

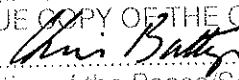
# Commissioners Gold Limited

ABN: 79 115 845 942

## Financial Statements

For the Year Ended 30 June 2010

I CERTIFY THIS TO BE A  
TRUE COPY OF THE ORIGINAL

  
.....  
Justice of the Peace/Solicitor

Registration No: 103929/9818

Date: 15.08.2011

# Commissioners Gold Limited

ABN: 79 115 845 942

For the Year Ended 30 June 2010

## CONTENTS

	<u>Page</u>
<b>Financial Statements</b>	
Directors' Report	1
Auditors Independence Declaration under Section 307C of the Corporations Act 2001	6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Financial Statements	11
Directors' Declaration	22
Independent Audit Report	23

# Commissioners Gold Limited

ABN: 79 115 845 942

## Directors' Report

30 June 2010

Your directors present their report, together with the statement of the Group, being the company, for the financial year ended 30 June 2010.

### 1. General information

#### Directors

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

Names	Position	Appointed/Resigned
Christopher Battye	Executive Chairman	
Allan Shepherd	Non Executive Director	
David W Price	Non Executive Director	14/09/2009 (appointed) & 17/02/2010 (resigned)
Wes Harder	Non Executive Director	17/02/2010 (appointed)
Thomas Browning	Non Executive Director	11/09/2009 (resigned)

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

#### Principal Activities and Significant Changes in Nature of Activities

The principal activities of Commissioners Gold Limited during the financial year were:

- Mineral Exploration

There have been no significant changes in the nature of Commissioners Gold Limited's principal activities during the year.

### 2. Operating Results and Review of Operations for the Year

#### Operating Results

The loss from ordinary activities after providing for income tax amounted to \$ (125,978).

#### Review of operations

A review of the operations of company during the financial year and the results of those operations show exploration progress on the Company's identified targets.

The year saw Commissioners Gold Limited undertaking capital raisings in the form of a share placement to private investors to successfully raise \$404,000 less costs.

### 3. Financial review

#### Financial position

The net assets of Commissioners Gold Limited have increased by \$ (23,507) from 30 June 2009 to \$ 469,165 in 2010. The increase has largely resulted from the following factors:

# Commissioners Gold Limited

ABN: 79 115 845 942

## Directors' Report

30 June 2010

### 3. Financial review continued

#### Financial position continued

- Capital fund raising

The Company has issued \$622,750 worth of new shares during the financial year. \$404,000 comprises of fund raising from the private investors and balance was issued to extinguish the amounts payable to directors and associated entity.

### 4. Other items

#### Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

#### Dividends Paid or Recommended

No dividends paid or declared for payment during the financial year

#### After balance date events

The loss of the Ophir and Duckmaloi tenements consequent on falling short on the exploration expenditure requirements.

\$10,000 ordinary shares were issued after the balance date.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

#### Future Developments, Prospects and Business Strategies

The Company continues its exploration activities in the Central West NSW region and fund raising when needed.

#### Environmental Issues

The company's operations are subject to significant environmental regulations under the laws of the Commonwealth and New South Wales legislation in relation to discharge of hazardous waste and materials arising from any mining activities and development conducted by the Company on any of its tenements. To date the Company has only carried out exploration activities and there have been no known breaches of any environmental obligations.

# Commissioners Gold Limited

ABN: 79 115 845 942

## Directors' Report

30 June 2010

### Information on Directors

Christopher Battye

Executive Chairman

Qualifications

BLegS

Experience

Chris provided the impetus in founding Commissioners Gold Limited (formerly Nerriga Mining Group Pty Ltd) in 2005 as a New South Wales focused minerals exploration company. He worked as a machine sapphire miner on the Anakie Field, Queensland before admission as a solicitor in 1984. Chris has worked for a major law firm in Sydney as well as regional law firms in Bathurst and Ballina. In the late eighties he purchased one of the oldest Sydney practices, transforming it into a low cost high volume retail conveyancing business with five outlets.

Interest in Shares

8,000,000 ordinary shares of Commissioners Gold Limited.

Allan Shepherd

Non Executive Director

Experience

Alan is the Company's 'man on the ground' who has had a lifetime's practical industry experience having commenced his mining career at the age of seventeen. He has been involved over the years with numerous companies on their plant and allied equipment requirements for gold and mineral, sand and aggregate and other extractive production plants along the eastern seaboard.

