



PRITCHARD EQUITY LIMITED

2009 ANNUAL REPORT

Pritchard Equity Limited ABN 80 100 517 404

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PRITCHARD EQUITY LIMITED

OUR VALUES AND OBJECTIVES

- While our Company is a corporation, our philosophy is that of a partnership. We do not view the Company itself as the ultimate owner of assets, but instead as a conduit through which shareholders own the assets.
- We do not measure the Company's performance by its revenue or its size, but by the growth of the intrinsic value of its shares. Our long-term financial goal is to maximise this growth by investing in businesses that generate cash and earn above average returns on the capital invested in them.
- We maintain a conservative approach to borrowing, and will reject investment opportunities that present themselves, rather than over extend our balance sheet.
- We are sensitive to our fiduciary obligations to our suppliers and creditors, and to our many long term shareholders, some of whom have committed significant portions of their investment funds to our care.
- We will be candid in reporting to shareholders, and will tell them everything about the business that we believe they would like to know.

PRITCHARD EQUITY LIMITED

FINANCIAL HIGHLIGHTS

Year ended 30 June	2009	2008	2007	2006
	\$	\$	\$	\$
Income Statement				
Total income	(10,622)	426,909	536,564	269,589
Total expenses	116,169	99,638	89,678	14,448
Operating profit before income tax	(126,791)	327,271	446,886	255,141
Income tax expense/(benefit)	(13,486)	(22,286)	(20,799)	1,547
Operating profit after income tax	(113,305)	349,557	467,685	253,594
Impairment revaluation charge	(80,181)	-	-	-
Minority interests	(1,321)	28,182	10,183	2,344
Profit attributable to shareholders of Pritchard Equity Limited	(194,807)	321,375	457,502	251,250
Balance Sheet				
Total assets	2,600,474	2,371,536	2,367,549	1,675,939
Total liabilities	453,470	264,509	297,730	204,104
Total shareholders' equity	2,147,004	2,107,027	2,069,819	1,471,835
Pritchard Equity Limited shareholders' equity	2,003,334	1,980,771	1,919,002	1,343,012
Share Information				
Basic earnings per ordinary share (cents per share)	(12.65)	22.82	33.41	18.35
Growth in earnings per ordinary share (%)	(155)	(32)	82	47
Net assets per ordinary share (cents per share)	132	140	130	88.06
Share price at end of period				
— A Ordinary shares	1.10	1.10	1.10	0.85
— B Ordinary shares	1.10	1.10	1.10	0.95
— Preferred income equity securities	100.00	100.00	N/A	N/A
Issued capital (number of shares)				
— A Ordinary shares	791,968	620,608	578,358	578,358
— B Ordinary shares	839,378	831,378	540,128	540,128
— C Ordinary shares	N/A	N/A	250,000	250,000
— Preferred income equity securities	2,699	1,461	N/A	N/A
Key Measures				
Return on average ordinary shareholders' equity (%)	(9.8)	19.3	28.0	25.2
Return on average assets (%)	(7.9)	13.6	22.6	21.2
Gearing ratio (%)	4.6	1.8	9.8	8.5

PRITCHARD EQUITY LIMITED

EXECUTIVE CHAIRMAN'S LETTER

Dear Fellow Shareholders

The last financial year could only be described as a shocking one. A year ago no one could have imagined how much the financial and economic landscape would change, nor how it would impact on business and asset values.

Given that our company invests predominately in financial assets, the Global Financial Crisis has naturally had an adverse impact on its results.

Results

The consolidated net operating loss after tax for the year was \$194,807 after providing for an impairment revaluation charge of \$80,181 as required by the accounting standards.

This is equivalent to a loss of 12.7 cents per share compared to a profit of 22.8 cents per share in the preceding year.

Net assets per ordinary share fell by 6.4% to \$1.32 per ordinary share compared to a 7.7% increase in the prior year.

Investment activity

The company has continued its cautious approach to making new investments during the year and maintains a low level of debt with gearing remaining a low 4.6%

As at balance date the group had approximately 27% of its assets in listed investments, 48% in unlisted investments, 17% in cash and 8% in other assets.

Listed investments

At balance date the group had investments of more than 5% of the issued capital of the following listed companies;

- Illuminator Investment Company Limited

During the year the company disposed of its shareholding in Property Fox No. 1 Limited for what it regards as a reasonable return.

Unlisted investments

The Company's major unlisted investment is its 32.81% interest in Cameron Capital Limited, which is the holding company for Cameron Stockbrokers Limited. The continued downturn in the Australian equity markets saw Cameron Capital Limited incurred a consolidated net operating loss of \$256,721 compared to a profit of \$661,594 in the previous financial year.

The group continues to maintain its strategic holding of 4.15% of the issued capital of the unlisted property investment company Penrose Club Holdings Limited. Penrose Club Holdings Limited owns a substantial parcel of land at Penrose in the Southern Highlands of New South Wales.

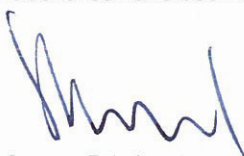
The South Pacific Investment Company Limited

During the year, The South Pacific Investment Company Limited was incorporated as a wholly owned subsidiary of the group to facilitate investment in the Fiji Islands and other emerging markets.

Since its incorporation, The South Pacific Investment Company Limited has acquired 12.5% of the South Pacific Stock Exchange Limited, which is located in Suva in the Fiji Islands.

Outlook

Over the last few weeks the group has started to selectively acquire investments in a number of companies which it believes have been over sold by the market, with a view to establishing a long term investment portfolio.



Steven Pritchard
Chairman
30 September 2009

PRITCHARD EQUITY LIMITED

DIRECTORS' REPORT

Your directors present their report on the group consisting of Pritchard Equity Limited and its controlled entities for the financial year ended 30 June 2009. In order to comply with the provisions of the Corporations Act 2001, the directors' report is as follows:

Directors

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

- Steven Shane Pritchard
- Enzo Pirillo
- Gordon Bradley Elkington

The directors have been in office since the start of the financial year to the date of this report.

Company Secretary

Enzo Pirillo held the position of company secretary at the end of the financial year. Details of the qualifications of the company secretary are contained in the Information on Directors.

Principal Activities

During the year, the principal activity of the group was the making of medium and long term investments in both listed and unlisted investments.

There were no significant changes in the nature of the Company's principal activities during the financial year.

Dividends Paid or Recommended

A final fully franked preferred income equity securities dividend for 30 June 2008 was paid on 30 September 2008. An interim fully franked preferred income equity securities dividend for 31 December 2008 was paid on 30 March 2009 and a final fully franked preferred income equity securities declared dividend for 30 June 2009 is payable on 30 September 2009.

Operating Results and Review of Operations

The consolidated net loss after providing for income tax and eliminating minority equity interests was \$194,807 compared to a profit of \$321,375 last year. A loss of \$84,230 from the group's associate Cameron Capital Limited compared to a profit of \$218,723 last year was the primary reason for the fall in the consolidated net operating loss. However, given the volatility that the global financial markets have experienced over the last year, the directors believe that the results achieved by the consolidated entity remain extremely satisfactory.

Financial Position

The net assets of the group as at 30 June 2009 were \$2,147,004 compared to \$2,107,027 as at 30 June 2008, an increase of \$39,977. This increase has largely resulted from the issue of additional capital.

The group continues to maintain a strong liquidity position, and currently holds cash and readily realisable assets of \$1,145,911. During the year the group increased its short term borrowings from \$37,673 to \$102,647.

Significant Changes in State of Affairs

The directors are not aware of any other significant changes in the operations of the group, or the environment in which it operates, that will adversely affect the results of the company in subsequent years.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Future Developments, Prospects and Business Strategies

The group will continue to pursue its investment objectives for the long-term benefit of members. This will require the continued review of the investment strategy that is in place, and may require some changes to that strategy.

Further information on likely developments in the operations of the consolidated entity and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the consolidated entity.

PRITCHARD EQUITY LIMITED

Environmental Issues

The group's operations are not regulated by any significant environmental regulation under Commonwealth or State law.

