

ONE MOVEMENT PTY LTD

**FINANCIAL STATEMENTS FOR THE
18 MONTH PERIOD ENDED 31 DECEMBER 2009**

AUDITPLUS SOLUTIONS
Suite 24, 45 Delawney Street, Balcatta, WA 6021
Certified Practising Accountants
PO Box 199, Kingsway, WA 6065

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF ONE MOVEMENT PTY LTD****Scope*****The financial report and directors' responsibility***

We have audited the attached special purpose financial report of One Movement Pty Ltd ("the Company") for the 18 month period ended 31 December 2009. The financial report comprises the profit and loss statement, balance sheet, notes to the financial statements and the directors' declaration for the period then ended.

The directors of the company are responsible for the preparation and presentation of the financial report in accordance with applicable Accounting Standards in Australia and the *Corporations Act 2001*. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.


The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Audit Approach

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Auditing Standards in Australia. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Independence

In conducting our audit, we followed applicable independence requirements of the Australian professional ethical pronouncements and the *Corporations Act 2001*.

Auditor's Opinion

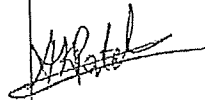
In our opinion, the financial report of One Movement Pty Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2009 and of its performance for the period ended on that date; and
- (b) complying with applicable Accounting Standards in Australia including the Australian Accounting Interpretations and the *Corporations Regulations 2001*.

Emphasis of Matter Regarding Going Concern

Without further qualification to the opinion expressed above, attention is drawn to Note 2 'Going Concern' relating to the following matter. One Movement Pty Ltd has a deficiency of working capital and a deficiency of net assets of \$1,361,588 at balance date. The liabilities of the company include borrowings from Sunset Events which is a related entity. The owner directors have pledged their ongoing financial support for One Movement Pty Ltd.

Dated this 9th day of March 2010



VIRAL PATEL
T/AS AUDITPLUS SOLUTIONS
Certified Practising Accountant

ONE MOVEMENT PTY LTD

STATEMENT BY BOARD OF DIRECTORS

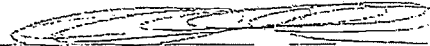
The Directors have determined that One Movement Pty Ltd is not a reporting entity defined in the Statement of Accounting Concepts 1: "Definition of the Reporting Entity" therefore there is no requirement to apply accounting standards in the preparation of financial statements. The Directors have determined that this special purpose financial report should be prepared in accordance with accounting policies outlined in Note 1 to the accounts.

In the opinion of the Directors:

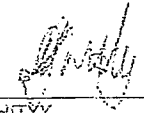
- a) The accompanying Profit and Loss Statement is drawn up so as to give a true and fair view of the results of One Movement Pty Ltd for the period beginning 1 July 2009 and ended 31 December 2009.
- b) The accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of One Movement Pty Ltd as at end of that financial period.
- c) At the date of report there are reasonable grounds to believe that One Movement Pty Ltd will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Directors and signed for and on behalf of the Board by:

DIRECTOR:


JAMES LEGGE

DIRECTOR:


DAVID CHITTY

Dated this 9th day of March 2010

One Movement Pty Ltd

PO Box 111
FREMANTLE WA 6160

Balance Sheet

As of December 2009

5/03/201
12:30:08 PM

Assets		
Bankwest Account 5016		\$90,678.10
Undeposited Funds		\$3.00
Electronic Clearing Account		\$0.00
Petty Cash - Event		\$0.00
Trade Debtors		
Trade Debtors	\$571,211.93	
Loan - Sunset Events	-\$1,079,563.60	
Loan - Chugg Entertainment	-\$358,058.37	
Deposits & Bonds		
Tax Withholding Credits	\$33.00	
Total Assets		<u>-\$775,695.94</u>
Liabilities		
Accounts Payable		
Trade Creditors	\$666,550.14	
GST & Payroll Liabilities		
GST Collected	\$122,969.78	
GST Paid	-\$203,627.61	
Total Liabilities		<u>\$585,892.31</u>
Net Assets		<u>-\$1,361,588.25</u>
Equity		
Retained Earnings	-\$586,141.94	
Current Year Earnings	-\$775,449.31	
Share Capital	\$3.00	
Total Equity		<u>-\$1,361,588.25</u>