David W Price

Non Executive Director

Qualifications

BSc., FAusIMM, MAICD

Experience

David is a geologist with 20 years experience. His work experience with Robertson Research Geological Consulting Group brought him profound knowhow on grassroots exploration for epithermal and other porphyry-related gold/copper deposits.

Wes Harder

Non Executive Director

Qualifications

BSc. Dip SIA. MAus IMM

Experience

Wes Harder is a former gold analyst with Jackson Ltd Stockbrokers and has also worked as a gold, mining and resource. He was an analyst with stockbrokers Ord Minnett and Frank Renouf. He has also worked as a field exploration geologist for some 15 years in Australia and its near neighbours including Sumatra, Irian Jaya in Indonesia, New Britain and mainland Papua New Guinea, Solomon Islands and Fiji. In Australia, he has worked in New South Wales, Queensland, the Northern Territory and Tasmania. He has worked in tropical and temperate (both wet and dry) climates, searching for a range of mineral commodities including gold, copper, uranium and coal for major companies such as Placer Prospecting, Newmont Mining Inc., and Pancontinental Mining Limited. He was a founding Director and CEO of Zinico Resources NL and its successors for a period of seven years and has conducted his own consultancy firm for many years.

# Commissioners Gold Limited

ABN: 79 115 845 942

## Directors' Report

30 June 2010

Thomas Browning                      Non Executive Director  
Experience                              Geological field hand.

### Company Secretary

The following person held the position of company secretary at the end of the financial year:

Keith Taylor - MCom, MBA, CPA, FCIS, F Fin. Appointed Company Secretary on 3 September 2009. He is an experienced company secretary having previously served two ASX listed company Boards and a number of private companies. Keith is a consultant for Novus Capital Limited, a licensed dealer in securities. His previous positions have included work at the Australian Securities Commission and eight years with an Australian Merchant Bank.

### Meetings of Directors

During the financial year, 9 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Christopher Battye	9	9
Allan Shepherd	9	8
David W Price	4	4
Wes Harder	3	3
Thomas Browning	2	2

### Indemnifying Officers or Auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

### Options

No options over issued shares or interest 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.

### Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

# Commissioners Gold Limited

ABN: 79 115 845 942

## Directors' Report

30 June 2010

### Auditor's Independence Declaration

The lead auditors independence declaration for the year ended 30 June 2010 has been received and can be found on page 6 of the financial report.

This Report of the Directors is signed in accordance with a resolution of the Board of Directors.

Director: .....  
Christopher Battye

Director: .....  
Allan Shepherd

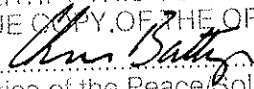
Dated 26 October 2010

# Commissioners Gold Limited

ABN: 79 115 845 942

Independent Audit Report to the members of Commissioners Gold Limited

27 October 2010

I CERTIFY THIS TO BE A  
TRUE COPY OF THE ORIGINAL  
  
.....  
Justice of the Peace/Solicitor  
Registration No: 103929/9818  
Date: 15-08-2011



Bathurst  
157 George Street  
PO Box 684  
Bathurst, NSW 2795

T 02 6330 2200  
F 02 6330 2299

Dubbo  
157 Brisbane Street  
PO Box 654  
Dubbo, NSW 2830

T 02 6883 5600  
F 02 6884 2242

Forbes  
151 Lachlan Street  
PO Box 867  
Forbes, NSW 2871

T 02 6852 1455  
F 02 6852 4138

Lithgow  
102 Main Street  
PO Box 20  
Lithgow, NSW 2790

T 02 6351 3326  
F 02 6352 3958

Orange  
146 Lords Place  
PO Box 570  
Orange, NSW 2800

T 02 6362 1933  
F 02 6361 4671

Wellington  
16-18 Maughan Street  
PO Box 83  
Wellington, NSW 2820

T 02 6845 1611  
F 02 6845 3382

West Wyalong  
99 Main Street  
PO Box 70  
West Wyalong, NSW 2671

T 02 6972 4297  
F 02 6972 3819

[www.whk.com.au](http://www.whk.com.au)

WHK Audit Services (Central West)  
ABN 73 139 862 923

## Commissioners Gold Limited

ABN: 79 115 845 942

### Auditors Independence Declaration under Section 307C of the Corporations Act 2001 Commissioners Gold Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 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.

