FINBAR
INTERNATIONAL LIMITED

16th Annual Report

FINBAR INTERNATIONAL LIMITED
ACN 009 113 473

for the year
ended 30th June

2000

FINBAR
INTERNATIONAL LIMITED

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Chairman's Message to Shareholders

On behalf of the Board of Directors I am pleased to present to shareholders the Annual Report of your company for the financial year ended 30th June 2000, the company's 16th year since it's incorporation.

The company has again achieved a respectable level of profit and rate of return on its funds, which is reflected in its result for the year at $4,414,820 profit before tax. Whilst this result is less than that for the previous year, it is never the less a substantial achievement in the market environment faced by the company during this fiscal period. Factors which abnormally impacted upon the company included industry reaction to the implementation of the Goods and Services Tax with consequential material cost increases and shortages of skilled people which in turn adversely affected costs on the company's work in progress and projects finished during the period.

The Directors have remained pro-active in meeting the contingencies presented by these circumstances and the uncertainties which prevailed in the latter half of the fiscal period. As a consequence the company has in fact completed the year in a very sound financial position.

The company's total assets have grown by $2,442,267 whilst total liabilities have reduced by $5,482,443 including a reduction in external borrowing's from $6,677,000 to $1,612,000, with an overall increase of net assets from $16,879,075 to $24,803,785.

The company's liquidity position is also very strong with an increase during the year in cash reserves from $807,485 to $7,183,310, which together with other current assets amounts to a total of $26,357,408 of current assets against total current liabilities of $6,210,192.

The company continues to be well placed for future profitability and net asset growth. An operations and project report by the managing director, Mr John Chan, which follows will provide shareholders with further detail of the picture of your company which provides background to the financial statements for the fiscal year included in this annual report.

The company is again in a position to pay a dividend to shareholders whilst retaining sufficient funds to maintain its competitive strength in the acquisition of suitable property and in the development of sound projects. A provision of $2,810,101 has been included in the accounts for the payment of a dividend of $0.03 per fully paid ordinary share funded out of the profits of the 30th June 2000 fiscal year.

In conclusion I again thank the shareholders for their continued support and on behalf of the other non-executive directors and the shareholders I commend the Executive Directors and their staff for their dedication to the success of the company.

Shareholders may be confident in their investment in this company.

Shareholders are invited to exercise their right to attend the Annual General Meeting for which a Notice of Meeting is enclosed with this Annual Report.

With compliments

Paul Rengel
Chairman of Directors

NBAR

Managing Director's Review

"We are now actively looking to build a portfolio of properties for future development and revenue growth."

Left to Right: John Chan (Managing Director), Loh Kee Kong (Director), Paul Rengel (Chairman), Richard Rimington (Director) and Darren Pateman (Company Secretary)

Over the last 12 months your company has successfully maintained its excellent reputation as one of Western Australia's most respected and successful developers of high-quality, medium density apartment projects.

Our established and proven philosophy of lean management structure, innovative design and construction techniques, combined with continuous monitoring of consumer trends and needs, has continued to guide the company's activities during the year.

This consistent management approach has underpinned the company's performance in the face of market volatilities in the lead-up to the new Goods and Services Tax, which in the second half of the year resulted in skilled labour shortages and hence, labour and material cost increases. Combined with this has also been the impact of reduced State economic activity mainly caused by continued depressed prices for a number of WA's strategic mineral resources.

Notwithstanding these difficulties Finbar has achieved a respectable, though reduced net profit for the year of $4.41 million on sales of $30.04 million.

Furthermore, and as a consequence of disciplined financial management, your company has been able to build a solid cash base for future land acquisition and profitable project development. Over the last 12 months our cash position has increased from $808,000 to $7 million, while our gearing levels have been significantly reduced from $6.67 million to just $1.6 million.

The 1999 - 2000 result was achieved largely on the sale of several fine quality consumer-focused developments. These included the sellout of the Wellington Place project in East Perth, along with the sale of 54 of the 68 apartments in the adjoining development known as The Rise.

This is an excellent result given the magnitude of this project which alone accounted for one third of the 438 apartments then under construction in the combined East Perth, West Perth and Northbridge precincts.

A highlight of the year was the commencement of construction on our prestigious Bluewater apartment and commercial development in South Perth. This project is destined to become the architectural gateway to this increasingly exclusive near-city district, a point not lost on buyers who have already secured more than $14 million of the projected $32 million worth of apartment and office space on offer.

Managing Director's Report

Your company has also maintained a determined strategy of ensuring an on-going stream of developments and hence returns for shareholders. In December 1999 we announced a strategic joint venture agreement with Phoenix Properties for a 4-year staged development of the 250 apartment Boas Gardens Estate in West Perth. Similarly, was the announcement of the acquisition of development land adjoining the Vines golf course in Ellenbrook; the purchase of 1.24ha of land at the Port Mandurah canals project, for the development of the Monterey Bay 47 apartments project, and the decision to build a luxury 5-storey, 11 apartment project at 85 Mill Point Road, South Perth.

During the year your company also disposed of two commercial properties namely an office/warehouse building at the Herdsman Business Park and the Corfield Medical Centre in Gosnells. These sales were initiated after a thorough assessment of each property's economic potential. A decision was also made to retain the East Victoria Park Medical Centre, which generates $476,000 per year and is fully leased for the next 10 years.

It was also very gratifying to note that Finbar's dedication to design and consumer benefits is also paying monetary dividends for our customers. Recent re-sales of apartments at the Paddington Place development in West Perth have generated returns to owners of up to 16 percent, further to which a number of these vendors have given our more recent projects, such as Wellington Place their vote of confidence by purchasing apartments off the plan.

In summary, this year's respectable result was achieved amidst a very volatile and at times, difficult operating environment. Accordingly, I would like to thank my fellow Directors and management team, as well as our builders, suppliers and tradespeople for their individual and collective efforts. Although it is anticipated that 2000/01 will present equal challenges with the introduction of the Goods and Services Tax, I am confident that your company is positioned for sustained earnings and profit growth and has in place the expertise necessary to maximise opportunities as they arise.

Managing Director's Report

"Current market circumstances will generate a number of quality land development opportunities over the next 12 to18 months."

Market Review

As forecast in my previous report, the impact of the Goods and Services Tax significantly distorted the Perth residential construction market throughout the year. This was particularly evident in the latter half of the financial year with buyers either withdrawing from the market in anticipation of the Federal Government's first home buyers grant, or delaying their purchases due to concerns about the impact of the GST on sale prices.

