

WINPAR HOLDINGS LIMITED

ANNUAL REPORT 2007

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DIRECTORS REPORT

The Directors present their report together with the accounts of Winpar Holdings Limited for the financial year ended 30 June 2007.

DIRECTORS

The following persons have held office as directors during the financial year and since the end of the financial year:

John Weston Seaforth Mackenzie
Robert Franklin Cameron
Gordon Bradley Elkington
John David Honan
Steven Shane Pritchard
Alfred Edward Fulton Rofe

SECRETARY

The Secretary has been Gordon Bradley Elkington during the financial year and since the end of the financial year.

INFORMATION ABOUT DIRECTORS AND SECRETARY

John Weston Seaforth Mackenzie, A.M., B.Sc. Agr. (Hons.), F.A.I.A.S.T., M.A.A.A.C.

Mr. Mackenzie is an agricultural scientist with more than 40 years' experience in business and representative organizations. He is a former Treasurer of the National Farmers' Federation and a former Chairman of the Australian Shareholders' Association. He has been a director of the Company since 1996 and is the Company Chairman.

Robert Franklin Cameron

Mr. Cameron resigned as a director of the Company on 28 August 2007.

Gordon Bradley Elkington, B.Sc. (Hons.), M.Sc., Ph.D., LL.M.

Dr. Elkington is a Barrister of the Supreme Court of New South Wales. He is a director of Stokes (Australasia) Limited, Pritchard Equity Limited and Penrose Club Holdings Limited. He has been a director of the Company since 1994 and is the Company Secretary.

John David Honan, B.A., M.A., F. Fin.

Mr. Honan is an associate director and the Chief Economist of Ausbil Dexia Limited, a wholesale funds manager associated with Bank Internationale a Luxembourg and with Dexia. He has also lectured and examined for the Securities Institute of Australia. He has been a director of the Company since 2001.

Steven Shane Pritchard, B.Com., C.P.A., F. Fin.

Mr. Pritchard is a Certified Practising Accountant, and an affiliate member and past director and chairman of The Stock Exchange of Newcastle Limited. He is the principal of the Newcastle based accounting firm Rees Pritchard Pty. Limited. He is a director of Illuminator Investment Company Limited, a director of Florin Mining Investment Company Limited, and the Chairman of Pritchard Equity Limited. He has been a director of the Company since 2003.

Alfred Edward Fulton Rofo, A.M., B.A., LL.M., Grad. Dip. Corp. Sec. Law (Sydney), B. Com. (U.N.S.W.), F.C.P.A., F.Fin., A.C.I.S.

Mr. Rofo practised as a Solicitor of the Supreme Court of New South Wales from 1964 to 1997, and lectured in Financial Accounting at The University of New South Wales from 1974 to 1998. He has served on a number of government committees, and is presently a member of the Financial Reporting Panel. He was Chairman of the Australian Shareholders Association for many years, and in 2002 was appointed as a Member of the Order of Australia for services to the finance industry and the protection of the rights and interests of investors. He was appointed as a director of the Company on 19 September 2007.

DIRECTORS INTERESTS IN THE COMPANY

At the date of this report the directors who hold office hold the following relevant interests in shares in the Company.

	Shares held directly	Shares held indirectly
Mr. John Mackenzie	0	11,140
Dr. Gordon Elkington	406,729	0
Mr. John Honan	0	12,049
Mr. Steven Pritchard	0	206,512
Mr. Alfred Rofo	8,272	0

DIRECTORS MEETINGS ATTENDED

There were four directors meetings held during the financial year. Attendances at these meetings were as follows:

Mr. John Mackenzie	4
Mr. Robert Cameron	4
Dr. Gordon Elkington	4
Mr. John Honan	4
Mr. Steven Pritchard	4

There were two meetings of the audit committee held during the financial year. Attendances at this meeting were as follows:

Mr. John Mackenzie	2
Mr. John Honan	2
Mr. Steven Pritchard	2

PRINCIPAL ACTIVITIES

The principal activities in which the Company was engaged during the financial year were share trading and investment.

The trading portfolio as at 30 June 2007 is set out on pages 24-26.

The investment portfolio as at 30 June 2007 is set out on pages 27-29. The investments making up this portfolio are considered to be long term investments, and are not intended to be traded.

