

# FORM: Half yearly/preliminary final report

Name of issuer

Pritchard Equity Limited

ACN or ARBN

100 517 404

Half yearly  
(tick)

✓

Preliminary  
final (tick)

Half year/financial year ended  
(‘Current period’)

31<sup>st</sup> December 2010

## For announcement to the market

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

Extracts from this statement for announcement to the market (see note 1).				\$A
Operating Revenue (item 1.1)	UP	63%	To	189,651
Operating Profit (loss) before abnormal items and tax	UP	56%	To	117,228
Operating Profit (loss) for the period after tax but before non-controlling interest (item 1.9)	UP	32%	To	126,420
Profit (loss) for the period attributable to security holders (item 1.11)	UP	37%	To	124,072
Income Distributions		Current period	Previous corresponding period	
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				

**Annual meeting***(Preliminary final statement only)*

The annual meeting will be held as follows:

Place

Date

Time

Approximate date the annual report will be available


**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

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2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does/does not\* (*delete one*) 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 checked="" 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 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 are attached/will follow immediately they are available\* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)

6. The *issuer* has/does not have\* (*delete one*) a formally constituted audit committee.

Sign here: .....

Date:

*(Director/Company secretary)*Print name: Steve P. Hall

**PRITCHARD EQUITY LIMITED**

**ACN 100 517 404**

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

# PRITCHARD EQUITY LIMITED

## DIRECTORS' REPORT

Your directors present the financial report of the consolidated entity consisting of Pritchard Equity Limited and the entities it controlled for the half year ended 31 December 2010.

### Directors

The names of directors who held office during or since the end of the half year:

- Steven Shane Pritchard
- Enzo Pirillo
- Gordon Bradley Elkington

### Review of Operations

The consolidated entity's principal activity was the making of medium and long term investments in both listed and unlisted securities. There have been no significant changes in the nature of these activities since the date of the Company's last annual report.

The net operating profit after tax was \$124,072 compared to \$92,830 in the previous year.

As a result, the net assets per share as at 31 December 2010 were \$1.35.

### Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 3 for the half year ended 31 December 2010.

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

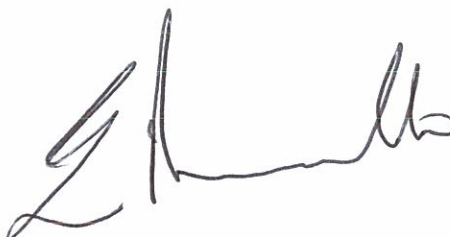


**Steven Shane Pritchard**

Director

21 February 2011

Hamilton, NSW



**Enzo Pirillo**

Director



## AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF PRITCHARD EQUITY LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Pritchard Equity Limited.

As lead audit partner for the review of the financial statements of Pritchard Equity Limited for the half-year ended 31 December 2010, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

*Forsythes Assurance & Risk*

FORSYTHES ASSURANCE & RISK

*M. Matthews*

Martin Matthews  
Partner  
Newcastle, 21 February 2011

# PRITCHARD EQUITY LIMITED

## CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE HALF YEAR ENDED 31 DECEMBER 2010

	Note	31.12.2010	31.12.2009
		\$	\$
Income from investment portfolio	2a	26,497	15,753
Income from trading portfolio	2b	90,355	70,265
Income from deposits	2c	4,283	5,343
Income from the provision of services	2d	12,929	-
Net profit of associated company		55,586	24,774
Other income	2e	1	37
<b>Total income from ordinary activities</b>		<b>189,651</b>	<b>116,172</b>
Administration expenses		32,781	7,145
Auditors remuneration		18,673	21,140
Bank charges		886	987
Depreciation expense		1,448	-
Employee expenses		5,609	-
Finance costs		3,589	5,221
Listing fees		6,369	6,374
Net realised foreign exchange loss		523	-
Share registry fees		2,545	-
<b>Operating profit before income tax</b>		<b>117,228</b>	<b>75,305</b>
Income tax benefit		6,214	2,143
<b>Operating profit after income tax</b>		<b>123,442</b>	<b>77,448</b>
Profit attributable to non-controlling interest		(2,348)	(2,801)
<b>Operating profit before realised gains/(losses) on the investment portfolio</b>		<b>121,094</b>	<b>74,647</b>
Net realised gains/(losses) on equity securities sold from the investment portfolio		2,978	18,183
<b>Profit attributable to members of the company</b>		<b>124,072</b>	<b>92,830</b>
<b>Overall Operations</b>			
Basic earnings per share (cents per share)		7.60	5.69
Diluted earnings per share (cents per share)		7.60	5.69

The accompanying notes form part of these condensed financial statements.