WHK



Michael J Rendell  
Registered Company Auditor

27 October 2010

157 George Street Bathurst NSW 2795

# Commissioners Gold Limited

ABN: 79 115 845 942

## Independent Audit Report to the members of Commissioners Gold Limited

### Report on the Financial Report

We have audited the accompanying financial report of Commissioners Gold Limited (the company), which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

The accompany financial report of Commissioners Gold Limited will not be used to form part of the equity and debt raising.

### *Director's Responsibility for the Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. 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 company'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 company'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

Bathurst  
157 George Street  
PO Box 684  
Bathurst, NSW 2795

T 02 6330 2200  
F 02 6330 2299

Dubbo  
157 Brisbane Street  
PO Box 654  
Dubbo, NSW 2830

T 02 6883 5600  
F 02 6884 2242

Forbes  
151 Lachlan Street  
PO Box 867  
Forbes, NSW 2871

T 02 6852 1455  
F 02 6852 4138

Lithgow  
102 Main Street  
PO Box 20  
Lithgow, NSW 2790

T 02 6351 3326  
F 02 6352 3958

Orange  
146 Lords Place  
PO Box 570  
Orange, NSW 2800

T 02 6362 1933  
F 02 6361 4671

Wellington  
16-18 Maughan Street  
PO Box 83  
Wellington, NSW 2820

T 02 6845 1611  
F 02 6845 3382

West Wyalong  
99 Main Street  
PO Box 70  
West Wyalong, NSW 2671

T 02 6972 4297  
F 02 6972 3819

[www.whk.com.au](http://www.whk.com.au)

WHK Audit Services (Central West)  
ABN 73 139 862 923

## Commissioners Gold Limited

ABN: 79 115 845 942

**Independent Audit Report to the members of Commissioners Gold Limited**  
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 Commissioners Gold Limited on 27 October 2010, would be in the same terms if provided to the directors as at the date of this auditor's report.

### Auditor's Opinion

In our opinion the financial report of Commissioners Gold Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.



Michael J Rendell  
Registered Company Auditor

157 George Street Bathurst NSW 2795

3 November 2010

# Commissioners Gold Limited

ABN: 79 115 845 942

## Statement of Comprehensive Income

For the Year Ended 30 June 2010

		2010	2009
	Note	\$	\$
Other income	2	6,225	2,427
Marketing expense		(9,504)	(3,138)
Administrative expense		(19,086)	(4,749)
Exploration Costs		(109,182)	(32,022)
Depreciation and amortisation expense		(790)	(3,162)
<b>Loss before income tax</b>		<b>(132,337)</b>	<b>(40,644)</b>
Income tax expense		-	-
Extraordinary item	11	6,359	-
<b>Profit/(loss) for the year</b>		<b>(125,978)</b>	<b>(40,644)</b>

The accompanying notes form part of these financial statements.

# Commissioners Gold Limited

ABN: 79 115 845 942

## Statement of Financial Position

30 June 2010

	Note	2010 \$	2009 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	274,847	1,100
Trade and other receivables	4	14,319	3,718
Other assets	5	60,000	60,000
<b>TOTAL CURRENT ASSETS</b>		<b>349,165</b>	<b>64,819</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	-	790
Intangible assets	7	120,000	120,000
<b>TOTAL NON-CURRENT ASSETS</b>		<b>120,000</b>	<b>120,790</b>
<b>TOTAL ASSETS</b>		<b>469,165</b>	<b>185,609</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	-	209,114
Other liabilities	9	10,000	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>10,000</b>	<b>209,114</b>
<b>NON-CURRENT LIABILITIES</b>			
<b>TOTAL LIABILITIES</b>		<b>10,000</b>	<b>209,114</b>
<b>NET ASSETS</b>		<b>459,165</b>	<b>(23,505)</b>
<b>EQUITY</b>			
Issued capital	10	1,108,650	500,000
Retained earnings		(649,485)	(523,507)
<b>TOTAL EQUITY</b>		<b>459,165</b>	<b>(23,507)</b>

The accompanying notes form part of these financial statements.