RESULT OF OPERATIONS

The net profit for the year after provision for income tax was \$1,003,551 (2006: \$405,585).

REVIEW OF OPERATIONS

There was no change in the nature of the Company's activities during the year, and there were no significant events which affected the Company's performance. However the strong rise in the equities market contributed significantly to the Company's result.

DIVIDENDS

On 8 December 2006 the Company paid a fully franked dividend of 3 cents per share to members registered as at 31 October 2006. The total amount of the dividend was \$87,280.

On 28 June 2007 the Company paid a fully franked dividend of 5 cents per share to members registered as at 30 April 2007. The total amount of the dividend was \$148,887.

The Company proposes to pay a fully franked dividend of 5 cents per share on 30 November 2007 to members registered as at 31 October 2007. The total amount of the dividend will be \$154,837.

LIKELY DEVELOPMENTS

The Company intends to continue with its activities of investment and share trading.

EVENTS SUBSEQUENT TO BALANCE DATE

On 31 August 2007 Mr. Robert Cameron resigned as a director of the Company.

On 19 September 2007 Mr. Edward Rofe was appointed as a director of the Company to fill the casual vacancy created by Mr. Cameron's resignation.

No other matters of significance have arisen since balance date.

REMUNERATION REPORT

No fees have been paid to the Company's directors during or after the end of the financial year.

INDEMNITIES

No indemnification agreements have been entered into and no insurance premiums have been paid in respect of officers or auditors of the Company during the financial year.

PROCEEDINGS ON BEHALF OF COMPANY

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

CORPORATE GOVERNANCE

The Board is responsible for ensuring that the Company is properly managed so that shareholders' interests are protected and enhanced, disclosure and reporting obligations are complied with, and conflicts of interest are avoided. To this end the Board has delineated the functions of its officers and management, and regularly reviews the Company's financial performance and financial position.

The Board has established an Audit Committee consisting of non-executive directors, whose function it is to review the Company's accounts independently of management.

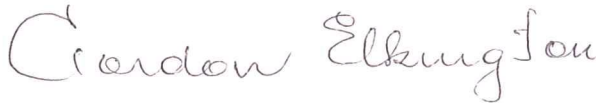
AUDITORS INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2007 is set out on page 23.

Signed on 28 September 2007 in accordance with a resolution of the Board of Directors.



Steven Shane Pritchard
Director



Gordon Bradley Elkington
Director

WINPAR HOLDINGS LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
Sale of financial assets	2	2,137,928	1,776,293
Cost of sales	3	<u>(1,536,484)</u>	<u>(1,336,351)</u>
		601,444	439,942
Financial assets - movements in fair value		<u>527,309</u>	<u>87,024</u>
Gross profit		1,128,753	526,966
Other revenue from ordinary activities	2	381,285	136,616
Finance costs	3	(6,982)	(6,131)
Other expenses from ordinary activities	3	<u>(107,474)</u>	<u>(93,551)</u>
Profit before income tax		1,395,582	563,900
Income tax expense	4	<u>(392,031)</u>	<u>(158,315)</u>
Profit for the year		<u>1,003,551</u>	<u>405,585</u>
 Basic earnings per share	 7	 <u>\$ 0.340</u>	 <u>\$ 0.144</u>

WINPAR HOLDINGS LIMITED

BALANCE SHEET
AS AT 30 JUNE 2007

	Note	2007 \$	2006 \$
CURRENT ASSETS			
Cash and cash equivalents	8	60,558	70,085
Trade and other receivables	9	62,128	31,470
Inventories	10	2,709,428	2,152,190
TOTAL CURRENT ASSETS		<u>2,832,114</u>	<u>2,253,745</u>
NON-CURRENT ASSETS			
Financial Assets	11	2,248,648	1,743,546
Property plant & equipment	12	723	1,156
TOTAL NON-CURRENT ASSETS		<u>2,249,371</u>	<u>1,744,702</u>
TOTAL ASSETS		<u>5,081,485</u>	<u>3,998,447</u>
CURRENT LIABILITIES			
Trade and other payables	13	92,569	85,614
Short term Borrowings	14	-	136,217
Current tax liabilities	15	256,177	60,859
Provisions	16	-	95,000
TOTAL CURRENT LIABILITIES		<u>348,746</u>	<u>377,690</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities	15	311,748	169,933
TOTAL LIABILITIES		<u>660,494</u>	<u>547,623</u>
NET ASSETS		<u>\$4,420,991</u>	<u>\$ 3,450,824</u>
EQUITY			
Issued capital	17	3,096,732	2,909,345
Revaluation Reserve		124,587	109,191
Retained earnings		1,199,672	432,288
TOTAL EQUITY		<u>\$4,420,991</u>	<u>\$ 3,450,824</u>