# PRITCHARD EQUITY LIMITED

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2010

	Note	31.12.2010	31.12.2009
		\$	\$
Profit /(loss) for the half year		121,094	74,647
Other comprehensive income			
Net revaluation/(devaluation) of non-current assets		70,868	28,577
Net realised gains on sale of long-term investments transferred to the Income Statement from the asset revaluation reserve		2,978	18,183
Exchange differences arising on translation of foreign operation		(10,898)	-
Total other comprehensive income for the half year		62,948	46,760
<b>Total comprehensive income for the half year</b>		<b>184,042</b>	<b>121,407</b>

The accompanying notes form part of these condensed financial statements.

# PRITCHARD EQUITY LIMITED

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	Note	31.12.2010	30.06.2010
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		150,341	114,667
Trade and other receivables		20,089	87,780
Trading portfolio		166,612	145,760
Deferred expenditure		13,203	-
<b>TOTAL CURRENT ASSETS</b>		<b>350,245</b>	<b>348,207</b>
<b>NON-CURRENT ASSETS</b>			
Investment portfolio		1,118,749	1,012,003
Investments in associates accounted for using the equity method		1,104,531	1,048,945
Plant and equipment		5,665	8,487
Goodwill		13,332	14,778
Deferred tax assets		96,767	92,842
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,339,044</b>	<b>2,177,055</b>
<b>TOTAL ASSETS</b>		<b>2,689,289</b>	<b>2,525,262</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		94,546	117,649
Borrowings		120,365	114,382
Current tax payables		(1,314)	(1,934)
<b>TOTAL CURRENT LIABILITIES</b>		<b>213,597</b>	<b>230,097</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings		265,737	265,737
Deferred tax liabilities		138	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>265,875</b>	<b>265,737</b>
<b>TOTAL LIABILITIES</b>		<b>479,472</b>	<b>495,834</b>
<b>NET ASSETS</b>		<b>2,209,817</b>	<b>2,029,428</b>
<b>EQUITY</b>			
Issued capital	4	932,960	932,960
Reserves		(49,104)	(108,511)
Retained earnings		1,166,721	1,051,534
Equity attributable to equity holders of the parent		2,050,577	1,875,983
Minority equity interest		159,240	153,445
<b>TOTAL EQUITY</b>		<b>2,209,817</b>	<b>2,029,428</b>

The accompanying notes form part of these condensed financial statements.



# PRITCHARD EQUITY LIMITED

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2010

	Issued capital	Asset revaluation reserve	Capital profits reserve	Foreign currency translation reserve	Retained earnings	Total
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2009</b>	932,960	(44,565)	75,512	-	1,039,427	2,003,334
Profit for the half year	-	-	-	-	74,647	74,647
Other comprehensive income						
Net revaluation/(devaluation) of non-current assets	-	28,577	-	-	-	28,577
Net capital gains for the year	-	-	-	-	18,183	18,183
Total other comprehensive income	-	28,577	-	-	18,183	46,760
Total comprehensive income for the period	-	28,577	-	-	92,830	121,407
Transfer to retained earnings from reserves	-	-	(7,401)	-	7,401	-
Dividends/distributions paid	-	-	-	-	(9,445)	(9,445)
<b>Balance at 31 December 2009</b>	932,960	(15,988)	68,111	-	1,130,213	2,115,296
<b>Balance at 1 July 2010</b>	932,960	(155,189)	46,678	-	1,051,534	1,875,983
Profit for the half year	-	-	-	-	121,094	121,094
Other comprehensive income						
Net revaluation/(devaluation) of non-current assets	-	70,868	-	-	-	70,868
Net capital gains for the year	-	-	-	-	2,978	2,978
Foreign currency exchange reserve	-	-	-	(10,898)	-	(10,898)
Total other comprehensive income	-	70,868	-	(10,898)	2,978	62,948
Total comprehensive income for the period	-	70,868	-	(10,898)	124,072	184,042
Transfer to retained earnings from reserves	-	-	(563)	-	563	-
Dividends/distributions paid	-	-	-	-	(9,448)	(9,448)
<b>Balance at 31 December 2010</b>	932,960	(84,321)	46,115	(10,898)	1,166,721	2,050,577

