

**COWRA CROSSING
VINEYARD PROJECT
AND PROPERTY TRUST**
ARSN 099 233 271

Report for the half-year
ended 31 December 2009

Managed by
Blaxland Vineyards Limited
ABN 61 067 514 792

COWRA CROSSING PROPERTY TRUST AND PROJECT

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COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2009 - PROJECT

Blaxland Vineyards Limited (the Responsible Entity) submits the financial statements of the project for the half-year ended 31 December 2009.

Directors

The following persons held office as directors of the Responsible Entity at the date of this report, and at all times during and since the end of the half-year unless otherwise stated.

Neil R. MacKenzie - Chairman
Ronald M. Collins
Philip J. Slee
Matthew J. Alexander
Luke A. Rolley

Review of Operations

The vineyard has discontinued operations and is managed on a care and maintenance basis. No crop was harvested in 2010. The vineyard will remain in "mothballs" until sold as it is no longer a viable operation.

The property was offered for auction in November 2009 but did not attract a bid. The property has since been listed for sale and an offer was received in late February but the Custodian has not yet entered into a contract. Details of the offer will be made available should a contract be signed.

Principal Activities

The principal activity of the Project is to grow and market grapes. However, as this has now become unprofitable, steps have been taken to sell the property whilst mothballing the operations.

No significant change in the nature of this activity occurred during the six month period.

Distributions Paid

No distribution was made to growers.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the project during the period. The project ceased operations prior to 30 June 2009, and we are working towards a sale of the property and termination of the Project.

NEXIA COURT & CO



CHARTERED
ACCOUNTANTS

ABN 71 502 156 733

Auditor independence declaration under Section 307C of the Corporations Act 2001

To the directors of the responsible entity of Cowra Crossing Vineyard Project:

I declare that, to the best of my knowledge and belief, in relation to the review for the six month period ended 31 December 2009 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

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Nexia Court & Co

Nexia Court & Co
Chartered Accountants

Sydney

Dated: 15 MARCH, 2010

Robert Mayberry
Partner

Partners

Stephen J Rogers
Ian D Stone
Paul W Lenton
Neil R Hillman
Stephen W Davis
David M Gallery
Robert A McGuinness
Kirsten Taylor-Martin
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COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

**STATEMENT OF COMPREHENSIVE INCOME – PROJECT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

	Note	31 Dec 2009 \$	31 Dec 2008 \$
		<u> </u>	<u> </u>
Discontinued operations			
Revenue	2	39	71,198
Expenses	3	(120)	(288,940)
		<u> </u>	<u> </u>
(Loss) before income tax		(81)	(217,742)
Income tax expense	1	-	-
		<u> </u>	<u> </u>
(Loss) after income tax for the half year attributable to members of the project		(81)	(217,742)
Other Comprehensive Income		-	-
Income tax relating to other comprehensive income		-	-
Net other comprehensive income for the half year after income tax		-	-
		<u> </u>	<u> </u>
Total comprehensive income for the half year attributable to members of the project		(81)	(217,742)
		<u> </u>	<u> </u>

The accompanying notes form part of these financial statements.

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

**STATEMENT OF FINANCIAL POSITION - PROJECT
AS AT 31 DECEMBER 2009**

	Note	31 Dec 2009 \$	30 Jun 2009 \$
CURRENT ASSETS			
Cash and cash equivalents		60,450	39,120
Trade and other receivables	4	41,865	63,276
TOTAL CURRENT ASSETS		<u>102,315</u>	<u>102,396</u>
TOTAL ASSETS		<u>102,315</u>	<u>102,396</u>
CURRENT LIABILITIES			
Trade and other payables	5	12,540	12,540
TOTAL CURRENT LIABILITIES		<u>12,540</u>	<u>12,540</u>
TOTAL LIABILITIES		<u>12,540</u>	<u>12,540</u>
NET ASSETS		<u>89,775</u>	<u>89,856</u>
GROWERS' EQUITY		<u>89,775</u>	<u>89,856</u>

The accompanying notes form part of these financial statements.