As the effects of GST and consumer perceptions will take some time to work through, it is our belief that the market will remain subdued for at least the first six to nine months of the coming financial year. Activity is therefore likely to resume in the second half of the year and will be supported by a number of traditional economic factors, including:

- Continued and solid net migration to WA at the current rate of 28,000 people per year
- Based on Government and independent assessments, Gross State Product is expected grow at an average rate of 4.2 per cent per year over the next four years.
- Improvements in Asian economic activity.

It is also our belief that immediate market circumstances will generate a number of quality land development opportunities over the next 12 to 18 months. Given your company's strong cash position, we are now actively looking to build a portfolio of development properties for future development and revenue growth.

At the consumer level, it is increasingly evident that our buyers are focusing more and more on developments featuring personal rather than family lifestyle facilities. This has been brought about by a trend to delayed family formation as a result of increasing employment demands, career aspirations, and general social trends.

In recognition of these, Finbar's future developments will more than ever feature quality "in-built" executive lifestyle facilities such as large swimming pools, saunas, gymnasiums, etc.

We are also installing highly automated appliances with the aim of minimising the time spent by owners on routine household chores. Adding further value to our quality lifestyle promise is the installation of high-speed internet and cable TV entertainment services, again as standard features, along with the latest security facilities and services.

Managing Director's Report

Project Review

Bluewater

Cnr Labouchere and Mill Point Roads, South Perth

Development of the tallest building constructed in the South Perth precinct in the last decade is now underway in earnest.

This 12 storey luxury project will highlight and consolidate your company's reputation as one of Western Australia's most recognised developers of high quality, affordable medium density projects.

Bluewater is scheduled for completion in July 2001, and since the launch of our marketing program in February, some 22 apartments and 1,200 square metres of office space have been sold.

Project Details

Apartments: 48
Comprising of 2 & 3-bedrooms, lounge/dining, floor areas ranging from 75 to 125 sq. metres

Penthouses: 2
3 bedroom, lounge/dining room, floor areas ranging from 205 to 208 sq. metres

Features:
River and city skyline views, residents' lounge and bar, fully equipped gymnasium and 25 metre pool, pool/gamesroom, outdoor spa, sauna.

Price ranges:
Apartments $300,000 - $845,000
Penthouses from $2 million

Commercial complex:
1400 square metre office including restaurant/cafe

Managing Director's Report

"We are now actively looking to build a portfolio of properties for future development and revenue growth."

Project Review

Boas Gardens Estate

Sutherland Street, West Perth

Our Boas Gardens project, which adjoins the popular Harold Boas Gardens, builds on the experience and success of our previous projects, in particular Wellington Place and Paddington Place.

This prestigious development will be undertaken in four stages over a four year period and is expected to generate revenues of about $70 million for the joint venture company. Works on Stage 1 of the project, known as "Chelsea", commenced in August 2000.

Boas Gardens Estate is a joint venture development between your company and Phoenix Properties International Pty Ltd. Finbar will project manage the development and is a 50 percent venture partner in the project.

The development, which is one of the largest residential projects of its kind in the precinct, will be linked to the Harold Boas Gardens via a private central green corridor of parkland incorporating several water features and fountains.

Response to the initial pre-construction marketing campaign has been very encouraging with 27 apartments, worth more than $6.9 million already under contract.

Project Details:

Apartments: 250
Comprising of 2 and 3-bedrooms, floor areas ranging from 80 to 103 sq. metres

Features:
Residents' lounge, fully equipped gymnasium, sauna, 19 metre pool, gamesroom and outdoor spa.

Price ranges:
$220,000 - $295,000

Managing Director's Report

Market Review

Titanium

The Vines Golf Course, Ellenbrook

Since its announcement in February, the Titanium development has undergone a thorough reassessment following analysis of the impact of the GST and loss of the Heineken Cup to Victoria.

The revised plan, which features a low-rise, low to medium density design, is now being prepared and will be submitted for local government approval early in the new financial year.

Project Details:

Villas: 25
Comprising of 3-bedroom, 2 bathrooms, floor areas ranging from 100 to 106 sq m

Features:
Pool, Spa, BBQ Area

Price ranges (anticipated):
$170,000 - $220,000

Monterey Bay

Port Mandurah

Located at the prestigious Port Mandurah canal development opposite the Mandurah townsite, this 1.24ha site will feature 47 superbly fitted resort-style apartments incorporating a range of lifestyle features consistent with other Finbar projects.

Monterey Bay apartment owners will be able to select from two and three-storey open plan designs, each with private balconies, canal views and a private marina style berth and trailer bay.

Project Details:

Apartments: 47
Comprising of 2 & 3-bedrooms, 2-storey apartments with floor areas ranging from 80 to 112 sq. m

Features:
Individual private jetties, hard-stand trailer parking and private launching ramp, outdoor pool, residents gym and lounge.

Price range (anticipated)
$240,000 - $350,000

Managing Director's Report

"Wellington Place alone accounted for one third of the 438 apartments then under construction in the combined East Perth, West Perth and Northbridge precincts at the time."

Project Review

85 Mill Point Road,
South Perth

Located in one the precinct's best known streets, this development will provide a select group of owners with a very affordable, yet luxurious lifestyle address that's just minutes from the Perth Central Business District. Subject to local government approval, construction work is expected to commence November 2000.

Project Details:

Apartments: 11
Comprising of 1 x 1 bed 1 bath,
1 x 2 bed 2 bath. 9 x 3 bed 2 bath.
Floor areas ranging from 63 sq. metres to 150 sq. metres.

Features:
Pool, spa and residents' lounge

Price range (anticipated):
$279,000 - $895,000

Wellington Place & The Rise
Wellington Street, East Perth

FINBAR INTERNATIONAL LIMITED

Construction work on this development - which is one of the largest in the East Perth precinct - is now complete and a total of 144 apartments have now been sold. To date, the combined project has generated more than $29 million in is sales for Finbar.

Project Details:

Apartments: 144
Over two stages - 2 & 3-bedrooms, floor areas ranging from 78 to 98 sq. metres

Features:
Residents lounge, fully equipped gymnasiums and, 25 metre pools, outdoor spas, saunas.

Prices achieved (range):
$172,000 - $293,000

Managing Director's Report

Commercial Portfolio

Corfield Street Medical Centre,
Gosnells

29 Walters Drive,
Herdsman Business Park

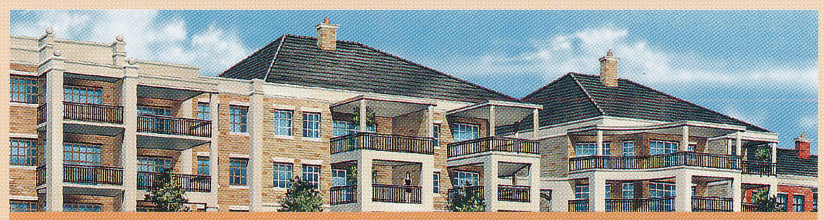
During the year, your company disposed of its Corfield Street Medical Centre, and the Walters Drive office/warehouse facility for a total of $3,898,000.

