



FINBAR
INTERNATIONAL
LIMITED

ACN 009 113 473

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COMPANY DETAILS

DIRECTORS

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

REGISTERED OFFICE

Priestley & Morris Perth Pty Ltd
Chartered Accountants
7th Floor, 524 Hay Street
PERTH WA 6000

SECRETARY

Gary John Abdy

POSTAL ADDRESS

G P O Box X2292
PERTH WA 6001

SOLICITORS

Salter Power Shervington
1311 Hay Street
WEST PERTH WA 6005

OPERATIONS OFFICE

3/162 Labouchere Road
COMO WA 6152

SHARE REGISTER

KPMG Peat Marwick
Share Registry
Level 29 Central Park
152 – 158 St Georges Terrace
PERTH WA 6000

AUDITORS

Deloitte Touche Tohmatsu
Level 16 Central Park
152 – 158 St Georges Terrace
PERTH WA 6000

BANKERS

HongKongBank of Australia Limited
108 St Georges Terrace
PERTH WA 6000

STOCK EXCHANGE LISTING

Australian Stock Exchange Limited
(Perth)

The fiscal year to 30th June 1995 has been one of significant achievement for your Company, which has also seen its securities re-instated to quotation on the Australian Stock Exchange Ltd.

Building on the restructured foundation established in the previous year, the Company's asset base has now almost doubled from \$2.5 to \$4.7 million, represented by quality properties and cash reserves.

Contracts have been entered into for the acquisition of additional development properties and also for construction on existing land. Construction is expected to be substantially completed during the current fiscal year. Indicated earnings from the completed project are very good.

There have also been changes to the Board including the addition of two new Executive Directors, Mr W.K. Chan and Mr R.D. Rimington who bring to the Board a wealth of experience in the property industry and who are responsible for the operations management of the Company.

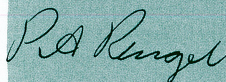
The Board of Directors are currently examining further options for the development and expansion of the Company, through new projects and corporate opportunities, with a view to establishing a sound basis for future revenue flow. Having gone through a

series of steps to reconstruct its capital and asset base, the Company is now well placed to focus on earnings, both in terms of profitability and ultimately, earnings for shareholders.

While much is still to be done to increase the value of your investment and to create a flow of earnings from that investment, shareholders can look to the future of their company with confidence. The Company has sound assets with the capacity to generate substantial and profitable revenues from those assets.

The Company's reconstruction and rejuvenation could not have been achieved without the loyal support of existing shareholders, in particular, its substantial shareholders, nor without the confidence of new investors. On behalf of the Board, I thank you for that support.

The Annual General Meeting of the Company will be held in November as outlined in the Notice of Meeting and shareholders are encouraged to exercise their right to attend and to take the opportunity to ask questions and meet your Directors.



PAUL ANTHONY RENGEL
Chairman of Directors



CHAIRMAN'S MESSAGE

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SEVILLE ON THE POINT

6-8 STONE STREET,
SOUTH PERTH

“Seville on the Point” will consist of 15 Tuscan style apartments, which will be constructed incorporating attractive common facilities and features, in keeping with the prestigious developments on the South Perth Peninsula.

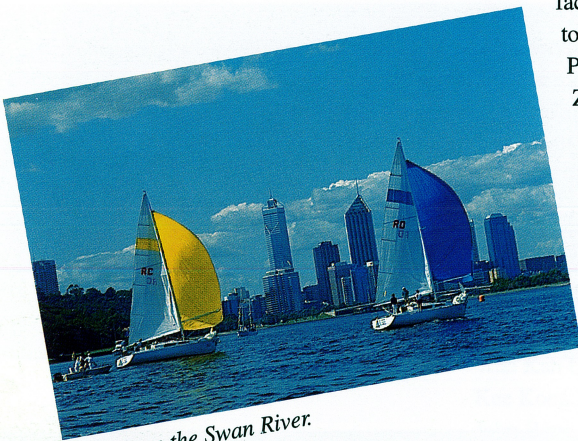
Stone Street itself is ideally located within the peninsula, and is included in the much talked about South Perth – “Golden Triangle”. The property is skirted by numerous luxury residential apartments and office buildings, developed in the 1980’s. Another characteristic is the easy access to the Mitchell and Kwinana Freeway systems, with the on and off ramps situated only 120 metres south, on Mill Point Road.

The quiet Cul-de-sac location of Stone Street allows only local traffic and is central to many South Perth community facilities. It is walking distance to the Mends Street Shopping Precinct, Windsor Hotel, Perth Zoological Gardens, Royal Perth Golf Club, Wesley College, and numerous fine restaurants and cafés. The Perth Central Business District is located less than three kilometers to the north.