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

STATEMENT OF CHANGES IN EQUITY - PROJECT FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

2008	Growers' Equity \$	Total \$
Balance at 1 July 2008	1,090,510	1,090,510
Total comprehensive income attributable to growers	(217,742)	(217,742)
Distribution to growers	(513,331)	(513,331)
Balance at 31 December 2008	<u>359,437</u>	<u>359,437</u>
2009	Growers' Equity \$	Total \$
Balance at 1 July 2009	<u>89,856</u>	<u>89,856</u>
Total comprehensive income attributable to growers	(81)	(81)
Balance at 31 December 2009	<u>89,775</u>	<u>89,775</u>

The accompanying notes form part of these financial statements.

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

**CASH FLOW STATEMENT - PROJECT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

	31 Dec 2009 \$	31 Dec 2008 \$
	<u> </u>	<u> </u>
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from customers	21,411	514,962
Payment to suppliers	(120)	(190)
Interest received	39	1,198
Net cash from operating activities	<u>21,330</u>	<u>515,970</u>
 CASH FLOW FROM FINANCING ACTIVITIES		
Distributions to growers	-	(513,331)
Net cash from financing activities	<u>-</u>	<u>(513,331)</u>
 Net increase in cash and cash equivalents	21,330	2,639
Cash and cash equivalents at beginning of financial period	<u>39,120</u>	<u>7,736</u>
Cash and cash equivalents at end of financial period	<u>60,450</u>	<u>10,375</u>
 NOTES TO THE CASH FLOW STATEMENT		
Reconciliation of Cash and cash equivalents		
Cash and cash equivalents at the end of the financial period as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash at bank	<u>60,450</u>	<u>10,375</u>
 Reconciliation of cash from operating activities		
(Loss) for the half year	(81)	(217,742)
Decrease in current receivables	21,411	513,332
(Increase) in inventories	-	(70,000)
Decrease in current prepayments	-	288,750
Increase in sundry creditors	-	1,630
Net cash from operating activities	<u>21,330</u>	<u>515,970</u>

The accompanying notes form part of these financial statements.

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS – PROJECT FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

1. SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Cowra Crossing Vineyard Project (the 'Project') is a registered managed investment scheme under the Corporations Act 2001. The half-year financial report for the Project is for the six months ended 31 December 2009.

B. STATEMENT OF COMPLIANCE

The general purpose half-year financial report has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB134: Interim Financial Reporting and the requirements of the Project Constitution. Compliance with AASB 134: Interim Financial Reporting ensures compliance with International Financial Reporting Standard IAS 34: Interim Financial Reporting. The half year report does not include notes of the type normally included in an annual financial report, so it is recommended that this financial report be read in conjunction with the financial report for the year ended 30 June 2009 and any public announcements made by the Project during the half-year in accordance with any continuous disclosure obligations arising under the Corporations Act 2001.

The financial statements were approved by the Board of Directors on 11 March 2010.

C. BASIS OF PREPARATION

The basis of preparation and accounting policies have been consistently applied by the Project and are consistent with those of the previous financial year and corresponding half-year, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

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

AASB 8: Operating Segments
AASB101: Presentation of Financial Statements

The adoption of these new and revised Standards has resulted in no major changes to the project's accounting policies. The following specific policies have been applied consistently unless otherwise stated:

(a) Basis of accounting

The financial statements have not been prepared on a going concern basis as the purpose of the Project, to grow and market grapes, has ceased. Accordingly, assets and liabilities have been booked at net realisable value, which is book value, so there is no resultant writedown recorded in the financial statements of the Project. All costs of realization will be borne by the Responsible Entity.

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS – PROJECT FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

1. SIGNIFICANT ACCOUNTING POLICIES (contd)

(b) Income and expenditure recognition

Income and expenditure belong to the individual growers. Income is recognised by the project when the goods are provided. Expenditure is not recognised by the project until the project starts generating income. Once income is generated, all expenses are recorded in the project accounts as they are incurred.

(c) Income Tax

The Project is not a taxable entity under the Income Tax Assessment Act 1936.

(d) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and money market investments readily convertible to cash within 2 working days, net of outstanding bank overdrafts.

(e) Non-current investments

Non-current investments are brought to account at cost or at directors' valuation. The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. Where the cost exceeds the recoverable amount, the investment has been written down to this recoverable amount. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts except where stated.