Information on Directors

Steven Shane Pritchard	—	Chairman (Executive)
Qualifications	—	B Com, CPA, F Fin Previously a member of the Stock Exchange of Newcastle Limited
Experience	—	Chairman and director since 10 May 2002
Interest in shares and options	—	391,480 A Ordinary shares 541,000 B Ordinary shares 103,740 Series 2 Options 103,740 Series 3 Options 1,019 Preferred Income Equity Securities
Special responsibilities	—	Member of the Audit Committee Director of Henley Underwriting & Investment Company Pty Limited and Cameron Capital Limited
Directorships held in other listed entities	—	Current chairman and director of Illuminator Investment Company Limited (since 22 December 2003), NSX Limited (since 27 May 2009), current director of Florin Mining Investment Company Limited (since 29 September 2004), and Winpar Holdings Limited (since 4 July 2004)
Enzo Pirillo	—	Director (Executive) and Company Secretary
Qualifications	—	B Com, CPA, F Fin
Experience	—	Director and company secretary since 14 September 2005
Interest in shares and options	—	2,000 A Ordinary shares 1,000 B Ordinary shares 25,500 Series 2 Options 25,500 Series 3 Options 3 Preferred Income Equity Securities
Special Responsibilities	—	Member of the Audit Committee Director of Henley Underwriting & Investment Company Pty Limited, Cameron Capital Limited and Illuminator Investment Company Limited
Gordon Bradley Elkington	—	Director (Non-Executive)
Qualifications	—	B Sc, M. Sc., PhD, LL.M
Experience	—	Director since 12 December 2005
Interest in shares and options	—	29,360 A Ordinary shares 15,200 B Ordinary shares 20,100 Series 2 Options 20,100 Series 3 Options 45 Preferred Income Equity Securities
Special Responsibilities	—	Member of the Audit Committee
Directorships held in other listed entities	—	Director of Stokes (Australasia) Limited (since 24 April 2003) and Winpar Holdings Limited (since 1994)

PRITCHARD EQUITY LIMITED

Meetings of Directors

During the financial year, 13 meetings of directors (including committees) were held. Attendances were as follows:

	DIRECTORS MEETINGS		AUDIT COMMITTEE MEETINGS	
	Number held	Number attended	Number held	Number attended
Steven Shane Pritchard	13	13	1	1
Enzo Pirillo	13	13	1	1
Gordon Elkington	13	13	1	1

Shares Under Option

Options have been issued in relation to A ordinary shares as follows.

Date of issue	Expiry date	Number	Exercise price
24 April 2006	10 December 2010	339,679	\$2.50
24 April 2006	10 December 2015	339,679	\$5.00

Indemnifying Officers or Auditor

During or since the end of the financial year the company has not given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums in relation to any officer or auditor.

Proceedings on Behalf of Company

No person has applied for leave of the 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.

Auditor's Independence Declaration

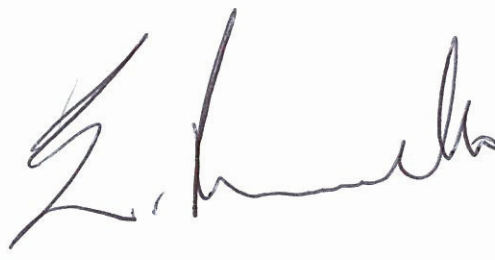
The auditor's independence declaration for the year ended 30 June 2009 has been received and is found on page 7 of the annual report.

Signed in accordance with a resolution of Directors made pursuant to s.298 (2) of the Corporations Act 2001.



Steven Shane Pritchard

Director



Enzo Pirillo

Director

Dated this 30th day of September 2009.

PRITCHARD EQUITY LIMITED

REMUNERATION REPORT

This report details the nature and amount of remuneration for each director of Pritchard Equity Limited, and for the executives receiving the highest remuneration.

Remuneration policy

All issues in relation to the remuneration of both Executive Directors and Non-Executive Directors are dealt with by the Board of the Company.

The constitution of Pritchard Equity Limited requires approval by the shareholders in general meetings of a maximum amount of remuneration per year to be allocated between Non-Executive Directors as they determine. In proposing the maximum amount for consideration in general meeting, and in determining the allocation, the Board takes account of the time demands made on Directors, together with such factors as the general level of fees paid to directors. The amount of remuneration currently approved by shareholders for Non-Executive Directors is a maximum of \$80,000 per annum.

Non-Executive Directors hold office until such time as they retire, resign or are removed from office under the terms set out in the constitution of the Company. Non-Executive Directors do not receive any performance based remuneration.

Details of remuneration

The Company has only two executives, Steven Pritchard and Enzo Pirillo (2008: two executives), both of whom are Directors of the Company.

Details of the remuneration for each director of the Company is as follows.

2009	Salary and Fees	Superannuation contributions	Other	Total
	\$	\$	\$	\$
Steven Pritchard	-	-	-	-
Enzo Pirillo	-	-	-	-
Gordon Elkington	-	-	-	-

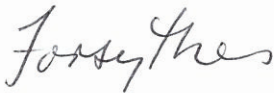
2008	Salary and Fees	Superannuation Contributions	Other	Total
	\$	\$	\$	\$
Steven Pritchard	-	-	-	-
Enzo Pirillo	-	-	-	-
Gordon Elkington	-	-	-	-

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

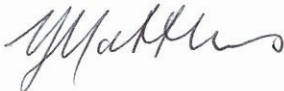
In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Pritchard Equity Limited.

As lead audit partner for the audit of the Pritchard Equity Limited financial report for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



FORSYTHES



M J Matthews
Partner
Chartered Accountants
Newcastle, 30 September 2009

PRITCHARD EQUITY LIMITED

CORPORATE GOVERNANCE STATEMENT

The Board has the responsibility of ensuring that the Company is properly managed so as to protect and enhance the interests of shareholders, consistently with the Company's meeting its obligations to all parties with which it interacts. To this end, the Board has adopted what it believes to be appropriate corporate governance policies and practices, having regard to its size and the nature of its activities.

The main corporate governance policies are summarised below.

Appointment and retirement of non-executive directors

It is the Board's policy to determine the terms of the appointment and retirement of non-executive directors on a case by case basis, and in conformity with the requirements of the Listing Rules and the *Corporations Act*.

Director qualifications

In choosing directors, the Company seeks to appoint those individuals who have a significant personal or family ownership interest in the Company's ordinary shares. These persons must also have high integrity, business skills, shareholder orientation and a genuine interest in the Company.

Board size

The Board presently consists of three members, two of whom are executive directors. Under the Company's constitution, the Board must consist of not less than three members and not more than 10. The Board periodically reviews the number of its members, having regard to the nature and extent of the Company's operations.

Directors' responsibilities

The basic responsibility of the directors is to exercise their business judgment to act in what they believe to be the best interests of the Company and its shareholders, and to conduct themselves in accordance with their fiduciary duties.

Directors' access to independent professional advice

It is the Board's policy that any committees established by the Board should:

- be entitled to obtain independent professional or other advice at the Company's cost, unless the Board determines otherwise;
- be entitled to obtain such resources and information from the Company, its employees and advisers, as they may require; and
- operate in accordance with any terms of reference established by the Board.

Board meetings

The Chairman of the Board is responsible for establishing the agenda for each Board meeting. Each director is free to suggest items for inclusion on the agenda and to raise at any Board meeting subjects that are not on the agenda. At least once each year the Board reviews the Company's long term plans and the principal issues that the Company will face in the future.

Audit committee

The Board has established an Audit Committee, which meets with the external auditors at least once a year. The Audit Committee addresses the financial and compliance responsibilities of the Board, and monitors in particular:

- the adequacy of the Company's internal controls and procedures to ensure compliance with all applicable legal obligations;
- the adequacy of financial risk management processes; and
- any reports prepared by the external auditor.