WINPAR HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2007

	Note	Share Capital Ordinary	Revaluation Reserve	Retained Earnings	Total
		\$		\$	\$
Balance at 1 July 2005		2,789,310	(45,899)	195,751	2,939,162
Shares issued during the year	17	120,035		-	120,035
Profit attributable to members		-		405,585	405,585
Revaluation increment/(decrement)			155,090		155,090
Sub-total		2,909,345	109,191	601,336	3,619,872
Dividends paid or provided for	6	-		(169,048)	(169,048)
Balance at 30 June 2006		\$ 2,909,345	\$ 109,191	\$ 432,288	\$ 3,450,824
Balance at 1 July 2006		2,909,345	109,191	432,288	3,450,824
Shares issued during the year	17	187,387			187,387
Profit attributable to members				1,003,551	1,003,551
Revaluation increment/(decrement)			15,396		15,396
Sub-total		3,096,732	124,587	1,435,839	4,657,158
Dividends paid or provided for	6	-		(236,167)	(236,167)
Balance at 30 June 2007		\$ 3,096,732	\$ 124,587	\$ 1,199,672	\$ 4,420,991

WINPAR HOLDINGS LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of trading securities		2,118,546	1,776,297
Other investment income		173,521	114,838
Payments for trading securities and to suppliers		(1,742,806)	(1,778,375)
Income tax paid		(61,496)	(10,675)
Net cash used in operating activities	21(b)	<u>487,765</u>	<u>102,085</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments		335,584	72,012
Payments for purchase of investments		(617,302)	(299,966)
Purchases of plant & equipment		-	-
Net cash used in operating activities		<u>(281,718)</u>	<u>- 227,954</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(48,780)	(49,013)
Proceeds from share issue		-	-
Repayment of borrowings		(166,794)	-
Proceeds from borrowing		-	105,610
Net cash used in financing activities		<u>(215,574)</u>	<u>56,597</u>
NET INCREASE/(DECREASE) IN CASH HELD		(9,527)	(69,272)
CASH AT BEGINNING OF FINANCIAL YEAR		<u>70,085</u>	<u>139,357</u>
CASH AT END OF FINANCIAL YEAR	21(a)	<u>\$ 60,558</u>	<u>\$ 70,085</u>

WINPAR HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, and the Corporations Act 2001.

Winpar Holdings Limited is a listed public company, incorporated and domiciled in Australia. The financial report of Winpar Holdings Limited complies with all International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

(a) Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is charged in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefit brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(b) Inventories

The portfolio of shares held as current assets has been stated at its fair value.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment loss.

WINPAR HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over their useful lives to the company from the time each asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation rate
Computer equipment	37.50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(d) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through the income statement

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity. Other unlisted investments have been stated at cost or directors' valuation.

Fair Value

Fair Value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, and reference to similar instruments.

WINPAR HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

Impairment

At each reporting date the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(e) Impairment of Assets

At each reporting date the carrying values of tangible and intangible assets are reviewed to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, then recoverable amount of the cash-generating unit to which the asset belongs is estimated.

(f) Foreign Currency Transactions and Balances

The financial statements are presented in Australian dollars which is the company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Exchange differences arising on the translation of monetary items are recognised in the income statement.

(g) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities three months or less, and bank overdrafts.

(i) Revenue

Dividends and interest have been brought into account in the profit and loss when received or receivable.

(j) Borrowing Costs

Borrowing costs are recognised in the income statement in the period in which they are incurred.

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheets are shown inclusive of GST.