(f) Trade and other payables

These amounts represent liabilities for services provided to the economic entity prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

	31 Dec 2009 \$	31 Dec 2008 \$
2. REVENUE - DISCONTINUED OPERATION		
- Increment in net market value of grapes	-	70,000
- Interest	39	1,198
Total Revenue	39	71,198
3. EXPENSES - DISCONTINUED OPERATION		
50% of Management Fee for 2008/09 year prepaid at 30/06/08	-	288,750
Other	120	190
	120	288,940

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS - PROJECT FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	31 Dec 2009 \$	30 Jun 2009 \$
4. TRADE AND OTHER RECEIVABLES		
Current		
Trade debtors	<u>41,865</u>	<u>63,276</u>
5. TRADE AND OTHER PAYABLES		
Current		
Sundry creditors	<u>12,540</u>	<u>12,540</u>

6. RELATED PARTY TRANSACTIONS

Fees retained by the Responsible Entity after payment of vineyard maintenance costs during the period were \$Nil (2008:\$ 101,252) The Responsible Entity or its associate holds 8 lots in the project.

7. DISTRIBUTIONS PAID

No distribution was made to growers.

8. SEGMENT REPORTING

The adoption of the revised standard AASB 8: Operating Segments has not impacted upon the project's segment disclosures, as under both the old and the revised standards the project's only operating segment is in the viticultural industry of Australia.

9. THE PROJECT AND PROPERTY TRUST

The Cowra Crossing Vineyard Project and Property Trust (ARSN 099 233 271) is a Managed Investment Scheme for which the Responsible Entity is Blaxland Vineyards Limited.

10. THE RESPONSIBLE ENTITY

The Responsible Entity is Blaxland Vineyards Limited (ABN 61 067 514 792). The registered address and the address for administration purposes is 26 Greenock Road Nuriootpa SA 5355.

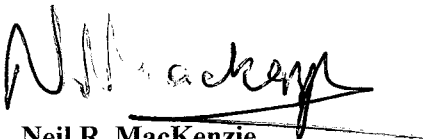
COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

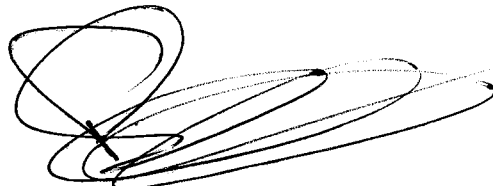
DIRECTORS' DECLARATION – PROJECT

In the opinion of the directors of Blaxland Vineyards Limited, the responsible entity of Cowra Crossing Vineyard Project:

1. The financial statements and notes, as set out on pages 6 to 12, are in accordance with the Corporations Act 2001, including :
 - a) complying with Accounting Standard AASB134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - b) giving a true and fair view of the Project's financial position as at 31 December 2009 and its performance for the half-year ended on that date.
2. There are reasonable grounds to believe that the Project will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors of Blaxland Vineyards Limited:


Neil R. MacKenzie
Director


Philip J. Slee
Director

Dated: 11 March 2010

NEXIA COURT & CO



CHARTERED
ACCOUNTANTS

ABN 71 502 156 733

INDEPENDENT REVIEW REPORT

To the Responsible Entity of Cowra Crossing Vineyard Project

We have reviewed the accompanying interim financial report of Cowra Crossing Vineyard Project, which comprises the interim Statement of Financial Position as at 31 December 2009, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the half-year ended on that date, a description of accounting policies, other selected explanatory notes and the Directors' Declaration of the responsible entity.

Directors' Responsibility for the Financial Report

The directors of the responsible entity are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the interim financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the disclosing entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of Cowra Crossing Vineyard Project, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

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Partners

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INDEPENDENT REVIEW REPORT (Continued)

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Cowra Crossing Vineyard Project is not in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the project's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- b. complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Nexia Court & Co

Nexia Court & Co
Chartered Accountants

Sydney

Dated: *15 MARCH, 2010*



Robert Mayberry
Partner

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2009 – PROPERTY TRUST

Blaxland Vineyards Limited (the Responsible Entity) submits the financial statements of the Trust for the half-year ended 31 December 2009.

Directors

The following persons held office as directors of the Responsible Entity at the date of this report, and at all times during and since the end of the half-year unless otherwise stated.

Neil R. MacKenzie - Chairman
Ronald M. Collins
Philip J. Slee
Matthew J. Alexander
Luke A. Rolley

Review of Operations

The principal activity of the Cowra Crossing Property Trust for the six months ended 31 December 2009 was the ownership of the Cowra Crossing Property.