PRITCHARD EQUITY LIMITED

INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
Income from investment portfolio	3a	82,603	198,939	35,847	(20,384)
Income from trading portfolio	3b	(30,222)	(2,860)	-	-
Income from deposits	3c	20,176	11,951	5,595	3,389
Share of net loss of associated company		(84,230)	218,723	-	-
Other income	3d	1,051	156	2,294	217,881
Total income from ordinary activities		(10,622)	426,909	43,736	200,886
Administration expenses		75,859	52,244	46,414	31,570
Auditors remuneration		27,750	32,450	31,750	32,450
Bank charges		1,555	533	826	333
Finance costs		4,122	7,601	61	-
Listing fees		6,883	6,810	6,883	6,810
Operating (loss)/profit before income tax and net losses on investments		(126,791)	327,271	(42,198)	129,723
Income tax benefit	4	13,486	22,286	13,644	22,286
Operating (loss)/profit before net losses on investments		(113,305)	349,557	(28,554)	152,009
Losses on investments					
AASB 139 'impairment' revaluation charge on investment portfolio		(80,181)	-	-	-
Operating (loss)/profit after net losses on investments		(193,486)	349,557	(28,554)	152,009
Profit/(loss) attributable to minority equity interest		(1,321)	28,182	-	-
(Loss)/Profit attributable to members of the company		(194,807)	321,375	(28,554)	152,009
Overall Operations					
Basic earnings per share (cents per share)	7	(12.65)	22.8		
Diluted earnings per share (cents per share)	7	(12.65)	22.8		

The accompanying notes form part of these financial statements.

PRITCHARD EQUITY LIMITED

BALANCE SHEET AS AT 30 JUNE 2009

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	8	445,565	411,643	243,473	105,035
Trade and other receivables	9	136,301	15,522	264,303	240,174
Trading portfolio	10	43,154	62,726	-	-
Investment portfolio	12	50,000	-	50,000	-
TOTAL CURRENT ASSETS		675,020	489,891	557,776	345,209
NON-CURRENT ASSETS					
Investment portfolio	12	803,802	656,356	152,620	120,695
Investments in associates accounted for using the equity method	13	1,062,302	1,146,532	168,814	168,814
Investments in controlled entities		-	-	526,873	476,873
Deferred tax assets	11	59,350	47,802	59,350	47,802
Other assets	14	-	30,955	-	30,955
TOTAL NON-CURRENT ASSETS		1,925,454	1,881,645	907,657	845,139
TOTAL ASSETS		2,600,474	2,371,536	1,465,433	1,190,348
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	15	84,157	84,599	42,439	59,955
Borrowings	16	102,647	37,673	365	789
Provision for tax		158	-	-	-
TOTAL CURRENT LIABILITIES		186,962	122,272	42,804	60,744
NON-CURRENT LIABILITIES					
Borrowings	16	265,737	142,237	265,737	142,237
Deferred tax liabilities	11	771	-	771	-
TOTAL NON-CURRENT LIABILITIES		266,508	142,237	266,508	142,237
TOTAL LIABILITIES		453,470	264,509	309,312	202,981
NET ASSETS		2,147,004	2,107,027	1,156,121	987,367
EQUITY					
Issued capital	17	932,960	728,260	932,960	728,260
Reserves	18	30,947	(35,217)	43,774	3,045
Retained earnings		1,039,427	1,287,730	179,387	256,062
Equity attributable to equity holders of the parent		2,003,334	1,980,773	1,156,121	987,367
Minority equity interest		143,670	126,256	-	-
TOTAL EQUITY		2,147,004	2,107,027	1,156,121	987,367

The accompanying notes form part of these financial statements.

PRITCHARD EQUITY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

	Issued Capital	Asset Revaluation Reserve	Capital Profits Reserve	Retained Earnings	Total
Consolidated					
Balance at 1 July 2007	787,997	128,188	34,602	968,216	1,919,002
Shares issued during the year	82,500	-	-	-	82,500
Profit for the year	-	-	-	321,375	321,375
Revaluation of non current assets (net of tax)	-	(173,480)	-	-	(173,480)
Transfer from retained profits to reserves	-	-	130,530	(131,089)	(559)
Transfer to retained profits from reserves	-	-	(155,057)	155,057	-
Dividend/distributions paid	-	-	-	(25,829)	(25,829)
Preferred income equity securities redemption	(142,237)	-	-	-	(142,237)
Balance at 30 June 2008	728,260	(45,292)	10,075	1,287,730	1,980,773
Balance at 1 July 2008	728,260	(45,292)	10,075	1,287,730	1,980,773
Shares issued during the year	328,200	-	-	-	328,200
Loss for the year	-	-	-	(194,807)	(194,807)
Revaluation of non current assets (net of tax)	-	(79,454)	-	-	(79,454)
Transfer from retained profits to reserves	-	-	65,437	(65,437)	-
AASB 139 impairment revaluation charge	-	80,181	-	-	80,181
Dividend/distributions paid	-	-	-	(14,084)	(14,084)
Transfer to minority equity interest	-	-	-	26,025	26,025
Preferred income equity securities redemption	(123,500)	-	-	-	(123,500)
Balance at 30 June 2009	932,960	(44,565)	75,512	1,039,427	2,003,334
Parent					
Balance at 1 July 2007	787,997	26,080	6,895	105,657	926,629
Shares issued during the year	82,500	-	-	-	82,500
Profit for the year	-	-	-	152,009	152,009
Revaluation of non current assets (net of tax)	-	(30,974)	-	-	(30,974)
Transfer from retained profits to reserves	-	-	1,045	(1,604)	(559)
Preferred Income equity securities redemption	(142,237)	-	-	-	(142,237)
Balance at 30 June 2008	728,260	(4,894)	7,940	256,062	987,368
Balance at 1 July 2008	728,260	(4,894)	7,940	256,062	987,368
Shares issued during the year	328,200	-	-	-	328,200
Loss for the year	-	-	-	(28,554)	(28,554)
Revaluation of non current assets (net of tax)	-	6,691	-	-	6,691
Transfer from retained profits to reserves	-	-	34,037	(34,037)	-
Dividend/distributions paid	-	-	-	(14,084)	(14,084)
Preferred Income equity securities redemption	(123,500)	-	-	-	(123,500)
Balance at 30 June 2009	932,960	1,797	41,977	179,387	1,156,121

The accompanying notes form part of these financial statements.

PRITCHARD EQUITY LIMITED

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

	Note	Consolidated		Parent	
		2009 \$	2008 \$	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES					
Sales from trading portfolio		5,541	217,497	-	-
Purchases for trading portfolio		(6,206)	(63,637)	-	-
Interest received		19,832	11,913	5,595	3,335
Dividends received		10,829	25,613	38	175,686
Distributions received		7,889	5,772	3,236	42,273
Commissions received		1,156	172	-	-
Other receipts		20,608	-	20,008	-
		59,649	197,330	28,877	221,294
Administration expenses		(96,851)	(95,845)	(80,618)	(78,263)
Bank charges		(1,520)	(531)	(826)	(333)
Finance costs		(4,121)	(7,547)	(61)	-
Other payments		-	11,091	-	8,557
Income tax paid		-	153	-	37
Net cash provided by (used in) operating activities	20	(42,843)	104,651	(52,628)	151,292
CASH FLOWS FROM INVESTING ACTIVITIES					
Sales from investment portfolio		516,790	741,697	341,401	105,127
Purchases for investment portfolio		(593,540)	(345,069)	(299,233)	(66,893)
Application monies		(127,500)	-	(15,000)	-
Net cash provided by (used in) investing activities		(204,250)	396,628	27,168	38,234
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		234,200	82,500	184,200	82,500
Proceeds from issue of equity in associate		-	120,551	-	-
Payments from redemption of equity in associate		-	(129,000)	-	-
Dividends/distributions paid		(16,241)	-	(14,084)	-
Proceeds from borrowings		63,056	-	68,000	-
Repayment of borrowings		-	(214,352)	(74,218)	(176,664)
Net cash provided by (used in) financing activities		281,015	(140,301)	163,898	(94,164)
Net increase in cash held		33,922	360,977	138,437	95,361
Cash at beginning of financial year		411,643	50,666	105,036	9,675
Cash at end of financial year	8	445,565	411,643	243,473	105,036

The accompanying notes form part of these financial statements.

