

FORM: Preliminary final report

Name of *issuer*

Brewtopia Limited

ACN or ARBN

099 912 044

Half yearly
(tick)

Preliminary
final (tick)

✓

Financial year ended ('Current
period')

30 June 2007

For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

				\$A
Revenue	up	16.2%	to	1,298,704
Loss for the period	down	11.3%	to	(117,706)
Loss for the period attributable to members of the parent	down	11.3%	to	(117,706)
Dividends	Current period		Previous corresponding period	
Franking rate applicable:				
Final dividend <i>(preliminary final report only)(item 10.13-10.14)</i>	N/A		N/A	
Amount per <i>security</i>				
Franked amount per <i>security</i>				
Interim dividend <i>(Half yearly report only) (item 10.11 – 10.12)</i>	N/A		N/A	
Amount per <i>security</i>				
Franked amount per <i>security</i>				
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
N/A				

Brewtopia Limited
ABN: 85 099 912 044
Income Statement
For the Year Ended 30 June 2007

	Note	2007 \$	2006 \$
Revenue	1	1,298,704	1,117,476
Changes in inventories of finished goods and work in progress		(18,872)	59,903
Raw materials and consumables used		(724,400)	(756,877)
Employee benefits expense		(226,877)	(154,893)
Depreciation, amortisation and impairments		(31,216)	(18,506)
Advertising expense		(91,844)	(35,518)
Auditors' remuneration and accounting fees		(10,806)	(25,900)
Bad and doubtful debt expense		-	(291)
Directors' fees		(36,555)	(116,933)
Other administrative expenses		(275,840)	(201,310)
Profit before income tax		(117,706)	(132,849)
Profit attributable to members		(117,706)	(132,849)

Earnings Per Share:

Overall operations:

Basic earnings per share (cents per share)	7	(0.03)	(0.06)
Diluted earnings per share (cents per share)	7	(0.03)	(0.06)

Comparison of half-year profits

(Preliminary final statement only)

	Current period - \$A	Previous corresponding period - \$A
2.1 Consolidated profit (loss) after tax attributable to members reported for the 1st half year	10,048	24,956
2.2 Consolidated profit (loss) after tax attributable to members for the 2nd half year	(127,754)	(157,805)

The accompanying notes form part of the financial statements

Brewtopia Limited

ABN: 85 099 912 044

Balance Sheet 30 June 2007

	Note	2007 \$	2006 \$
ASSETS			
Current assets			
Cash and cash equivalents		155,052	407,218
Trade and other receivables		48,127	28,881
Inventories		46,101	64,973
Other current assets		6,942	11,286
Total current assets		256,222	512,358
Non-current assets			
Property, plant and equipment		207,963	88,441
Intangible assets		19,380	17,315
Total non-current assets		227,343	105,756
TOTAL ASSETS		483,565	618,114
LIABILITIES			
Current liabilities			
Trade and other payables		86,582	143,649
Short-term borrowings		62,125	67,923
Short-term provisions		4,083	4,288
Other current liabilities		(44)	855
Total current liabilities		152,746	216,715
Non-current liabilities			
Long-term borrowings		82,839	35,713
Total non-current liabilities		82,839	35,713
TOTAL LIABILITIES		235,585	252,428
NET ASSETS		247,980	365,686
EQUITY			
Issued capital	3	656,383	656,383
Retained earnings		(408,403)	(290,697)
TOTAL EQUITY		247,980	365,686

The accompanying notes form part of the financial statements

Brewtopia Limited

ABN: 85 099 912 044

Statement of Changes in Equity For the Year Ended 30 June 2007

	Issued Capital \$	Retained Earnings \$	Total \$
Balance at 1 July 2006	656,383	(290,697)	365,686
Loss for the year	-	(117,706)	(117,706)
Balance at 30 June 2007	656,383	(408,403)	247,980
Balance at 1 July 2005	656,383	(157,848)	498,535
Loss for the year	-	(132,849)	(132,849)
Balance at 30 June 2006	656,383	(290,697)	365,686

The accompanying notes form part of the financial statements

Brewtopia Limited
ABN: 85 099 912 044
Cash Flow Statement
For the Year Ended 30 June 2007

	Note	2007 \$	2006 \$
Cash from operating activities:			
Receipts from customers		1,390,240	1,061,640
Payments to suppliers and employees		(1,532,206)	(1,191,201)
Interest received		7,282	4,279
Income taxes paid		-	(2,316)
Net cash provided by (used in) operating activities	4(a)	(134,684)	(127,598)
Cash flows from investing activities:			
Acquisition of property, plant and equipment		(45,555)	(42,910)
Payments for intangible assets		(6,364)	(9,757)
Net cash provided by (used in) investing activities		(51,919)	(52,667)
Cash flows from financing activities:			
Proceeds from issue of shares		-	571,332
Repayment of borrowings		(70,610)	(28,569)
Net cash provided by (used in) financing activities		(70,610)	542,763
Net increase (decreases) in cash held		(257,213)	362,498
Cash at beginning of financial year		407,218	44,720
Cash at end of financial year	4(c)	150,005	407,218