Finbar proudly played its part in assisting two very worthwhile community charity programs. In February 2000 your company and Dempsey Real Estate jointly sponsored the Telethon Foundation's Heineken Corporate Golf Challenge at the Vines golf course. This initiative raised just over $50,000 for children's medical research. Finbar was also the major sponsor of the annual Carols by Candlelight event organised by Apex and held at the Supreme Court Gardens.

YEAR AT A GLANCE	
Net Profit after Tax	$2.85 million
Total Sales	$30.0 million
Net Assets	$24.8 million
Cash at Bank	$7.1 million
Dividend	3 c per share fully franked

- Full details contained in the company's financial statements

Financial Statements



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Corporate Governance Statement

This statement outlines the main Corporate Governance practices that were in place throughout the financial year unless otherwise stated.

Board of directors

The Board is responsible for the Corporate Governance of the economic entity including its strategic direction establishing goals for management and monitoring achievement of these goals. The Company is not currently considered to be of a size, nor are its affairs of such complexity to justify the establishment of separate committees. Accordingly all matters which may be capable of delegation to a committee are dealt with by the full Board.

The Board meets regularly in order to retain control over the Company and to monitor the executive management. The Board has established a framework for the management of the Company including a system of internal control, a business risk management process and the establishment of appropriate ethical standards.

Each director has the right to seek independent professional advice at the Company's expense on matters relating to his position as a director of the Company, subject to obtaining prior approval of the Chairman which shall not reasonably be withheld.

Composition of the board

The procedures for election and retirement of directors are governed by the Company's constitution and the Listing Rules of Australian Stock Exchange Limited.

The composition of the Board is determined using the following principles:

- The Board shall comprise directors with a range of expertise encompassing the current and proposed activities of the Company.
- Where a vacancy is considered to exist, the Board selects an appropriate candidate through consultation with external parties and consideration of the needs of shareholders and the Company. Such appointments are referred to shareholders at the next opportunity for re-election in general meeting.

Auditors

Whilst the Company does not have a formally constituted audit committee, the Board reviews the performance of the external auditors on an annual basis and a representative of the board meets with them at least twice a year to review:

- The results and findings of the audit, the adequacy of accounting and financial controls, and to obtain feedback on the implementation of recommendations made.
- The draft financial statements and audit/review reports at year end and half-year.

The Board monitors the need to form an audit committee on a periodic basis.

Corporate Governance Statement (cont)

FINBAR INTERNATIONAL LIMITED

Internal control framework

The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities. To assist in discharging this responsibility, the Board has instigated an internal control framework that can be described as follows:

Financial reporting

- There is a comprehensive budgeting system with an annual budget approved by directors. Monthly results are reported against budget and revised forecasts for the year are prepared and presented to the Board regularly. The Company reports to shareholders yearly. Procedures are in place to ensure price sensitive information is reported to ASX in accordance with Continuous Disclosure Requirements.

Quality and integrity of personnel

- The Company conducts a review of the ability and experience of potential employees prior to appointment. Informal appraisals are conducted regularly with continuous feedback and on the job monitoring and training for employees.

Ethical standards

The Company recognises the need for directors and employees to observe the highest standard of behaviour and business ethics in conducting its business.

Related party transactions

A review is undertaken at year end of all related party transactions.

Business risks

The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Company's risk profile.
Where necessary, the Board draws on the expertise of appropriate external consultants to assist in dealing with or mitigating risk.

Role of shareholders

The Board of Directors ensures that shareholders in all jurisdictions are informed of all major developments affecting the Company's state of affairs.

Directors' Report

The Directors herewith present the financial report of Finbar International Limited ("the Company") and the auditors' report thereon.

DIRECTORS

The Directors of the Company at any time during or since the financial year are:

Mr Paul Anthony RENGEL (Chairman)
Mr John CHAN (Managing Director)
Mr Loh Kee KONG
Mr John Boon Heng CHEAK
Mr Richard Dean RIMINGTON

PRINCIPAL ACTIVITIES

The principal activities of the Company during the course of the financial year continue to be property investment and development.

The Company's focus is in the development of medium to high-density residential and specialised commercial buildings in the Perth metropolitan area.

There were no significant changes in the nature of the activities of the Company during the year.

RESULTS

The net profit after income tax amounted to $2,854,404 (1999:$3,317,254).

REVIEW OF OPERATIONS

During the year the Company commenced development works on major projects.
Three being residential developments with substantial sales achieved and two being commercial properties that are now fully leased. The Company sold one of its commercial developments during the year and the other is fully leased.

The Company has funded its operations from its investments and cash reserves along with short-term construction finance that is project specific.

ENVIRONMENTAL REGULATIONS

The Company's activities are not subject to any significant environmental regulations under either State or Commonwealth legislation.

DIVIDENDS

The Company paid a final dividend of $0.03 per fully paid ordinary share out of profits for the year ended 30 June 1999 during the year which amounted to $2,860,511.
The Directors recommend the payment of a fully franked dividend of $0.03 per fully paid ordinary share for approval by members at the company's annual general meeting with the entitlement date being post August 2000.

Directors' Report (cont)

DIVIDENDS (Cont)

The dividend recommended by the Directors amounts to $2,810,101 for shares issued at 30 June 2000.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There has been no significant change in the Company's state of affairs other than the changes in financial position disclosed in this report.

EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

LIKELY DEVELOPMENTS

The Company will continue planned development projects on existing land and will seek new opportunities for the acquisition of development projects. Further information about likely developments in the operations of the Company and the expected results of those operations in future years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

INFORMATION ON DIRECTORS

The particulars of the qualifications, experience, shareholdings and disclosure of interests of the Directors are as follows:

Paul Anthony Rengel (appointed 22/5/92)

Mr Rengel has a Bachelor of Commerce degree from the University of Western Australia. He is a Fellow of the Australian Institute of Chartered Accountants with 30 years' experience in public practice in international firms. Mr Rengel is a Partner in Moore Stephens BG, Chartered Accountants. He is an associate of the Australian Institute of Company Directors and the Australian Institute of Management. As Chairman he attended five of the five Directors' meetings and one shareholders' meeting held during the fiscal year.

John Chan (appointed 27/4/95)

Mr Chan has a Bachelor of Science degree from Monash University and Master of Business Administration degree from the University of Queensland. He has considerable experience as a Director in public corporations and in the areas of trading, manufacturing, finance and property development. Mr Chan attended five of the five Directors' meetings and one shareholders' meeting held during the fiscal year.