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial report covers the separate financial statements of the company and the consolidated financial statements of the Group. Pritchard Equity Limited is a listed public company, incorporated and domiciled in Australia.

The financial report of Pritchard Equity Limited and the Group complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. Pritchard Equity Limited has not applied any Australian Accounting Standards or AASB interpretations that have been issued at balance date but are not yet operative for the year ended 30 June 2009 ("inoperative standards"). The impact of inoperative standards has been assessed and has been identified as not being material. The Company only intends to adopt any inoperative standards at the date at which their adoption becomes mandatory.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied.

The financial statements were authorised for issue by the directors on 30 September 2009.

Basis of Preparation

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

All amounts are presented in Australian dollars, unless otherwise noted.

Adoption of new and revised Accounting Standards

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Company for the annual reporting period ending 30 June 2009. These are outlined in the table below.

Reference	Title	Summary	Application date of standard*	Impact on Company financial report	Application date for Company*
AASB 2007-3 and AASB 8	Operating Segments and consequential amendments to other Australian Accounting Standards	Amending standard issued as a consequence of AASB 8 Operating Segments	1 January 2009	AASB 8 is a disclosure standard so will have no direct impact on the amounts included in the Company financial statements	1 July 2009
AASB 101 (revised) and AASB 2007-8	Presentation of financial statements and consequential amendments to other Australian Accounting Standards	The amendments of AASB 101 changes the disclosure requirements of the financial statements and notes to accounts	1 January 2009	The amendments are expected to change the current disclosures and presentation of the financial statements and notes to accounts	1 July 2009

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

AASB 2008-5 and 2008-6	Amendments to Australian Accounting Standards arising from the Annual Improvements Project	Amendments to Australian Accounting Standards arising from the IASB's first Annual Improvements Project. The Improvements project is an annual project that provides a mechanism for making non-urgent, but necessary amendments to AASB	1 January 2009 except amendments to AASB 5 (1 July 2009)	The Company has not yet determined the extent of the impact of the amendments, if any.	1 July 2009
AASB 2008-7	Amendments to Australian Accounting Standards	Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity of Associate	1 January 2009	The Company has not yet determined the extent of the impact of the amendments, if any.	1 July 2009

Accounting Policies

a. Principles of Consolidation

A controlled entity is any entity of which Pritchard Equity Limited has the power to control the financial and operating policies of so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 2 to the financial statements. All controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the application of those policies by the Company.

Minority equity interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

b. Fair Value of Financial Assets and Liabilities

The fair value of cash and cash equivalents, and non-interest bearing monetary financial assets and liabilities of the Group, approximates their carrying value.

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Holdings of Securities

(i) Balance Sheet classification

The Group has two portfolios of securities, an investment portfolio and a trading portfolio.

The investment portfolio relates to holdings of securities which the directors intend to retain on a long-term basis.

The trading portfolio comprises securities held for short term trading purposes.

The investment portfolio is classified as a 'non-current asset', whereas the trading portfolio is classified as a 'current asset'.

Ordinary securities within the investment portfolio are classified as 'assets available for sale', whilst securities within the trading portfolio are classified as 'assets measured at fair value through the Income Statement'.

(ii) Valuation of investment portfolio

Securities, including listed and unlisted shares and notes and options, are initially brought to account at cost, which is the cost of acquisition including transaction costs, and are revalued to market values continuously. Increments and decrements on ordinary securities are taken to the Asset Revaluation Reserve while it has a credit balance in total; otherwise they are included in Profit from Ordinary Activities before Income Tax Expense.

Where disposal of an investment occurs, any revaluation increment or decrement relating to it, is transferred from the Asset Revaluation Reserve to the Income Statement.

(iii) Valuation of trading portfolio

Securities, including listed and unlisted shares and notes, are initially brought to account at cost, which is the cost of acquisition including transaction costs, and are revalued to market values continuously.

Increments and decrements on the value of securities in the trading portfolio are taken directly through the Income Statement.

(iv) Determination of market value

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

(v) Income from holdings of securities

Distributions relating to listed securities are recognised as income when those securities are quoted ex-distribution, and distributions relating to unlisted securities are recognised as income when received. If the distributions are capital returns on ordinary securities the amount of the distribution is treated as an adjustment to the carrying value of the securities.

d. Investments in Associates

Investments in associated companies are recognised in the Group's financial statements by applying the equity method of accounting.

e. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

f. Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that are in place or are substantially in place at the balance sheet date.

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled.

Deferred tax is credited in the Income Statement except where it relates to items that may be credited directly to equity, where the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised and on the basis that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

g. Impairment of Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the fair value of the asset less costs to sell and value in use, is compared to the asset's carrying value.

Any excess of the carrying value of the asset over its recoverable amount is expensed to the income statement.

The accounts include an impairment charge of \$80,181 for the year.

This charge is based on an interpretation of *AASB 139 – Financial Instruments : Recognition and Measurement* that, subject to other evidence to the contrary and judgement, an investment is impaired if it has been below its accounting cost for a minimum of 15 months or if the fair value of the investment is more than 35% below its accounting cost.

The Company takes a long term view of investments, and does not believe that share prices in a cyclical downturn necessarily reflect the long term fair value of the underlying businesses and assets that it invests in.

If, in the Directors' opinion, an investment has become impaired due to significant changes to that particular holding that investment is divested from the Portfolio. Any 'impairment' charge would therefore be reflected in the net gains or losses on investments sold from the investment portfolio.

The Directors believe that the interpretation of the standard used in the financial statements, and its application, does not reflect the long term nature of the Company's portfolio.

In addition, there is no current intention to sell any of the assets in the investment portfolio and the Directors do not consider that there is sufficient or reliable evidence to indicate that at some point in the medium to long term, any investments currently held will not recover their cost.

Therefore, in the Directors' view, to take a 'realised' loss on an investment that the Directors have no current intention of selling does not accurately reflect the performance of the Company during the financial year.

It should be noted that any impairment charge that is taken on equity investments held by the Company cannot, under Accounting Standards, be reversed back through the Income Statement when the market price recovers, but must be revalued through the Balance Sheet. The impairment charge is thus permanent until such time as the asset is sold.

Shareholders should note that all investments are continuously marked to market. Any impairment charge taken on investments that are not disposed of by the Company therefore has no impact on the Net Tangible Assets or shareholders' equity.

h. Provisions

Provisions are recognised when the Group 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 when that outflow can be reliably measured.

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i. 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 Australian 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 balance sheet are shown inclusive of GST.

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

k. Critical accounting judgements and key sources of estimation uncertainty

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 2: CONTROLLED ENTITIES

a. Composition of Consolidated Group

The consolidated financial statements include the following controlled entities. The financial years of all controlled entities are the same as that of the parent entity

	Country of incorporation	Percentage owned (%)*	
		2009	2008
Parent			
Pritchard Equity Limited	Australia	100	100
Henley Underwriting & Investment Company Pty. Limited	Australia	100	100
PEQ Opportunities Fund	Australia	50	50
The NSX Investment Trust	Australia	100	100
J. H. Clack & Co. Pty Limited	Australia	100	100
PEQ Estates Pty Limited	Australia	100	100
PEQ Hamilton Fund	Australia	60	60
PEQ Investment Holdings Pty Limited	Australia	100	100
First Newcastle Pty Limited	Australia	100	100
PEQ Nominees Pty Limited	Australia	100	100
PEQ Investment Nominees Pty Limited	Australia	100	100
The Newcastle Exchange Pty Limited	Australia	100	100
Pritchard Equity Holdings Pty Limited	Australia	100	100
The South Pacific Investment Company Limited	Australia	100	-

* Percentage of voting power is in proportion to ownership

b. Acquisition of Controlled Entities

On 14 November 2008 Pritchard Equity Limited incorporated 100% owned subsidiary The South Pacific Investment Company Limited. At the date of incorporation The South Pacific Investment Company Limited had no assets.