The accompanying notes form part of these condensed financial statements.

# PRITCHARD EQUITY LIMITED

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2010

	31.12.2010	31.12.2009
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Sales from trading portfolio	99,124	33,626
Purchases for trading portfolio	(30,166)	(71,991)
Brokerage received	6,694	-
Dividends received	12,495	4,790
Interest received	5,072	11,373
Distributions received	9,257	2,261
Commissions received	1	1,026
Other receipts	5,174	34
	<hr/> 107,651	<hr/> (18,881)
Administration expenses	(81,334)	(113,386)
Bank charges	(886)	(987)
Finance costs	(3,590)	(5,213)
Income tax paid	(719)	-
Net cash provided by/ (used in) operating activities	<hr/> 21,122	<hr/> (138,467)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sales from investment portfolio	68,460	214,405
Purchases for investment portfolio	(101,901)	(358,566)
Purchases of other assets	(4,625)	-
Net cash used in investing activities	<hr/> (38,066)	<hr/> (144,161)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Deferred expenditure	(13,203)	-
Dividends/distributions paid	(9,447)	(9,447)
Proceeds from borrowings	101,893	195,280
Repayment of borrowings	(21,743)	(62,381)
Net cash provided by financing activities	<hr/> 57,500	<hr/> 123,452
Net increase/(decrease) in cash held	40,500	(159,176)
Cash at beginning of period	114,667	445,565
Foreign currency exchange difference	(4,882)	-
Cash at end of period	<hr/> <hr/> 150,341	<hr/> <hr/> 286,389

The accompanying notes form part of these condensed financial statements.

# PRITCHARD EQUITY LIMITED

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE HALF YEAR ENDED 31 DECEMBER 2010

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

##### Basis of preparation of the Condensed Consolidated Financial Statements

This general purpose half year financial report has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 *Interim Financial Reporting*.

It is recommended that this financial report be read in conjunction with the 2010 Annual Report and any public announcements made by the Company during the half year, in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the company's 2010 annual financial report for the financial year ended 30 June 2010, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period.

New and revised Standards and amendments thereof and Interpretations effective for the current reporting period that are relevant to the Company include:

- Amendments to AASB 5, 8, 101, 107, 117, 118, 136 and 139 as a consequence of AASB 2009-5 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project*

AASB 2009-5 Introduces amendments into Accounting Standards that are equivalent to those made by the IASB under its program of annual improvements to its standards. A number of the amendments are largely technical, clarifying particular terms, or eliminating unintended consequences. Other changes are more substantial, such as the current/non-current classification of convertible instruments, the classification of expenditures on unrecognised assets in the statement of cash flows and the classification of leases of land and buildings.

The adoption of these amendments has not resulted in any changes to the Company's accounting policies and have no effect on the amounts reported for the current or prior periods.

The following significant accounting policies have been adopted in the preparation and presentation of the half year financial report from 1 July 2010 to 31 December 2010.

##### (a) Holdings of Securities

###### (i) Statement of Financial Position classification

The Consolidated entity has two portfolios of securities, the investment portfolio and the trading portfolio.

The investment portfolio comprises holdings of securities which the directors intend to retain on a long-term basis, and has been classified as a non-current asset.

The trading portfolio comprises holdings of securities held for short term trading purposes and is classified as a current asset.

###### (ii) Valuation of investments

Securities, including listed and unlisted shares, notes and options, are initially brought to account at cost (including any associated transaction costs) and are continuously carried at fair value.



