

SCHEDULE

APPLICATION PRICE CALCULATION SHEET

FASTNET ROCK / JEWEL OF THE NILE Bay Filly 2010 – Lot 476

*** A statement setting out expenses incurred by the Promoter in the formation of the partnership.**

(A) Actual Cost - FALL OF HAMMER Price	\$ 80,000
(B) Costs Incurred in Acquisition of Horse	\$ 32,921
(C) Actual & Budgeted Forward Horse Husbandry Costs	\$ 7,385
(D) Syndicate Establishment, Promotion, Accounting & Legal	\$ 17,835
	\$138,141 +
(E) GST	\$ 13,814
	\$151,955+
(F) Racing NSW Registration Fees & PDS Fee \$545 (GST Exempt)	\$ 545
<u>TOTAL SYNDICATION VALUE</u> (including GST to 31/7/12)	<u>\$152,500</u>

(A) PURCHASE PRICE = \$80,000 + GST

Purchase Price: **\$80,000 + GST**
Fall of Hammer Price in Sale Ring

(B) VARIOUS ACQUISITION COSTS = \$32,921 + GST

Dynamic Syndications Margin on Sale Price **\$10,000 + GST**
Yearling Sale Price - \$80,000 x 12.5%

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

Insurance – 4 x Premiums: Insurance – 4 x Premiums: **\$12,386 + GST**

- (1) - Mortality cover from Fall of Hammer to 1/11/2012 on \$152,500 syndicated value
- (2) - Colic Cover
- (3) - Disability / Impairment Guarantee - Fall Of Hammer Price to Registration Date
- (4) - P. I. Cover:

5 x Race Series Eligibility Payments:

\$4,182 + GST

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

Acquisition Costs:

\$6,158 + GST

- * Veterinary work conducted at saleyard by Dr Tim Roberts in Selection Process includes: 64 Physical Inspections (\$1,600) and 51 sets of X-Rays (\$6,375) and 3 Endoscopic evaluations (\$450) divided pro-rata across the 3 yearlings purchased for syndication = **\$2,808**
- * Gary Mudgway Bloodstock Consultancy & Worldbreed Thoroughbreds \$25 x 132 inspections = \$3,300 divided pro-rata across the 3 yearlings for syndication = **\$1,100**
- * Sales Expenses incurred in attending sale i.e. Transport, Accommodation, Phone, Client Liaison, Living Expenses, etc, divided by 3 yearlings purchased for syndication = **\$1,290**
- * Miscellaneous Costs = Professional Photographers, DVD of Auction Sale, Pedigree Ratings Software Fee - Pro Rata across yearlings purchased for syndication = **\$960**

(C) HORSE HUSBANDRY ACCOUNTS BUDGET TO 31/7/12 =

\$7,385 + GST

Planning and Progression for the horse from 12/4/12 to 31/7/12

- Transport 12/4/12 from Inglis Sales to Oakridge Spelling Farm NSW = \$175
- Agistment from Date of Arrival at Oakridge to 30 April – 18 days = \$612
- 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
- 17 days education in racing stables @ \$75 = \$1,275
- Miscellaneous additional costs include Track Fees (\$39), Farrier Feet Trim and Shoes (\$165), Dentist (\$90), Parasite Drench (\$78) = \$372
- 22 June Transport return to Oakridge Spelling Farm = \$80
- June Agistment at Oakridge Spelling Farm 8 days = \$272
- Agistment 1 July – 31 July 31 Days at Oakridge Spelling Farm
- + Feet Trim and Drench = \$1,309

(D) BUDGETED SYNDICATE ESTABLISHMENT & PROMOTION =

\$17,835 + GST

Auditing, Accounting & Legal Fees = \$6,700 + GST

Auditors 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 + GST

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 2012 : TV – Radio – Websites: TVN – Sky Channel - Sky Sports Radio – Bloodstock.com & other websites).

All prices above have been recorded as GST exclusive

(E) <u>GST</u>: (10 % Goods & Services Tax)	<u>\$ 13,814</u>
<u>SUB-TOTAL OF COSTS</u>	<u>\$151,955 +</u>
(F) <u>STATUTORY FEES TO RACING NSW:</u> (<i>GST Exempt</i>)	\$ 510
Racing NSW Fees of \$510 (inc: Racehorse Registration Fee \$110, PDS Application Fee \$150, Racing Syndicate Registration Fee \$250)	
<u>ASIC - PDS IN-USE FORM 88</u> (<i>GST Exempt</i>)	<u>\$ 35</u>
TOTAL PRICE TO: 31/7/12	<u>\$152,500</u>

10% Shares @ \$15,250 (including GST) per share

5% Shares @ \$7,625 (including GST) per share