

# Appendix 4E

## Preliminary Financial Year Report for the Year Ended to 30 June 2010

**Green Invest Limited**  
**ABN: 49 119 031 462**

### 1. Reporting period

Report for the financial year ended: 30 June 2010

Previous corresponding periods: Financial year ended 30 June 2009

### 2. Results for announcement to the market

Revenues from ordinary activities	down	2,400,499	To	4,904,284
Profit from ordinary activities after tax attributable to members	Up	(4,049,278)	To	339,412
Net profit for the period attributable to members	Up	(4,049,278)	To	339,412

The commentary on the results for the period is contained in the review of operations section of the Directors Report which is in the Financial Report attached.

### 3. Dividends

No Dividends have been declared by the Directors for the current period or previous corresponding periods.

### 4. Net tangible assets per security

	30 June 2010	30 June 2009
Net tangible asset backing per ordinary security	0.3 cents	(2.9) cents

### 5. Details of entities over which control has been gained or lost during the period – None

### 6. Details of associates and joint ventures - None

### 7. The financial information provided in the Appendix 4E is based on the preliminary financial year condensed financial report (attached).

### 8. Independent review of the financial report.

The financial report is in the process of being audited.



***green invest***

Investing in Sustainability

**GREEN INVEST LIMITED  
ABN 49 119 031 462**

**PRELIMINARY FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2010**

**This Preliminary Financial Year Report should be  
In conjunction with the financial report for the  
year ended 30 June 2009 and the  
half yearly report ended 31 December 2009**

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# Chairman's Report

Dear Shareholders,

## The Year in Review

On behalf of the Board of Directors I have pleasure in presenting the Preliminary Financial Report (Appendix 4E) of Green Invest Limited for the year ended 30 June 2010.

As shareholders, you are aware that the Board has continued the process of consolidation and review of the Group's strategic direction throughout the year ended 30 June 2010. The results achieved during the year have now established a platform that the Group can now launch the next phase of its evolution, growth. The review by the Board has confirmed the viability of the underlying strategy of providing a fully integrated business through association with suppliers, Trade Associations and of course with Nextgen which remains Australia's largest environmental security broker. This means that Green Invest is in a position to ensure that all product supplied meets with the most stringent standards, that the product is installed by trained tradesman and that where environmental securities are generated that Nextgen can successfully broker the security.

Changes put in place by the new Board and Management Team have seen the Group's financial performance improve steadily throughout the year. Apart from addressing the financial requirements of the Group, the Board has set about undertaking an extensive review of each of its business centres as well as adding a number of new key business units. The objective of the Board has to ensure that each operating component of Group is independently profitable with performance based upon normal business conditions and not reliant upon Government incentive programs.

### [i] Green Plumbers:

The acquisition of the *Green Plumbers*® brand was finalised during the year as well as the continued growth of the model across the globe:

- strengthening the relationship between *Green Plumbers*®, employer associations (Extending our relationships to other state based Master Plumber Associations around Australia), Plumbing Trade Employees Union, Government and various Water Authorities.
- Establish arrangements with qualified suppliers
- The continued internationalisation of the *Green Plumbers*® brand with close ties with United Association (USA based plumbing trade union) and International Association of Plumbing and Mechanical Officials (IAPMO – Internationally recognised plumbing standard setter)
- Commencement of negotiations to re-acquire the Green Plumbers USA commercialisation rights

### [ii] Sustainable Footprint:

The 2009/10 Financial Year was one of highs and lows for Sustainable Footprint. The delay of the Carbon Pollution Reduction Scheme (CPRS) along with delays in the Business Energy Efficiency Certificates scheme, mandatory reporting for commercial properties and the equivalent residential reporting scheme, has resulted in business reluctance to undertake voluntary reporting leading to a reduction in business.

As a result, it was decided to use the intellectual property developed in Sustainable Footprint to develop an education stream within the Business, hence Sustainable Footprint Education (SFE) was established. During the year, SFE was selected as one of the original training organisations for the Federal Government's Home Sustainability Assessment Scheme. During a subsequent audit of this scheme, the excellent quality of the training program provided by SFE was recognised. During the year a number of new training programs around the sustainability field have commenced development with a roll out due here in Australia and internationally in the 2010/11 financial year.