# Commissioners Gold Limited

ABN: 79 115 845 942

## Statement of Changes in Equity

For the Year Ended 30 June 2010

2010

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2009	500,000	(523,507)	(23,507)
Profit or loss attributable to members	-	(125,978)	(125,978)
Shares issued during the year	622,750	-	622,750
Transaction costs	(14,100)	-	(14,100)
<b>Sub-total</b>	<b>608,650</b>	<b>(125,978)</b>	<b>482,672</b>
<b>Balance at 30 June 2010</b>	<b>1,108,650</b>	<b>(649,485)</b>	<b>459,165</b>

2009

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2008	500,000	(482,862)	17,138
Profit or loss attributable to members	-	(40,645)	(40,645)
Transfers to retained earnings from general reserves	-	-	-
Transfers from retained earnings to general reserves	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>(40,645)</b>	<b>(40,645)</b>
<b>Balance at 30 June 2009</b>	<b>500,000</b>	<b>(523,507)</b>	<b>(23,507)</b>

The accompanying notes form part of these financial statements.

# Commissioners Gold Limited

ABN: 79 115 845 942

## Statement of Cash Flows

For the Year Ended 30 June 2010

	Note	2010 \$	2009 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		-	2,256
Payments to suppliers and employees		(146,963)	(23,667)
Interest received		6,224	171
Net cash provided by (used in) operating activities	16(b)	<u>(140,739)</u>	<u>(21,240)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		622,750	-
Proceeds from the unallocated shares		10,000	-
Payment of transaction costs		(15,510)	-
Repayment of related party loan accounts		(202,755)	-
Proceeds from related party loan accounts		-	20,506
Net cash provided by (used in) financing activities		<u>414,486</u>	<u>20,506</u>
<b>OTHER ACTIVITIES</b>			
Net increase (decrease) in cash held		273,747	(734)
Cash and cash equivalents at beginning of financial year		<u>1,100</u>	<u>1,834</u>
Cash and cash equivalents at end of financial year	3	<u><u>274,847</u></u>	<u><u>1,100</u></u>

The accompanying notes form part of these financial statements.

# Commissioners Gold Limited

ABN: 79 115 845 942

## Notes to the Financial Statements

For the Year Ended 30 June 2010

This financial report includes the financial statements and notes of Commissioners Gold Limited.

### 1 Summary of Significant Accounting Policies

#### (a) Basis of Preparation

The financial report is a general purpose financial statement that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### (b) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the company applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

#### (c) Impairment of Assets

At each reporting date, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including, dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.



# Commissioners Gold Limited

ABN: 79 115 845 942

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 1 Summary of Significant Accounting Policies continued

#### (d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

#### (e) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

#### (f) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

#### (g) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

The above policy is not applicable while the company continues to make successive losses.

#### (h) Exploration expenditure

The directors had elected to expense off all mine exploration and associated cost according to requirements of AASB 6 Exploration for and Evaluation of Mineral Resources.

#### (i) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all

# Commissioners Gold Limited

ABN: 79 115 845 942

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 1 Summary of Significant Accounting Policies continued

#### (i) Revenue and Other Income continued

involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

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

#### (j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

#### (k) Rounding of Amounts

The company has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial report and directors' report have been rounded off to the nearest \$ 1.

#### (l) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

##### *Key estimates - Impairment*

The company assesses impairment at the end of the reporting period by evaluating conditions specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

#### (m) Adoption of New and Revised Accounting Standards

During the current year the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of Commissioners Gold Limited.

# Commissioners Gold Limited

ABN: 79 115 845 942

Notes to the Financial Statements

For the Year Ended 30 June 2010

## 1 Summary of Significant Accounting Policies continued

### (m) Adoption of New and Revised Accounting Standards continued

#### AASB 101: Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the company's financial statements.

##### *Disclosure impact*

**Terminology changes** - The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

**Reporting changes in equity** - The revised AASB 101 requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

**Statement of comprehensive income** - The revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The company's financial statements now contain a statement of comprehensive income.

**Other comprehensive income** - The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

### (n) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The company has decided against early adoption of these standards. A discussion of those future requirements and their impact on the company is as follows:

- AASB 9: Financial instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013).

# Commissioners Gold Limited

ABN: 79 115 845 942

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 1 Summary of Significant Accounting Policies continued

#### (n) New Accounting Standards for Application in Future Periods continued

These standards are applicable retrospectively and amend the classification and measurement of financial assets. The company has not yet determined the potential impact on the financial statements.

The changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and
- reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on:

- (a) the objective of the entity's business model for managing the financial assets; and
- (b) the characteristics of the contractual cash flows.

- AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011)

This standard removes the requirement for government related entities to disclose details of all transactions with the government and other government related entities and clarifies the definition of a related party to remove inconsistencies and simplify the structure of the standard. No changes are expected to materially affect the company.