The accompanying notes form part of the financial statements

Brewtopia Limited

ABN: 85 099 912 044

Notes to the Financial Statements For the Year Ended 30 June 2007

2007	2006
\$	\$

Note 1 Revenue

Operating activities

- Sale of goods	1,279,373	1,103,083
- interest received - other persons	7,282	4,135
- other revenue	12,049	10,258
Total Revenue	1,298,704	1,117,476

Note 2 Dividends

(a) Dividends and distributions paid

There were no dividends paid or declared during or since the end of the financial year.

Note 3 Issued Capital

(a) Summary Table

3,737,745 (2006: 3,737,745) fully paid ordinary shares	656,383	656,383
Total	656,383	656,383

(b) Ordinary Shares

At the beginning of reporting period	3,737,745	1,800,845
Shares issued during the year		
25 January 2006	-	1,936,900
At reporting date	3,737,745	3,737,745

Brewtopia Limited

ABN: 85 099 912 044

Notes to the Financial Statements For the Year Ended 30 June 2007

2007	2006
\$	\$

Note 4 Cash Flow Information

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

Net income/loss for the period	(117,706)	(132,849)
Non-cash flows in profit		
Depreciation and amortisation	31,216	18,506
Interest expense on borrowings	6,007	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade and term receivables	(19,246)	(12,662)
(Increase)/decrease in prepayments	4,344	(11,286)
(Increase)/decrease in inventories	18,872	(59,903)
Increase/(decrease) in trade payables and accruals	(57,067)	107,400
Increase/(decrease) in other liabilities	(899)	(38,895)
Increase/(decrease) in provisions	(205)	2,091
Cashflow from operations	<u>(134,684)</u>	<u>(127,598)</u>

(b) Non-cash Financing and Investing Activities

Assets purchased by finance lease

During the year, the company purchased plant and equipment to the value of \$100,884 by way of finance lease. These transactions are not reflected in the cash flow statement.

(c) Reconciliation of Cash

Cash and Cash equivalents	155,052	407,218
Bank overdraft	<u>(5,047)</u>	-
Total	<u>150,005</u>	<u>407,218</u>

Note 5 Segment Reporting

The company operates in one business segment that being the marketing and distribution of beer and beer related merchandise and custom branded beverages. The company operates predominately in one geographical segment that being Australia.

Brewtopia Limited

ABN: 85 099 912 044

Notes to the Financial Statements For the Year Ended 30 June 2007

Note 6 Correction of Fundamental Error

As a result of a review of the company's intangible assets, it was noted that various expenses had been capitalised that did not meet the definition and recognition requirements of AASB 138 "Intangible Assets". These expenses were predominately of an advertising and promotion nature, and hence an adjustment was made to derecognise the intangible assets relating to this expenditure. The effect of the error on the prior period results is as follows:

	Previously stated \$	1 July 2005 Adjustments \$	Restated \$	Previously stated \$	2006 Adjustments \$	Restated \$
Income Statement						
Advertising expenses	-	-	-	(22,345)	(13,173)	(35,518)
Loss for the year	-	-	-	(119,676)	(13,173)	(132,847)
Balance Sheet						
Intangible Assets	7,558	-	7,558	30,488	(13,173)	17,315
Retained Earnings	(157,848)	-	(157,848)	(277,524)	(13,173)	(290,697)

Note 7 Earnings Per Share

(a) Earnings Used in Calculation of EPS

	2007 \$	2006 \$
Profit for the year	(117,706)	(132,847)

(b) Weighted Average Number of Shares Used in Calculation of EPS

	2007 No.	2006 No.
Ordinary EPS	3,737,745	2,062,842
Diluted EPS	3,737,745	2,062,842

Potential ordinary shares have not been included in the calculation of Diluted EPS, as their effect would be to increase the loss per share.

Note 8 Company Details

The registered office and principal place of business of the company is:

Brewtopia Limited
3/46 Buffalo Road
GLADESVILLE NSW 2111

Ratios		Current period	Previous corresponding period
Profit before tax / revenue			
8.1	Consolidated profit (loss) before tax (<i>item 1.5</i>) as a percentage of revenue (<i>item 1.1</i>)	(9.00)%	(11.80)%
Profit after tax / equity interests			
8.2	Consolidated profit (loss) after tax attributable to members (<i>item 1.11</i>) as a percentage of equity (similarly attributable) at the end of the period (<i>item 3.37</i>)	(47.40)%	(36.30)%

Earnings per Security

- 9.1 Provide details of basic and fully diluted EPS in accordance with paragraph 70 and Aus 70.1 of AASB 133: Earnings per Share below:

Refer Notes to Financial Statements.

