

**SCHEDULE**

**SHARE APPLICATION PRICE - CALCULATION SHEET**

**ENCOSTA DE LAGO / FUSAICHI ROSE Brown Filly 2011 - Lot 111 Inglis Easter**

**\* A statement setting out expenses incurred by the Promoter in the formation of this promotion.**

<b>(A) Actual Cost - FALL OF HAMMER Price</b>	<b>\$ 100,000</b>
<b>(B) Costs Incurred in Acquisition of Horse</b>	<b>\$ 34,514</b>
<b>(C) Actual &amp; Budgeted Forward Horse Husbandry Costs</b>	<b>\$ 12,188</b>
<b>(D) Syndicate Establishment, Promotion, Accounting &amp; Legal</b>	<b>\$ 17,835</b>
	<b>\$ 164,537 +</b>
<b>(E) GST</b>	<b>\$ 16,453</b>
	<b>\$ 180,990 +</b>
<b>(F) Racing Authority Registration Fees \$510 (GST Exempt)</b>	<b>\$ 510</b>
<b><u>TOTAL SYNDICATION VALUE</u> (including GST to 31/10/13)</b>	<b><u>\$ 181,500</u></b>

**(A) PURCHASE PRICE = \$100,000 + GST**

**Purchase Price:** **\$100,000 + GST**  
Fall of Hammer Price in Sale Ring (+ GST)

**(B) VARIOUS ACQUISITION COSTS = \$34,514 + GST**

**Dynamic Syndications Profit Margin On This Promotion** **\$12,500 + GST**  
12.5% on the Fall Of Hammer Sale Price = \$100,000 x 12.5%

**Veterinary Report for PDS** **\$195 + GST**

**ASIC - PDS in-use Form 88** **\$35 + GST**

**Insurance – 4 x Premiums:**

**\$11,731 + GST**

- (1) - Mortality cover from Fall of Hammer to 11/1/2014 on \$181,500 syndicated value
- (2) - Colic Cover
- (3) - Disability / Impairment Guarantee - Fall Of Hammer Price to Registration Date
- (4) - P. I. Cover
- (5) - Stamp Duty

**5 x Race Series Eligibility Payments:**

**\$4,182 + GST**

- \* Entry Fee Inglis Race Series – One off payment = \$2,000
- \* Entry Fee BOBS 2-3YO Series – One off payment = \$900
- \* Entry Fee BOBS Extra Series - 4YO + horses – One off payment = \$764
- \* Golden Slipper & Golden Rose First eligibility payment \$318
- \* Blue Diamond eligibility payment \$200

**Acquisition Costs: (Inglis Australian Easter 2013)**

**\$5,871 + GST**

- \* Veterinary work conducted at saleyard by Dr Tim Roberts in Selection Process includes: 46 Physical Inspections, 46 sets of X-Rays and 2 Endoscopic evaluations divided pro-rata across 2 yearlings purchased for syndication = \$2,921
- \* Sales Expenses (7 Days x 3 Staff) incurred in attending sale i.e. 1 x Air Fare, Transport, 1 x Accommodation, Phone, Internet, Client Liaison, 1 x Living Expenses, etc, divided by the 2 yearlings purchased for syndication = \$1,990
- \* Miscellaneous Costs = Professional Photographers, Pedigree Ratings Software Fee - Pro Rata across all yearlings purchased for syndication = \$960

**(C) HORSE HUSBANDRY ACCOUNTS BUDGET TO 31/10/13 =**

***\$12,188 + GST***

**Planning and Progression for the horse from 9/4/13 to 31/10/13**

Transport on 9/4/13 from Randwick Saleyards to Oakridge Spelling Farm NSW = \$170  
Agistment from Date of Arrival at Oakridge 9 April – 30 April (23 Days) = \$805  
1 May - Transport to educators to commence breaking-in process = \$180  
Education process over 35 days (5 weeks) including stabling & agistment = \$2,900  
Transport 5 June to Pre-Trainers Stables = \$210  
18 days education in pre-trainers racing stables @ \$75 = \$1,350  
Miscellaneous additional costs include Track Fees, Farrier Feet Trim and Shoes, Dentist, Parasite Drench = \$396  
24 June Transport return to Oakridge Spelling Farm = \$170  
6 days June Agistment at Oakridge Spelling Farm 6 days = \$210  
Agistment 1 July – 31 July 31 Days at Oakridge Spelling Farm  
+ Feet Trim and Drench = \$1,310  
Miscellaneous additional costs include, Farrier Feet Trim and Shoes (\$165), Dentist (\$90), Parasite Drench (\$78) = \$396  
Agistment 1 August – 31 August 31 Days at Oakridge Spelling Farm + Feet Trim and Drench = \$1,310

Agistment 1 September – 30 September 30 Days at Oakridge Spelling Farm + Dentist = \$1,136

Agistment 1 October – 31 October 31 Days at Oakridge Spelling Farm  
+ Feet Trim and Shoes + Drench + Transport to Wild Oaks Pre-Training Facility \$170  
= \$1,645

**(D) BUDGETED SYNDICATE ESTABLISHMENT & PROMOTION = *\$17,835 + GST***

**Statutory Auditing; Accounting & Legal Fees** = \$6,700

Auditors Annual Fee: (Pro Rata) \$3,500, Chartered Accountants Fee (Pro Rata): \$1,200,  
Legal Fees (Pro Rata): Macquarie Legal Practice \$2,000.

**Establishment & Promotion** = \$11,135

Postage, Printing, Handling, Stationary \$128, Communications via Telephone, Fax, Email, SMS (Pro Rata) \$325, Marketing & Promotional, Banking, Merchant Service / Eftpos Fees (Pro Rata) \$825, IT Service Provider (Pro Rata) \$857, Advertising = \$9,000  
Pro Rata expenses across all yearlings for Syndication in 2013 : (TV – Radio – Websites: TVN – Sky Channel - Sky Sports Radio – Bloodstock.com & other websites).

*All prices above have been recorded as GST exclusive*

**(E) GST: (10 % Goods & Services Tax) *\$ 16,453***

**SUB-TOTAL OF COSTS *\$180,990 +***

**(F) RACING AUTHORITY STATUTORY FEES (GST Exempt) *\$ 510***

Racehorse Registration Fee \$110, PDS Application Fee \$150,  
Racing Syndicate Registration Fee \$250

**TOTAL PRICE TO: 31/10/13 *\$181,500***

**10% Shares @ \$18,150 per share including  
GST & All Costs to 31 October 2013**

**5% Shares @ \$9,075 per share including  
GST & All Costs to 31 October 2013**