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 3: REVENUE

	Note	Consolidated		Parent	
		2009 \$	2008 \$	2009 \$	2008 \$
a. Income from investment portfolio					
— dividends received		5,540	29,231	-	3,662
— trust distributions received		63,255	8,324	34,037	-
— net realised gains/(losses)		-	187,034	-	1,604
— net unrealised fair value gains/(losses)		13,808	(25,650)	1,810	(25,650)
Total Income from investment portfolio		82,603	198,939	35,847	(20,384)
b. Income from trading portfolio					
— sales revenue		5,549	137,303	-	-
— cost of sales		(35,771)	(140,163)	-	-
— net losses from trading portfolio sales		(30,222)	(2,860)	-	-
Total Income from trading portfolio		(30,222)	(2,860)	-	-
c. Income from deposits					
— interest received		20,176	11,951	5,595	3,389
Total Income from deposits		20,176	11,951	5,595	3,389
d. Other Income					
— commissions received		1,051	156	-	-
— dividends from associated companies		-	-	-	20,551
— dividends from subsidiaries		-	-	-	155,057
— trust distributions from controlled entities		-	-	2,294	42,273
Total Other income		1,051	156	2,294	217,881

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 4: INCOME TAX EXPENSE

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
a.					
The components of tax expense comprise:					
Current tax		(17,570)	(18,797)	(17,728)	(18,797)
Deferred tax liability	11	771	(7,695)	771	(7,695)
Deferred tax asset	11	3,313	4,206	3,313	4,206
		(13,486)	(22,286)	(13,644)	(22,286)
b.					
The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax as follows:					
Prima facie tax payable on (loss)/profit from ordinary activities before income tax at 30% (2008: 30%)					
— Consolidated		(38,037)	98,182	-	-
— Parent		-	-	(12,659)	38,917
Less:					
Tax effect of:					
— tax offset for franked dividends		2,416	6,766	985	56,447
— share of net profits(losses) of associated company netted directly		(25,269)	74,072	-	-
— recoupment of unused prior year tax losses now recognised		77	36,021	-	-
— effect of revaluation of investments for tax purposes		7,414	-	-	-
— over/(under) provision for income tax in prior years		-	4,757	-	4,757
— tax losses not brought to account		(9,189)	(1,148)	-	-
Income tax benefit attributable to entity		(13,486)	(22,286)	(13,644)	(22,286)
		%	%	%	%
The applicable weighted average effective tax rates are as follows:		0.0	0.0	0.0	0.0

NOTE 5: AUDITORS' REMUNERATION

Remuneration of the auditor of the company for:

— auditing or reviewing the financial report		27,750	32,450	31,750	32,450
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PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 6: DIVIDENDS

	Note	Consolidated		Parent	
		2009 \$	2008 \$	2009 \$	2008 \$
a. Dividends paid					
Half yearly fully franked preferred income equity securities dividend of \$3.50 per share paid on 30 September 2008.		5,114	-	5,114	-
Half yearly fully franked preferred income equity securities dividend of \$3.50 per share paid on 30 March 2009.		8,971	-	8,971	-
		14,085	-	14,085	-
b. Dividends declared					
Half yearly fully franked preferred income equity securities dividend of \$3.50 per share payable on 30 September 2009. This dividend has not been brought to account in the financial statements for the year ended 30 June 2009, but will be recognised in subsequent financial reports.		9,447	5,114	9,447	5,114
c. Franking account		564,551	556,331	126,177	131,437
Impact on franking account balance of dividends not recognised		(4,049)	-	(4,049)	-

NOTE 7: EARNINGS PER SHARE

	Consolidated	
	2009 Number	2008 Number
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	1,539,580	1,408,363
Weighted average number of options outstanding	679,358	1,358,716
Weighted average number of ordinary shares outstanding during the year used in the calculation of dilutive earnings per share	1,539,580	1,408,363
a. Basic and diluted earnings per share	\$	\$
(Loss)/Profit attributable to members of the Group	(194,807)	321,375
	Cents	Cents
Basic earnings per share	(12.65)	22.82
Diluted earnings per share	(12.65)	22.82

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 7: EARNINGS PER SHARE (continued)

b. Classification of securities	Number	Number
The following potential ordinary shares are not dilutive and excluded from the weighted average number of ordinary shares for the purposes of dilutive earnings per share:		
- Options outstanding	679,358	1,358,716

NOTE 8: CASH AND CASH EQUIVALENTS

	Note	Consolidated		Parent	
		2009 \$	2008 \$	2009 \$	2008 \$
Cash at bank		279,597	332,539	77,505	25,931
Deposits at call		165,968	79,104	165,968	79,104
		445,565	411,643	243,473	105,035

The effective interest rate on deposits at call was 3.00% (2008: 6.73%).

The credit risk exposure of the Group in relation to cash and deposits is the carrying amount and any accrued unpaid interest.

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	445,565	411,643	243,473	105,035
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NOTE 9: TRADE AND OTHER RECEIVABLES

CURRENT

Dividends and trust distributions receivable	-	-	2,293	3,236
Goods and services tax refund	6,337	821	5,028	750
Withholding tax	-	514	-	-
Other debtors	2,121	4,187	404	-
Application monies	127,501	10,000	15,000	-
Accrued income	342	-	-	-
Amounts receivable from				
— Wholly-owned subsidiaries	-	-	241,578	236,188
	136,301	15,522	264,303	240,174

Receivables are non-interest bearing and unsecured.

The credit risk exposure of the Group in relation to receivables is the carrying amount.

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 10: TRADING PORTFOLIO

CURRENT	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
Listed investments, at market value					
- Shares		43,154	62,726	-	-

NOTE 11: TAX

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
a. Liabilities					
NON-CURRENT					
Deferred tax liability comprises:					
Revaluation adjustments taken directly to equity		771	-	771	-
Total		771	-	771	-
b. Assets					
Deferred tax assets comprise:					
Transaction costs on equity issue		3,313	6,626	3,313	6,626
Deferred tax assets attributable to tax losses		47,341	30,383	47,341	30,383
Revaluation adjustments taken directly to equity		-	2,097	-	2,097
Impairment of non current assets		296	296	296	296
Other temporary differences		8,400	8,400	8,400	8,400
		59,350	47,802	59,350	47,802
c. Reconciliations					
i. Deferred Tax Liability					
The movement in deferred tax liability for each temporary difference during the year is as follows:					
Deferred capital gains tax					
Opening balance		-	(6,824)	-	(6,824)
Revaluation adjustments taken directly to equity		771	6,824	771	6,824
Closing balance		771	-	771	-
Fair value gain adjustments					
Opening balance		-	26,747	-	26,747
Charged to the Income Statement		-	7,695	-	7,695
Other		-	(34,442)	-	(34,442)
Closing balance		-	-	-	-
		771	-	771	-

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 11: TAX (continued)

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
ii. Deferred Tax Assets					
The movement in deferred tax assets for each temporary difference during the year is as follows:					
Transaction costs on equity issue					
Opening balance		6,626	9,939	6,626	9,939
Debited directly to equity		(3,313)	(3,313)	(3,313)	(3,313)
Closing balance		3,313	6,626	3,313	6,626
Deferred tax assets attributable to tax losses					
Opening balance		30,383	2,102	30,383	2,102
Credited to the Income Statement		16,958	28,281	16,958	28,281
Closing balance		47,341	30,383	47,341	30,383
Impairment of non current assets					
Opening balance		296	5,345	296	5,345
Credited to the Income Statement		-	(5,049)	-	(5,049)
Closing balance		296	296	296	296
Unrealised loss on investments					
Opening balance		2,097	-	2,097	-
Credited to the reserve		(2,097)	2,097	(2,097)	2,097
Closing balance		-	2,097	-	2,097
Other temporary differences					
Opening balance		8,400	7,529	8,400	7,529
Credited to the Income Statement		-	871	-	871
Closing balance		8,400	8,400	8,400	8,400
		59,350	47,802	59,350	47,802
d. 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(f) occur					
- operating losses		151,668	128,618		
- capital losses		614,346	645,738		
		766,014	774,356		

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 12: INVESTMENT PORTFOLIO

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
CURRENT					
Unlisted Investments, at fair value					
-		50,000	-	50,000	-
 NON-CURRENT					
Listed Investments, at fair value					
-	Options	1,750	2,750	-	-
-	Shares and trust units	655,442	539,160	152,620	120,695
		657,192	541,910	152,620	120,695
 Unlisted Investments, at fair value					
-	Shares and trust units	146,610	114,446	-	-
		803,802	656,356	152,620	120,695