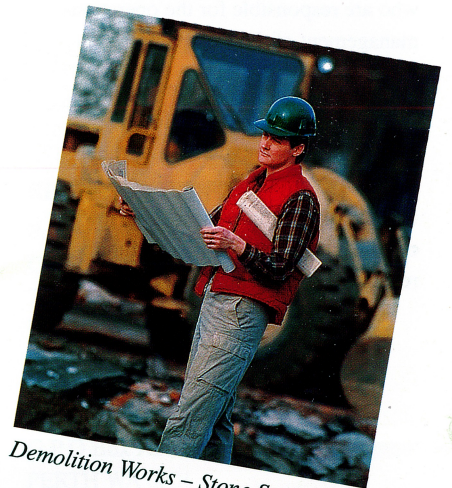
The energetic will enjoy access to Perth’s cycleways and walkways, that will take you on a scenic ride along the magnificent perimeter of the Swan River to the South Perth Ferry Terminal, Kings Park or directly to Perth City’s front doorstep.

The development’s facilities will include a Swimming Pool, Waterfall, BBQ and Spa which will all assist in creating an attractive community feeling, while providing a quality of appointment that is generally desired by the market, for this type of accommodation. This will be the first time apartments of this nature will be built in this location with facilities that are unparalleled, even by the established high-rises.

Construction will take 12 months and preliminary feasibilities estimate a profit exceeding \$1.1 Million for this project.



Sailing on the Swan River.



Demolition Works – Stone Street.



Architect’s impression – Front Elevation, Seville on the Point.

We have taken advantage of an opportunity to acquire "Fairway Mews", a small three unit development site, directly opposite the Royal Perth Golf Club, on Labouchere Road, South Perth.

Fairways Mews will accommodate two single storey and one two storey, three bedroom, two bathroom residential dwellings. This Tuscan style development will include double carports, security entrance gates with easy care reticulated and landscaped surroundings.

This site was purchased at a price of \$335,000, which along with construction of modest facilities and furnishings, will allow an end sale figure targeting the middle to upper end of the South Perth market.

It is our opinion that this property represents good value, due to the expediency to which we will develop three marketable units, to aid in supporting the Company's short term cashflow requirements.

Construction will take eight months and preliminary feasibility estimates estimate a profit of \$200,000 for this project.

FAIRWAY MEWS

102 LABOUCHERE ROAD,
SOUTH PERTH

iii



Putting at Royal Perth Golf Club.



City glimpses through one of South Perth's fine restaurants.

This proposed development is situated on the corner of Carr and Fitzgerald Streets, West Perth, walking distance to the Perth CBD and the ever popular Northbridge entertainment district. Contracted June 1995, the purchase is subject to re-zoning or Ministerial approval, in order for settlement to take place approximately February 1996.

The site, commonly known as the old "Cecil Brothers Warehouses" (totalling 8606 m²), will accommodate 78 three storey residential units, lavishly surrounded by fully reticulated landscaped gardens, which will embrace approximately 60% of the total land area.

Being only 150 metres to the Freeway South on-ramp, these units are centrally located to suit both young professionals and the investment market.

Encouragement from the Town of Vincent for more inner City living, will assist in making these a sought after investment.

Construction will take 13 months and preliminary feasibility estimates estimate a profit exceeding 3.4 Million for this project.

FITZGERALD STREET DEVELOPMENT
CNR CARR AND FITZGERALD STREETS, WEST PERTH

iv



This modern office warehouse development contains a total floor area of 1178 m², and land area of 2487 m², and is positioned within the inner metropolitan suburb of Osborne Park. Constructed approximately 7 kilometres north west of the Perth CBD, this Walters Drive property is situated in one of Perth's popular commercial/industrial localities, Herdsman Park. Surrounded by other offices, office warehouse and industrial unit accomodation, it is suitably located near WA Newspapers, TAB, Lotteries Commission plus other major private companies.



29 Walters Drive, Herdsman Business Park.

Zoned, 'General Industrial', its permitted uses include offices, the service industry and general industry whilst showrooms may be permitted as an incidental use to the primary development. This property is currently leased by Stanilite Electronics Pty Ltd who utilise well the office administration, service office and warehouse areas.

The foregoing, together with the attractive exterior, supplied with sufficient parking for customers and employees (32 bays), and the outdoor seating area, make this a valuable investment as Stanilite Electronics will attest to. They have thus taken over a lease which extends to 1999, inclusive of one option extending for a further ten years.

The annual rental on this premises is over \$157,000.

WALTERS DRIVE DEVELOPMENT

Situated in a prime location for Commercial and Industrial growth within the Canning Vale Industrial Estate, this property boasts frontage onto the main thoroughfare of Bannister Road as well as Magnet Road. With Bannister Road being a major focus of new high quality developments by investors and owner occupiers.