The Trust has no borrowings.

The Trustee continues to lease the property to Vineyard Management Pty Limited at an annual rent of 3.75% of the value of the previous year's crop. Vineyard Management Pty Limited is a company associated with the Manager. Vineyard Management Pty Limited leases the property to growers for the same annual fee.

The property was valued in June 2009 by Barnden Properties, valuers specialising in rural related assets. The vineyard, including house and water licences, was valued at \$1,200,000.

The property is for sale and is operated on a care and maintenance basis. Although a contract has not yet been signed, the Responsible Entity has received an offer for the sale of the property.

The Trust recorded a profit of \$Nil for the six months to 31 December 2009 (2008:\$7,259). At the end of each financial year the manager is required to pay from its own funds any shortfall between the income of the Trust and its expenses should a shortfall arise. The manager has no right of reimbursement from the Trust in the following years in respect of these payments.

Principal Activity

The principal activity of the Trust is to own and lease the vineyard to Growers associated with unit holders. As a result of the investors' decision not to continue the project, the accounts can not be prepared on a going concern basis. The market value of the property as assessed by the independent valuer is above book value, but the directors have resolved to continue to record the property at book value as this is considered to be conservative.

The Trust owns the property at Bilimari near Cowra, New South Wales on which Growers have developed the Cowra Crossing Vineyard.

No significant change in the nature of this activity occurred during the period.

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2009 – PROPERTY TRUST

Distribution

During the period under review there was no distribution made to unitholders.

Significant Changes in the State of the Affairs

There were no significant changes in the state of affairs of the Trust during the period. The Trust ceased operations prior to 30 June 2009, and we are working towards a quick sale of the property and termination of the Trust.

Matters Subsequent to the End of the Period

An offer for the sale of the property was received in February 2010. At the time of signing these accounts, no contract has been entered into. The offer as it currently stands, would generate funds in excess of \$1.1m over three years.

At the date of this report there is no other matter or circumstance which has arisen since 31 December 2009 that has significantly affected or may significantly affect:

- the operations, in financial years subsequent to 31 December 2009, of the economic entity constituted by the Cowra Crossing Property Trust;
- the results of those operations; or
- the state of affairs, in financial years subsequent to 31 December 2009, of that economic entity.

Future Developments

It is anticipated that the property will be sold during the current financial year and that the Trust will be liquidated and all available funds returned to investors. For this reason, the trust is not considered to be a going concern.

Environmental Regulation

The Trust's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory of Australia.

Options

No options over unissued interests in the Trust were granted during or since the end of the year and there were no options outstanding at the date of this report.

Interests Issued

No interests in the trust were issued during the period under review. However, in accordance with the Project Prospectus and the Constitution of the Trust, Blaxland Vineyards Limited holds 125,550 of the 607,500 units which have been issued. There were no withdrawals from the scheme during the period.

Buy Back Statement

Under the Trust Constitution governing the Property Trust there is no obligation on the Manager or the Trustee to purchase or redeem any units in the Trust except where the Cowra Crossing Property Trust is continued after the initial term of 12 years and unitholders who voted against the continuation request that their units be repurchased.

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2009 – PROPERTY TRUST

Fees Paid to the Responsible Entity

During the financial period, no fee (2008: NIL) was paid to Blaxland Vineyards Limited to operate and manage the Trust.

Indemnification of Officers and Auditors

The Responsible Entity under its Articles of Association agrees to indemnify every director and officer of the Responsible Entity against liability incurred as a director or officer to the extent permitted by the Corporations Law.

The Responsible Entity also agreed to indemnify every director, secretary, auditor and other officer of the Responsible Entity against any liability incurred in defending any legal proceedings.

No person has applied for leave of Court to bring proceedings on behalf of the Responsible Entity or intervene in any proceedings to which the Responsible Entity is a party for the purpose of taking responsibility on behalf of the Responsible Entity for all or any part of those proceedings.

The Responsible Entity was not a party to any such proceedings during the period.

Auditor's Independence Declaration

The auditor's independence declaration is set out on page 18 and forms part of the directors' report for the financial period ended 31 December 2009.

