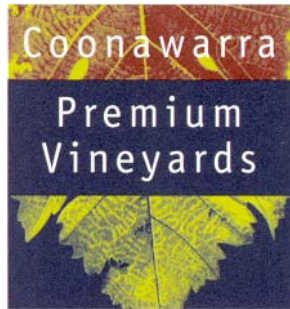


# Coonawarra Premium Vineyards Project

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ARSN 087 876 186



## **Half-Year Report for the half-year ended 31 December 2006**

Responsible Entity:

Coonawarra Premium Vineyards Limited

ABN 58 086 944 265

AFS Licence No. 226243

# Coonawarra Premium Vineyards Project

## Half-year Report for the half-year ended 31 December 2006

<u>Contents</u>	<u>Page Number</u>
Corporate Information.....	2
Directors' Report.....	3
Auditors' Independence Statement.....	4
Income Statement .....	5
Statement of Changes in Equity .....	5
Balance Sheet .....	6
Cash Flow Statement .....	7
Condensed Notes to the Interim financial Report .....	8
Directors' Declaration .....	9
Independent Review Report .....	10

### Corporate Information

Responsible Entity (RE):	Coonawarra Premium Vineyards Limited ABN 58 086 944 265 AFS Licence No. 226243
Directors of the RE	Paul Miller (Chairman & Compliance Officer) Rex Watson (Group Managing Director) Andrew Parkinson (Chief Executive Officer & Company Secretary)
Company secretaries of the RE	Andrew Parkinson Charlie Latham (Chief Financial Officer)
Registered office and principal place of business	235 Glen Osmond Road, Frewville, South Australia 5063
Postal address	PO Box 6243 Halifax Street, Adelaide South Australia 5000
Phone:	+61 8 8338 3400
Fax:	+61 8 8338 3244
Email:	<a href="mailto:enquiries@coonawarravineyard.com.au">enquiries@coonawarravineyard.com.au</a>
Grower Registry	Coonawarra Premium Vineyards Ltd, Adelaide
Custodian	Australian Executor Trustees (SA) Limited, Adelaide
Auditors	Grant Thornton, Adelaide
Taxation advisor	Grant Thornton, Adelaide

# Coonawarra Premium Vineyards Project

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## Directors' Report

The directors of Coonawarra Premium Vineyards Limited ABN 58 086 944 265, as Responsible Entity (RE) for the Coonawarra Premium Vineyards Project ARSN 087 876 186 (Project), present their report on the Project for the half-year ended 31 December 2006. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

### Directors

The names of the directors of the RE during or since the end of the half-year are: Mr Paul Miller (Chairman), Mr Rex Watson and Mr Andrew Parkinson.

The above named directors held office during and since the end of the half-year.

### Review Of Operations

The Project is a registered Managed Investment Scheme domiciled in Australia.

The Project's principal activity in the course of the half-year was to grow wine grapes on behalf of investors in the Project (Growers) on land made available to licensees under a 13 year licence agreement by Coonawarra Australia Property Trust ABN 37 529 164 940 (Trust). Upon the expiry of the licences in 2012, ownership of improvements to the land vests in the Trust. The Project has no employees.

There were no significant changes in the nature of those activities during the half-year.

In financial periods up to 30 June 2006 growers on a total of 339 lots out of the 2,800 original lots that comprise the Project vineyard had had their licences terminated for default on their licence fee payments and their grants of use were terminated by the RE of the Project. During the current half-year one additional licensee was terminated, representing 3 lots. Such termination does not relieve the grower from liability for any breach or non-performance of the grower's obligations arising under the Project's constitution. The licensees remain responsible for any arrears and the RE of the Project will continue with recovery actions to recover the outstanding amounts.

### Auditors' Independence

The Auditors' Independence Statement is included on page 4 of this financial report.

Signed in accordance with a resolution of the directors of the RE pursuant to s.306(3) of the Corporations Act 2001.



Paul Miller  
Director

Adelaide, 31 January 2007

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF COONAWARRA PREMIUM VINEYARD PROJECT 1**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Coonawarra Premium Vineyard Project 1 for the half-year ended 31 December 2006, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

**GRANT THORNTON**  
**South Australian Partnership**  
Chartered Accountants



**S J GRAY**  
Partner

Signed at *Adelaide* this *31* day of *January* 2007

# Coonawarra Premium Vineyards Project

## Income Statement for the half-year ended 31 December 2006

	Half-years ended 31 December	
	2006	2005
	\$	\$
<b>Revenue</b>		
Management fees	898,397	870,213
Grant of use fees	936,615	911,573
Grape harvesting, processing & storage fees	6,468	43,942
Interest revenue: growers	10,287	30,602
Interest revenue: other	86	86
Total revenue	<u>1,851,853</u>	<u>1,856,416</u>
<b>Other income</b>		
Legal fees recovered	5,701	61,208
Other income	26,367	-
Total other income	<u>32,068</u>	<u>61,208</u>
<b>Total</b>	<b>1,883,921</b>	<b>1,917,624</b>
Management fee expenses	(898,409)	(870,213)
Grant of use fee expenses	(936,615)	(911,573)
Grape harvesting, processing & storage expenses	(6,468)	(43,942)
Legal expenses	(5,701)	(61,208)
Finance costs	(10,373)	(30,688)
Other expenses	(26,355)	-
<b>Total expenses</b>	<b>(1,883,921)</b>	<b>(1,917,624)</b>
Profit before income tax expense	-	-
Income tax expense	-	-
<b>Profit for the year</b>	<b>-</b>	<b>-</b>

Notes to the financial statements are included on page 8.