Major companies such as Swan Brewery, Coles Myer, Foodland Associated Limited, Repco, Tiptop Bakeries, Pepsi and Arnotts have already relocated their operations to Canning Vale.

The succession of sales and development sites along Bannister Road, the purchase of large existing facilities by owner occupiers, and the excellent yields being achieved through the sale of investment properties, makes Canning Vale the most sought after industrial estate in the current market.

Canning Vale's attraction is due to the:

- quality and age of the buildings;
- quality of the companies established in Canning Vale
- ease of access to the estate
- the diminishing area of vacant land left in Canning Vale that can be bought.

This regular shaped block of 9162 m², has first floor office space, ground floor storage / amenities, warehouse office and warehouse. There is also future development prospects with a total area of 3000 m² not currently being utilised. We are currently in the process of negotiating with Cooper Oil Tool Australia (the lessee) to release this area from the current lease, to enable us to develop further warehouse or office space.

The annual income on this premises is \$60,000.

MAGNET ROAD DEVELOPMENT

MANAGING DIRECTOR'S REPORT

Perth continues to lead the way as one of Australia's fastest growing cities, with significant demand for medium price residential units in close proximity to the city.

The past 18 months has seen a softening in the overall housing market, due to higher interest rates and an oversupply in 1992 and '93. This has created the opportunity to secure development sites at below 1992 prices.

The Companies' short and medium term planning is to embark into multi-residential property development including developing serviced apartments, suitable for tourist accommodations.

THE NEW DIRECTION

Developments

Our first project at Stone Street (see page ii "Seville on the Point"), comprises 15 units of luxury apartment, which will commence construction pending imminent Council approval. This development is situated on the prestigious peninsula of South Perth and the prices will range from \$300,000 to \$350,000. We have received positive responses to this concept.

Finbar has also contracted to purchase a development in West Perth (see page iv "Fitzgerald Street Development") and has submitted to the City of Vincent for the approval of 78 units. This residential complex will comprise of two and three bedroom apartments and it will have facilities such as swimming pool, spa, BBQ and securities.

Along with these larger projects, Finbar has purchased a small triplex development in South Perth (see page iii "Fairway Mews"). We intend to develop a number of such projects to compliment the larger developments.

Larger projects naturally have longer construction periods, therefore, a few smaller projects will provide continuity to Finbar's cashflow.

In obtaining the two commercial properties (see page v "Walters Dr and Magnet Rd"), we have expanded our options for development, as the regular income, together with the potential re-development of one of these sites, will again open further opportunities for increase.

Serviced Apartments

Inbound tourism is one of Australia's fastest growing industries. By the year 2000, 6.3 million people are expected to visit Australia, more than double the number who visited in 1993. For the next ten years, inbound tourism is expected to grow by an average 10% per annum, maintaining its position as the fastest growing sector of Australia's tourism industry.

Our long term goal is to position Finbar to take advantage of this growing market, by utilising our expertise in site selection and development.

We are continuing to identify suitable projects for serviced apartments. The capital requirements for such projects are naturally larger and we will need careful evaluation before embarking.

Medical Centres

The Board is in the process of positioning the Company for expansion into the acquisition, development and operation of Medical Centre sites. This opportunity includes interests in new and established Medical Centres; freehold income producing land; vacant land suitable for the construction of further medical centre sites; and multi unit residential development.

This new direction will assist in creating a stronger asset base, along with a more stable and predictable cash flow to complement our fluctuating residential development sales income.

With our continuance in this current growth period and the seizing of new and prosperous prospects, we anticipate that 1996 will be a most successful year for Finbar and the new beginning of a stronger, leaner and more profitable company.

On behalf of the Directors, I would like to take this opportunity to thank all associates and shareholders for their support and we look forward to an exciting future together.

Yours sincerely,

W K CHAN

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FINBAR INTERNATIONAL LIMITED
ACN 009 113 473

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**FINANCIAL
STATEMENTS**
FOR THE YEAR ENDED
30TH JUNE 1995

The directors herewith present the Company's annual financial report for the year ended 30th June 1995 and the auditors' report thereon in compliance with Corporations Law. The directors report further as follows:

DIRECTORS

The following persons hold office as directors of Finbar International Limited at the date of this report:

Paul Anthony	RENGEL	(Chairman)
Wan Kah	CHAN	(Managing Director)
Kee Kong	LOH	
John Boon Heng	CHEAK	
Richard Dean	RIMINGTON	

DIRECTORS' REPORT

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)

Qualification: Bachelor of Commerce (UWA): Fellow, Australian Institute of Chartered Accountants. Mr Rengel is a Chartered Accountant with 25 years experience in public practice in international firms. Mr Rengel is a partner in Priestley & Morris, Chartered Accountants and practices in Business and Corporate Services, Audit and Accounting. He is an associate of the Australian Institute of Company Directors and the Australian Institute of Management. Mr Rengel is the Chairman and attended ten of the ten Directors' Meetings and two Shareholders meetings held during the year.