Non-Audit Services

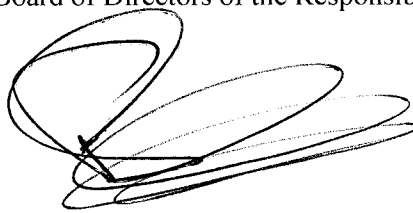
During the period, Nexia Court & Co, the project's auditor, has performed certain other services in addition to their statutory audit duties.

The board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 as the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the company, acting as an advocate for the company or jointly sharing the risks and rewards. Fees paid to the auditor of the Project were paid by the Responsible Entity.

Signed in accordance with the resolution of the Board of Directors of the Responsible Entity.



Neil R. MacKenzie
Director



Philip J. Slee
Director

Dated: 11 March 2010

NEXIA COURT & CO



CHARTERED
ACCOUNTANTS

ABN 71 502 156 733

Auditor independence declaration under Section 307C of the Corporations Act 2001

To the directors of the responsible entity of Cowra Crossing Property Trust:

I declare that, to the best of my knowledge and belief, in relation to the review for the six month period ended 31 December 2009 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

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Nexia Court & Co

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Chartered Accountants

Sydney

Dated: 15 MARCH, 2010

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COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST
STATEMENT OF COMPREHENSIVE INCOME– PROPERTY TRUST
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	Note	31 Dec 2009	31 Dec 2008 \$
Discontinued operations			
Revenue	2	12,215	20,665
Expenses	3	(12,215)	(13,406)
		-	7,259
Profit before income tax		-	7,259
Income tax expense	1	-	-
Profit after income tax for the half year attributable to members of the project		-	7,259
Other Comprehensive Income		-	-
Income tax relating to other comprehensive income		-	-
Net other comprehensive income for the half year after income tax		-	-
Total comprehensive income for the half year attributable to members of the project		(81)	7,259

The accompanying notes form part of these financial statements

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST
STATEMENT OF FINANCIAL POSITION – PROPERTY TRUST
AS AT 31 DECEMBER 2009

	Notes	31 Dec 2009 \$	30 Jun 2009 \$
Current Assets			
Cash and cash equivalents	4	9,809	28,349
Trade and other receivables	5	10,890	557
Other assets	6	873	-
Assets classified as held for sale	7	761,960	761,960
Total Current Assets		<u>783,532</u>	<u>790,866</u>
Total Assets		<u>783,532</u>	<u>790,866</u>
Current Liabilities			
Trade and other payables	8	15,358	22,692
Total Current Liabilities		<u>15,358</u>	<u>22,692</u>
Total Liabilities		<u>15,358</u>	<u>22,692</u>
Net Assets		<u>768,174</u>	<u>768,174</u>
Unitholders' Equity			
Contributed Equity		487,314	487,314
Retained Earnings		-	-
Asset Revaluation Reserve		280,860	280,860
Total Unitholders' Equity		<u>768,174</u>	<u>768,174</u>

The accompanying notes form part of these financial statements

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

**STATEMENT OF CHANGES IN EQUITY – PROPERTY TRUST
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

2008	Contributed Equity \$	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 July 2008	487,314	-	280,860	768,174
Total comprehensive income attributable to unitholders	-	7,259	-	7,259
Balance at 31 December 2008	487,314	7,259	280,860	775,433

2009	Contributed Equity \$	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 July 2009	487,314	-	280,860	768,174
Total comprehensive income attributable to unitholders	-	-	-	-
Balance at 31 December 2009	487,314	-	280,860	768,174

The accompanying notes form part of these financial statements

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

**CASH FLOW STATEMENT – PROPERTY TRUST
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

	31 Dec 2009	31 Dec 2008
	\$	\$
Cash flow from operating activities		
Receipts from customers	3,349	40,906
Payments to suppliers	(8,626)	(12,002)
Interest received	5	212
Net cash from operating activities	<u>(5,272)</u>	<u>29,116</u>
Cash flow from financing activities		
Distributions of profits to growers	(13,268)	(29,518)
Net cash from financing activities	<u>(13,268)</u>	<u>(29,518)</u>
Net (Decrease) in Cash and cash equivalents	(18,540)	(402)
Cash and cash equivalents at beginning of financial period	28,349	41,341
Cash and cash equivalents at end of financial period	<u>9,809</u>	<u>40,939</u>