# Chairman's Report (continued)

## [iii] Next Generation Energy Solutions

NextGen's year was one of gather momentum as a result by then end of the financial year it was generating income in excess of \$400,000 per month. The growth in income was a direct result of two announcements from the Federal Government:

1. Carbon Pollution Reduction Scheme (CPRS) being shelved until 2012. This provided the Electricity markets the certainty to start structuring forward trades again thus generating increased income for NextGen.
2. Changes to the Renewable Energy Certificate (RECs) legislation splitting RECs into two categories large and small to increase the price of RECs trade in the market to financially support the development of large scale renewable energy generators such as wind farms. This lead to increased trading of RECs over a few months as prices rose.

## [iv] New Business

The Group has also worked hard to establish a number of new businesses in line with the new business model. The Board is looking to build fully integrated businesses based upon normal operating market conditions as opposed to one built upon Government initiatives. The Company's business model has resulted in the development of key relationships, firstly with suppliers to ensure suitability of product, secondly with Industry Associations and Unions ensuring appropriate installation from specially trained technicians and thirdly Nextgen to broker environmental securities, we are in a unique position.

These businesses allow us to take advantage of the brand awareness and strong reputation we are generating in the market. Whilst none of these businesses have generated income for the current year ended 30 June 2010 they are poised to make a strong impact in the new year:

1. **IntoEco Pty Ltd** was launched in July 2010 with two main business streams:
  - a. A retail sales network with both and online and direct sales function focusing on new environmentally friendly technology such as Solar PV and Solar Hotwater systems, water tanks and dual flush toilets.
  - b. A REC Administration business servicing the plumber and electrician networks. This business will assist with the registration of RECs with the managing authority as well as a financing function allowing faster payment.
2. **Green Electricians International Pty Ltd** was launched also in July 2010 with similar goals as Green Plumbers® providing trade services supported by world leading training in sustainability practices and technology. The bulk of work initially will be via project and retail sales of Solar PV systems.
3. **Sustainable Footprint Education Pty Ltd** as previously discussed above.
4. Expanding the financial services currently being offered by the Group.

Whilst the Board have taken many steps towards building the Group for the future there is significant work still being done to finish the job we started just over twelve months ago. The major issues still facing the Group in the first six months of the new financial year are:

1. Address the capital structure of the business.
2. Address the old debt the Board inherited, especially the Convertible Notes. It is the intention of the Board to negotiate better commercial conditions and substantially retire the debt within the next six months.
3. Investigations by the Company and its advisers have also lead to a number of anomalies being identified involving the initial acquisition of NextGen. These anomalies have caused the Group significant financial losses. The Company has embarked on a series of legal actions to recover these losses.
4. Continue to improve the financial performance of each of the business units.
5. Initiate a detailed investor relations program to better inform our shareholders of the developments and achievements in a more timely manner as well as the wider investment market.

# Chairman's Report (continued)

## Management and Staff

The Group has again made a number of senior management changes during the last twelve months. As we commence our new phase the Board will continue to review the senior management structure of the Group to ensure the skills matrix of the Management Team meet those required by the Group.

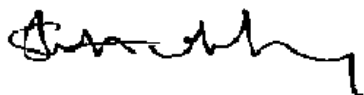
We are confident that our team will continue to deliver improved performance for the business in the future as we enter this exciting stage of our development.

The improved results of the Group this year would not have been possible without the dedication and hard work of the Management Team and all employees of the Group. Many of our team have made significant sacrifices to help move the Group forward, these sacrifices show their belief in our business model and the goals of the Group. I would like to take this opportunity to thank them on behalf of the Board and all our shareholders.

## Outlook for 2011

With a strong platform, the Group is now well positioned to take advantage of the many opportunities now presenting themselves to the Group. The key to many of these opportunities is the strong relationships the Group has managed to build over the past twelve months.

Whilst the Board has ambitious plans for the coming twelve months, they will be done in a fiscally responsible manner ensuring the sustainability of the business. We look forward to making significant announcements in the coming year demonstrating to all that the Group is finally "Moving Forward".