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 13: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Interests are held in the following associated company

Name	Principal activities	Country of incorporation	Class of shares	Ownership interest		Carrying amount of interest	
				2009 %	2008 %	2009 \$	2008 \$
Unlisted:							
Cameron Capital Limited	Stockbroking	Australia	Ordinary	32.81	33.06	1,062,302	1,146,532
						1,062,302	1,146,532

	Note	Consolidated		Parent	
		2009 \$	2008 \$	2009 \$	2008 \$
a. Movements during the year in equity accounted investment in associated companies					
Balance at beginning of the financial year		1,146,532	942,611	168,814	163,065
Add: New investments during the year		-	5,749	-	5,749
Share of associated company's profit after income tax	13b	-	218,723	-	-
Dividend revenue from associated company		-	(20,551)	-	-
Less: Share of associated company's loss after income tax	13b	(84,230)	-	-	-
Balance at end of the financial year		1,062,302	1,146,532	168,814	168,814
b. Equity accounted (losses)/profits of associates are broken down as follows:					
Share of associate's profit/(loss) before income tax expense		(108,467)	309,638		
Share of associate's income tax benefit/(expense)		24,237	(90,915)		
Share of associate's (loss)/profit after income tax		(84,230)	218,723		
c. Summarised presentation of aggregate assets, liabilities and performance of associates					
Current assets		5,754,936	8,334,715		
Non-current assets		1,398,364	1,197,008		
Total assets		7,153,300	9,531,723		
Current liabilities		3,917,230	5,700,589		
Non-current liabilities		43,100	334,536		
Total liabilities		3,960,330	6,035,125		
Net assets		3,192,970	3,496,598		
Revenues		2,648,862	4,787,889		
Profit/(loss) after income tax of associates		(256,721)	661,595		

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 14: OTHER

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
Deferred expenditure		-	30,955	-	30,955

Deferred expenditure represents legal costs incurred by the Group up until 30 June 2008 in respect of the takeover offer for Property Fox No. 1 Limited.

NOTE 15: TRADE AND OTHER PAYABLES

CURRENT

Unsecured liabilities

Trade payables	56,157	11,814	14,439	1,000
Accrued charges	28,000	72,785	28,000	58,955
	84,157	84,599	42,439	59,955

NOTE 16: BORROWINGS

CURRENT

Unsecured

- Loans payable to:

- other corporations	28,866	27,338	-	-
- wholly-owned subsidiaries	-	-	365	789
	28,866	27,338	365	789

Secured

- Short-term borrowings	16a	73,781	10,335	-	-
		102,647	37,673	365	789

NON CURRENT

Unsecured

- Compound financial instruments	17d	265,737	142,237	265,737	142,237
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- a. Short-term borrowings are secured by listed securities held in the company's investment and trading portfolios and are repayable on demand. The carrying amounts of assets pledged as security is:

	245,892	172,263	-	-
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PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 17: CONTRIBUTED EQUITY

	Consolidated		Parent	
	2009 \$	2008 \$	2009 \$	2008 \$
791,968 (2008: 620,608) A ordinary shares fully paid	527,885	331,985	527,885	331,985
839,378 (2008: 831,378) B ordinary shares fully paid	401,212	392,412	401,212	392,412
2,699 (2008: 1,461) Preferred income equity securities	3,863	3,863	3,863	3,863
	932,960	728,260	932,960	728,260
a. A ordinary shares				
At the beginning of reporting period	331,985	354,235	331,985	354,235
Shares issued during the year				
41,250 shares issued on 09 January 2008 at \$ 1.00	—	41,250	-	41,250
147,360 Series 1 options exercised on 31 December 2008 at \$1.25	184,200	-	184,200	-
Bonus issue of Preferred income equity securities upon exercise of options	(14,700)	-	(14,700)	-
24,000 shares issued in relation to the Property Fox takeover offer at \$1.10	26,400	-	26,400	-
Redemption of issued capital for preferred income equity securities on 27 May 2008	-	(63,500)	-	(63,500)
At reporting date	527,885	331,985	527,885	331,985
b. B ordinary shares				
At the beginning of reporting period	392,412	351,262	392,412	351,262
Shares issued during the year				
Conversion of 82,500 ordinary C shares to B shares	—	82,500	-	82,500
41,250 shares issued on 09 January 2008 at \$1.00	—	41,250	-	41,250
8,000 shares issued in relation to the Property Fox takeover offer at \$1.10	8,800	-	8,800	-
Redemption of issued capital for preferred income equity securities on 27 May 2008	-	(82,600)	-	(82,600)
At reporting date	401,212	392,412	401,212	392,412

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

	Note	Consolidated		Parent	
		2009 \$	2008 \$	2009 \$	2008 \$
NOTE 17: CONTRIBUTED EQUITY (CONTINUED)					
c. C ordinary shares					
At the beginning of reporting period		-	82,500	-	82,500
Conversion of C ordinary shares to B ordinary shares		-	(82,500)	-	(82,500)
At reporting date		-	-	-	-

All ordinary shares rank equally inter se for the 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.

C 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 and the right to convert one C ordinary share into one B ordinary share by notice in writing to the Company.

	Note	Consolidated		Parent	
		2009 \$	2008 \$	2009 \$	2008 \$
d. Preferred Income Equity Securities					
At the beginning of reporting period		3,863	-	3,863	-
Shares issued during the year					
— Bonus issue of 1,461 preferred income equity securities on 27 May 2008		-	3,863	-	3,863
— Issue of 150 Preferred income equity securities upon exercise of Series 1 Options		-	-	-	-
— Issue of 1,088 Preferred income equity securities in relation to the Property Fox No. 1 Limited takeover offer		-	-	-	-
At reporting date		3,863	3,863	3,863	3,863

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 17: CONTRIBUTED EQUITY (CONTINUED)

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 their conversion 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 no other right to participate in surplus assets

e. **Series 2 Options**

As at 30 June 2009, the Company has on issue 339,679 (2008: 339,679) Series 2 Options. A Series 2 Option entitles the holder upon the payment of the exercise price of \$2.50 to 1 A Ordinary share. Series 2 Options may be exercised at any time up to 10 December 2010 (inclusive) but not thereafter. As at the reporting date none of the options had been exercised.

f. **Series 3 Options**

As at 30 June 2009, the Company has on issue 339,679 (2008: 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.

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 18: RESERVES

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		\$	\$	\$	\$
Asset revaluation reserve	18a	(44,565)	(45,292)	1,797	(4,894)
Capital profits	18b	75,512	10,075	41,977	7,940
		30,947	(35,217)	43,774	3,046

a. Asset revaluation reserve

Movements during the year

Opening balance	(45,292)	128,188	(4,894)	26,080
Revaluation of non current assets	(76,586)	(186,754)	9,559	(44,248)
Provision for tax on unrealised losses	(2,868)	13,274	(2,868)	13,274
AASB 139 'impairment' transfer to retained profits	80,181	-	-	-
Closing balance	(44,565)	(45,292)	1,797	(4,894)

The asset revaluation reserve records revaluations of non-current assets. Under certain circumstances dividends can be declared from this reserve.

b. Capital profits reserve

Movements during the year

Opening balance	10,075	34,602	7,940	6,895
Transfer from retained profits	65,437	130,530	34,037	1,045
Transfer to retained profits	-	(155,057)	-	-
Closing balance	75,512	10,075	41,977	7,940

The capital profits reserve records realised capital gains upon sale of non-current assets. As the balance of this reserve relates to net realised gains it may be distributed as cash dividends at the discretion of the Directors.

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 19: SEGMENT REPORTING

Pritchard Equity Limited, its controlled and associated entities carry on the business of a strategic investment company and stockbroking within Australia.