Directors' Report (cont)

INFORMATION ON DIRECTORS (Cont)

John Boon Heng Cheak (appointed 28/4/93)

Mr Cheak has a Bachelor of Economics degree from the University of Western Australia. He is an Executive Director of Chuan Hup Holdings Limited, a substantial shareholder in the Company. Mr Cheak attended none of the five Directors' meetings held during the year. It should be noted that Mr Cheak was in contact with the managing director on a regular basis throughout the year.

Richard Dean Rimington (appointed 27/4/95)

Mr Rimington is a property developer with 15 years experience in land subdivision, development, construction and marketing, with particular focus on high quality medium density residential property, which is the core business of the Company. He is responsible for project management of the Company's property development operations. Mr Rimington attended five of the five Directors' meetings and one shareholders' meeting held during the fiscal year.

Loh Kee Kong (appointed 28/4/93)

Mr Loh has a degree in accountancy from the University of Singapore and is a member of the Institute of Certified Public Accountants of Singapore. He is also a director of Chuan Hup Holdings Limited, a substantial shareholder in the Company. Mr Loh attended five of the five Directors' meetings held during the fiscal year.

DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS

The Company's policy is to ensure the remuneration package properly reflects the person's duties and responsibilities, and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

Details of the nature and amount of each major element of the emoluments of each director of the Company and each of the five named officers of the Company receiving the highest emolument are:

Director	Base Emolument $	Commission $	Expenses $	Total $
Mr John Chan	25,250	*-	-	25,250
Mr Richard Rimington	25,250	*-	-	25,250
Mr Paul Rengel	24,000	-	1,000	25,000
Mr John Cheak	25,250	-	-	25,250
Mr Loh Kee Kong	25,250	-	-	25,250
Officer				
Mr Darren Pateman	-	*-	-	-

Directors' Report (cont)

DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (Continued)

FINBAR INTERNATIONAL LIMITED

➢ Commission:

The Company has a management agreement ("the agreement") with J&R Management Pty Ltd ("J&R Management") for the provision of executive management, project management and company secretarial services to the Company for a period of three years from 1 July 1998. Mr John Chan and Mr Richard Rimmington are the Directors and shareholders of J&R Management. Mr Darren Pateman is employed by J&R Management. The agreement includes payment of a commission of 8% of pre-tax profits of the Company in each financial year. For the year to 30 June 2000 this amounts to $585,113 (1999: $434,317) which has been accrued from the financial statements. Shareholders have approved the terms of the agreement in an extraordinary general meeting held during the year.

DIRECTORS' INTERESTS

The relevant interest of each director in the share capital of the company, as notified by the directors to the Australian Stock Exchange in accordance with S235(1) of the Corporations Law, at the date of this report is as follows:

	Ordinary shares
Mr John Chan	6,693,631
Mr Richard Rimington	6,949,460
Mr John Cheak	23,693,996
Mr Loh Kee Kong	23,603,996

INDEMNIFICATION

The Company has agreed to indemnify the current directors of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the Company, except where the liability arises out of conduct involving a lack of good faith.

Directors' Report (cont)

SHARE OPTIONS

No new options were issued by the Company during the financial year ended 30 June 2000.
During the period 1 July to 31 August 1999 37,843,016 ordinary shares of $0.25 each were issued at $0.25 each by virtue of the automatic exercise of options over unissued shares.
As at 30 June 2000, there are Nil (1999:40,285,629) unissued ordinary shares for which options are outstanding and exercisable.

Signed in accordance with a resolution of the Board of Directors.

.....
P A Rengel - Chairman

.....
J Chan - Managing Director

Dated at Perth this 11th day of August 2000.

Profit and Loss Statement

FOR THE YEAR ENDED 30 JUNE 2000

FINBAR INTERNATIONAL LIMITED

	Note	2000 $	1999 $
Revenue	2	30,043,674	26,476,386
Operating profit before income tax	3	4,414,820	5,043,112
Income tax attributable to operating profit	4	(1,560,416)	(1,725,858)
Operating profit after income tax		2,854,404	3,317,254
Retained profits at the beginning of the financial year		1,578,478	90,269
Total available for appropriation		4,432,882	3,407,523
Dividends provided for or paid	7	(3,945,391)	(1,829,045)
Retained profits at the end of the financial year		487,491	1,578,478

The profit and loss statement is to be read in conjunction with the accompanying notes to the financial statements.

Balance Sheet

AS AT 30 JUNE 2000

	Note	2000 $	1999 $
CURRENT ASSETS			
Cash		7,183,310	807,485
Receivables	9	5,445,966	283,492
Inventories	10	9,314,071	18,158,858
Investments	11	4,407,330	-
Other	13	6,731	19,073
TOTAL CURRENT ASSETS		26,357,408	19,268,908
NON-CURRENT ASSETS			
Inventories	10	4,533,774	3,774,442
Investments	11	304,070	5,528,590
Property, plant and equipment	12	510,287	529,748
Other	13	3,230	164,814
TOTAL NON-CURRENT ASSETS		5,351,361	9,997,594
TOTAL ASSETS		31,708,769	29,266,502
CURRENT LIABILITIES			
Accounts payable	14	386,567	1,678,242
Borrowings	15	1,612,000	6,677,000
Provisions	16	4,211,625	2,269,462
TOTAL CURRENT LIABILITIES		6,210,192	10,624,704
NON-CURRENT LIABILITIES			
Provisions	16	694,792	1,762,723
TOTAL NON-CURRENT LIABILITIES		694,792	1,762,723
TOTAL LIABILITIES		6,904,984	12,387,427
NET ASSETS		24,803,785	16,879,075
SHAREHOLDERS' EQUITY			
Share capital	17	24,316,294	15,300,597
Retained profit		487,491	1,578,478
TOTAL SHAREHOLDERS' EQUITY		24,803,785	16,879,075

The balance sheet is to be read in conjunction with the accompanying notes to the financial statements.

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2000

FINBAR INTERNATIONAL LIMITED

	Note	2000 $	1999 $
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		20,799,382	25,716,794
Cash payments in the course of operations		(16,140,003)	(19,170,299)
Interest received		183,746	117,462
Interest paid		(922,482)	(280,352)
Income taxes paid		(1,609,815)	(828,963)
Borrowing costs paid		(65,346)	(94,813)
Dividends received		-	367
Net cash provided by/(used in) operating activities	21(ii)	2,245,482	5,460,196
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(4,413)	(31,374)
Proceeds from sale of property, plant and equipment		3,899,933	2,269,650
Payments for investment properties		-	(3,770,472)
Payment to related company		(855,363)	-
Net cash provided by/(used in) investing activities		3,040,157	(1,532,198)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		9,460,754	1,743,484
Proceeds from borrowings		18,767,000	6,327,000
Repayment of borrowings		(23,832,000)	(9,819,000)
Dividends paid		(2,860,511)	(1,619,826)
Share buy-back		(445,057)	-
Net cash provided by/(used in) financing activities		1,090,186	(3,368,342)
Net increase in cash held		6,375,825	559,656
Cash at the beginning of the financial year		807,485	247,829
Cash at the end of the financial year	21(i)	7,183,310	807,485

The statement of cash flows is to be read in conjunction with the accompanying notes to the financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2000

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Law.