Mr Peter McCoy  
Chairman  
31 August 2010

**GREEN INVEST LIMITED AND CONTROLLED ENTITIES**  
**ABN 49 119 031 462**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	Consolidated Entity	
		2010 \$	2009 \$
Revenue	2	4,707,324	7,233,835
Other Income	2	196,960	70,948
		<u>4,904,284</u>	<u>7,304,783</u>
Cost of services	3	(332,601)	(3,850,533)
Employee benefits expense	3	(2,748,366)	(3,459,251)
Professional fees		(161,486)	(488,122)
Depreciation expenses	3	(97,723)	(105,066)
Occupancy expenses		(220,620)	(215,328)
Administrative expenses		(412,842)	(731,074)
Travel expenses		(153,894)	(114,003)
Consulting expenses		(413,530)	(443,939)
Finance costs	3	(116,767)	(131,551)
Impairment losses	3	-	(1,264,636)
Other expenses		(242,657)	(211,146)
		<u>(4,900,486)</u>	<u>(11,014,649)</u>
<b>Profit/(Loss) before income tax</b>		3,798	(3,709,866)
Income tax expense		335,614	-
<b>Profit/(Loss) from continuing operations</b>		<u>339,412</u>	<u>(3,709,866)</u>
<b>Other comprehensive income, net of tax</b>		-	-
<b>Total comprehensive income attributable to the members of Green Invest Limited</b>		<u>339,412</u>	<u>(3,709,866)</u>
Basic earnings per share		\$0.01	(\$0.11)
Diluted earnings per share		\$0.01	(\$0.11)

The accompanying notes form part of these financial statements.

GREEN INVEST LIMITED AND CONTROLLED ENTITIES  
ABN 49 119 031 462

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2010

	Notes	Consolidated Entity	
		2010 \$	2009 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		649,076	471,595
Trade and other receivables		1,033,075	605,067
Tax receivable		335,614	-
Other		486,130	410,802
<b>TOTAL CURRENT ASSETS</b>		<b>2,503,895</b>	<b>1,487,464</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment		226,583	265,486
Intangible assets	8	4,148,106	3,878,070
<b>TOTAL NON-CURRENT ASSETS</b>		<b>4,374,689</b>	<b>4,143,556</b>
<b>TOTAL ASSETS</b>		<b>6,878,584</b>	<b>5,631,020</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,584,743	1,698,130
Provisions		494,434	52,430
Interest bearing liabilities		660,452	731,193
Other		111,579	82,300
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,851,208</b>	<b>2,564,053</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions		16,630	9,498
Other		15,000	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>31,630</b>	<b>9,498</b>
<b>TOTAL LIABILITIES</b>		<b>2,882,838</b>	<b>2,573,551</b>
<b>NET ASSETS</b>		<b>3,995,746</b>	<b>3,057,469</b>
<b>EQUITY</b>			
Contributed equity	5	8,950,060	8,335,899
Reserve		-	15,296
Accumulated losses		(4,954,314)	(5,293,726)
<b>TOTAL EQUITY</b>		<b>3,995,746</b>	<b>3,057,469</b>

The accompanying notes form part of these financial statements.

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**GREEN INVEST LIMITED AND CONTROLLED ENTITIES**  
**ABN 49 119 031 462**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	30 June 2010			Total
	Ordinary Shares	Share Option Reserve	Retained Earning	
Opening Balance	8,335,899	15,296	(5,293,726)	3,057,469
Profit for the Period	-	-	339,412	339,412
Other Comprehensive Income for period	-	-	-	-
	<u>8,335,899</u>	<u>15,296</u>	<u>(4,954,314)</u>	<u>3,398,881</u>
Transactions with owners in their capacity as owners				
Shares issued	673,068	-	-	673,068
Transaction Costs on share issue	(58,907)	-	-	(58,912)
Employee share based payment	-	(15,296)	-	(15,296)
<b>Closing Balance</b>	<b><u>8,950,060</u></b>	<b><u>-</u></b>	<b><u>(4,954,314)</u></b>	<b><u>3,995,746</u></b>

	30 June 2009			Total
	Ordinary Shares	Share Option Reserve	Retained Earning	
Opening Balance	7,365,439	-	(1,583,860)	5,781,579
Profit for the Period	-	-	(3,709,866)	(3,709,866)
Other Comprehensive Income for period	-	-	-	-
Total Comprehensive Income for year	<u>7,365,439</u>	<u>-</u>	<u>(5,293,726)</u>	<u>2,071,713</u>
Transactions with owners in their capacity as owners				
Shares issued	1,000,000	-	-	1,000,000
Transaction Costs on share issue	(29,540)	-	-	(29,540)
Employee share based payment	-	15,296	-	-
<b>Closing Balance</b>	<b><u>8,335,899</u></b>	<b><u>15,296</u></b>	<b><u>(5,293,726)</u></b>	<b><u>3,057,469</u></b>

The accompanying notes form part of these financial statements.