One Movement Pty Ltd

Profit & Loss Statement

July 2008 through December 2009

4-0000	Income	
4-1100	Catering	
4-1110	Catering:Bar	\$302,418.64
4-1115	Catering:Food	\$201.14
4-1120	Catering:Sundry	\$0.00
4-1125	Catering:Water	\$0.00
4-1200	Competition:Entry Fees	\$0.00
4-1300	Conference/Education	\$0.00
4-1310	Conference/Educ:Artists	\$0.00
4-1315	Conference/Educ:Clinics	\$0.00
4-1320	Conference/Educ:Delegates	\$40,727.54
4-1400	Exhibition/Stalls	
4-1410	Exhibition/Stalls:Exhib Sales	\$20,000.01
4-1415	Exhibition/Stalls:Sundry	\$0.00
4-1500	Management Fees:Outside Shows	\$0.00
4-1555	Rep Shows : Exp Recoup	\$1,882.77
4-1560	Shows : Outside Shows	\$15,593.36
4-1600	Merchandise	
4-1610	Merchandise:Event	\$471.96
4-1615	Merchandise:Program Advertising	\$0.00
4-1620	Merchandise:Program Sales	\$0.00
4-1625	Merchandise:Sundry	\$516.37
4-1700	Sponsorship	
4-1710	Sponsorship:Contra	\$452,203.78
4-1715	Sponsorship:Corporate	\$235,331.23
4-1720	Sponsorship:Government	\$995,500.00
4-1800	Sundry	
4-1810	Sundry:Advertising	\$0.00
4-1815	Sundry:Bank Interest	\$836.91
4-1820	Sundry:Cloak Room	\$446.37
4-1822	Music Store	\$7,595.00
4-1825	Sundry:Sundry	\$2,388.29
4-1830	Sundry:Travel & Accom	\$5,331.99
4-1835	Foreign Exchange Gain	\$4,865.49
4-1900	Ticket Sales	

4-1903	Ticket Sales - moshtix	\$134,892.74
4-1905	Ticket Sales:BOCS/Ticketek	\$0.00
4-1910	Ticket Sales:etickets	\$0.00
4-1915	Ticket Sales:Less Card Charges	-\$1,384.97
4-1920	Ticket Sales:Less Refunds	\$0.00
4-1925	Ticket Sales:Onsellers	\$0.00
4-1930	Ticket Sales:Office & Onsite	\$23,022.72
4-1935	Ticket Sales:VIP	\$0.00
	Total Income	\$2,242,841.34
5-0000	Cost Of Sales	
5-1100	Catering Expenses	
5-1110	Catering Exp:Bar	\$99,261.57
5-1115	Catering Exp:Food	\$20,623.99
5-1120	Catering Exp:Infrastructure	\$235.00
5-1125	Catering Exp:Sundry	\$8,487.39
5-1130	Catering Exp:Water	\$4,848.16
5-1150	Catering Exp:Bar Staff Wages	\$60,390.98
5-1155	Catering Exp:Bar Staff Super	\$0.00
5-1160	Catering Exp:Bar Tickets	\$0.00
5-1165	Catering Exp:Ice	\$0.00
5-1200	Event Costs	
5-1201	Event Costs:Arts Projects	\$20,000.00
5-1204	Event Costs:Backstage Catering	\$20,669.81
5-1205	Event Costs:Bus Charter	\$2,359.09
5-1210	Event Costs:Cleaning	\$13,710.56
5-1211	Event Costs:Enviro Program	\$2,000.00
5-1212	Event Costs:Equipment Hire	\$13,945.77
5-1213	Event Costs:Gate Costs	\$5,628.19
5-1214	Event Costs:Freight	\$1,725.00
5-1215	Event Costs:Electrician	\$15,678.46
5-1216	Event Costs:Gen & Elec Equip	\$28,025.91
5-1217	Event Costs:Hardware	\$4,331.13
5-1218	Event Costs:Insurance	\$29,422.11
5-1219	Event Costs:T & Comms	\$15,356.04
5-1220	Event Costs:Medical & Fire	\$8,489.95
5-1221	Event Costs:Fuel Gen & Equip	\$9,580.03
5-1222	Event Costs:Merchandise	\$8,389.83
5-1224	Event Costs:Parking	\$3,302.15
5-1225	Event Costs:Plumbing	\$5,440.00
5-1226	Event Costs:Security	\$84,718.60
5-1228	Event Costs:Signage	\$32,867.89
5-1229	Event Costs:Radio Hire	\$5,046.30
5-1230	Event Costs:Sundry	\$16,569.57
5-1232	Event Costs:Traffic Management	\$4,731.00
5-1234	Event Costs:Venue	\$110,463.83
5-1235	Event Costs:Vehicle Hire	\$6,466.13
5-1236	Event Costs:Waste Disposal	\$5,261.73

