>
<td>1/10/12</td>
<td>1/10/12</td>
</tr>
<tr>
<td>Dong Jo Kwon</td>
<td>26/09/12</td>
<td>26/09/12</td>
</tr>
<tr>
<td>Joong Young Lee</td>
<td>23/04/12</td>
<td>23/04/12</td>
</tr>
<tr>
<td>Sun Do Kim</td>
<td>08/04/12</td>
<td>08/04/12</td>
</tr>
<tr>
<td>Moon Min Lee</td>
<td>12/12/12</td>
<td>12/12/12</td>
</tr>
<tr>
<td>In Do Park</td>
<td>24/04/12</td>
<td>24/04/12</td>
</tr>
<tr>
<td>Jong Hwan</td>
<td>26/09/12</td>
<td>26/09/12</td>
</tr>
<tr>
<td>Kwon Jin Lee</td>
<td>23/04/12</td>
<td>23/04/12</td>
</tr>
<tr>
<td>Joo Min Kim</td>
<td>26/09/12</td>
<td>26/09/12</td>
</tr>
</tbody>
</table>

**NOTE 1: RELATED PARTY DISCLOSURES**

<table>
<thead>
<tr>
<th>Description</th>
<th>Change in Interest Rate By 2%</th>
<th>Change in Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>($2,000)</td>
<td>3.14%</td>
<td>---</td>
</tr>
<tr>
<td>($2,000)</td>
<td>3.14%</td>
<td>---</td>
</tr>
<tr>
<td>($9,000)</td>
<td>3.14%</td>
<td>---</td>
</tr>
<tr>
<td>($9,000)</td>
<td>3.14%</td>
<td>---</td>
</tr>
</tbody>
</table>

**Change in profit after tax**

<table>
<thead>
<tr>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

Interest Rate Sensitivity Analysis:

The company has performed a sensitivity analysis relating to the exposure to interest rate balance sheet risk.

Interest Rate Risk

b) Sensitivity Analysis

For the year ended 30 June 2012

Notes to the Financial Statements

ABN 52 099 137 641

Korean Community Financial Services Limited
NOTE 22: COMPANY DETAILS

The registered office of the company is

Korean Community Financial Services Limited

NOTE 22: CHANGES IN ACCOUNTING POLICY

A number of accounting standards have been issued or amended during the year ending...

NOTE 18: AFTER BALANCE DATE EVENTS

For the year ended 30 June 2012

Notes to the financial statements

ABN 52 099 137 541
Korean Community Financial Services Limited
Dated at Sydney this 30 day of June 2012

Chairman

Chang Soon Yoon

The resolution is made in accordance with a resolution of the Board of Directors.

pay the debts as and when they become due and payable.

2. In the opinion of the Directors, there are reasonable grounds to believe that the Company will be able to pay the debts as and when they become due and payable.

The Directors are satisfied that the Company has complied with the following:

(a) give a true and fair view of the financial position as at 30th June 2012 and of the performance for the year ended on that date of the Company;

(b) comply with Accounting Standards and the Corporations Regulations 2001; and

The Directors of the Company declare that the

DIRECTORS DECLARATION

ABN 50 699 157 841
KOREAN COMMUNITY FINANCIAL SERVICES LIMITED
For our audit opinion:

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for the issuance of the independent auditor's report.

We have performed our audit in accordance with generally accepted auditing standards.

The financial statements for the year ended 30 June 2017 have been prepared in accordance with Australian Accounting Standards and give a true and fair view of the financial position of the entity for the year then ended.

We have audited the accompanying financial statements of Korean Community Financial Services Ltd, and in our opinion, the financial statements present fairly the financial position of Korean Community Financial Services Ltd as at 30 June 2017.
Dated this 30th day of October 2012

Principal

ROGER WONG

[Signature]

CROWE HORWATH SYDNEY

[Signature]

In Note 1, the financial report also complies with International Financial Reporting Standards as disclosed.

In Note 2, the financial report also complies with Australian Accounting Standards and the Corporations Regulations 2001.

In Note 3, the financial report of Korean Community Services Ltd is in accordance with the

Option

CROWE HORWATH