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**GREEN INVEST LIMITED AND CONTROLLED ENTITIES**  
**ABN 49 119 031 462**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	Consolidated Entity	
		2010	2009
		\$	\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		4,483,338	9,124,713
Payments to suppliers and employees		(4,458,103)	(11,028,275)
Interest received		4,449	17,759
Borrowing costs		(137,508)	(131,551)
Income tax paid		-	(185,840)
<b>Net cash used in operating activities</b>	10(a)	<u>(107,824)</u>	<u>(2,203,194)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payments for plant and equipment		(58,820)	(88,248)
Payments for intangible assets		(270,036)	(20,000)
<b>Net cash used in investing activities</b>		<u>(328,856)</u>	<u>(108,248)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from share issue		673,068	500,000
Capital raising costs		(58,902)	(29,540)
Proceeds from borrowings		-	731,193
<b>Net cash provided by financing activities</b>		<u>614,166</u>	<u>1,201,653</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		177,481	(1,109,789)
Cash and cash equivalents at beginning of year		471,595	1,581,384
<b>Cash and cash equivalents at end of the year</b>	10(b)	<u>649,076</u>	<u>471,595</u>

The accompanying notes form part of these financial statements.  
**GREEN INVEST LIMITED AND CONTROLLED ENTITIES**  
**ABN 49 119 031 462**

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## NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2010

### NOTE 1: BASIS OF PREPARATION

This preliminary financial report has 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 the assets. All amounts are presented in Australian dollars, unless otherwise noted.

The preliminary financial report does not include notes of the type normally included in an annual report. Accordingly, it should be read in conjunction with the Annual Report for the year ended 30 June 2009 and the financial report for the six months ended 31 December 2009 and any public announcements made by Green Invest Limited during the year in accordance with continual disclosure requirements of the Corporations Act 2001.

The accounting policies and methods of computation adopted in the preparation of the preliminary financial report are consistent with those adopted and disclosed in the company's annual financial report for the year ended 30 June 2009

### NOTE 2: REVENUE

	Consolidated Entity	
	2010	2009
	\$	\$
<b>Revenues from continuing operations</b>		
Revenue from services	4,707,324	7,233,835
	<u>4,707,324</u>	<u>7,233,835</u>
<i>Other Income</i>		
Interest	4,449	17,759
Sundry revenue	192,511	53,189
	<u>196,960</u>	<u>70,948</u>
	<u>4,904,284</u>	<u>7,304,783</u>

### NOTE 3: PROFIT/(LOSS) FROM CONTINUING OPERATIONS

Profit/(Loss) from continuing operations before income tax has been determined after the following specific expenses:

Cost of services	<u>332,601</u>	<u>3,850,533</u>
Employee benefits expense		
Share-based payments	(15,296)	15,296
Other employee benefits	<u>2,763,662</u>	<u>3,443,955</u>
Employee benefits expense	<u>2,748,366</u>	<u>3,459,251</u>
Depreciation of non-current assets		
Office equipment	54,755	88,112
Furniture, fixtures and fittings	2,769	16,954
Software	<u>40,199</u>	
Total depreciation of non-current assets	<u>97,723</u>	<u>105,066</u>

GREEN INVEST LIMITED AND CONTROLLED ENTITIES  
ABN 49 119 031 462

NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2010

NOTE 3: LOSS FROM CONTINUING OPERATIONS (Continued)

	Consolidated Entity 2010 \$	Consolidated Entity 2009 \$
Finance costs expensed		
Interest and charges	116,767	131,551
Total finance costs expensed	<u>116,767</u>	<u>131,551</u>
Operating lease rentals	16,224	204,543
Movement in Provision for Impairment and Trade Receivables	8,197	(49,002)
<b>Impairment Losses</b>		
Goodwill	-	1,264,636
	<u>-</u>	<u>1,264,636</u>

NOTE 4: SEGMENTS

The consolidated entity has the following business segments and geographical segments:

(a) Operations Segments

The Board has identified operating segments in line with the Stern Report, using two pillars identified in that report, Emissions Trading and Technology Co-operation and Deployment. The Directors have defined the operating segments within these areas as Brokers Services, Integration Services and Technology and Services

- (i) **Broker Services** is the provision of brokerage services to wholesale clients of assets relating to energy, green energy and carbon off-set certificate trading. This segment is operated through Next Generation Energy Solutions Pty Ltd and offers services Australia wide.
- (ii) **Technology and Services** is the provision of project management services of environmentally friendly initiatives for government, NGO's and commercial enterprises. This segment is operated through Green Plumbers International Pty Ltd and the new I-Green Pty Ltd; and
- (iii) **Integration Services** is the provision of environmental auditing and carbon off-set measurement consulting services as well as deduction programs related to the provision of these services in the residential and commercial markets. This segment is operated through Sustainable Footprint Pty Ltd and the new Green Professionals Pty Ltd and Sustainable Footprint Education Pty Ltd and offers services Australia wide

The Board of Directors measures the financial performance of individual business segments at operating profit before tax.

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**NOTE 4: SEGMENT INFORMATION CONTINUED**

**(b) Primary Segment Information**

The following table presents the revenue and profit information regarding business unit segments for the financial years ended 30 June 2010 and 30 June 2009.

Business segments	Technology and Services		Broking Services		Integration Services		Corporate		Consolidated Entity	
	2010 \$	2009 \$	2010 \$	2009 \$	2010 \$	2009 \$	2010 \$	2009 \$	2010 \$	2009 \$
<b>Revenue</b>										
Sales to customers outside the consolidated entity	203,845	4,430,831	3,941,545	2,655,398	561,934	147,606	-	-	4,707,324	7,233,835
Other revenue	49,985	8,456	141,970	52,104	5,005	2,220	0	8,168	196,960	70,948
<b>Total segment revenue</b>	<b>253,830</b>	<b>4,439,287</b>	<b>4,083,515</b>	<b>2,707,502</b>	<b>566,939</b>	<b>149,826</b>	<b>0</b>	<b>8,168</b>	<b>4,904,284</b>	<b>7,304,783</b>
<b>Results</b>										
Segment result before tax	(307,746)	(438,517)	919,877	(341,500)	(377,068)	(556,478)	(231,265)	(1,937,643)	3,798	(3,274,138)
<b>Segment result before tax</b>	<b>(307,746)</b>	<b>(438,517)</b>	<b>919,877</b>	<b>(341,500)</b>	<b>(377,068)</b>	<b>(556,478)</b>	<b>(231,265)</b>	<b>(1,937,643)</b>	<b>3,798</b>	<b>(3,274,138)</b>
<b>Total Assets</b>	<b>106,855</b>	<b>117,530</b>	<b>5,929,334</b>	<b>5,255,214</b>	<b>176,062</b>	<b>120,567</b>	<b>666,333</b>	<b>137,710</b>	<b>6,878,584</b>	<b>5,631,020</b>
<b>Total Liabilities</b>	<b>100,321</b>	<b>239,407</b>	<b>1,753,049</b>	<b>1,243,282</b>	<b>251,603</b>	<b>77,235</b>	<b>777,864</b>	<b>1,013,627</b>	<b>2,882,838</b>	<b>2,573,551</b>

**GREEN INVEST LIMITED AND CONTROLLED ENTITIES**  
**ABN 49 119 031 462**

**NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2010**

**NOTE 5: CONTRIBUTED EQUITY**

	<b>Consolidated Entity 2010 \$</b>	<b>Consolidated Entity 2009 \$</b>
<b>(a) Issued and paid up capital</b>		
45,517,300 (2009: 34,221,500)		
Ordinary shares fully paid	8,950,055	8,335,899
Fully paid ordinary shares carry one vote per share and carry the right to dividends		

**(b) Movements in shares on issue**

	<b>Parent Equity</b>		<b>Parent Equity</b>	
	<b>2010</b>		<b>2009</b>	
	No of Shares	\$	No of Shares	\$
Beginning of the financial year	34,221,500	8,335,899	30,901,500	7,365,439
Issued during the year	11,295,800	614,161	3,320,000	970,460
– Issue of shares for acquisition of Sustainable Footprint Pty Ltd *	-	-	800,000	240,000
– Other shares issued **	-	-	2,000,000	500,000
– Share issued to employees ***	78,000	-	520,000	260,000
– Share issued to GFK Investments Pty Ltd	9,999,999	600,000		
– Share issued under Rights Issue and Fixed Offer	1,217,801	73,068		
– Cost of issuing shares	N/A	(58,907)	N/A	(29,540)
End of the financial year	45,517,300	8,950,060	34,221,500	8,335,899

\* Issued as consideration for the acquisition of Sustainable Footprint Pty Ltd completed on 1 July 2009.