2009	Investments \$	Stockbroking \$	Total \$
Revenue	73,608	(84,230)	(10,622)
Results	(110,577)	(84,230)	(194,807)
Assets	1,538,172	1,062,302	2,600,474

2008	Investments \$	Stockbroking \$	Total \$
Revenue	208,186	218,723	426,909
Results	102,652	218,723	321,375
Assets	1,225,004	1,146,532	2,371,536

NOTE 20: CASH FLOW INFORMATION

	Note	Consolidated		Parent	
		2009 \$	2008 \$	2009 \$	2008 \$
a. Reconciliation of cash flow from operations with (loss)/profit after income tax					
(Loss)/Profit after income tax		(194,807)	349,557	(28,554)	152,009
Non-cash flows in profit					
Dividends re-invested		(2,980)	(3,584)	(1,773)	(3,584)
Net gain on disposal of investments		(63,255)	(187,033)	(34,037)	(1,604)
Unrealised fair value (gain)/loss		(261)	25,650	-	25,650
Impairment revaluation		80,181	-	-	-
Share of associated companies net (loss)/profit after income tax and dividends		84,230	(218,723)	-	-
(Increase)/decrease in trade and other receivables		(3,278)	77,899	(3,739)	-
(Increase)/decrease in the trading portfolio		19,572	77,251	-	-
Increase/(decrease) in trade payables and accruals		(441)	2,925	(17,516)	(469)
Increase/(decrease) in other assets		51,682	-	46,635	-
Increase/(decrease) in income taxes payable		(13,486)	(19,291)	(13,644)	(20,710)
Cash flow from operations		(42,843)	104,651	(52,628)	151,292

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 21: RELATED PARTY TRANSACTIONS

	Consolidated		Parent	
	2009	2008	2009	2008
	\$	\$	\$	\$
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.				
Transactions with related parties:				
Associated Company				
On 29 January 2008 Cameron Capital Limited redeemed 49,000 units in PEQ Hamilton Fund at \$1.00 per unit	-	49,000	-	-
On 20 May 2008 Cameron Capital Limited redeemed 80,000 units in PEQ Hamilton Fund at \$1.00 per unit	-	80,000	-	-
On 20 May 2008 Cameron Investment Holdings Pty Limited applied for and was allotted 100,000 units in PEQ Hamilton Fund at \$1.00 per unit	-	100,000	-	-
Related party				
Accounting fees paid/payable to Rees Pritchard Pty Limited	38,404	37,168	14,099	22,192
Brokerage paid to Pritchard & Partners Pty Limited for stockbroking services	83	1,485	-	110
Brokerage paid to Cameron Stockbrokers Limited for stockbroking services	5,757	7,809	88	368
Share registry fees paid to Newcastle Capital Markets Registries Pty Limited	18,660	4,800	18,660	4,800
Loans and advances to subsidiaries				
Balance at beginning of year			236,188	103,096
Advances			73,390	331,532
Repayments			(68,000)	(198,440)
Closing balance			<u>241,578</u>	<u>236,188</u>
Loans and advances from subsidiaries				
Balance at beginning of year			(789)	(56,363)
Advances			-	(1,000)
Repayments			424	56,574
Closing balance			<u>(365)</u>	<u>(789)</u>

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 22: FINANCIAL RISK MANAGEMENT

Accounting Standards identify three types of risk associated with financial instruments, (i.e. the Group's investments, receivables, payables and borrowings):

Credit Risk

The standard defines this as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk is managed as noted in the Notes to the financial statements with respect to cash and trade and other receivables. None of these assets are over-due or considered to be impaired.

Liquidity Risk

The standard defines this as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group monitors its cash-flow requirements and ensures that it has either cash or access to short term borrowing facilities sufficient to meet any payments.

A substantial proportion of the assets of the Group are in the form of readily tradeable securities which can be sold on-market if necessary.

Market Risk

The standard defines this as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price.

By its nature as the Group invests a substantial proportion of its assets in tradeable securities. The Group is always subject to market risk as it invests its capital in securities which are not risk free i.e. the market price of these securities can fluctuate.

A general fall in market prices of 5% and 10%, if spread equally over all assets in the investment and trading portfolios would lead to a reduction in the Group's equity of \$35,017 and \$70,035 respectively.

The Asset Revaluation Reserve at 30 June 2009 was \$44,565 in debit.

The Group seeks to minimise market risk by ensuring that it is not, in the opinion of the Board, overly exposed to one company or one particular sector of the market. The relative weightings of the individual securities and relevant market sectors are reviewed regularly, and risk can be managed by reducing exposure where appropriate. The Group does not have set parameters as to a minimum or maximum amount of the portfolio that can be invested in a single company or sector.

The Group's investment by sector is as follows.

	2009	2008
	%	%
Materials	1.55	12.34
Capital goods	2.34	4.11
Commercial	1.54	2.61
Transportation	-	0.97
Media	7.17	0.83
Food & Beverage	2.09	-
Banks	2.76	-
Diversified financials	76.63	54.60
Real estate	2.57	21.43
Utilities	3.35	3.11
	100.00	100.00

PRITCHARD EQUITY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

NOTE 22: FINANCIAL RISK MANAGEMENT (continued)

Securities representing over 5 per cent of the combined investment and trading portfolio at 30 June 2009 were:

	Portfolio %
Illuminator Investment Company Limited	33.64
NIB Holdings Limited	16.80
Belmont Holdings Limited	7.74
Seven Network 6.5% Reset Preference Shares	6.71

Interest Rate Risk

The Group is exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The risk is managed by the Group maintaining an appropriate mix between fixed and floating rate borrowings. The effective average of interest rates on:

- (a) short term borrowings was 7.99% (2008: 10.65%)
- (b) long term borrowings was 7% (2008:7%).

As at the 30 June 2009 the Group's interest bearing short term borrowings totalled \$102,647. Given the amount of borrowings involved the Group does not believe they are subject to any material interest rate risks.

Capital Management

It is the Board's policy to maintain a strong capital base so as to maintain investors and market confidence.

To achieve this, the Board monitors the Group's net tangible assets, its levels of borrowings and its investment performance.

The capital structure of the Group consists of debt, which includes borrowings, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

The Group's overall strategy remains unchanged from 2008.

NOTE 23: SUBSEQUENT EVENTS TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

NOTE 24: COMPANY DETAILS

The registered office and principal place of business of Pritchard Equity Limited is:

10 Murray Street

Hamilton

New South Wales 2303

PRITCHARD EQUITY LIMITED

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 9 to 35, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards and the Corporations Regulations 2001; and
 - b. give a true and fair view of the financial position as at 30 June 2009 and of the performance for the year ended on that date of the company and consolidated entity;
2. the executive directors have each declared that:
 - a. the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b. the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c. the financial statements and notes for the financial year give a true and fair view;
3. in the director's 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.

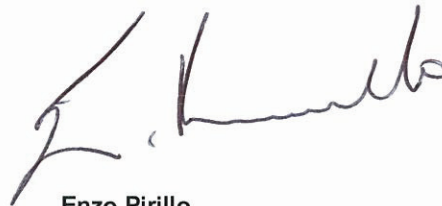
At the date of this declaration, there are reasonable grounds to believe that the companies which are party to this deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become subject to, by virtue of the deed.

This declaration is made in accordance with a resolution of the Board of Directors.



Steven Shane Pritchard

Director



Enzo Pirillo

Director

Dated this 30th day of September 2009.

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

We have audited the accompanying financial report of Pritchard Equity Limited, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' 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 the material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with the Accounting Standard AASB 101 "Presentation of Financial Statements", that compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes complies with International Financial Reporting Standards.

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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Auditor's opinion

In our opinion:

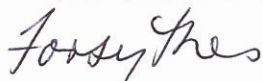
- (a) the financial report of Pritchard Equity Limited is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2009 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the remuneration report

We have audited the remuneration report included on page 6 for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of Pritchard Equity Limited for the year ended 30 June 2009, complies with section 300A of the Corporations Act 2001.



FORSYTHES



M J Matthews
Partner
Chartered Accountants
Newcastle, 30 September 2009

PRITCHARD EQUITY LIMITED

STOCK EXCHANGE INFORMATION

Top 20 A Ordinary Shareholders as at 15 September 2009.