- AASB 2009-4: Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 2 and AASB 138 and AASB Interpretations 9 & 16] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2009-5: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139] (applicable for annual reporting periods commencing from 1 January 2010).

These standards detail numerous non-urgent but necessary changes to accounting standards

# Commissioners Gold Limited

ABN: 79 115 845 942

Notes to the Financial Statements

For the Year Ended 30 June 2010

## 1 Summary of Significant Accounting Policies continued

### (n) New Accounting Standards for Application in Future Periods continued

arising from IASB's annual improvements project. No changes are expected to materially affect the company.

- AASB 2009-8: Amendments to Australian Accounting Standards — Group Cash-settled Share-based Payment Transactions [AASB 2] (applicable for annual reporting periods commencing on or after 1 January 2010).

These amendments clarify the accounting for group cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services when the entity has no obligation to settle the share-based payment transaction. The amendments incorporate the requirements previously included in Interpretation 8 and interpretation 11 and as a consequence, these two Interpretations are superseded by the amendments. These amendments are not expected to impact the company.

- AASB 2009-9: Amendments to Australian Accounting Standards — Additional Exemptions for First-time Adopters [AASB 1] (applicable for annual reporting periods commencing on or after 1 January 2010).

These amendments specify requirements for entities using the full cost method in place of the retrospective application of Australian Accounting Standards for oil and gas assets, and exempt entities with existing leasing contracts from reassessing the classification of those contracts in accordance with Interpretation 4 when the application of their previous accounting policies would have given the same outcome. These amendments are not expected to impact the company.

- AASB 2009-10: Amendments to Australian Accounting Standards — Classification of Rights Issues [AASB 132] (applicable for annual reporting periods commencing on or after 1 February 2010).

These amendments clarify that rights, options or warrants to acquire a fixed number of an entity's own equity instruments for a fixed amount in any currency are equity instruments if the entity offers the rights, options or warrants pro-rata to all existing owners of the same class of its own non-derivative equity instruments. These amendments are not expected to impact the company.

- AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of International Financial Reporting Standards by the IASB. The standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. These amendments are not expected to impact the company.

# Commissioners Gold Limited

ABN: 79 115 845 942

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 1 Summary of Significant Accounting Policies continued

#### (n) New Accounting Standards for Application in Future Periods continued

- AASB 2009-13: Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1] (applicable for annual reporting periods commencing on or after 1 July 2010).

This standard makes amendments to AASB 1 arising from the issue of Interpretation 19. The amendments allow a first-time adopter to apply the transitional provisions in Interpretation 19. This standard is not expected to impact the company.

- AASB Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments (applicable for annual reporting periods commencing on or after 1 July 2010).

This Interpretation deals with how a debtor would account for the extinguishment of a liability through the issue of equity instruments. The Interpretation states that the issue of equity should be treated as the consideration paid to extinguish the liability, and the equity instruments issued should be recognised at their fair value unless fair value cannot be measured reliably in which case they shall be measured at the fair value of the liability extinguished. The Interpretation deals with situations where either partial or full settlement of the liability has occurred. This Interpretation is not expected to impact the company.

The company does not anticipate early adoption of any of the above accounting standards.

### 2 Revenue and Other Income

#### Revenue from Continuing Operations

	2010	2009
	\$	\$
Other revenue		
- interest received	6,225	170
- other revenue	-	2,427
Total Revenue	6,225	2,597

#### (a) Interest Revenue

	2010	2009
	\$	\$
Interest revenue from:		
- bank	6,225	170
Total interest revenue	6,225	170

# Commissioners Gold Limited

ABN: 79 115 845 942

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 3 Cash and Cash Equivalents

	2010	2009
	\$	\$
Cash at bank	274,847	1,100
	<u>274,847</u>	<u>1,100</u>

### 4 Trade and Other Receivables

	2010	2009
	\$	\$
Other receivables	14,319	3,718
Total current trade and other receivables	<u>14,319</u>	<u>3,718</u>

### 5 Other Assets

	2010	2009
	\$	\$
Other current asset	60,000	60,000
	<u>60,000</u>	<u>60,000</u>

Performance bonds for tenements of Mongarlowe, Dalton, Muttama, Oberon - Black Bullock, Ophir and Duckmaloi.