WAN KAH CHAN (APPOINTED 27.4.95)

Mr Chan has a Bachelor of Science degree from Monash University and has a Master of Business Administration degree from the University of Queensland. He is a director of Onsui Pty Ltd a substantial shareholder in the Company. Previously he held directorships in public corporations including Managing Director of Malaysian Resource Corporation Berhad. He has considerable experience in trading, manufacturing, finance and property development. Mr Chan was appointed as Managing Director of this Company on 27th April 1995 and has attended two of the two meetings held since that appointment.

KEE KONG LOH (APPOINTED 28.4.93)

Mr Loh is Director of Chuan Hup Holdings Limited. He has a degree in Accountancy from the University of Singapore. He is also a member of the Institute of Certified Public Accountants of Singapore. Mr Loh attended six of the ten Directors Meetings held during the year.

JOHN BOON HENG CHEAK (APPOINTED 28.4.93)

Mr Cheak is a graduate in Economics from the University of Western Australia. He is an Executive Director of Chuan Hup Holdings Limited. Mr Cheak attended four of the ten Directors Meetings and one shareholders meeting held during the year.

RICHARD DEAN RIMINGTON (APPOINTED 27.4.95)

Mr Rimington has been involved in property development, land subdivision, construction and property marketing for ten years and has developed and built in excess of 900 quality, high density private dwellings. He is responsible for project management and is involved in every aspect of the Company's property development operations to which he brings a valuable competence and experience. He has attended one of the two meetings held since his appointment.

DIRECTORS SHAREHOLDINGS

The following are Directors shareholdings in the capital of the Company as at the date of this report:

25c par value Ordinary Shares

	SHARES HELD DIRECTLY	HELD BY COMPANIES IN WHICH DIRECTORS HAVE A BENEFICIAL INTEREST
W K Chan	8,000	Nil
J B H Cheak	Nil	Nil
K K Loh	Nil	Nil
P A Rengel	Nil	Nil
R D Rimington	8,000	Nil

PRINCIPAL ACTIVITIES

The principal activity of the Company is property investment and development. There has been no significant change in the nature of this activity during the financial year. The Company has not convened an audit committee.

RESULTS

	1995	1994
	\$	\$
The net profit/(loss) of the Company for the year, after extraordinary items and income tax expense was	(129,329)	2,326,425

This result comprises an operating loss after income tax amounting to \$58,007 (1994 – (\$21,054) and an abnormal item of expense of \$71,322 (1994 – (\$121,157) and extraordinary adjustment of \$2,426,528 upon a reconstruction of capital.)

REVIEW OF OPERATIONS

During the year to 30th June 1995, the Company has funded itself from its investments and cash reserves. Sufficient cash has been realised from the Company's activities to ensure its going concern status and the funding of increased operations in the short term.

DIVIDENDS

No dividend is recommended in respect of the year ended 30th June 1995 and none has been paid or recommended since the start of the financial year.

CHANGES IN STATE OF AFFAIRS

During the fiscal year, the Company has raised new capital and acquired development property in consideration of an issue of shares. The Company's securities were reinstated to quotation on the Australian Stock Exchange Limited.

The Company has continued as an investor in property and in the opinion of the Directors there were no other significant changes in the state of affairs of the Company that occurred during the financial year not otherwise disclosed in this report or the annual accounts.

SUBSEQUENT EVENTS

Subsequent to 30th June 1995, the Company entered into a contract for the purchase of property at North Perth for a purchase price of \$2,300,000. The contract is subject to a condition that rezoning is approved by relevant authorities for the land to be developed for medium density dwellings. A refundable deposit of \$50,000 been paid.

There has not been any other matter or circumstance which is not adequately dealt with in the accounts or notes thereto, that has arisen since the end of the financial year, that significantly affected or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs subsequently.

SHARE OPTIONS

During the year ended 30th June 1995 the Company issued free options to all shareholders over unissued shares. The particulars of which are as follows:

Number of Options:	9,261,125
Class of Shares:	Ordinary
Terms:	Exercisable at par of \$0.25 up to 31st August 1999

No person entitled to exercise an option has or had, by virtue of the option a right to participate in a share issue of any other corporate body.

FUTURE DEVELOPMENTS

The Company is currently in the process of commencement of development on its Stone Street, Como property, on which it is proposed to build a multi storey medium density dwelling development to quality market standard. The project is expected to be substantially completed during the current fiscal year to 30th June 1996.