It has also been prepared on the basis of historical costs and, except where stated, does not take into account changing money values or current valuations of non-current assets. These accounting policies have been consistently applied, unless otherwise stated.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

(b) Revenue recognition

Interest income

Interest income is recognised as it accrues.

Asset sales

The gross proceeds of asset sales are included as revenue.
The profit or loss on disposal of assets is brought to account at the date of sale.

(c) Borrowing costs

Borrowing costs include interest, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease finance charges. Borrowing costs are expensed as incurred unless they relate to qualifying assets. Qualifying assets are assets which take more than 12 months to get ready for their intended use or sale. Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of borrowing costs capitalised is those incurred in relation to that borrowing, net of any interest earned on those borrowings. Where funds are borrowed generally, borrowing costs are capitalised using a weighted average capitalisation rate.

(d) Investments

Investment properties
Investment properties are carried at cost.

Investment in joint venture entity
A joint venture entity is an entity which has a contractual arrangement whereby two or more parties undertake an economic activity which is subject to joint control.

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

FINBAR INTERNATIONAL LIMITED

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(d) Investments (Cont)

In these financial statements investments in joint venture entities were not accounted for using equity accounting principles as the application of equity accounting was not material.

The investment in the joint venture entity has remained at cost.

(e) Property, plant and equipment

Items of property, plant and equipment are initially recorded at cost then depreciated as outlined below.

Revaluations

Land and buildings are valued every three years on an existing use basis of valuation.

A provision for capital gains tax is only provided when it is known that the asset will eventually be sold. This provision, when required, is made against the asset revaluation reserve.

Items of property, plant and equipment, including buildings, but excluding freehold land, are depreciated, amortised using the straight line method over their estimated useful lives.

The depreciation rates used for each class of asset are:

Buildings	4%
Plant and equipment	20%-40%

Assets are depreciated or amortised from the date of acquisition.

(f) Non-current assets

The carrying amounts of non-current assets are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower amount.

In assessing recoverable amounts of non-current assets, the relevant cash flows have not been discounted to their present value, except where specifically stated.

Certain non-current assets have not been revalued. Valuations are performed on a three year basis in accordance with company policy.

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

g) Income tax

The company adopts the liability method of tax effect accounting.
Income tax expense is calculated on operating profit after permanent differences between taxable and accounting income. Income tax on timing differences, which arise from items being brought to account in different periods for income tax and accounting purposes, is carried forward in the balance sheet as a future income tax benefit or a provision for deferred income tax. Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits relating to tax losses are only brought to account when their realisation is virtually certain.

(h) Inventories

Inventories are carried at the lower of cost and net realisable value.
Land held for development
Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, interest on funds borrowed for the development and holding costs until completion of development. Interest and holding charges incurred after development are expensed.

(i) Construction work in progress

Valuation

Construction work in progress is carried at cost plus profit recognised to date based on the value of work completed, less provision for foreseeable losses, allocated between amounts due from customers and amounts due to customers. Provision for the total loss on a contract is made as soon as the loss is identified.

Cost includes both variable and fixed costs directly related to specific contracts, and those which can be attributed to contract activity in general and which can be allocated to specific contracts on a reasonable basis.

Where the outcome of a contract cannot be reliably estimated, contract costs are expensed as incurred. Where it is probable that the costs will be recovered, revenue is only recognised to the extent of costs incurred.

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

FINBAR INTERNATIONAL LIMITED

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(i) Construction work in progress (Cont)

Recognition of profit

Profit is recognised on an individual contract basis using the percentage of completion method when the stage of contract completion can be reliably determined, costs to date can be clearly identified, and the following can be reliably estimated:

- total contract revenues to be received
- costs to complete

Profit recognition does not normally commence until reasonable sales have been achieved and physical construction has commenced.

Stage of completion is measured by reference to an assessment of construction costs to date as a percentage of estimated total costs for each contract.

Development work in progress

Development work in progress is carried at cost, less any provision for anticipated future losses. Cost includes both variable and fixed costs relating to specific contracts, and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

(j) Receivables

Trade debtors

Trade debtors to be settled within 60 days are carried at amounts due. The collectibility of debts is assessed at balance date and specific provision is made for any doubtful accounts.

(k) Accounts payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the company. Trade accounts payable are normally settled within 60 days.

(l) Bank loans

Bank loans are carried on the balance sheet at their principal amount subject to set-off arrangements. Interest expense is accrued at the contracted rate and included in "other creditors and accruals".

(m) Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

	2000 $	1999 $
2. REVENUE		
Revenue from operating activities		
Sales of property	25,674,777	23,810,178
Rental income	280,193	256,746
Dividends - other parties	-	367
Interest - other parties	183,746	117,462
Recoupment of outgoings	5,025	21,983
Revenue from non-operating activities		
Gross proceeds from sale of non-current assets	3,899,933	2,269,650
	30,043,674	26,476,386
3. OPERATING PROFIT		
(a) Operating profit is determined after (crediting)/charging the following items:		
Borrowing costs - other parties	966,584	375,165
Less: Capitalised borrowing costs	(886,768)	(315,894)
	79,816	59,241
Depreciation:		
- buildings:	11,838	20,955
- property, plant and equipment	11,547	10,198
	23,385	31,153
Net gain on sale of property, plant and equipment	231,621	62,460

Notes to the Financial Statements (cont)

FINBAR INTERNATIONAL LIMITED

4. INCOME TAX EXPENSE

	2000 $	1999 $
Prima facie tax expense on operating profit is reconciled to the income tax provided in the accounts as follows:		
Prima facie tax payable on operating profit before income tax at 36% (1999:36%)	1,589,335	1,815,520
Add: Tax effect of non-deductible items	22,519	14,134
Less: Income tax over provided in prior year	(10,353)	(103,796)
Effect of change in tax rate	(41,085)	-
Income tax expense attributable to operating profit	1,560,416	1,725,858
Income tax expense attributable to operating profit is made up of:		
Current income tax provision	2,477,116	231,745
Deferred income tax provision	(1,067,931)	1,762,723
Future income tax benefit	161,584	(164,814)
Over provision in prior year	(10,353)	(103,796)
	1,560,416	1,725,858