\*\* Issued for private capital placement by Electrical Trade Union of 2,000,000 shares completed on 30 September 2009.

\*\*\* Issued in accordance with the prospectus of Green Invest Limited. The fair value at the time of granting of these securities was \$0.50. Issued and allocated in November 2009.

**Options**

The following options to subscribe for ordinary fully paid shares were allotted during the financial year and remain outstanding.

<b>Class</b>	<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Number of Options</b>
Options issued at IPO	1 December 2012	1 Dollar	17,950,000
Electrical Trade Union Placement Options	30 September 2011	50 cents	1,000,000
Convertible note holder Options	27 February 2012	25 cents	2,800,000

**Convertible notes**

The consolidated entity has five secured convertible note holders at balance date totalling \$660,452. These convertible notes mature 31 December 2010. The notes attract 12% interest. If the notes were to be converted at the option of the note holder the conversion price would be the lower of 25 cents or such other price that shares might be issued during the term of the notes. Interest is accumulated and paid quarterly in arrears. The convertible notes are convertible to ordinary shares at any time by the note holder and will only be repaid in cash at any time until the redemption date.

**(c) Capital management**

When managing capital, managements objective is to ensure the entity continues as a going concern as well as ensuring there are sufficient funds to meet on going working capital commitments which is performed via monitoring historical and forecast performance.

Historically, the group has used a mixture of debt and equity to fund working capital commitments and acquisitions.

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**GREEN INVEST LIMITED AND CONTROLLED ENTITIES**  
**ABN 49 119 031 462**

**NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2010**

**NOTE 6: CONTROLLED ENTITIES**

(a) The consolidated financial statements include the financial statements of Green Invest Limited and its controlled entities listed below:

	Country of Incorporation	Percentage Owned	
		2010	2009
<b>Parent Entity</b>			
Green Invest Limited	Australia	-	-
<b>Subsidiaries of</b>			
<b>Green Invest Limited</b>			
Next Generation Energy Solutions Pty Ltd	Australia	100%	100%
Green Plumbers Global Corporation Ltd	Australia	100%	100%
Sustainable Footprint Pty Ltd	Australia	100%	100%
Sustainable Footprint Education Pty Ltd	Australia	100%	-
Green Professionals Pty Ltd	Australia	100%	-
IntoEco (I Green) Pty Ltd	Australia	100%	-
Green Electricians International Pty Ltd	Australia	100%	-
Green Plumbers Pty Ltd	Australia	100%	-
Green Plumbers Assist Pty Ltd	Australia	100%	-
Green Plumbing Environmental Service Pty Ltd	Australia	100%	-
Green Credit Pty Ltd	Australia	100%	-
Green Plumbing Services Pty Ltd	Australia	100%	-
Green Plumbers Australia Pty Ltd	Australia	100%	-
<b>Subsidiaries of</b>			
<b>Green Plumbers Global Corporation Ltd</b>			
Green Plumbers International Pty Ltd (Trustee for Green Plumbers Unit Trust)	Australia	100%	100%

**NOTE 7: PRIOR YEAR ADJUSTMENTS**

A number of prior period adjustments have been made in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The adjustment was the result of: -

- An adjustment to the treatment of the purchase consideration of \$260,000 paid to the shareholders Sustainable Footprint Pty Ltd in July 2008. The consideration was treated as goodwill, however Sustainable Footprint Pty Ltd owned no assets, and possessed no intangible assets. Upon a review of the agreement it would appear that the consideration was directly linked to the service conditions agreed to by the directors of Sustainable Footprint Pty Ltd. Accordingly the directors believe that the purchase consideration should be treated as key employee contracts expense and recognised as an asset on acquisition and amortised over the service period, being 3 years from 1 July 2008. On 30 June 2009, the directors of Sustainable Footprint were released from the obligation to stay and were issued ordinary shares in satisfaction of the agreement. The key employee contract asset was consequently written off immediately and expensed. No additional payment in either shares or cash was made in relation to this transaction.