5-1237	Event Costs:VIP Costs	\$0.00
5-1238	Event Personnel	
5-1240	Event Personnel:Administration	\$202,666.73
5-1242	Event Personnel:Catering	\$17,026.85
5-1244	Event Personnel:Competition	\$0.00
5-1245	Event Personnel:Contractors	\$32,400.80
5-1246	Event Personnel:Consultants	\$364,082.56
5-1248	Event Personnel:Event Staff	\$27,250.83
5-1250	Event Personnel:Site Crew	\$49,227.89
5-1251	Event Personnel:Street Team	\$2,871.00
5-1252	Event Personnel:Travel&Accom	\$185,920.94
5-1254	Event Personnel:Registr'n fees	\$1,863.64
5-1256	Event Personnel:VolunteerCosts	\$0.00
5-1257	Event Personnel:Superannuation	\$3,538.99
5-1258	Event Personnel:Accom Festival	\$14,477.49
5-1259	Event Personnel:Accom Contr	\$6,812.73
5-1300	Exhibition/Stalls Expenses	\$0.00
5-1310	Exhibition/Stalls:Admin	\$0.00
5-1315	Exhibition/Stalls:Contractors	\$0.00
5-1320	Exhibition/Stalls:Equip Hire	\$0.00
5-1325	Exhibition/Stalls:Registration	\$0.00
5-1330	Exhibition/Stalls:Decorators	\$0.00
5-1335	Exhibition/Stalls:Sundry	\$0.00
5-1400	General Expenses	
5-1410	General Exp:Accountant Fees	\$3,886.00
5-1412	General Exp:APRA-PPCA	\$2,942.59
5-1415	General Exp:Bad Debts	\$0.00
5-1420	General Exp:Bank Charges	\$1,746.36
5-1425	General Exp:Bank Interest	\$0.00
5-1430	General Exp:Contingency	\$0.00
5-1435	General Exp:Council Fees etc	\$13,107.09
5-1440	General Exp:Filing Fees	\$302.00
5-1445	General Exp:Legal Fees	\$3,701.82
5-1450	General Exp:Management Fees	\$0.00
5-1455	General Exp:Market Research	\$0.00
5-1460	General Exp:Meeting Expenses	\$3,640.26
5-1463	General Exp:Noise Monitoring	\$1,100.00
5-1465	General Exp:Ticketing Costs	\$8,079.40
5-1470	General Exp:Ticketing System	\$0.00
5-1475	General Exp:Marketing Launch	\$59,995.13
5-1480	Foreign Exchange Loss	\$354.23
5-1500	Marketing	
5-1510	Marketing:Advertising	\$0.00
5-1512	Marketing:Advert - Magazines	\$119,990.87
5-1514	Marketing:Advert - Newspapers	\$23,602.43
5-1516	Marketing:Advert - Other	\$117,366.60