DIRECTORS BENEFIT

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit other than a benefit included in the aggregate amount of directors' remuneration shown in the accounts or the group accounts by reason of a contract made by the Company or a related corporation or an entity which the Company controlled with a director or with a firm of which the director is a member or with a firm in which he has a substantial financial interest with the exception of professional fees for accounting and administration services paid to a firm in which Mr P A Rengel is a partner and to a company in which Mr R MacMath is a Director. The aggregate amount paid to 30th June 1995 is as disclosed at note 17 to the accounts.

Signed in accordance with a resolution of the Directors



W K CHAN
Director



P A RENGEL
Director

DATE: 24th September 1995

SCOPE

We have audited the financial statements of Finbar International Limited for the financial year ended 30 June 1995 as set out on pages 7 to 20. The Company's directors are responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial professional reporting requirements (Urgent Issues Group Consensus Views) and statutory requirements so as to present a view which is consistent with our understanding of the Company's financial position, 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 statements of Finbar International Limited are properly drawn up:

- (a) so as to give a true and fair view of:
 - (i) the Company's state of affairs as at 30 June 1995 and its loss and cash flows for the financial year ended on that date; and
 - (ii) the other matters required by Divisions 4, 4A and 4B of Part 3.6 of the Corporations Law to be dealt within the financial statements;
- (b) in accordance with the provisions of the Corporations Law; and
- (c) in accordance with applicable Accounting Standards and other mandatory professional reporting requirements.

DELOITTE TOUCHE TOHMATSU
KF JONES
Partner
Chartered Accountants

Dated: 25 September 1995
Perth, WA

(References to page numbers in the above Auditor's Report refer to the original Financial Statements of the company and correspond in this report to pages 6 – 15)

INDEPENDENT
AUDITOR'S
REPORT
TO THE MEMBERS OF
FINBAR INTERNATIONAL
LIMITED

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STATEMENT BY DIRECTORS

In the opinion of the directors of Finbar International Limited:

- (a) the attached profit and loss account for the Company is drawn up so as to give a true and fair view of the result of the Company for the year ended 30th June 1995;
- (b) the attached balance sheet of the Company is drawn up as to give a true and fair view of the state of affairs of the Company for the year ended 30th June 1995;
- (c) as at the date of this statement there are reasonable grounds to believe that the Company will be able to meet its debts as and when they fall due.

Signed in accordance with a resolution of the directors made pursuant to section 303 (2) of the Corporations Law.



W K CHAN



P A RENGEL

PERTH WA

Date: 24th September 1995

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED
30TH JUNE 1995

	NOTE	1995 \$	1994 \$
Operating Profit/(Loss) before Abnormal Items and Income Tax	2	(58,007)	21,054
Abnormal Items	2(b)	(71,322)	(121,157)
Operating (Loss) before Income Tax	2	(129,329)	(100,103)
Income Tax (Expense)/Benefit attributable to Operating Loss	12	-	-
Operating Profit/(Loss) after Income Tax		(129,329)	(100,103)
Extraordinary Items (Income Tax Effect - Nil)	2(c)	-	2,426,528
Operating Profit/(Loss) and Extraordinary Items after Income Tax		(129,329)	2,326,425
Retained Profits/(Accumulated Losses) at the beginning of the financial year		(371,381)	(2,697,806)
Retained Profits/(Accumulated Losses) at the end of the financial year.		(500,710)	(371,381)

THE ACCOMPANYING NOTES WHICH FORM AN INTEGRAL PART OF THESE ACCOUNTS ARE INCLUDED ON PAGES 8 TO 15

	NOTE	1995 \$	1994 \$
CURRENT ASSETS			
Cash	3	1,274,127	1,393,844
Receivables	4	13,021	-
Investments	5	192,160	192,160
Inventories	6	1,290,173	-
Other	7	-	174,921
Total Current Assets		2,769,481	1,760,925
NON-CURRENT ASSETS			
Property, Plant & Equipment	8	2,674,777	826,000
Total Non-Current Assets		2,674,777	826,000
TOTAL ASSETS		5,444,258	2,586,925
CURRENT LIABILITIES			
Creditors & Borrowings	9	723,900	52,519
Total Current Liabilities		723,900	52,519
TOTAL LIABILITIES		723,900	52,519
NET ASSETS		4,720,358	2,534,406
SHAREHOLDERS EQUITY			
Share Capital	10	4,741,810	2,426,528
Reserves	11	479,259	479,259
Accumulated Losses		(500,711)	(371,381)
TOTAL SHAREHOLDERS' EQUITY		4,720,358	2,534,406

BALANCE SHEET
AS AT 30TH JUNE 1995

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THE ACCOMPANYING NOTES WHICH FORM AN INTEGRAL PART OF THESE ACCOUNTS ARE INCLUDED ON PAGES 8 TO 15

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The basis of Accounting applied in the preparation of these financial statements is as follows:

The accounts have been prepared using the historical cost convention, except for certain assets which are at valuation. The accounts have been prepared in accordance with Schedule 5 of the Corporations Regulations, applicable accounting standards, and comply with other requirements of the law.