**GREEN INVEST LIMITED AND CONTROLLED ENTITIES**  
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**NOTES TO THE FINANCIAL STATEMENTS 30 JUNE 2010**

**NOTE 7: PRIOR YEAR ADJUSTMENTS (Continued)**

- Upon the acquisition on Next Generation Energy Solutions Pty Ltd in November 2007, all the assets and liabilities were consolidated based on an assessment of their fair values. It was noted that there existed a contingent liability due to the Australian Taxation Office relating to payroll and fringe benefits tax estimated at \$350,000. It was determined that the liability was contingent as it was dependent upon an ATO assessment. Under AASB 3 where the fair value of a contingent liability can be reliably measured, it should be recognised on acquisition. Therefore the liability should have been recognised.
- The directors of Next Generation Energy Solutions Pty Ltd (also the shareholders at the time of acquisition) agreed to indemnify Green Invest against any liabilities arising from the ATO assessment of \$350,000. Therefore, a receivable should be recorded for this indemnity to offset the liability. As the risk related to each balance is different - payment to the ATO will be independent of any receipt from the former directors of Next Gen - both balances have been recorded in prior periods. This indemnify is supported by assets that are held in escrow that be realised at the option of the company against any liabilities arising from an ATO assessment.
- In 2008 the bonus provided to employees of Next Generation Energy Solutions Pty Ltd was agreed with management. The amount agreed to be paid was in excess of the amount reported at 30 June 2009. The difference of \$43,578 was due to an accounting error at the time of the preparation of the financial report.
- Due to the changing nature of the Green Plumbers Business during the financial year ended 30 June 2009 the remaining goodwill carried in the consolidated accounts of \$435,728 was written off. The business had evolved from a high cost Victorian centric license model or quasi franchise model to the low cost Australian wide membership model. Concentration of revenue generation went from membership and lead fees to large scale projects predominantly in the retail housing retro-fit market.

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2009**

	Notes	CONSOLIDATED	
	30-Jun-09	Amendment	30-Jun-09
	Original		Amended
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	471,595		471,595
Trade receivables	605,067		605,067
Other	60,802	350,000	410,802
<b>TOTAL CURRENT ASSETS</b>	<b>1,137,464</b>	<b>350,000</b>	<b>1,487,464</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	265,486		265,486
Intangible assets	4,573,798	(695,728)	3,878,070
<b>TOTAL NON-CURRENT ASSETS</b>	<b>4,839,284</b>	<b>(695,728)</b>	<b>4,143,556</b>
<b>TOTAL ASSETS</b>	<b>5,976,748</b>	<b>(345,728)</b>	<b>5,631,020</b>

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**GREEN INVEST LIMITED AND CONTROLLED ENTITIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 7: PRIOR YEAR ADJUSTMENTS (Continued)**

<b>CURRENT LIABILITIES</b>			
Trade and other payables	1,304,552	393,578	1,698,130
Interest bearing liabilities	731,193		731,193
Current tax liabilities	-		-
Provisions	52,430		52,430
Other	82,300		82,300
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,170,475</b>	<b>393,578</b>	<b>2,564,053</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	9,498		9,498
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>9,498</b>	<b>-</b>	<b>9,498</b>
<b>TOTAL LIABILITIES</b>	<b>2,179,973</b>	<b>393,578</b>	<b>2,573,551</b>
<b>NET ASSETS</b>	<b>3,796,775</b>	<b>(739,306)</b>	<b>3,057,469</b>
<b>EQUITY</b>			
Share capital	8,335,899		8,335,899
Reserves	15,296		15,296
Accumulated Losses	(4,554,420)	(739,306)	(5,293,726)
<b>TOTAL EQUITY</b>	<b>3,796,775</b>	<b>(739,306)</b>	<b>3,057,469</b>