NOTES TO THE CASH FLOW STATEMENT

Reconciliation of Cash and cash equivalents

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

Cash at bank	<u>9,809</u>	<u>40,939</u>
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Reconciliation of cash from operating activities

Profit for the half year	-	7,259
Changes in assets and liabilities		
Decrease/(Increase) in receivables	(10,333)	154
(Increase) in other assets	(873)	(704)
Increase /(Decrease) in payables	4,260	1,954
Increase in income in advance	1,674	20,453
Net cash from operating activities	<u>(5,272)</u>	<u>29,116</u>

The accompanying notes form part of these financial statements

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS – PROPERTY TRUST FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

1. SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Cowra Crossing Vineyard Property Trust (the 'Trust') is a registered managed investment scheme under the Corporations Act 2001. The half-year financial report of the Trust is for the six months ended 31 December 2009.

B. STATEMENT OF COMPLIANCE

The general purpose half-year financial report has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB134: Interim Financial Reporting and the requirements of the Project Constitution. Compliance with AASB 134: Interim Financial Reporting ensures compliance with International Financial Reporting Standard IAS 34: Interim Financial Reporting. The half year report does not include notes of the type normally included in an annual financial report, so it is recommended that this financial report be read in conjunction with the financial report for the year ended 30 June 2009 and any public announcements made by the Project during the half-year in accordance with any continuous disclosure obligations arising under the Corporations Act 2001.

The financial statements were approved by the Board of Directors on 11 March 2010.

C. BASIS OF PREPARATION

The basis of preparation and accounting policies have been consistently applied by the Trust and are consistent with those of the previous financial year and corresponding half-year, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

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

AASB 8: Operating Segments
AASB101: Presentation of Financial Statements

The adoption of these new and revised Standards has resulted in no major changes to the Trust's accounting policies. The following specific policies have been applied consistently unless otherwise stated:

Income Tax

Under current income tax legislation, the Trust is not liable to income tax provided its taxable income is fully distributed to unitholders.

Property, plant & equipment

Any real property purchased by the Trust is valued at fair value. All real property held by the Trust must be valued at intervals of not less than three years and the Trustee may arrange to have any real property valued at any time if it or the manager considers it is in the interests of the unitholders. Any real property must be revalued in the accounts of the Trust in accordance with any valuation undertaken unless the Trustee believes the valuation should not be adopted.

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS – PROPERTY TRUST FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

1. SIGNIFICANT ACCOUNTING POLICIES (contd)

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents includes cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

Revenue

Rental income is brought to account on an accruals basis.

Trade and other payables

These amounts represent liabilities for services provided to the economic entity prior to the end of the period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Impairment of Assets

At each reporting date, the Trustee reviews the carrying value of the 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 asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

	31 Dec 2009	31 Dec 2008
	\$	\$
2. REVENUE – DISCONTINUED OPERATIONS		
- rent	1,675	20,453
- other income	10,535	-
- interest	5	212
Total revenue	12,215	20,665
3. EXPENSES – DISCONTINEUD OPERATIONS		
Rates	874	846
Bank Fees	180	193
Compliance Costs	1,750	1,750
Legal fees	-	6,200
Property marketing costs	6,899	-
Remuneration of auditor		
- audit	2,300	1,250
- other	-	930
Water	-	2,094
Other	212	143
	12,215	13,406

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

**NOTES TO AND FORMING PART OF THE
FINANCIAL STATEMENTS – PROPERTY TRUST
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

	31 Dec 2009	30 Jun 2009
	<u>\$</u>	<u>\$</u>
4. CASH AND CASH EQUIVALENTS		
Cash in Trust bank account	<u>9,809</u>	<u>28,349</u>
5. TRADE AND OTHER RECEIVABLES		
Current		
Other debtors	10,535	-
GST receivable	<u>355</u>	<u>557</u>
	<u>10,890</u>	<u>557</u>
6. OTHER ASSETS		
Current		
Prepayments	<u>873</u>	<u>-</u>
7. ASSETS CLASSIFIED AS HELD FOR RESALE		
Current		
Freehold land – at fair value	<u>761,960</u>	<u>761,960</u>
The vineyard property was reclassified from Non- current Property, plant and equipment at June 2009, as the Responsible Entity is actively marketing the property for sale as part of the discontinuation of the project. In June 2009 an independent valuation was performed by R.G.C. Barnden Certified Practising Valuer, FAPI AI.Arb.		
The property inclusive of the land on an unimproved basis, buildings and water was valued at \$1,200,000.		
8. TRADE AND OTHER PAYABLES		
Current		
Other creditors	13,684	9,424
Distribution payable	-	13,268
Income in advance	<u>1,674</u>	<u>-</u>
	<u>15,358</u>	<u>22,692</u>

