

**PARADISE POINT FINANCIAL SERVICES LTD**  
**A.B.N. 33 095 686 936**

**INTERIM FINANCIAL REPORT**  
**FOR THE HALF YEAR ENDED**  
**31 DECEMBER 2010**

**PARADISE POINT FINANCIAL SERVICES LTD**

**A.B.N. 33 095 686 936**

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**PARADISE POINT FINANCIAL SERVICES LTD**

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**DIRECTORS' REPORT**

The directors present this report on the company for the half year ended 31 December 2010.

**Directors**

The following persons held office of director during or since the end of the half year:

- Ann Robilotta – Director
- Ewald Gerhard (Garry) Kuppe – Businessman
- John Ronald Hooton – Retailer
- Paul Vertullo – Real Estate Agent
- Frederick William Woodley – Retired Engineer
- Helen Louise Weissenberger – Certified Practising Accountant
- Lesley Woodford-Carr – Lawyer

The above named directors held office during and since the end of the half-year except for:

- Lesley Woodford-Carr – appointed 11 November 2010

**Review and Results of Operations**

The profit of the Company for the half year ended 31 December 2010 amounts to \$132,846.

A review of operations of the Company during the period indicated that the ongoing income from the franchise agreements led to a profitable result for the Company.

**Dividends**


A final 2010 dividend of 5c per share fully franked was declared during the half year.

**Auditor's Independence Declaration**

The auditor's independence declaration for the half year ended 31 December 2010 has been received and can be found attached to the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director:

  
Ann Robilotta

Director:

  
John Ronald Hooton

Dated this day of 12 April 2011

**PARADISE POINT FINANCIAL SERVICES LIMITED**  
ABN 33 095 686 936

**AUDITOR'S INDEPENDENCE DECLARATION UNDER  
SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF PARADISE POINT FINANCIAL SERVICES LIMITED**

I declare that, to the best of my knowledge and belief, during the half- year ended 31 December 2010, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

**WILLIAMS PARTNERS  
INDEPENDENT AUDIT SPECIALISTS**

*A. L. Blank*

ANDREA BLANK BBus CPA RCA  
PARTNER  
Registered Company Auditor No. 278326

Dated this 12<sup>th</sup> day of April 2011

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**PARADISE POINT FINANCIAL SERVICES LTD**  
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**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2010**

	Note	31.12.10 \$	31.12.09 \$
Revenue		1,192,313	1,092,074
Depreciation and amortisation expenses		(41,259)	(44,397)
Employee benefits expenses		(583,431)	(627,019)
Finance costs		(145)	(570)
Other expenses		<u>(428,735)</u>	<u>(449,807)</u>
<b>(Loss) Profit before income tax</b>		138,743	(29,719)
Income tax expense		(5,897)	-
<b>(Loss) Profit after income tax</b>		<u>132,846</u>	<u>(29,719)</u>
Other comprehensive income		-	-
Other comprehensive income, net of tax		-	-
<b>Total comprehensive income</b>		<u>132,846</u>	<u>(29,719)</u>

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

PARADISE POINT FINANCIAL SERVICES LTD

A.B.N. 33 095 686 936

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2010

	Note	31.12.10 \$	30.06.10 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		225,314	150,552
Trade and other receivables		<u>182,791</u>	<u>99,939</u>
<b>TOTAL CURRENT ASSETS</b>		<u>408,105</u>	<u>250,491</u>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables		10,416	17,917
Property, plant and equipment		539,128	561,972
Intangible assets		57,864	73,649
Deferred tax assets		<u>32,434</u>	<u>38,331</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>639,842</u>	<u>691,869</u>
<b>TOTAL ASSETS</b>		<u>1,047,947</u>	<u>942,360</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		138,342	159,067
Current borrowings		-	9,684
Short term provisions		34,367	3,130
Provision for income tax		-	61
<b>TOTAL CURRENT LIABILITIES</b>		<u>172,709</u>	<u>171,942</u>
<b>NON-CURRENT LIABILITIES</b>			
Non-current borrowings		-	-
Long term provisions		<u>28,047</u>	<u>24,836</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>28,047</u>	<u>24,836</u>
<b>TOTAL LIABILITIES</b>		<u>200,756</u>	<u>196,778</u>
<b>NET ASSETS</b>		<u>847,191</u>	<u>745,582</u>
<b>EQUITY</b>			
Contributed equity	2	608,450	608,450
Retained earnings		<u>238,741</u>	<u>137,132</u>
<b>TOTAL EQUITY</b>		<u>847,191</u>	<u>745,582</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes.

PARADISE POINT FINANCIAL SERVICES LTD

A.B.N. 33 095 686 936

STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 31 DECEMBER 2010

	Contributed Equity \$	Retained Earnings \$	Total Equity \$
Balance at 1 July 2009	608,450	255,459	863,909
Profit (Loss) attributable to members of the company	-	(27,725)	(27,725)
Dividend paid or provided for	-	(31,237)	(31,237)
Balance at 31 December 2009	<u>608,450</u>	<u>196,497</u>	<u>804,947</u>
Balance at 1 July 2010	608,450	137,132	745,582
Profit (Loss) attributable to members of the company	-	132,846	132,846
Dividend paid or provided for	-	(31,237)	(31,237)
Balance at 31 December 2010	<u>608,450</u>	<u>238,741</u>	<u>847,191</u>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