(l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

WINPAR HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
2 REVENUE			
Sale of financial assets		2,137,928	1,776,293
Other Revenue :			
Financial assets - movements in fair value		527,309	87,024
Dividends received		98,970	42,259
Interest received		21,306	4,334
Trust income		10,551	6,298
Foreign source income		23,125	66,974
Sundry income		26,602	-
Foreign currency exchanges		-	2,933
Profit on sale of investment stock		200,731	13,818
		381,285	136,616
Total Revenue		\$3,046,522	\$ 1,999,933
3 PROFIT FOR THE YEAR			
Cost of sales		1,536,484	1,336,351
Finance costs:			
- external		6,982	6,131
Expenses			
Depreciation		433	694
Legal expenses		-	14,004
Auditor's remuneration	5	11,307	15,636
Other expenses		95,734	63,217
		107,474	93,551
Total expenses		\$1,650,940	\$ 1,436,033
4 INCOME TAX EXPENSE			
The components of tax expense comprise:			
Current tax		256,658	58,325
Deferred tax		135,217	99,990
Over provision in respect of prior years		156	-
		392,031	158,315
The prima facie tax on profit/(loss) from ordinary activities before income tax is reconciled to the income tax as follows:			
Prima facie tax payable on profit/(loss) from ordinary activities before income tax at 30%		418,675	169,170
Less tax effect of:			
-rebateable fully franked dividends		(26,318)	(10,085)
-tax effect of WHT		(482)	
-trust distributions received			(770)
-under/(over) provision for income tax prior years		156	-
		\$ 392,031	\$ 158,315

WINPAR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$	2006 \$
5 AUDITOR'S REMUNERATION		
Remuneration of the auditor of the Company for: Auditing or reviewing the financial report	<u>11,307</u> \$ 11,307	<u>15,636</u> \$ 15,636
6 DIVIDENDS		
Distributions paid:		
2007: 08/12/06 (2006: 4/1/2006) Interim fully franked ordinary dividend paid of 3 cents per share (2006: 3cents) franked at the rate of 30% (2006 30%)	87,280	83,679
2007: 28/06/07 (2006: 23/06/2006) Interim fully franked ordinary dividend paid of 5 cents per share (2006: 3cents) franked at the rate of 30% (2006 30%)	<u>148,887</u>	<u>85,369</u>
	<u>236,167</u>	<u>169,048</u>
Balance of franking account at year end adjusted for franking credits which will arise from payment of income tax provided for in the financial statements and on dividends recognised as receivable, and after deducting franking credits to be used in payment of dividends and franking credits that may be prevented from distribution in subsequent financial years. Franking credits accumulated at beginning of year	100,834	148,201
Imputation credits from franked dividends	37,597	14,407
Tax paid net of refunds	58,326	10,675
Deferred tax instalment	2,689	
Dividends paid	<u>(101,214)</u>	<u>(72,449)</u>
	98,232	100,834
Franking credits expected to arise from payment of 2007 income tax and deferred tax	<u>256,658</u> \$ 354,890	<u>84,502</u> \$ 185,336
7 EARNINGS PER SHARE	Cents	Cents
(a) Basic and diluted earnings per share		
Profit from continuing operations attributable to the ordinary equity holders of the company	<u>34</u>	<u>14.4</u>
Profit attributable to the ordinary equity holders of the company	<u>34</u>	<u>14.4</u>
(b) Reconciliation of earnings used in calculating earnings per share		
Basic and diluted earnings per share		
Profit from continuing operations	<u>\$1,003,551</u>	<u>\$ 405,585</u>
Profit attributable to the ordinary equity holders of the company used in calculating basic and diluted earnings per share	<u>\$1,003,551</u>	<u>\$ 405,585</u>
(c) Weighted average number of shares used as the denominator	2007 Number	2006 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	<u>2,949,239</u>	<u>2,824,808</u>