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2009**

	Notes	<b>CONSOLIDATED</b>	
		<b>30-June-09 Original</b>	<b>Amendment 30-June-09 Amended</b>
<b>Revenue</b>			
Sales revenue		7,304,783	7,304,783
<b>Expenses</b>			
Cost of sales		(3,850,533)	(3,850,533)
Employee benefits expense		(3,155,673)	(3,459,251)
Depreciation expenses		(488,122)	(488,122)
Occupancy expenses		(105,066)	(105,066)
Administrative expenses		(215,328)	(215,328)
Travel expenses		(731,074)	(731,074)
Consulting expenses		(114,003)	(114,003)
Professional fees		(443,939)	(443,939)
Finance costs		(131,551)	(131,551)
Share based payments (note 5(c))		(828,908)	(1,264,636)
Other expenses		(211,146)	(211,146)
		<b>(10,275,343)</b>	<b>(11,014,649)</b>
Loss before income tax		(2,970,560)	(3,709,866)
Income tax expense		-	-
Loss from continuing operations		<b>(2,970,560)</b>	<b>(3,709,866)</b>
Loss attributable to the members of Green Invest Limited		<b>(2,970,560)</b>	<b>(3,709,866)</b>

**GREEN INVEST LIMITED AND CONTROLLED ENTITIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 8: INTANGIBLES**

	<b>Consolidated Entity 2010 \$</b>	<b>Consolidated Entity 2009 \$</b>
--	------------------------------------------------	------------------------------------------------

Goodwill - at cost	4,148,106	3,878,070
Net carrying amount	4,148,106	3,878,070

**(a) Reconciliation**

Reconciliations of the carrying amounts of goodwill at the beginning and end of the current financial year.

Goodwill – Next Generation Energy Solutions Pty Ltd

Opening net book amount	3,878,070	4,200,000
Impairment charge	-	(321,930)
Closing net book value	3,878,070	3,878,070

Trademarks

Opening net book amount	-	-
Additions	270,036	-
Closing net book value	270,036	-

Goodwill – Total

Opening net book amount	3,878,070	4,200,000
Additions	270,036	-
Impairment charge	-	(321,930)
Closing net book value	4,148,106	3,878,070

**NOTE 9: COMMITMENTS AND CONTINGENCIES**

**Lease expenditure commitments**

(a) Operating leases (no cancellable):

Leasing arrangement: Lease of office premises

Minimum lease payments

– Not later than one year	237,180
– Later than one year and not later than five years	69,298
– Later than five years	-
– Aggregate lease expenditure contracted for at reporting date	306,478

**GREEN INVEST LIMITED AND CONTROLLED ENTITIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 10: CASH FLOW INFORMATION**

	Consolidated Entity 2010 \$	Consolidated Entity 2009 \$
<b>(a) Reconciliation of the net loss after tax to the net cash flows from operations</b>		
Net loss	339,412	(3,709,866)
<b>Non-Cash Items</b>		
Depreciation and amortisation	97,723	105,066
Write off of plant and equipment	-	47,669
Share based payments	(15,296)	15,296
Interest capitalised not paid in cash	(20,741)	18,071
Impairment losses recognised	-	1,264,636
Employee share allocation	-	520,000
Bad and doubtful debts	(8,197)	(16,654)
<b>Changes in assets and liabilities</b>		
(Increase)/Decrease in receivables	(428,008)	1,052,523
(Increase)/Decrease in work in progress	-	109,838
Increase in other assets	(75,328)	(66,130)
Increase/(Decrease) in trade and other payables	(109,911)	(1,224,749)
Decrease in income tax payable	(335,614)	(185,840)
Increase/(Decrease) in deferred income	29,278	(183,383)
Increase in employee provisions	449,136	50,329
Net cash outflow from operating activities	<u>(107,824)</u>	<u>(2,203,194)</u>
<b>(b) Reconciliation of cash</b>		
Cash balance comprises:		
- Cash at bank	631,573	454,091
- Cash on deposit	17,504	17,504
Closing cash balance	<u>649,076</u>	<u>471,595</u>
<b>(c) Credit stand-by arrangement and loan facilities</b>		
The consolidated entity does not have any standby credit arrangements or loan facilities other than the convertible notes.		

**NOTE 11: EARNINGS PER SHARE**

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

	2010	2009
Net (loss)	339,412	(3,709,866)
<b>Adjustments:</b>	-	-
Earnings used in calculating basic and diluted earnings per share	339,412	(3,709,866)

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 12: SUBSEQUENT EVENTS**

There are no events that have taken place subsequent to the end of the financial year.

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