5. AUDITORS' REMUNERATION

Remuneration of the auditor for:		
- audit services	21,500	19,000
- other services	31,400	20,500
	52,900	39,500

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

6. REMUNERATION OF DIRECTORS

	2000 Number	1999 Number
The number of directors of the company whose income from the company or any related party falls within the following bands:		
$ - $ 9,999	-	3
$ 10,000 - $ 19,999	-	1
$ 20,000 - $ 29,9995	5	-
$ 40,000 - $ 49,999	-	2

	2000 $	1999 $
Income paid or payable, or otherwise made available, to all directors of the company and controlled entities from the company or any related party	125,000	286,997

The names of the directors of the Company who have held office during the financial year are:

Mr John Chan
Mr John Boon Heng Cheak
Mr Loh Kee Kong
Mr Paul Anthony Rengel
Mr Richard Dean Rimington

7. DIVIDENDS

Dividends
Proposed or paid by the company are:

2000	Cents per share	Total Amount $	Date of Payment	Franked Rate	Percentage Franked
Final ordinary - proposed	3.0	2,810,101	-	36%	100%
Under accrued for 1999 final dividend - paid		1,135,290	13 Oct. 1999	36%	100%
		3,945,391			
1999					
Final ordinary - proposed	3.0	1,725,221	13 Oct. 1999	36%	100%
Under accrued for 1998 final dividend - paid		103,824	23 Dec. 1998	36%	100%
		1,829,045			

Notes to the Financial Statements (cont)

FINBAR INTERNATIONAL LIMITED

	2000 $	1999 $
7. DIVIDENDS (Cont)		
Amount of unappropriated profits and reserves which could be distributed as fully franked dividends using franking credits already in existence or which will arise from income tax payments in the following period:		
Class C 36% franked	2,657	1,210,000
8. EARNINGS PER SHARE		
Basic earnings per share (cents per share)	3.2	6.2
Diluted earnings per share (cents per share)	3.2	3.9
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	90,384,055	53,152,169
Weighted average number of potential ordinary shares used in the calculation of diluted earnings per share	-	93,437,800

At 30 June 2000, the Company has no potential ordinary shares, and therefore the diluted EPS equates to the basic EPS.

Classification of Securities

Options

There were no options to purchase ordinary shares as at 30 June 2000.

	2000 $	1999 $
9. RECEIVABLES		
Current		
Trade debtors	4,581,179	214,041
Amounts receivable from related parties	855,362	-
Other debtors	9,425	69,451
	5,445,966	283,492

The amount receivable from related parties relates to a loan to the joint venture entity referred to in Note 11(ii). The loan is repayable on or before the completion of the development for which the joint venture has been established. Interest is calculated on a monthly basis at the rate of 5% per annum.

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

	2000 $	1999 $
10. INVENTORIES		
Current		
Finished units on hand - at cost	2,306,458	145,311
Contract costs incurred to date	3,600,174	13,521,784
Profit recognised to date	3,407,439	4,491,763
	9,314,071	18,158,858
Current contract costs incurred to date:		
Land at cost	2,115,634	4,060,441
Development costs capitalised	1,263,629	8,804,500
Borrowing costs capitalised	7,368	156,516
Other costs - rates, interest, taxes and other amounts capitalised	213,543	500,327
	3,600,174	13,521,784
Interest was capitalised at a weighted average rate of 6.35% (1999:6.85%).		
Non-current		
Contract costs incurred to date	4,533,774	3,774,442
Non-current contract costs incurred to date:		
Land at cost	4,307,692	3,672,975
Development costs capitalised	226,774	-
Other costs	-	101,467
	4,533,774	3,774,442

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

FINBAR INTERNATIONAL LIMITED

	2000 $	1999 $
11. INVESTMENTS		
Current		
Investment properties at cost (i)		
- completed	4,407,330	-
	4,407,330	-
Non-current		
Investment properties at cost	-	1,758,117
- work in progress	304,069	3,770,473
	304,069	5,528,590
Investments in associates		
Unlisted shares at cost (ii)	1	-
	304,070	5,528,590

(i) An independent valuation was carried out as at 16 March 2000 by Jones Lang LaSalle Advisory and is on the basis of the current open market value of the property. The valuation was $4,800,000. The directors are of the opinion that this basis provides a reasonable estimate of recoverable amount. The valuation has not been recognised in the financial statements. The valuation is in accordance with the Company's policy of obtaining valuations every three years.

(ii) Investments in associates

Name	Principal Activities	Balance Date	Ownership Interest 2000	Ownership Interest 1999
Boas Gardens Pty Ltd	Property development	30 June	50%	-

	2000 $
Summary performance and financial position of associates	
The Company's share of aggregate assets, liabilities and losses of the associate are as follows:	
Net loss	(4,152)
Total assets	4,599,230
Total liabilities	4,603,381

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

	2000 $	1999 $
12. PROPERTY, PLANT AND EQUIPMENT		
Freehold land - at cost	213,791	213,791
Buildings, fixtures and fixtures at cost	311,651	311,651
Less: Accumulated depreciation	(43,712)	(29,065)
	267,939	282,586
Plant and equipment - at cost	60,108	58,346
Less: Accumulated depreciation	(31,551)	(24,975)
	28,557	33,371
Total property, plant and equipment	510,287	529,748

Valuations
Directors have valued freehold land and buildings at $482,000 as at 30 June 1999. The valuation, which has not been recognised in the financial statements, was based on the estimated fair value of the land and buildings in an open market. The valuation is in accordance with the company's policy of obtaining valuations every three years.

	2000 $	1999 $
13. OTHER ASSETS		
Current		
Prepayments	6,731	19,073
Non-current		
Future income tax benefit	3,230	164,814
14. ACCOUNTS PAYABLE		
Current		
Trade creditors	153,732	1,220,426
Other creditors and accruals	232,835	457,816
	386,567	1,678,242

Notes to the Financial Statements (cont)

FINBAR INTERNATIONAL LIMITED

	2000 $	1999 $
15. BORROWINGS		
Current		
Secured liabilities:		
Bank loans	-	6,477,000
Standby facility	-	200,000
Commercial bill	1,612,000	-
	1,612,000	6,677,000

Commercial bills are secured by registered first mortgages over specific land and buildings of the company on which the proceeds are utilised.