WINPAR HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$	2006 \$
8 CASH AND CASH EQUIVALENTS		
Cash at financial institutions	<u>\$ 60,558</u>	<u>\$ 70,085</u>
9 TRADE AND OTHER RECEIVABLES		
Trade receivables	31,535	12,153
Other receivables	<u>30,593</u>	<u>19,317</u>
	<u>\$ 62,128</u>	<u>\$ 31,470</u>
10 INVENTORIES		
Listed equities portfolio held for resale		
Financial assets held for sale - fair value	<u>\$2,709,428</u>	<u>\$ 2,152,190</u>
11 OTHER FINANCIAL ASSETS		
Equities portfolio held as investments		
Available-for-sale financial assets	<u>\$2,248,648</u>	<u>\$ 1,743,546</u>
Available for sale financial assets comprise		
Listed investments, at fair value		
- shares in listed corporations	1,524,181	1,063,591
Unlisted investments, at cost		
Shares in other corporations at cost	<u>724,467</u>	<u>679,955</u>
Total available for sale financial assets	<u>\$2,248,648</u>	<u>\$ 1,743,546</u>
12 PROPERTY PLANT & EQUIPMENT		
Computer equipment - at cost	5,376	5,376
Less accumulated depreciation	<u>(4,653)</u>	<u>(4,220)</u>
	<u>\$ 723</u>	<u>\$ 1,156</u>
Movements in carrying amount	Computer equipment	
Balance at the beginning of the year	1,156	1,850
Additions	-	-
Depreciation expense	<u>(433)</u>	<u>(694)</u>
Carrying amount at the end of year	<u>\$ 723</u>	<u>\$ 1,156</u>
13 TRADE AND OTHER PAYABLES		
Sundry payables and accrued expenses	<u>\$ 92,569</u>	<u>\$ 85,614</u>
14 BORROWINGS		
Secured liabilities		
BT Margin Lending	<u>\$ -</u>	<u>\$ 136,217</u>

WINPAR HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$	2006 \$
15 TAX LIABILITIES		
CURRENT		
Income tax	<u>\$ 256,177</u>	<u>\$ 60,859</u>
NON-CURRENT		
Income tax	-	-
Deferred tax liability	<u>311,748</u>	<u>169,933</u>
	<u>\$ 311,748</u>	<u>\$ 169,933</u>
Deferred tax liability comprises:		
-Tax effect of values adopted in relation to financial assets held for sale	273,763	163,007
-Revaluation Reserve	53,394	46,796
-Other	<u>(15,409)</u>	<u>(39,870)</u>
	<u>\$ 311,748</u>	<u>\$ 169,933</u>
16 PROVISIONS		
Provision for legal fees	<u>\$ -</u>	<u>\$ 95,000</u>
17 ISSUED CAPITAL		
Ordinary Shares		
At the beginning of the reporting period	2,909,345	2,789,310
Shares issued during the year		
68,389 at \$1.00 on 8 December 2006 (DRP)	68,389	56,302
118,998 at \$1.00 on 28 June 2007 (DRP)	<u>118,998</u>	<u>63,733</u>
	<u>3,096,732</u>	<u>2,909,345</u>

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled on a poll to one vote per share at shareholders meetings. On a show of hands each member present at a meeting in person or by proxy or representative has one vote. In the event of the winding up of the Company ordinary shareholders rank after creditors and share in any proceeds on winding up in proportion to the number of shares held.

18 CONTINGENT LIABILITIES

Some costs orders have been made against the Company in connection with proceedings to which it has been a party. No action has been taken against the company to quantify or recover these costs.

19 SEGMENT REPORTING

The Company operates in Australia as an investment company.

20 RESERVES

Revaluation Reserve
The revaluation reserve records revaluation of financial assets.

WINPAR HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$	2006 \$
21 CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related item in the Statement of Financial Position as follows:		
Cash at financial institutions	\$ 60,558	\$ 70,085
(b) Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit/(loss) from ordinary activities after income tax	1,003,551	405,585
Non-cash flows in profit from ordinary activities		
Dividends reinvested		(81)
Depreciation	433	694
Net loss/(gain) on disposal of investments	(200,782)	(13,818)
Net loss/(gain) on disposal of trading stock	(601,444)	(439,942)
Changes in assets and liabilities		
(Increase)/decrease in deferred tax assets/liabilities		99,993
(Increase)/decrease in trade & other debtors	(29,996)	8,735
(Increase)/decrease in prepayments	(662)	
(Increase)/decrease in shares held for resale	43,598	(46,908)
Increase/(decrease) in trade & other creditors	(57,468)	40,176
Increase/(decrease) in income taxes payable	330,535	47,651
	<u>\$ 487,765</u>	<u>\$ 102,085</u>

22 RELATED PARTY DISCLOSURE

(a) Directors

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

John Weston Seaforth Mackenzie
Robert Franklin Cameron
Gordon Bradley Elkington
John David Honan
Steven Pritchard

(b) Share transactions of directors

Directors and director related entities held in aggregate directly, indirectly or beneficially shares in the company totalling 644,702 shares. Details of specific holdings are detailed in the Directors Report.