5-1518	Marketing:Advert - Outdoor	\$13,785.00
5-1520	Marketing:Advert - Radio	\$23,399.64
5-1522	Marketing:Advert - Television	\$77,957.00
5-1524	Marketing:Design/Artwork	\$23,836.78
5-1525	Marketing:Distribution	\$3,854.55
5-1526	Marketing:Electronic/ECard	\$380.63
5-1528	Marketing:Photographer	\$7,964.82
5-1530	Marketing:Postage	\$3,473.25
5-1532	Marketing:Printing	\$16,005.67
5-1534	Marketing:Program Printing	\$22,302.00
5-1536	Marketing:Production	\$0.00
5-1538	Marketing:Publicity	\$25,617.07
5-1540	Marketing:Publicity - Expenses	\$13,984.36
5-1544	Marketing:Sundry	\$2,227.77
5-1546	Marketing:Website	\$197,864.72
5-1550	Sponsorship	
5-1551	Sponsorship:Comm/Retainer	\$53,557.70
5-1552	Sponsorship:Servicing Costs	\$28,624.60
5-1600	Pre Production	
5-1700	Production	
5-1710	Production:Audio	\$71,988.58
5-1715	Production:Backline Equipment	\$22,632.80
5-1720	Production:Contractors	\$436.36
5-1725	Production:Lighting	\$44,983.95
5-1730	Production:Production Other	\$30,445.75
5-1735	Production:Stages	\$84,317.97
5-1737	Production:Stage Management	\$13,187.50
5-1739	Production:Tents & Big Tops	\$22,710.27
5-1740	Production:Travel & Accom	\$0.00
5-1745	Production:Audio Visual	\$19,120.00
5-1800	Site Infrastructure	
5-1810	Site Infra:Arena	\$0.00
5-1815	Site Infra:Backstage	\$0.00
5-1820	Site Infra:Dress Rm/Port Build	\$9,410.00
5-1825	Site Infra:Fencing	\$15,720.00
5-1830	Site Infra:Furniture	\$60,967.97
5-1835	Site Infra:Lighting	\$0.00
5-1840	Site Infra:Marquees/Tents	\$82,999.66
5-1845	Site Infra:Seating	\$0.00
5-1850	Site Infra:Site Preparation	\$0.00
5-1855	Site Infra:Site Reinstatement	\$8,671.68
5-1860	Site Infra:Site Setup	\$0.00
5-1865	Site Infra:Sundry	\$0.00
5-1870	Site Infra:Toilets	\$12,775.00
5-1900	Talent	
5-1910	Talent:Accommodation	\$40,054.63

5-1915	Talent:Ground Transport	\$43,379.43
5-1920	Talent:Licences	\$0.00
5-1925	Talent:Local Contracts	\$136,202.60
5-1930	Talent:Overseas Contracts	\$31,528.27
5-1935	Talent:Street Theatre	\$0.00
5-1940	Talent:Sundry	\$26,962.78
5-1945	Talent:Travel & Immigration	\$119,813.46
5-1950	Talent: Speakers	\$130,154.47
5-2000	Camping Costs	\$0.00
	Total Cost Of Sales	\$3,479,280.09
6-1246	Admin:Admin Allocation	\$125,000.00
	Net Profit / (Loss)	-\$1,361,438.75

ONE MOVEMENT PTY LTD

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2009

1. Basis of Accounting

This financial report is a special purpose financial report prepared to satisfy the financial reporting obligations of the Directors of the company. The Directors have determined that the company is not a reporting entity and is therefore not required to apply all Australian Accounting Standards in the preparation and presentation of this report.

The financial report has been prepared in accordance with the requirements of the following applicable Australian Accounting Standards:

AASB 110:	Events after the Balance Sheet date
AASB 112:	Income Taxes
AASB 116:	Property, Plant and Equipment
AASB 118:	Revenue
AASB 119:	Employee Benefits
AASB 1031:	Materiality

No other Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian accounting Standards Board have been applied.