1.1 INVESTMENTS

Investments are stated at the lower of cost or market value at year end. Dividends are brought to account as they are received.

1.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are initially recorded at cost then depreciated in accordance with prescribed rules. Depreciation is calculated so as to write off fixed assets over the respective useful lives of those assets, on a straight line basis.

1.3 RECOVERABLE AMOUNT OF NON-CURRENT ASSETS

Non-Current assets are written down to recoverable amount where the carrying value of any non-current assets exceeds recoverable amount. Recoverable amount is determined as the present value of the amount expected to be recovered through the cash inflows and outflows arising from the continued use and subsequent disposal of the non-current asset.

1.4 INCOME TAX

The Company adopts the liability method of accounting for income tax. 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 tax benefit or a deferred tax liability. The future income tax benefits relating to tax losses are only brought to account when their realisation is virtually certain.

1.5 INVENTORIES

Inventories are valued at the lower cost and not realisable value.

1995 1994
\$ \$

2. OPERATING PROFIT/(LOSS)

Operating Profit/(Loss) is determined after crediting/charging the following items:

a) REVENUE

Other Operating Income		
Sales – Other Investments	–	194,500
Rent	198,668	60,215
Dividends Received from other persons	5,600	13,003
Interest Received from other persons	65,953	30,480
TOTAL REVENUE	270,221	298,198

b) EXPENSES

Auditors remuneration		
Auditing the accounts	7,000	7,000
Other services (No other benefits were received)	21,430	10,600
Depreciation:		
Plant and equipment	35,792	10,700
Interest	46,344	–

Abnormal items – write back of provision for diminution in value of investment	–	62,029
Provisions for diminution in value of property	–	(183,186)
Reconstruction & capital raising costs (Income Tax Applicable – Nil)	(71,322)	(121,157)
	(71,322)	(121,157)

c) EXTRAORDINARY ITEMS

Reconstruction adjustment – including associated non-deductible expenses	–	2,426,528
Applicable income tax	–	–
	–	2,426,528

3. CASH

Deposits on Call	–	1,379,993
Cash at Bank	1,274,127	13,851
	1,274,127	1,393,844

4. RECEIVABLES

Sundry Debtors	13,021	–
	13,021	–

5. INVESTMENTS

Shares in Listed Entities – at cost (Market Value \$216,000 – (1994 \$396,000))	192,160	192,160
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6. INVENTORIES

Development Land at Cost	1,273,723	–
Development WIP	16,450	–
	1,290,173	–

NOTES TO AND
FORMING PART
OF THE
ACCOUNTS
CONTINUED

NOTES TO AND
FORMING PART
OF THE
ACCOUNTS
CONTINUED

	1995 \$	1994 \$
7. OTHER CURRENT ASSETS		
Prepayments	–	13,021
Contract deposit	–	161,900
	–	174,921
8. PROPERTY, PLANT & EQUIPMENT		
Land, at cost	1,490,909	541,939
Less: Provision for diminution in value (i)	(183,186)	(183,186)
	1,307,723	358,753
Buildings Fixtures & Fittings at cost	1,431,689	496,090
Less: Accumulated Depreciation	(64,635)	(28,843)
	1,367,054	467,247
Plant & Equipment, at cost	3,932	3,932
Less: Accumulated depreciation	(3,932)	(3,932)
	–	–
	2,674,777	826,000

Note (i) During the year ended 30th June 1994, the Company has made a provision for diminution in value of land following an independent review of land and buildings. The land & buildings were valued by John Kenneth McNamara; Fellow, Australian Institute of Valuers and Land Economists. The basis of valuation was capitalisation of potential net income. The Company has no regular policy of revaluation.

9. CREDITORS & BORROWINGS

Accrued Charges	23,900	15,446
Related entities – accrued accounts payable	–	37,073
Bank facility (secured by first mortgage)	700,000	–
	723,900	52,519

10. SHARE CAPITAL

Authorised

400,000,000 Ordinary Shares of \$0.25 Par Value	100,000,000	100,000,000
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Issued and Fully Paid

18,967,238 Ordinary Shares of \$0.25 Par Value	4,741,810	2,426,528
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(1994: 9,706,113 ordinary fully paid shares of \$0.25 par value). During the year a total of 4,800,000 fully paid ordinary shares and 4,800,000 options were issued in consideration of purchase of development land and a further 4,461,125 shares and options were issued pursuant to prospectus.

OPTIONS

The Company has on issue 9,261,4125 options exercisable at \$0.25 on or before 31st August 1999.