16. PROVISIONS		
Current		
Income taxation	1,401,524	544,241
Dividends	2,810,101	1,725,221
	4,211,625	2,269,462
Non-current		
Deferred income tax	694,792	1,762,723
17. ISSUED CAPITAL		
Share Capital		
Issued and paid up capital		
93,670,025 (1999: 57,507,350) ordinary shares, fully paid	24,316,294	15,300,597

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

	Notes	2000 $	1999 $
17. ISSUED CAPITAL (Cont)			
Movements in ordinary share capital			
Balance at the beginning of the financial year		15,300,597	12,633,354
Balance of share premium reserve		-	923,759
Shares issues			
- 37,843,016 (1999: 6,973,936) shares issued from the exercise of options	(i)	9,460,754	1,743,484
Shares bought back			
- 1,680,341 shares	(ii)	(445,057)	-
		24,316,294	15,300,597

(i) Ordinary shares issued from the exercise of options at $0.25 each. At 30 June 2000 the Company has on issue Nil options exercisable (1999:40,285,629 at $0.25).

(ii) On 15 March 2000 the Directors resolved to complete an on market share buy back of up to 10% of its issued shares. The consideration of shares brought back on market was $445,057, being on average 26.5 cents per share.

	2000 $	1999 $
18. RESERVES		
Share premium	-	-
Movements during the year		
Share premium		
Balance at beginning of the year`	-	923,759
Included with share capital	-	(923,759)
Balance at end of the year	-	-

Notes to the Financial Statements (cont)

FINBAR INTERNATIONAL LIMITED

	2000 $	1999 $
19. COMMITMENTS AND CONTINGENT LIABILITIES		
Capital expenditure		
Capital expenditure commitments contracted for:		
Building and development projects	13,133,045	16,205,734
Payable:		
- not longer than one year	13,133,045	16,205,734

With respect to the investment in the associate, Boas Gardens Pty Ltd, the Company has entered into a shareholder agreement. Under the terms of that agreement the Company has agreed to loan Boas Gardens Pty Ltd up to $8,351,400. As at 30 June 2000, $855,362 had been drawn down. The loan is repayable on or before completion of the development for which the joint venture was established.

20. RELATED PARTIES

The names of each person holding the position of director of Finbar International Limited during the financial year are:

Mr Paul Rengel
Mr John Chan
Mr Loh Kee Kong
Mr Richard Rimington
Mr John Cheak

Details of directors' remuneration and retirement benefits are set out in Note 6. Apart from the detail, disclosed in this note, no director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving directors' interest subsisting at year end.

Directors' holdings of shares and share options

The interests of directors of the Company and their director-related entities in shares and share options of the Company at year end are set out below:

	2000 $	1999 $
Finbar International Limited		
- ordinary shares	60,941,083	27,756,906
- options over ordinary shares	-	34,166,178

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

20. RELATED PARTIES (Cont)

Other transactions with the company

A director of the Company, Mr P A Rengel, has an interest as a partner in the chartered accounting firm Moore Stephens BG. The Company pays for ad hoc accounting advice.

The Company has entered into a management agreement ("the agreement") with J&R Management Pty Ltd ("J&R Management") for the provision of executive management, project management and company secretarial services to the Company for a period of three years from 1 July 1998. Mr John Chan and Mr Richard Rimmington are directors and shareholders of J&R Management. Mr Darren Pateman is employed by J&R Management. The agreement provides for the payment of a commission of 8% of pre-tax profits of the Company in each financial year. For the year to 30 June 2000 this commission amounts to $383,627 which has been accrued in these financial statements. In addition, the management agreement also provides for a monthly fee of $16,333 to be paid to J & R Management, totalling $201,486 to 30 June 2000.

The Company received rental income and reimbursement of outgoings from J & R Management for the use of office space within the offices at 6 Preston Street, Como.

Other than as outlined above, the terms and conditions of the transactions with Directors and Director related entities were no more favourable than those available, or which might be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

The value of transactions during the year with Directors and their Director-related entities were as follows:

Director	Director-related entity	2000 $	1999 $
Mr P Rengel	Moore Stephens BG, Chartered Accountants	-	3,340
Mr J Chan and Mr R Rimington	J & R Management Pty Ltd		
	- Management fee	585,113	434,317
	- Rent and outgoings	16,050	21,982

Amounts payable to and receivable from Directors and their Director-related entities at balance date arising from these transactions were as follows:		
J & R Management Pty Ltd	8,475	-
Current liabilities		
J & R Management	209,498	434,317

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

FINBAR INTERNATIONAL LIMITED

21. NOTES TO STATEMENT OF CASH FLOW

(i) Reconciliation of cash

For the purpose of the statement of cash flows, cash includes:

(i) Cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and

(ii) investments in money market instruments with less than 14 days to maturity.

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

	2000 $	1999 $
Cash	7,183,310	807,485

(ii) Reconciliation of operating profit after income tax to net cash provided by operating activities

Operating profit after income tax	2,854,404	3,317,254
Items classified as investing/financing activities		
Interest received	(183,746)	(117,462)
Dividends received	-	(367)
Profit on sale of non-current assets	(231,621)	(62,460)
Non-cash flows in operating profit		
Depreciation	23,385	31,153
Amounts set aside to provisions	-	(28,777)
Increase/(decrease) in income taxes payable	857,283	(701,252)
(Decrease)/increase in deferred taxes payable	(1,067,931)	1,762,723
Net cash provided by operating activities before change in assets and liabilities	2,251,774	4,200,812
Changes in assets and liabilities		
(Increase)/decrease in trade debtors and other debtors	(5,162,474)	1,565,425
(Increase)/decrease in prepayments	12,342	4,642
Decrease/(increase) in inventory	8,085,455	(1,211,565)

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

21. NOTES TO STATEMENT OF CASH FLOW

	2000 $	1999 $
(Decrease)/increase in trade creditors and accruals	(1,291,675)	856,477
Decrease/(increase) in income tax benefit brought to account	161,584	(164,814)
Increase in provisions	1,084,380	209,219
(Decrease) in borrowings	(2,895,904)	-
Cash flows from operating activities	2,245,482	5,460,196

22. FINANCING ARRANGEMENTS

The Company has access to the following lines of credit:		
Total facilities available		
Bank loans	-	17,220,000
Standby facility	60,000	200,000
Commercial bills	2,000,000	-
	2,060,000	17,420,000
Facilities utilised at balance date:		
Bank loans	-	6,477,000
Standby facility	-	200,000
Commercial bills	1,612,000	-
	1,612,000	6,677,000
Facilities not utilised at balance date:		
Bank loans	-	10,743,000
Standby facility	60,000	-
Commercial bills	388,000	-
	448,000	10,743,000

Commercial Bills

The commercial bills are secured by registered first mortgage over specific land and buildings of the Company on which the proceeds are utilised. The bills bear interest at 6.35% as at 30 June 2000.