(c) Directors remuneration

No director received remuneration from the company in respect of his services as a director.

(d) Transactions with directors

Since the end of the previous financial year no director of the Company has received or become entitled to receive a benefit arising out of any contract that the director, a firm of which the director is a member or an entity in which the director has a substantial financial interest except as follows:-

Commissions were paid on ordinary commercial terms to Cameron Stockbrokers Limited, a company in which each of Mr Robert Cameron and Mr Steven Pritchard has a substantial financial interest, for buying and selling shares for the Company. Commissions of \$42,142 in total were paid.

Fees were paid to Newcastle Capital Markets Registries Pty Ltd, a company in which Mr Steven Pritchard has an indirect interest for providing share registry services to the company. The total amount paid was \$12,320 (inclusive of GST).

The Company occupies a room adjoining the offices of Cameron Stockbrokers Limited, and uses Cameron Stockbrokers Limited's office facilities. No charge is made for the accommodation or services.

WINPAR HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

23 DIRECTORS AND EXECUTIVES DISCLOSURE

In accordance with the Corporations Amendments Regulation 2005 (No. 4) the Company has transferred the disclosure required by AASB 1046 from the Notes to the Financial Statements to the Remuneration Report in the Directors Report.

24 FINANCIAL INSTRUMENTS

(a) Interest rate risk

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below.

	Weighted average interest rate	Floating interest rate \$	Non-interest bearing \$	Total \$
2007				
Financial assets				
Cash and cash equivalents	3.0%	60,558	-	60,558
Receivables		-	62,128	62,128
Investments		-	4,958,076	4,958,076
		<u>60,558</u>	<u>5,020,204</u>	<u>5,080,762</u>
Financial liabilities				
Payables		-	92,569	92,569
Borrowings	0.0%	-	-	-
		<u>-</u>	<u>92,569</u>	<u>92,569</u>
2006				
Financial assets				
Cash and cash equivalents	3.0%	70,085	-	70,085
Receivables		-	31,470	31,470
Investments		-	3,895,736	3,895,736
		<u>70,085</u>	<u>3,927,206</u>	<u>3,997,291</u>
Financial liabilities				
Payables		-	85,614	85,614
Borrowings	7.8%	136,217	-	136,217
		<u>136,217</u>	<u>85,614</u>	<u>221,831</u>

(b) Credit risk

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 Income Statements, is the carrying amount. The Company is not materially exposed to any individual credit risk.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company monitors its cash flow requirements and ensures that it has either cash or access to short term borrowing facilities to meet any payments. The assets of the Company are largely in the form of readily tradable securities which can be sold on the market if necessary.

(d) Market risk

Market risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market conditions. Because the Company invests a substantial part of its assets in tradable securities which are not risk free, it is always subject to market risk. The investments are however widely spread so that the risk is minimised.

(e) Net fair values

The carrying amounts of financial instruments on the Balance Sheet approximate their net fair values.

WINPAR HOLDINGS LIMITED

DIRECTORS' DECLARATION


The Company's Chief Executive Officer and Chief Finance Officer have each declared that:

- (a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act*;
- (b) the financial statements and notes for the financial year comply with Accounting Standards; and
- (c) the financial statements and notes for the financial year give a true and fair view of the affairs of the Company.

In the opinion of the directors:

- (a) the financial statements and notes set out on pages 7-19:
 - (aa) are in accordance with the *Corporations Act*;
 - (ab) give a true and fair view of the Company's financial position as at 30 June 2007, its financial performance as represented by the results of its operations, and its cash flows for the year ended 30 June 2007; and
 - (ac) comply 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 on 28 September 2007 in accordance with a resolution of the Board of Directors.


Steven Shane Pritchard
Director


Gordon Bradley Elkington
Director

WINPAR HOLDINGS LIMITED
INDEPENDENT AUDITORS REPORT
TO MEMBERS

REPORT ON THE FINANCIAL REPORT

I have audited the accompanying financial report of Winpar Holdings Limited, which comprises the balance sheet as at 30 June 2007, the income statement, the statement of changes in equity and the cash flow statement for the year ended 30 June 2007, the summary of significant accounting policies, other explanatory notes and the directors declaration.