11. RESERVES

Share premium account	479,259	479,259
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	1995	1994
	\$	\$
12. INCOME TAX EXPENSE		
Operating Profit/(Loss) before Income Tax	(129,329)	(100,103)
Prima faxie Income Tax (Expense) Benefit (Calculation @ 33%)	42,679	33,034
Tax Losses and timing differences affecting future Income Tax benefits, not brought to account	(42,679)	(33,304)
	-	-

The Company has tax losses available to be applied against taxable income in future years.

The related income tax benefit of these losses has not been brought to account as the Australian Accounting Standards require recoverability to be virtually certain before this is allowed. The benefit of these losses will be obtained if:

- a. the Company has assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised;
- b. the conditions for deductibility imposed by the law are complied with; and
- c. no changes in tax legislation adversely affect the realisation of the benefit from the deductions for the losses.

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13. AUDITOR'S REMUNERATION

Amounts received or due and receivable by the auditors of the Company for:

- Auditing the financial statements	7,000	7,000
- Other services	21,430	10,600
	28,430	17,600

14. RELATED PARTIES

i) DIRECTORS

The directors at any time during the year were: MR W K CHAN, MR J B H CHEAK, MR G S COOMBE, MR K S LIM, MR K K LOH, MR R D MACMATH, MR P A RENGEL and MR R D RIMINGTON. MR G S COOMBE and MR R D MACMATH resigned on 27th April 1995; MR K S LIM resigned on 5th May 1995.

ii) REMUNERATION OF DIRECTORS

Directors fees received or due and receivable by directors from the Company and any related entity	20,000	5,000
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The number of company directors whose income from the corporations in the economic entity and other related corporations was within the specified bands are as follows:

\$0 - \$9,999	6	7
\$10,000 - \$19,999	2	-

iii) REMUNERATION OF EXECUTIVES

The Company has no full time executive staff. All administration and management services are provided by service entities in which directors have an interest.

iv) TRANSACTIONS WITH DIRECTORS

The Company has received administration and accounting services from a firm in which MR P A RENGEL is a principal, amounting to \$33,000 and administration services from a firm in which MR R D MACMATH is a principal, amounting to \$50,518. At a meeting of shareholders held on 27th April 1995, approval was given for the acquisition of development property from Onsu Pty Ltd, a company of which Mr W K Chan is a Director, for \$1,200,000 satisfied by the issue of shares and options.

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1995 1994
\$ \$

15. SEGMENT REPORTING

The Company operates only one industry segment within Australia

Revenue	270,221	298,198
Segment operating profit/(loss)	(129,329)	(100,103)
Segment Assets	5,444,258	2,586,925

The Company operates predominantly in one geographical segment, being Australia.

The major source from which the segment derives revenue is investment in realty, listed and unlisted shares.

16. SUBSEQUENT EVENTS

Subsequent to 30th June 1995 the Company has entered into a contract for the purchase of development property in North Perth at a purchase price of \$2,300,000, subject to certain conditions including approval for medium density residential development. A refundable deposit of \$50,000 has been paid on acceptance of the offer.

17. RELATED PARTY TRANSACTIONS

TRANSACTION	TERMS & CONDITIONS	RELATIONSHIP	AMOUNT PAID (RECEIVED)	
Secretarial & Accounting services paid to Priestley & Morris Chartered Accountants	Normal Commercial conditions	Accounting firm with which Mr P A Rengel, Director, is a partner	33,000	42,910
Administration services paid to Marolles Investments Pty Ltd	Normal Commercial conditions	A company in which Mr R D MacMath, Director, has an interest	50,578	32,492
Intercompany current balance – accrued	Normal Commercial conditions	Major Shareholder Chuan Hup Holdings Ltd	–	(37,073)
			SHARES	SHARES
Aggregate number of shares held directly, indirectly or beneficially by directors or their director-related entities at balance date	Substantial Shareholder	Chuan Hup Holdings Limited which has two common directors with the Company		
– ordinary shares			4,344,998	4,344,998

18. STATEMENT OF CASHFLOWS

	NOTE	INFLOWS (OUTFLOWS)	INFLOWS (OUTFLOWS)
a) Cash flows from operating activities:-			
Receipts from trading		270,221	254,715
Payment to suppliers and employees		(345,858)	(318,115)
Interest expense		(46,344)	–
Net cash from operating activities		(121,981)	(83,400)

	NOTE	1995 \$	1994 \$
b) Cash flows from investing activities:-			
Payment for property, plant and equipment		(1,884,569)	–
Interest received		65,952	30,480
Dividends received		5,600	13,003
Net cash from investment activities		(1,813,017)	43,483
c) Cash flows from financing activities:-			
Proceeds from borrowings		700,000	–
Capital issue subscriptions		1,115,281	37,073
Net cash from financing activities		1,815,281	37,073
NET INCREASE/(DECREASE) IN CASH HELD		(119,717)	(2,844)
Cash held at the beginning of the financial year		1,393,844	1,396,688
Cash at the end of the financial year	19(1)	1,274,127	1,393,844

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19. NOTES TO THE STATEMENT OF CASH FLOWS

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

Cash at bank	1,274,127	13,851
Short Term Deposits	–	1,379,993
	1,274,127	1,393,844

- 2) Reconciliation of operating profit after income tax to net cash provided by operating activities.