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

FINBAR INTERNATIONAL LIMITED

23. SEGMENT INFORMATION

The Company operates predominantly in one industry, namely the property and development industry and in one geographic segment, namely Western Australia.

24. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

(a) Interest rate risk

The Company has entered into an interest rate collar agreement on $3,000,000 with its bankers. The interest rate has been set at a minimum of 4.50% and a maximum of 6.85%.

Interest rate risk exposures

The economic entity's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

2000	Floating interest rate	Non-interest bearing balance sheet	Total carrying Amount as per balance sheet	Weighted average effective interest
	$	$	$	%
Financial Assets				
Cash	7,183,310	-	7,183,310	5.10
Receivables	855,362	4,590,604	5,445,966	5.00
Total	8,038,672	4,590,604	12,629,276	
Financial Liabilities				
Trade creditors	-	153,732	153,732	-
Other creditors and accruals	-	232,835	232,835	-
Dividends proposed	-	2,810,101	2,810,101	-
Commercial bills	1,612,000	-	1,612,000	6.35
Total	1,612,000	3,196,668	4,808,668	

Notes to the Financial Statements (cont)

FOR THE YEAR ENDED 30 JUNE 2000

24. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE (Cont)

2000	Floating interest rate	Non-interest bearing balance sheet	Total carrying Amount as per balance sheet	Weighted average effective interest
	$	$	$	%
Financial Assets				
Cash	355,019	34	355,053	3.51
Commercial bills	452,432	-	452,432	4.80
Receivables	-	283,492	283,492	
Total	807,451	283,526	1,090,977	
Financial Liabilities				
Trade creditors	-	1,220,426	1,220,426	
Other creditors and accruals	-	457,816	457,816	
Dividends proposed	-	1,725,221	1,725,221	
Loans	6,677,000	-	6,677,000	6.85
Total	6,677,000	3,403,463	10,080,463	

(b) Credit risk exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The credit risk on financial assets, excluding investments, of the Company, which have been recognised on the balance sheet, is the carrying amount, net of any provision for doubtful debts.

(c) Net fair value of financial assets and liabilities

Net fair value of financial assets and liabilities are determined by the Company on the following basis:

The net fair value of monetary financial assets and financial liabilities not readily traded in an organised financial market are determined by valuing them at the value of contractual or expected future cashflows on amounts due from customers or associated entities (reduced for expected credit losses) or due to suppliers. The carrying amounts of cash, accounts receivable and accounts payable approximate net fair value.

Directors' Declaration

In the opinion of the directors of Finbar International Limited:

(a) the financial statements and notes, set out on pages 8 to 29, are in accordance with the Corporations Law, including:

(i) giving a true and fair view of the financial position of the Company as at 30 June 2000 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
(ii) complying with Accounting Standards and the Corporations Regulations; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

P A Rengel - Chairman

J Chan - Managing Director

Dated at Perth this 11th day of August 2000.

Financial Statements

KPMG

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF FINBAR INTERNATIONAL LIMITED

Scope

We have audited the financial report of Finbar International Limited for the financial year ended 30 June 2000, consisting of the profit and loss statement, balance sheet, statement of cash flows, accompanying notes, and the directors' declaration set out on pages 8 to 30. The Company's directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements in Australia so as to present a view which is consistent with our understanding of the Company's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report of Finbar International Limited is in accordance with:

(a) the Corporations Law, including:

i) giving a true and fair view of the Company's financial position as at 30 June 2000 and of its performance for the financial year ended on that date; and

ii) complying with Accounting Standards and the Corporations Regulations; and

(b) other mandatory professional reporting requirements.

KPMG

B C FULLARTON
Partner

Perth
11 August 2000

ASX Additional Information

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report.

Shareholdings

Substantial Shareholders

The number of shares held by the substantial shareholders as at 30 June 2000 were:

Name	Shares	%
Chuan Hup Holdings	23,553,996	25.12
Apex Equity Holdings Berhad	13,977,746	14.91
Hamlet Management Limited	9,048,098	9.65
Blair Park Pty Ltd	6,074,823	6.48

Distribution of shareholders (as at 30 June 2000)

Range	Holders	Units	%
1 - 1,000	330	114,705	0.12
1,001 - 5,000	98	294,961	0.31
5,001 - 10,000	80	680,588	0.73
10,001 - 100,000	169	5,481,046	5.85
100,001 - over	47	87,098,727	92.98
	724	93,670,027	100.00

ASX Additional Information (cont)

Twenty largest shareholders (as at 30 June 2000)

Name	Number of ordinary shares held	%
Chuan Hup Holdings	23,553,996	25.12
Apex Equity Holdings Berhad	13,977,746	14.91
Hamlet Management Limited	9,048,098	9.65
Blair Park Pty Ltd	6,074,823	6.48
Onsui Pty Ltd	4,699,884	5.02
Charldon Inc	2,761,932	2.95
Mr Ah-Hwa Lim	2,503,320	2.67
Baguio International Limited	2,400,000	2.56
Phoenix Properties International Pty Ltd	2,107,309	2.25
Dynamic Corporation Pty Ltd	2,033,576	2.17
Maju Makmur Nominees (Tempatan) Sdn Bhd	1,800,000	1.92
Apex Investments Pty Ltd	1,728,747	1.84
Mr Guan Seng Chan	1,496,000	1.60
Mr Wan Soon Chan	1,409,500	1.50
Nefco Nominees Pty Ltd	1,121,300	1.20
Kirribilli Holdings Pty Ltd	1,000,000	1.07
Chilong Development Company	990,000	1.06
Mr Toru Fujii	959,136	1.02
JRC Pty Ltd	931,400	0.99
Tomat Pty Ltd	641,000	0.68
Top 20	81,237,767	86.73

Corporate Directory

Directors
Paul Anthony Rengel (Chairman)
John Chan (Managing Director)
Loh Kee Kong
John Boon Heng Cheak
Richard Dean Rimington

Company Secretary
Darren Pateman

Registered Office
Level 1
6 Preston Street
COMO WA 6152

Postal Address
Level 1
6 Preston Street
COMO WA 6152

Share Register
Computershare Registry
Services Pty Ltd
Level 2, Reserve Bank Building
45 St George's Terrace
PERTH WA 6000

Bankers
Westpac Banking Corporation Ltd
109 St George's Terrace
PERTH WA 6000

National Australia Bank Ltd
50 St Georges Terrace
PERTH WA 6000

Auditors
KPMG
Chartered Accountants
157-158 St George's Terrace
PERTH WA 6000

Solicitors
Chalmers & Partners
Level 6, 524 Hay Street
PERTH WA 6000

Stock Exchange Listing
Australian Stock Exchange Limited
(Perth)

FINBAR

INTERNATIONAL LIMITED