# PRITCHARD EQUITY LIMITED

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2010

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (a) Holdings of Securities (continued)

Fair value for the purposes of valuing holdings of securities is determined by reference to market prices prevailing at balance date, predominantly last sale price, where the securities are traded on an organised market. Where a security is not so traded, its fair value is determined by the Directors

#### (iii) Income from holdings of securities

Distributions relating to listed securities are recognised as income when those securities are quoted ex-distribution basis. Distributions relating to unlisted securities are recognised as income when received unless the distributions are capital returns in which case the amount of the distribution is treated as an adjustment to the cost base of the securities.

### NOTE 2: REVENUE

	31.12.2010 \$	31.12.2009 \$
<b>a. Income from Investment Portfolio</b>		
— dividends received	17,240	13,756
— trust distributions received	9,257	1,997
<b>Total income from investment portfolio</b>	<b>26,497</b>	<b>15,753</b>
<b>b. Income from Trading Portfolio</b>		
— sales revenue	99,660	33,625
— cost of sales	(9,305)	36,640
<b>Total income from trading portfolio</b>	<b>90,355</b>	<b>70,265</b>
<b>c. Income from Deposits</b>		
— interest received	4,283	5,343
<b>Total income from deposits</b>	<b>4,283</b>	<b>5,343</b>
<b>d. Income from the provision of services</b>		
— brokerage received	6,694	-
— other income received	6,235	-
<b>Total other income</b>	<b>12,929</b>	<b>-</b>
<b>e. Other Income</b>		
— commissions received	1	35
— foreign exchange gain	-	2
<b>Total other income</b>	<b>1</b>	<b>37</b>

# PRITCHARD EQUITY LIMITED

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE HALF YEAR ENDED 31 DECEMBER 2010

#### NOTE 3: DIVIDENDS

##### Dividends Paid or Declared

25/09/2009 Preferred Income Equity Securities dividend paid	-	9,447
31/12/2009 Preferred Income Equity Securities dividend declared	-	9,447
25/09/2010 Preferred Income Equity Securities dividend paid	9,447	-
31/12/2010 Preferred Income Equity Securities dividend declared	9,447	-
	<b>18,894</b>	<b>18,894</b>

On 8 February 2011 the directors declared a fully franked interim dividend of \$3.50 per share to the holders of preferred income equity securities in respect of the half year ended 31 December 2010, to be paid to shareholders on 30 March 2011. This dividend has not been included as a liability in these financial statements.

#### NOTE 4: ISSUED CAPITAL

Movements in Issued Capital of the Company during the half year were as follows:

Date	Details	A Ordinary Shares	B Ordinary Shares	Preferred Income Equity Securities	Issued Capital \$
01/07/2010	Opening balance	527,885	401,212	3,863	932,960
31/12/2010	Closing balance	527,885	401,212	3,863	932,960

All ordinary shares rank equally inter se for all purposes of participation in profits or capital of the Company.

A Ordinary shares confer on their holder the right to receive notices, reports and accounts and to attend and speak, but not to vote at general meetings of the Company.

B Ordinary shares confer on their holder the right to receive notices, reports and accounts and to attend and speak and vote at general meetings of the Company.

The holders of preferred income equity securities are entitled to a cumulative preferential dividend of \$10 per annum (inclusive of any franking credits that would accrue to an Australian resident shareholder in respect of that dividend) accruing at the rate of \$5 for each 6 month period (or part of such period) ending on 30 June and 31 December each year during which the securities are on issue.

Holders of preferred income equity securities may request the conversion of the securities into A ordinary shares on 30 November 2013 or on 30 November of any subsequent year by giving written notice to the Company on or before 15 November of the year in which the conversion is to take place and the Company may convert preferred income equity securities into A ordinary shares at any time by giving 60 days written notice to security holders of the date on which the conversion is to take place.