### 6 Property, Plant and Equipment

	2010	2009
	\$	\$
PLANT AND EQUIPMENT		
Information technology		
At cost	-	10,990
Accumulated depreciation	-	(10,200)
Total information technology	-	790
Total property, plant and equipment	-	790

#### (a) Movements in Carrying Amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Information Technology	Total
	\$	\$
Balance at the beginning of year	790	790
Depreciation expense	(790)	(790)

# Commissioners Gold Limited

ABN: 79 115 845 942

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 7 Intangible Assets

	2010	2009
	\$	\$
Exploration Licences		
Cost	120,000	120,000
Net carrying value	120,000	120,000
Total Intangibles	120,000	120,000
	Exploration Licences	Total
	\$	\$
<b>Year ended 30 June 2009</b>		
Opening balance	120,000	120,000
<b>Balance at 30 June 2009</b>	120,000	120,000
<b>Year ended 30 June 2010</b>		
Opening balance	120,000	120,000
<b>Balance at 30 June 2010</b>	120,000	120,000

The exploration licences have been valued at cost as at 27 April 2007.

### 8 Trade and Other Payables

	2010	2009
	\$	\$
Amount payable to:		
- Director & related entities	-	209,114
	-	209,114

### 9 Other Liabilities

	2010	2009
	\$	\$
Other liability	10,000	-
	10,000	-

Other liabilities are share monies received but un-allocated as at 30 June 2010.

### 10 Issued Capital

	2010	2009
	\$	\$
16,080,000 (2009: 5,625,000) Ordinary	1,122,750	500,000
Share issue costs	(14,100)	-
<b>Total</b>	<b>1,108,650</b>	<b>500,000</b>



# Commissioners Gold Limited

ABN: 79 115 845 942

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 10 Issued Capital continued

#### (a) Ordinary Shares

	2010 No.	2009 No.
At the beginning of the reporting period	5,625,000	100
Shares issued during the year		
375,000 ordinary shares issued at 5 cents each	375,000	5,624,900
2,000,000 ordinary shares issued at 10 cents each	2,000,000	-
8,080,000 ordinary shares issued at 5 cents each	8,080,000	-
At reporting date	<u>16,080,000</u>	<u>5,625,000</u>

#### (b) Capital Management

There are no externally imposed capital requirements.

Management effectively manages Commissioners Gold Limited's capital by budgeting and costing.

There have been no changes in the strategy adopted by management.

### 11 Extraordinary item

#### Written off director and related entities loans

A total of \$6,359 of loans owing to Chris Battye and Conveyancing and Mortgage Shop Pty Ltd as at 30 June 2010 was written off as the outstanding loans were waived by Chris Battye and Conveyancing and Mortgage Pty Ltd.

### 12 Tax

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(g) occur:

### 13 Auditors' Remuneration

	2010 \$	2009 \$
Remuneration of the auditor of the company for:		
- Auditing or reviewing the financial report	2,350	-

# Commissioners Gold Limited

ABN: 79 115 845 942

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 14 Contingent Liabilities and Contingent Assets

No contingent liabilities apart from on-going geological services.

### 15 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. No transaction with related parties during 2009/2010 financial year.

### 16 Cash Flow Information

#### (a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	2010	2009
	\$	\$
Profit/(loss) for the year	(125,978)	(40,645)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation	790	3,162
Extraordinary item	(6,359)	-
Changes in assets and liabilities		
- (Increase)/decrease in trade and term receivables	(9,192)	25,252
- Increase/(decrease) in trade payables and accruals	-	(9,009)
	<u>(140,739)</u>	<u>(21,240)</u>

#### (b) Non-cash Financing and Investing Activities

##### *Share issue*

375,000 ordinary shares @ \$0.05 each issued to Chris Battye for administrative cost of the capital raising re-imbursement. 2,000,000 ordinary shares @ \$0.10 issued to Chris Battye for executing a binding deed releasing the Company from all debts predating to 3 September 2009.

### 17 Events After the End of the Reporting Period

The loss of the Ophir and Duckmaloi tenements consequent on falling short on the exploration expenditure requirements. The Company has geological programs underway to ensure against any further tenement loss. Geos Mining are presently "on the ground" at the Dalton and Mongarlowe tenements.

### 18 Company Details

The registered office of the company is:

Suite 18, 47 Neridah Street  
Chatswood NSW 2067

# Commissioners Gold Limited

ABN: 79 115 845 942

## Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 21, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Accounting Standards; and
  - (b) give a true and fair view of the financial position as at 30 June 2010 and of the performance for the year ended on that date of the company;
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.

COPY

Director .....  
Christopher Battye

COPY

Director .....  
Allan Shepherd

Dated 26 October 2010