## Statement of Changes in Equity for the half-year ended 31 December 2006

	Half-years ended 31 December	
	2006	2005
	\$	\$
<b>Total equity at the beginning of the year</b>	-	-
Net income recognised directly in equity	-	-
Profit for the year	-	-
<b>Total recognised income and expense for the year</b>	<u>-</u>	<u>-</u>
<b>Total equity at the end of the year</b>	<u>-</u>	<u>-</u>

Notes to the financial statements are included on page 8.

# Coonawarra Premium Vineyards Project

## Balance Sheet as at 31 December 2006

	Notes	31 December 2006 \$	30 June 2006 \$
<b>Current assets</b>			
Cash and cash equivalents		-	-
Trade receivables		800,623	1,551,992
Other receivables - prepayments		898,397	1,799,002
<b>TOTAL CURRENT ASSETS</b>		<b>1,699,020</b>	<b>3,350,994</b>
<b>TOTAL ASSETS</b>		<b>1,699,020</b>	<b>3,350,994</b>
<b>Current liabilities</b>			
Trade payables		672,699	1,465,934
Borrowings		127,924	86,058
Other - unearned revenue		898,397	1,799,002
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,699,020</b>	<b>3,350,994</b>
<b>TOTAL LIABILITIES</b>		<b>1,699,020</b>	<b>3,350,994</b>
<b>NET ASSETS</b>		<b>-</b>	<b>-</b>
<b>EQUITY</b>		<b>-</b>	<b>-</b>
<b>TOTAL EQUITY</b>		<b>-</b>	<b>-</b>

Notes to the financial statements are included on page 8.

# Coonawarra Premium Vineyards Project

## Cash Flow Statement for the half-year ended 31 December 2006

	Half-years ended 31 December	
	2006	2005
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts from customers	2,624,917	2,676,280
Payments to suppliers	(2,624,917)	(2,701,238)
Interest paid to RE	(10,373)	(30,688)
Interest received from customers	10,373	30,688
<b>Net cash used in operating activities</b>	-	(24,958)
<b>Cash flows from investing activities</b>		
<b>Net cash provided by investing activities</b>	-	-
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	-	-
<b>NET DECREASE IN CASH HELD</b>	-	(24,958)
Cash and cash equivalents at the beginning of the year	-	24,958
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	-	-
<b>Reconciliation of cash and cash equivalents</b>		
Cash at bank	-	-

Notes to the financial statements are included on page 8.

# Coonawarra Premium Vineyards Project

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## Condensed Notes to the Interim Financial Report for the half-year ended 31 December 2006

### 1. REPORTING ENTITY

Coonawarra Premium Vineyards Project (the "Project") is a registered Managed Investment Scheme operating in Australia. The Responsible Entity is Coonawarra Premium Vineyards Limited. The interim financial report of the Project as at and for the half-year ended 31 December 2006 comprises the Project only.

### 2. STATEMENT OF COMPLIANCE

The interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 'Interim Financial Reporting' and the Corporations Act 2001.

The interim financial report does not include all of the information required for a full annual financial report and should be read in conjunction with the annual financial report of the Project for the year ended 30 June 2006.

This interim financial report was approved by the directors on 31 January 2007.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Project in this interim financial report are the same as those applied by the Project in its financial report as at and for the year ended 30 June 2006.

### 4. SEGMENT INFORMATION

The Project operates solely in South-Eastern Australia and solely within the wine industry.

### 5. RELATED PARTY TRANSACTIONS

There have been no significant changes to the related party transactions disclosed in the last annual Report. All transactions with related parties are conducted on normal commercial terms and conditions.

### 6. CONTINGENT ASSETS AND LIABILITIES

The Project had no contingent assets or liabilities as at the reporting date (2005: Nil).

### 7 ADDITIONAL INFORMATION

Other than the directors of the Responsible Entity, there are no employees of the Scheme.

The registered office and principal place of business is located at:

235 Glen Osmond Road, Frewville, South Australia 5063

Phone: +61 8 8338 3400 Fax: +61 8 8338 3244 email: [enquiries@coonawarravineyard.com.au](mailto:enquiries@coonawarravineyard.com.au)

# Coonawarra Premium Vineyards Project

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## Directors' Declaration

In the opinion of the directors of the responsible entity:

1. the financial statements and notes are in accordance with the Corporations Act 2001 including;
  - a) giving a true and fair view of the financial position of the Project as at 31 December 2006 and of its performance as represented by the results of its operations and cash flows for the half year ended on that date; and
  - b) complying with Australian Accounting Standard AASB 134 - Interim Financial Reporting and the Corporations Regulations 2001; and
2. there are reasonable grounds to believe that the Project will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the board



Paul Miller  
Director

Adelaide, 31 January 2007



(b) other mandatory professional reporting requirements in Australia.

**GRANT THORNTON**  
**South Australian Partnership**  
Chartered Accountants



**S J GRAY**  
Partner

Signed at *Adelaide* this *31* day of *January* 2007