On conversion, a holding of m preferred income equity securities will be converted into a corresponding holding of  $n = m \times 100 \times e / (a - i)$  A ordinary shares, where e is the total number of issued ordinary shares shown in the last audited accounts, a is the consolidated net assets of the group shown in the last audited accounts, expressed in dollars, and i is any minority equity interest shown in the last audited accounts, also expressed in dollars.

Subject to the *Corporations Act* and the NSX Listing Rules, the Company may redeem preferred income equity securities at \$100 per security on 31 December 2013 or on 31 December of any subsequent year by giving three months written notice to security holders of its intention to redeem the securities.

On a winding up of the Company or on a reduction of capital a holder of preferred income equity securities will be entitled to receive \$100 for each security ahead of any payment to the holders of ordinary shares, but has no other right to participate in surplus assets



# PRITCHARD EQUITY LIMITED

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE HALF YEAR ENDED 31 DECEMBER 2010

#### NOTE 4: ISSUED CAPITAL (continued)

##### a. Options

On 27 April 2006 the Company issued 339,679 Series 3 Options. A Series 3 Option entitles the holder upon the payment of the exercise price of \$5.00 to 1 A Ordinary share. Series 3 Options may be exercised at any time up to 10 December 2015 (inclusive) but not thereafter. As at the reporting date none of the options had been exercised.

#### NOTE 5: SEGMENT REPORTING

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

The following is an analysis of the Group's revenue and results by reportable operating segment for the periods under review:

Half year ended 31.12.2010	Investments	Stockbroking	Total
Revenue	134,065	55,586	189,651
Results	68,486	55,586	124,072

Half year ended 31.12.2009	Investments	Stockbroking	Total
Revenue	91,398	24,774	116,172
Results	68,056	24,774	92,830

The revenue reported above represents revenue generated from external customers. There were no intersegment sales during the period.

The following is an analysis of the Group's assets by reportable operating segment:

31.12.2010	Investments	Stockbroking	Total
Assets	1,584,758	1,104,531	2,689,289

30.06.2010	Investments	Stockbroking	Total
Assets	1,476,317	1,048,945	2,525,262

#### NOTE 6: CONTINGENT LIABILITIES

At balance date the Directors are not aware of any material contingent liabilities other than those already disclosed elsewhere in the financial report.

#### NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

Since 31 December 2010 to the date of this report there has been no event specific to the consolidated entity of which the Directors are aware which has had a material effect on the consolidated entity or its financial position.

# PRITCHARD EQUITY LIMITED


## DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 4 to 12
  - a. comply with Accounting Standards and the Corporations Regulations; and
  - b. give a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to s. 303(5) of the *Corporations Act 2001*.

On behalf of the directors



Steven Shane Pritchard  
Director



Enzo Pirillo  
Director

21 February 2011

Hamilton, NSW



## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF PRITCHARD EQUITY LIMITED

### ***Report on the half year financial report***

We have reviewed the accompanying half-year financial report of Pritchard Equity Limited, which comprises the condensed statement of financial position as at 31 December 2010, and the condensed income statement, condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, a statement of accounting policies, other explanatory notes and the directors' declaration of the company.

### ***Directors' responsibility for the financial report***

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

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

### ***Independence***

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

## **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Pritchard Equity Limited is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Pritchard Equity Limited's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

*Forsythes Assurance & Risk*

FORSYTHES ASSURANCE & RISK



MJ Matthews  
Partner  
Newcastle, 21 February 2011



# PRITCHARD EQUITY LIMITED

## CORPORATE DIRECTORY

### Directors

Steven Shane Pritchard – Executive Chairman  
Enzo Pirillo  
Gordon Bradley Elkington

### Secretary

Enzo Pirillo

### Principal Place of Business

#### and Registered Office

10 Murray Street  
Hamilton NSW 2303  
Telephone (02) 4920 2877  
Facsimile (02) 4920 2878

### Accountants

Rees Pritchard Pty. Limited  
10 Murray Street  
Hamilton NSW 2303  
Telephone (02) 4920 2877  
Facsimile (02) 4920 2878

### Auditors

Forsythes Assurance & Risk  
175 Scott Street  
Newcastle NSW 2300  
Telephone (02) 4926 2699  
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### Solicitors

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