COWRA CROSSING VINEYARD PROJECT AND PROPERTY TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS – PROPERTY TRUST FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

9. Related Party Transactions

1. The Trust has leased the Grovella property until 30 June 2013 to Vineyard Management Pty Ltd, a company related to the Manager of the Trust.
2. The Responsible Entity and or their associates hold 125,550 units in the Trust.
3. The Trust transacts with Blaxland Vineyards Limited in its capacity as responsible entity. Blaxland Vineyards Limited derives no net income from those transactions.

10. Distributions

There were no distributions made to unitholders for the half-year ended 31 December 2009.

11. Segment Reporting

The adoption of the revised standard AASB 8: Operating Segments has not impacted upon the Trust's segment disclosures, as under both the old and the revised standards the Trust's only operating segment is in the viticultural industry of Australia.

12. The Trust

The Cowra Crossing Property Trust and Project and (ARSN 099 233 271) is a Managed Investment Scheme for which the responsible entity is Blaxland Vineyards Limited.

The constitution of the above Trust replaces The Cowra Crossing Property Trust Deed which was constituted under a Trust Deed dated 6 May 1996. The Trust had a fixed term of 12 years from the original date. On 10 July 2008 it was extended to 30 June 2013 by resolution of the Growers and Unit Holders.

13. Subsequent events

An offer for the sale of the property was received in February 2010. At the time of signing these accounts, no contract has been entered into. The offer as it currently stands, would generate funds in excess of \$1.1m over three years.

14. Trustee and Custodian

The Trustee and Custodian to the project is Blaxland Vineyards Limited (ACN 067 514 792) of 26 Greenock Road Nuriootpa SA 5355.

**COWRA CROSSING VINEYARD PROJECT
AND PROPERTY TRUST**

DIRECTORS' DECLARATION – PROPERTY TRUST

In the opinion of the directors of Blaxland Vineyards Limited, the responsible entity of Cowra Crossing Vineyard Property Trust:

1. The financial statements and notes, as set out on pages 19 to 26, are in accordance with the Corporations Act 2001, including:
 - (a) complying with Australian Accounting Standards AASB 134: Interim Financial Reporting and the Corporations Regulations 2001;
 - (b) giving a true and fair view of the Trust's financial position as at 31 December 2009 and its performance for the half year ended on that date;

2. There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors of Blaxland Vineyards Limited.



Neil R. MacKenzie
Director



Philip J. Slee
Director

Dated: 11 March 2010

INDEPENDENT REVIEW REPORT

To the Responsible Entity of Cowra Crossing Property Trust

We have reviewed the accompanying interim financial report of Cowra Crossing Property Trust, which comprises the interim Statement of Financial Position as at 31 December 2009, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the half-year ended on that date, a description of accounting policies, other selected explanatory notes and the Directors' Declaration of the responsible entity.

Directors' Responsibility for the Financial Report

The directors of the responsible entity are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the interim financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the disclosing entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of Cowra Crossing Property Trust, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

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David R Cust
Craig J Wilford
Sean P Urquhart
Robert Mayberry
Russell Reid

INDEPENDENT REVIEW REPORT (Continued)

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Cowra Crossing Property Trust is not in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the trust's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- b. complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.



Nexia Court & Co
Chartered Accountants

Sydney

Dated: 15 MARCH, 2010



Robert Mayberry
Partner

**COWRA CROSSING VINEYARD PROJECT
AND PROPERTY TRUST**

DIRECTORY

Manager

Blaxland Vineyards Limited

Registered Office

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Nuriootpa SA 5355
Phone: (08) 8562 2815

Directors of the Manager

Neil R. MacKenzie
Ronald M. Collins
Philip J. Slee
Matthew J. Alexander
Luke A. Rolley

Independent Accountants and Auditors of the Project

Nexia Court & Co Chartered Accountants
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Project Administration

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