PARADISE POINT FINANCIAL SERVICES LTD

A.B.N. 33 095 686 936

STATEMENT OF CASH FLOWS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2010

Note	31.12.10 \$	31.12.09 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	1,123,854	1,081,659
Payments to suppliers and employees	(1,046,950)	(1,027,567)
Interest paid	(145)	(570)
Interest received	10,378	1,793
Income tax paid	(61)	(10,000)
<b>Net cash provided by (used in) operating activities</b>	<u>87,076</u>	<u>45,315</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for intangible assets	-	-
Payments for property, plant and equipment	(2,630)	(1,638)
<b>Net cash provided by (used in) investing activities</b>	<u>(2,630)</u>	<u>(1,638)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(9,685)	(4,981)
Dividends paid	-	-
<b>Net cash provided by (used in) financing activities</b>	<u>(9,685)</u>	<u>(4,981)</u>
<b>Net increase (decrease) in cash held</b>	74,761	38,695
Cash and cash equivalents at beginning of period	150,552	124,755
<b>Cash and cash equivalents at end of period</b>	<u>225,314</u>	<u>163,450</u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.



**PARADISE POINT FINANCIAL SERVICES LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2010**

**1 Note 1 Basis of Preparation**

These general purpose financial statements for the interim half-year reporting period 31 December 2010 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Paradise Point Financial Services Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year. It is therefore recommended that the financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2010.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

	<b>31.12.2010</b>	<b>30.06.2009</b>
	\$	\$
<b>2 Issued Capital</b>		
624,750 (30.06.10: 624,750) Ordinary Shares fully paid of \$1 each	624,750	624,750
Bonus Share Reserve	<u>(16,300)</u>	<u>(16,300)</u>
Total Issued Capital – Ordinary	<u>608,450</u>	<u>608,450</u>

	<b>31.12.2010</b>	<b>31.12.2009</b>
	\$	\$
<b>3 Dividends</b>		
Distributions paid / provided for		
Final fully franked ordinary dividend paid 24 January 2011 of 5.0 (2009: 5.0) cents per share franked at the tax rate of 30 % (2009: 30%)	<u>31,237</u>	<u>31,237</u>

**4 Segment Reporting**

The company operates in the financial services sector where it provides banking services to its clients. The company operates in one geographic area being Gold Coast, Queensland.

**PARADISE POINT FINANCIAL SERVICES LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2010**

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**5 Contingent Liabilities**

The company is party for recovery of a debt and is seeking legal advice regarding the company's rights and obligations on this matter. The circumstances of the case are such that the ultimate outcome of the matters can not be presently determined with an acceptable degree of reliability and accordingly no provision for any liability that may result has been made at 31 December 2010.

There were no other contingent liabilities at the date of this report.

**6 Events Subsequent to Reporting Date**

There have been no events subsequent to the reporting date that would materially affect this report.

**7 Registered office/Principal place of business**

The registered office and principal place of business is:

Shops 3 & 4  
42 Esplanade  
PARADISE POINT  
Queensland

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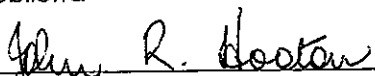
**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on page 4 to 9, are in accordance with the *Corporations Act 2001*, including:
  - (a) comply with Accounting Standards AASB134: Interim Financial Reporting; and
  - (b) giving a true and fair view of the financial position of the company as at 31 December 2010 and of the performance for the half year ended on that date.
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:   
Ann Robilotta

Director:   
John Ronald Hooton

**Dated this day of 12 April 2011**

**PARADISE POINT FINANCIAL SERVICES LIMITED**  
ABN 33 095 686 936

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF PARADISE POINT FINANCIAL SERVICES LIMITED**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Paradise Point Financial Services Limited (the company), which comprises the Statement of Financial Position as at 31 December 2010, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the Directors' Declaration.

**Directors' Responsibility for the Half-Year Financial Report**

The directors of the company are responsible for the preparation and true and fair presentation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: Review of an Interim Financial Report Performed by the Independent Auditor of the Entity in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Paradise Point Financial Services Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Matters Relating to the Electronic Presentation of the Reviewed Financial Report**

This review report relates to the financial report of Paradise Point Financial Services Limited for the half-year ended 31 December 2010, intended to be included on the company's website. The company's directors are responsible for the integrity of the company's website and we have not been engaged to report on its integrity. This review report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the reviewed financial report to confirm the information contained in the website version of the financial report.

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**PARADISE POINT FINANCIAL SERVICES LIMITED**  
**ABN 33 095 686 936**

**INDEPENDENT AUDITOR'S REVIEW REPORT**  
**TO THE MEMBERS OF PARADISE POINT FINANCIAL SERVICES LIMITED**

**Independence**

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

**Basis for Qualified Conclusion**

1. The reviewed half-year financial report was not lodged with ASIC within the prescribed period.
2. The independent auditor's review report for the half-year ended 31 December 2009 was qualified. Accordingly, the comparative financial information disclosed on the Statement of Comprehensive Income and Statement of Changes in Equity should be read in conjunction with the 31 December 2009 independent auditor's review report.

**Qualified Conclusion**

Based on our review, which is not an audit, except for the effect, if any, of the matters described in the preceding paragraph, we have not become aware of any matter that makes us believe that the half-year financial report of Paradise Point Financial Services Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- (b) complying with AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

**WILLIAMS PARTNERS**  
**INDEPENDENT AUDIT SPECIALISTS**

*A. L. Blank*

**ANDREA BLANK** BBus CPA RCA

**PARTNER**

Registered Company Auditor No. 278326

**Dated this 12th day of April 2011**

**4 Helensvale Road**  
**HELENSVALE QLD 4212**