The financial report is prepared on an accruals basis. It is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report.

a) Receivables

Trade receivables and other receivables are recorded at amounts due less any allowance for doubtful debts.

b) Related Party Transactions

All related party transactions have been accounted for in the accounts.

c) Revenue

Event Income (ticket sales) is recognised as revenue when the event takes place.

Catering, sale of merchandise and all other sales are recognised as revenue on a receipt basis.

Sponsorship income is recognised as income in the year of the event being sponsored.

d) GST

Revenues, expenses and assets are recognised net of the amounts of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

e) Going Concern

The financial report has been prepared on the going concern basis. The owner-Directors believe that this basis is appropriate notwithstanding a net assets deficiency of \$1,361,439 at year end due to their ongoing financial support of the company.

2. Loans and other borrowings

Amounts payable to Sunset Events and Chugg Entertainment have no set repayment terms and are unsecured. No interest is payable on these borrowings.

One Movement Pty Ltd

ACN: 133 518 760

**Financial Report for the Year
ended 31 December 2010**

ONE MOVEMENT PTY LTD
A.C.N. 133 518 760

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ONE MOVEMENT PTY LTD
A.C.N. 133 518 760

DIRECTORS' REPORT

Your Directors' submit the financial accounts for the year ended 31 December 2010.

The names of the Directors in office at the date of this report were:

Chernov Andrew John
Chitty David James
Legge James George Ferguson

Directors have been in office since the start of financial year to the date of this report unless otherwise stated.

DIRECTORS' INTERESTS

The relevant interest of directors in the shares of the Company is:

DIRECTORS	SHAREHOLDERS	ORDINARY SHARES
Chernov Andrew John	Chernov Pty Ltd	1
Chitty David James	Chitty Pty Ltd	1
Legge James George Ferguson	Legge Pty Ltd	1

OPERATING RESULTS

The loss for the company after providing for income tax amounted to \$1,109,227 (2009: loss \$1,361,439).

SHARE OPTIONS

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

No director has received or become entitled to receive, during or since the financial period, a benefit because of a contract made by the company, or a related company with a directors, a firm of which a director is a member or an entity in which a director has substantial financial interest, other than the benefits as disclosed in the notes to and forming part of the accounts.

EVENTS SUBSEQUENT TO REPORTING DATE

Since the end of the financial year and the date of this report there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect significantly the operations of the company, in the future financial year.

Since the end of the financial year and the date of this report there has not arisen any other items, transactions or events of a material and unusual nature likely, in the opinion of the directors, to affect significantly the operations of the company, in the future financial year.

ONE MOVEMENT PTY LTD
A.C.N. 133 518 760

DIRECTORS' REPORT

DIVIDENDS & TRADING REBATES

No dividends have been declared during the year.

SIGNED in accordance with a resolution of the Directors this 24 day of Feb 2011



.....
Director



.....
Director

ONE MOVEMENT PTY LTD
A.C.N. 133 518 760

AUDITOR'S INDEPENDENCE DECLARATION

To: The directors of One Movement Pty Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2010 there has been:

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

AUDITPLUS SOLUTIONS
CPA



VIRAL PATEL
Principal

Balcatta, WA

Dated this 24th day of February 2011

ONE MOVEMENT PTY LTD
A.C.N. 133 518 760

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010

	<u>Note</u>	<u>2010</u> \$	<u>2009</u> \$
INCOME			
Catering		184,145	302,620
Sponsorship income		1,330,250	1,683,035
Ticket sales		368,793	156,530
Miscellaneous income	2	130,112	100,656
TOTAL INCOME		<u>2,013,300</u>	<u>2,242,841</u>
LESS: COST OF SALES			
Catering Cost		5,178	193,847
Event Costs		456,263	474,179
Event Personnel Cost		540,884	908,140
General Cost		163,049	98,855
Marketing Cost		261,470	693,613
Production Cost		301,528	309,823
Sponsorship Cost		102,394	190,544
Site Infrastructure Cost		87,255	82,182
Talent Cost		1,011,685	528,097
TOTAL COST OF SALES		<u>2,929,706</u>	<u>3,479,280</u>
GROSS PROFIT		<u>(916,406)</u>	<u>(1,236,439)</u>
EXPENSES			
Administration Fees		10,009	125,000
Human Resource		57,438	-
Information Technology		374	-
Doubtful debt Expense		125,000	-
TOTAL EXPENSES		<u>192,821</u>	<u>125,000</u>
NET LOSS BEFORE INCOME TAX		<u>(1,109,227)</u>	<u>(1,361,439)</u>
Income Tax		-	-
NET LOSS FOR THE YEAR		<u>(1,109,227)</u>	<u>(1,361,439)</u>

ONE MOVEMENT PTY LTD
A.C.N. 133 518 760

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	<u>Note</u>	<u>2010</u> \$	<u>2009</u> \$
CURRENT ASSETS			
Cash Assets	3	753	90,681
Receivables	4	68,340	571,212
Accrued Income		50,000	-
Provision for Income Tax		33	33
TOTAL CURRENT ASSETS		<u>119,126</u>	<u>661,926</u>
NON CURRENT ASSETS			
Intangibles	5	<u>2,100</u>	<u>-</u>
TOTAL NON CURRENT ASSETS		<u>2,100</u>	<u>-</u>
TOTAL ASSETS		<u>121,226</u>	<u>661,926</u>
CURRENT LIABILITIES			
Creditors and Accruals	6	928,795	585,892
Provisions		7,500	-
TOTAL CURRENT LIABILITIES		<u>936,295</u>	<u>585,892</u>
NON-CURRENT LIABILITIES			
Loans	7	1,655,594	1,437,622
TOTAL LIABILITIES		<u>2,591,889</u>	<u>2,023,514</u>
NET ASSETS		<u>(2,470,663)</u>	<u>(1,361,588)</u>
EQUITY			
Retained Earnings		(1,361,439)	(586,142)
Current Year Earnings		(1,109,227)	(775,449)
Share Capital		3	3
SHAREHOLDERS' EQUITY		<u>(2,470,663)</u>	<u>(1,361,588)</u>

ONE MOVEMENT PTY LTD
A.C.N. 133 518 760

NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1. Statement of Significant Accounting Policies

The principal accounting policies adopted by One Movement Pty Ltd are stated to assist in a general understanding of these financial statements. The policies have been consistently applied unless otherwise stated.

Basis of Accounting

The company is a small proprietary company as defined in the Corporations Act 2001 and as such is not required to prepare financial statements. However, the directors of the company have prepared these financial statements as a special purpose financial report for the purposes of monitoring the company's performance and financial position, to assist in the preparation of the company's income tax return and to meet any statutory reporting obligations.

The directors have determined that the company is not a reporting entity. The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 1031	Materiality
AASB 110	Events after the Reporting Period

No other applicable Accounting Standards, Urgent Issues Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied. The report is also prepared on an accruals basis and is based on historic costs and except where stated does not take into account changing money values or current valuations of non current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report.

a) Going Concern

The financial report has been prepared on the going concern basis. The ability of the company to continue as a going concern is dependent upon the ability of the Company to generate profitable operations and the ability to obtain additional equity capital and additional government funding.

b) Borrowing costs

Costs associated with the borrowing of funds are written off over the period of the loan.

c) Comparative figures

Comparative figures have been reclassified to conform to current year's presentation of the financial statements.

ONE MOVEMENT PTY LTD
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NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2010

d) Trade and other receivables

Trade and other receivables are recognized initially at fair value. A general provision is made for doubtful debts. Specific debts are written down and recognized as a 'write-off' only when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the debts. Loss events include financial difficulty or bankruptcy of the debtor, significant delay in payments and breaches of contracts. When the debt becomes uncollectable, it is written off against the provision account.