Operating profit/(loss) after income tax	(129,329)	(100,103)
Add/(less) items classified as investing/ financing activities:		
Interest received	(65,952)	(30,480)
Dividends received	(5,600)	(13,003)
Add/(less) non cash items:		
Depreciation	35,792	10,700
Provision for diminution written back	–	(62,029)
Provision for property write down	–	183,186
	(165,089)	(11,729)

Net cash provided (used) by operating activities
before change in assets and liabilities:
Change in assets and liabilities during the
financial year

(Increase)/decrease in debtors	(13,021)	12,935
(Increase)/decrease in investments	–	79,869
(Increase)/decrease in other current assets *	84,748	(174,921)
Increase/(decrease) in accruals	(28,619)	10,466

* Excluding inventory of development land
\$1,200,000 purchased with shares.

Net cash provided by operating activities	(121,981)	(83,400)
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- 3) No firmly committed financing facilities were available to the Company at the end of the financial year.
- 4) Non Cash Financing and Investment Activities During the year the Company acquired land at independent valuation \$1,200,000 for the issue of 4,800,000 ordinary shares of \$0.25 par value each fully paid plus 4,800,000 options to subscribe for \$0.25 ordinary shares at par on or before 31st August 1999.

	1995 \$	1994 \$
20. EARNINGS PER SHARE		
Basic earnings per share (cents per ordinary 25 cent par value share)	(0.011)	(0.01)
Diluted earnings per share (cents per ordinary 25 cent par value share)	(0.009)	(0.01)
The weighted average number of ordinary shares on issue used in the calculation of basic earnings per share:-	11,686,118	

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21. SHAREHOLDER INFORMATION

Details of shareholdings in Finbar International Limited as at 30th June 1995. All shares are ordinary 25 cents par value shares with equal voting rights.

(i) DISTRIBUTION OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	% OF SHAREHOLDERS	NUMBER OF SHARES	% OF ISSUED CAPITAL
1 – 1,000	402	39.64	127,678	0.67
1,001 – 5,000	63	6.21	156,612	0.83
5,001 – 10,000	503	49.61	4,044,178	21.32
Over 10,000	46	4.54	14,638,770	77.18
	1,014	100.00	18,967,238	100.00

(ii) The number of shareholders with less than a marketable parcel of 2,000 shares was 429.

(iii) Substantial shareholders:-

	NUMBER	%
Onsui Pty	4,800,000	25.31
LtdChuan Hup Holdings Limited	4,344,998	22.91
Dick Sapi-ie	1,000,000	5.27
Tatang Tabrani	987,912	5.21

(iv) Twenty largest shareholders:-

NAME	SHARES	%	OPTIONS	%
Onsui Pty Ltd	4,800,000	25.31	4,800,000	20.48
Chuan Hup Holdings Limited	4,344,998	22.91	4,344,998	18.54
Mr Dick Sapi-ie	1,000,000	5.27	1,000,000	4.26
Mr Tatang Tabrani	987,912	5.21	987,912	4.21
Chilong Development Company Limited	495,000	2.61	495,000	2.11
Hang Cheong Finance Ltd	485,000	2.56	485,000	2.07
Mr Irfin Basoeki	460,100	2.43	460,100	1.96
Cheak Mun Luen	370,000	1.95	370,000	1.57
C B A Nominees Limited	148,950	0.79	148,950	0.60
McQuaid Investments Limited	143,300	0.76	143,300	0.59
Swee Lan Choong	114,000	0.60	114,000	0.40
Charldon Inc.	108,210	0.57	108,210	0.39
CDFCA Investments Limited	100,000	0.53	100,000	0.38
Lee Geok Thye (Holdings) Sdn Bhd	100,000	0.53	100,000	0.38
Malinjaya Sdn Bhd	100,000	0.53	100,000	0.38
Mr Ah Hwa Lim	86,000	0.45	86,000	0.25
How Seang Koay	84,000	0.44	84,000	0.25
Citicorp Nominees Pty Limited	50,000	0.26	50,000	0.20
Mr Kurt Potschke	50,000	0.26	50,000	0.20
Westpac Custodian Nominees Limited	50,000	0.26	50,000	0.20
Top 20 Total	14,077,470	74.23	14,077,470	59.42

As at balance date, the Company has no contingent liability under service agreements with directors or persons who take part in the management of the Company.

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