Shareholder	Shares	% of Issued
Pritchards Continuation Proprietary Limited	168,000	21.21
Pritchard & Company Pty Limited	140,569	17.75
Mrs Margaret Jane Pritchard	50,000	6.31
Cameron Securities Pty Limited	43,000	5.43
Dr Gordon Bradley Elkington	29,360	3.71
Fuggle Nominees Pty Limited	25,000	3.16
Newcastle Capital Markets Registries Pty Ltd	25,000	3.16
Mr John Weston Seaforth Mackenzie	23,330	2.95
Bell IXL Investments Limited	22,500	2.84
Pritchard & Partners Pty Limited	21,695	2.74
Illuminator Investment Company Limited	20,000	2.53
Wilcorp No. 41 Pty Limited	19,168	2.42
Abelia Grove Pty Ltd	17,230	2.18
Longbow Croft Capital Pty Limited	14,500	1.83
Mrs Milly Elkington	13,200	1.67
Banivory Pty Limited	8,600	1.09
Mr Steven Shane Pritchard	7,918	1.00
Lateral Investment Corporation Pty Limited	7,840	0.99
Steven Pritchard Investments Pty Limited	7,000	0.88
Pritchard & Partners Pty Limited	6,000	0.76
	669,910	84.59

Number of A ordinary shares held

1 – 1,000
 1,001 – 5,000
 5,001 – 10,000
 10,001 – 50,000
 50,001 – 100,000
 100,001 and over

Number of Shareholders

31
 37
 6
 13
 0
 2

PRITCHARD EQUITY LIMITED

STOCK EXCHANGE INFORMATION

Top 20 B Ordinary Shareholders as at 15 September 2009.

Shareholder	Shares	% of Issued
Pritchard & Company Pty Limited	161,000	19.18
Pritchards Continuation Pty Limited	150,000	17.87
Pritchards Continuation Pty Ltd	150,000	17.87
Cameron Securities Pty. Limited	35,000	4.17
Fuggle Nominees Pty Limited	25,000	2.98
Mrs Margaret Jane Pritchard	25,000	2.98
Mr John Weston Seaforth Mackenzie	23,330	2.78
Bell IXL Investments Limited	22,500	2.68
Wilcorp No 41 Pty Limited	19,168	2.28
Abelia Grove Pty Limited	17,230	2.05
Pritchard & Partners Pty Limited	17,000	2.03
Lateral Investment Corporation Pty Limited	16,650	1.98
Mr Steven Shane Pritchard	16,650	1.98
Dr Gordon Bradley Elkington	15,200	1.81
Longbow Croft Capital Pty Limited	13,500	1.61
Newcastle Capital Markets Registries Pty Limited	12,500	1.49
Illuminator Investment Company Limited	10,000	1.19
Banivory Pty Limited	8,600	1.02
Mr John Richard Gilbert and Mrs Jane Patricia Gilbert	5,000	0.60
Jarfem Pty Limited	5,000	0.60
	748,328	89.15

Number of B ordinary shares held

1 – 1,000
 1,001 – 5,000
 5,001 – 10,000
 10,001 – 50,000
 50,001 – 100,000
 100,001 and over

Number of Shareholders

36
 24
 2
 13
 0
 3

PRITCHARD EQUITY LIMITED

STOCK EXCHANGE INFORMATION

Top 20 Preferred Income Equity Security holders as at 15 September 2009.

Share holder	Shares	% of Issued
Pritchard Continuation Pty Limited	468	17.34
Pritchard & Company Pty Limited	387	14.34
Rocco Sciarrone	136	5.04
Cameron Securities Pty Limited	78	2.89
Mrs Margaret Jane Pritchard	75	2.78
Richard Benjamin Cook & Kim Elizabeth Cook	68	2.52
Dean Frances Coupland & Keitha Kim Coupland	68	2.52
David Redfern Investments Pty Ltd	68	2.52
Diane Gardner	68	2.52
Anthony Illingworth	68	2.52
LA Milt Pty Ltd	68	2.52
Tammy Mitchum & Ray Mitchum	68	2.52
Margaret Diane Murphy	68	2.52
Dianne Muriel Stewart	68	2.52
Mark Jon Tovey	68	2.52
WBD Enterprises Pty Ltd	68	2.52
Mrs Grace Wolstenholme	68	2.52
Mr Douglas Robert Graham Neild	52	1.93
Pritchard and Partners Pty Ltd	52	1.93
Fuggle Nominees Pty Limited	50	1.85
	2,114	78.33

Number of Preferred Income Equity Securities held

1 – 1,000
 1,001 – 5,000
 5,001 – 10,000
 10,001 – 50,000
 50,001 – 100,000
 100,001 and over

Number of Security holders

2,699
 -
 -
 -
 -
 -

PRITCHARD EQUITY LIMITED

STOCK EXCHANGE INFORMATION

Top 20 Series 2 Option holders as at 15 September 2009.

Option holder	Options	% of Issued
Pritchard & Company Pty Limited	50,000	14.72
Pritchards Continuation Proprietary Ltd	38,615	11.37
Mrs Margaret Jane Pritchard	27,500	8.10
Mr Enzo Pirillo	25,000	7.36
Cameron Securities Pty Limited	17,500	5.15
Dr Gordon Bradley Elkington	12,500	3.68
RFC Investment Holdings Pty Limited	12,500	3.68
Mr John Weston Seaforth Mackenzie	11,665	3.43
Wilcorp No 41 Pty Limited	9,584	2.82
Abelia Grove Pty Limited	8,615	2.54
Pritchard and Partners Pty Limited	8,500	2.50
Mr Brett Andrew Hall	8,000	2.36
Dr Gordon Bradley Elkington	7,600	2.24
Mr Daniel Distefano	7,500	2.21
Mrs Anna Pirillo	7,500	2.21
Mr Barry James Preston	7,500	2.21
Newcastle Capital Markets Pty Limited	6,250	1.84
Bell IXL Investments Limited	5,625	1.66
Banivory Pty Limited	4,800	1.41
Illuminator Investment Company Limited	3,125	0.92
	279,879	82.40

Number of Series 2 options held

1 – 1,000
 1,001 – 5,000
 5,001 – 10,000
 10,001 – 50,000
 50,001 – 100,000
 100,001 and over

Number of Option holders

39
 22
 10
 8
 -
 -

PRITCHARD EQUITY LIMITED

STOCK EXCHANGE INFORMATION

Top 20 Series 3 Option holders as at 15 September 2009.

Option holder	Options	% of Issued
Pritchard & Company Pty Limited	50,000	14.72
Pritchards Continuation Proprietary Ltd	38,615	11.37
Mrs Margaret Jane Pritchard	27,500	8.10
Mr Enzo Pirillo	25,000	7.36
Cameron Securities Pty Limited	17,500	5.15
Dr Gordon Bradley Elkington	12,500	3.68
RFC Investment Holdings Pty Limited	12,500	3.68
Mr John Weston Seaforth Mackenzie	11,665	3.43
Wilcorp No 41 Pty Limited	9,584	2.82
Abelia Grove Pty Limited	8,615	2.54
Pritchard and Partners Pty Limited	8,500	2.50
Mr Brett Andrew Hall	8,000	2.36
Dr Gordon Bradley Elkington	7,600	2.24
Mr Daniel DiStefano	7,500	2.21
Mrs Anna Pirillo	7,500	2.21
Mr Barry Preston	7,500	2.21
Newcastle Capital Markets Pty Limited	6,250	1.84
Bell IXL Investments Limited	5,625	1.66
Banivory Pty Limited	4,800	1.41
Illuminator Investment Company Limited	3,125	0.92
	279,879	82.40

Number of Series 2 options held

1 – 1,000
1,001 – 5,000
5,001 – 10,000
10,001 – 50,000
50,001 – 100,000
100,001 and over

Number of Option holders

39
22
10
8
-
-

Substantial Shareholders

As at 15 September 2009 the names and holdings of substantial shareholders as disclosed in notices received by the Company are as follows:

Substantial Shareholder	B Ordinary shares	% of total
Steven Shane Pritchard	541,000	64.45

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
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