Subsequent recoveries of amounts previously written off are recognized in the profit and loss statement.

e) Related Party Transactions

Loans payable in Note 7 are from Sunset Events and Chugg Entertainment which are related parties of One Movement Pty Ltd.

	<u>2010</u>	<u>2009</u>
	\$	\$
2. <u>Miscellaneous income</u>		
Exhibition income	35,691	20,000
Merchandise income	8,387	18,464
Sundry income	86,034	62,192
	130,112	100,656
3. <u>Cash Assets</u>		
Bankwest Business Account	747	90,678
Undeposited Funds	-	3
Petty Cash	6	-
	753	90,681
4. <u>Receivables</u>		
Trade Debtors	193,340	571,212
Provision for doubtful debts	(125,000)	-
	68,340	571,212
5. <u>Intangibles</u>		
Formation expenses – at cost	1,100	-
Less: Amortised	(440)	-
Trademark	1,440	-
	2,100	-

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NOTES TO AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2010

	<u>2010</u>	<u>2009</u>
	\$	\$
6. <u>Creditors and accruals</u>		
Trade creditors	1,003,310	666,550
GST Payable/(Receivable)	<u>(74,515)</u>	<u>(80,658)</u>
	<u>928,795</u>	<u>585,892</u>
7. <u>Loans</u>		
Non-Current		
Loan from Sunset Events	1,222,536	1,079,564
Loan from Chugg Entertainment	<u>433,058</u>	<u>358,058</u>
	<u>1,655,594</u>	<u>1,437,622</u>

The loans from related parties are unsecured, interest-free and have no fixed repayment terms.

8. Contingent Liability

There are no contingent liabilities existing at year end. The Company consults with legal counsel on matters related to litigation, and other experts both within and outside the Company with respect to matters in the ordinary course of business. As at 30 June 2010, the Company was not involved in any legal proceedings.

9. Events Subsequent to Reporting Date

Since the end of the financial year and the date of this report there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the company, in the future financial year.

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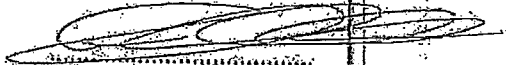
DIRECTORS' DECLARATION

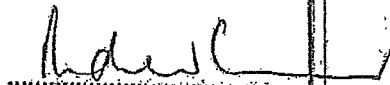
The Directors have determined that the company is not a reporting entity. The Directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The Directors of the company declare that:

1. the financial statement and notes present fairly the company's financial position as at 31 December 2010 and 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 opinion of the Directors there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

SIGNED in accordance with a resolution of the Directors


.....
Director


.....
Director

Dated this 24 day of Feb 2011.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
ONE MOVEMENT PTY LTD**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of One Movement Pty Ltd (the "Company"), which comprises the statement of financial position as at 31 December 2010, the income statement, notes to the accounts, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the *Corporations Act 2001* and are appropriate to meet the needs of the members. The directors' responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

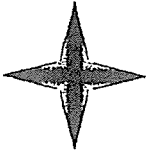
Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members.

We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of the Company, would be in the same terms if provided to the directors as at the date of this auditor's report.

Basis for Adverse Opinion

We draw your attention to Note 1(a) to the Accounts which states that the Directors are of the opinion that the Company will continue as a going concern and have thus prepared the accounts on a going concern basis. However, the ability of the Company to continue as a going concern is dependent on a number of factors as described in the note. We further draw your attention to the negative equity of \$2.47 million in the balance sheet as at year end. This situation indicates the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and therefore the company may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial report does not fully disclose this fact.

Adverse Opinion

In our opinion, because of the omission of the information described in the Basis for Adverse Opinion paragraph, the financial report of the Company is not in accordance with the *Corporations Act 2001*, and does not:

- a) give a true and fair view of the Company's financial position as at 31 December 2010 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- b) comply with Australian Accounting Standards to the extent described in Note 1 and comply with the *Corporations Regulations 2001*.

Dated at Perth, WA this 24th day of February 2011.

AUDITPLUS SOLUTIONS

VIRAL PATEL
Principal