Dividends

- 10.1 Date the dividend is payable N/A
- 10.2 Record date to determine entitlements to the dividend (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by 'End of Day' if a proper ASTC/CHESS transfer) N/A
- 10.3 If it is a final dividend, has it been declared?
(Preliminary final report only)

- 10.4 The *dividend or distribution plans* shown below are in operation.

There were no dividends paid or payable during the period.

The last date(s) for receipt of election notices to the *dividend or distribution plans*

N/A

- 10.5 Any other disclosures in relation to *dividends or distributions*

N/A.

Dividends paid or provided for on all securities

(as per paragraph Aus126.4 AASB 101: Presentation of Financial Statements)

		Current period - \$A	Previous corresponding period - \$A	Franking rate applicable
	Dividends paid or provided for during the reporting period			
10.6	Current year interim	N/A	N/A	N/A
10.7	Franked dividends			
10.8	Previous year final	N/A	N/A	N/A
10.9	Franked dividends			
	Dividends proposed and not recognised as a liability	N/A	N/A	N/A
10.10	Franked dividends	N/A	N/A	N/A

Dividends per security

(as per paragraph Aus126.4 of AASB 101: Presentation of Financial Statements)

		Current year	Previous year	Franking rate applicable
	Dividends paid or provided for during the reporting period			
10.11	Current year interim	N/A	N/A	N/A
10.12	Franked dividends – cents per share			
10.13	Previous year final	N/A	N/A	N/A
10.14	Franked dividends – cents per share			
	Dividends proposed and not recognised as a liability	N/A	N/A	N/A
10.15	Franked dividends – cents per share	N/A	N/A	N/A

Discontinued Operations

(see note 18)

(as per paragraph 33 of AASB 5: Non-current Assets Held for Sale and Discontinued Operations)

		Current period – A\$	Previous corresponding period – A\$
13.1	Revenue	N/A	N/A
13.2	Expense	N/A	N/A
13.3	Profit (loss) from discontinued operations before income tax	N/A	N/A
13.4	Income tax expense (as per para 81 (h) of AASB 112)	N/A	N/A
13.5	Gain (loss) on sale/disposal of discontinued operations	N/A	N/A
13.6	Income tax expense (as per paragraph 81(h) of AASB 112)	N/A	N/A

Movements in Equity

(as per paragraph 97 of AASB 101: Financial Statement Presentation)

Refer Statement of Changes in Equity and associated notes.

Details of aggregate share of profits (losses) of associates and joint venture entities

Not Applicable

Control gained over entities having material effect

Not Applicable

Loss of control of entities having material effect

(See note 8)

Not Applicable

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities.

Not Applicable

Changes in Accounting Policy

From 1 July 2006, Website Development costs are amortised over a period of 5 years, as this asset is deemed to be an intangible asset with a defined useful life. No adjustments were required to prior periods, as the amortisation period commenced in the current financial year.

Reports for industry and geographical segments

Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 114: Segment Reporting. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this statement. However, the following is the personation adopted in the Appendices to AASB 114 and indicates which amount should agree with items included elsewhere in this statement.

The company operates in one business segment that being the marketing and distribution of beer and beer related merchandise and custom branded beverages. The company operates predominately in one geographical segment that being Australia.

NTA Backing

(see note 7)

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$0.061	\$0.093

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

21.1	Refer Cash Flow Note
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Comments by directors

Comments on the following matters are required by the Exchange or, in relation to the half yearly statement, by AASB 134: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) but may be incorporated into the directors' report and statement. For both half yearly and preliminary final statements, if there are no comments in a section, state NIL. If there is insufficient space in comment, attach notes to this statement.

NIL

Annual meeting

(Preliminary final statement only)

The annual meeting will be held as follows:

Place

Suite 9, Level 5
137-139 Bathurst Street
SYDNEY NSW 2000

Date

26 November, 2007

Approximate date the annual report will be available

28 September 2007

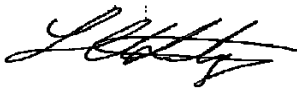
Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

No additional standards used.

2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does give a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:
- | | |
|--|---|
| <input type="checkbox"/> The financial statements have been audited. | <input type="checkbox"/> The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| <input checked="" type="checkbox"/> The financial statements are in the process of being audited or subject to review. | <input type="checkbox"/> The financial statements have <i>not</i> yet been audited or reviewed. |
5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications will follow immediately they are available.
6. The *issuer* does not have a formally constituted audit committee.



Larry Hedges
Managing Director, Brewtopia Ltd

14th September 2007