DIRECTORS RESPONSIBILITY FOR THE FINANCIAL REPORT

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act*. Their responsibility includes an obligation to establish and maintain internal controls for the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. In note 1 the directors also state, in accordance with Accounting Standard A.A.S.B. 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (I.F.R.S.) ensures that the financial report, comprising the financial statements and notes, complies with I.F.R.S. The audit opinion expressed in this report has been formed on this basis.

AUDITORS RESPONSIBILITY

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These standards require that I comply with relevant ethical requirements for audit engagements, and perform the audit to obtain reasonable assurance that the financial report is free from material misstatement.

An audit involves carrying out procedures to obtain audit evidence relating to the figures and disclosures in the financial report. The procedures selected depend on the auditors judgement, including an assessment of the risks of material misstatement in the financial report, whether due to fraud or error. In making the risk assessment the auditor considers internal controls for the preparation and fair presentation of the financial report, in order to design audit procedures which are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal controls generally. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

INDEPENDENCE

In conducting my audit, I have complied with the requirements of the *Corporations Act*.

AUDITORS OPINION

In my opinion the financial report of Winpar Holdings Limited:

- (a) is in accordance with the *Corporations Act*;
- (b) gives a true and fair view of the company's financial position as at 30 June 2007 and its financial performance for the year ended 30 June 2007;
- (c) complies with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations*; and
- (d) complies with International Financial Reporting Standards as disclosed in note 1.

Signed on 28 September 2007.



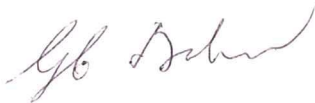
Graham Baker
Graham Baker and Associates
2 Kennedy Place
St. Ives
New South Wales 2075

WINPAR HOLDINGS LIMITED
AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2007 there have been:

- (a) no contraventions of the auditor independence requirements set out in the *Corporations Act* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

Signed on 28 September 2007.

A handwritten signature in dark ink, appearing to read 'Graham Baker', written in a cursive style.

Graham Baker
Graham Baker and Associates
2 Kennedy Place
St. Ives
New South Wales 2075

TRADING PORTFOLIO
AS AT 30 JUNE 2007

Company	Number	Market \$
900 Degrees Limited	862,083	66,381
Accent Resources No Liability [option: 30.09.09]	100,000	5,500
Adultshop.com Limited	100,000	2,100
Allstate Explorations No Liability	202,246	25,281
Allstate Explorations No Liability [contributing]	35,747	465
Atlantic Gold No Liability [contributing]	275,000	1,100
Atlantic Gold No Liability [option: 01.11.07]	21,626	692
Ausron Limited	30,035	1,382
Avantogen Limited	290,476	14,814
Avantogen Limited [option: 31.12.07]	168,315	2,525
Beaconsfield Gold No Liability	50,227	14,064
Berklee Limited	15,000	7,500
Bougainville Copper Limited	1,052	805
Brainytoys Limited	26,461	2,381
Buka Gold Limited	175,000	15,750
Canada Land Limited	91,000	9,100
Capral Aluminium Limited	82,000	59,450
Carrington Cotton Corporation Limited	100	450
C. G. A. Mining Limited	40,000	26,000
Chongherr Investments Limited	50,000	1,750
Clough Limited	20,000	10,800
C. M. I. Limited [preference]	6,000	7,680
Codan Limited	5,000	4,700
Collins and Leahy Holdings Limited	11,460	17,190
Coonawarra Australia Property Trust	10,000	5,550
Cumnock Coal Limited	20,000	4,800
Ebet Limited	50,000	8,250
Elkedra Diamonds No Liability [note]	6,667	24,000
Evans and Tate Limited [note]	216,900	91,098
Evans and Tate Limited [preference]	400,000	88,000
Evans and Tate Limited [option: 30.10.07]	214,827	215
Farsands Corporation Limited [option: 30.11.08]	280,000	18,200
Fermiscan Holdings Limited	7,000	14,630
Florin Mining Investment Company Limited	334,426	76,918
Florin Mining Investments Limited [option: 15.12.08]	130,000	1,300
Frigrite Limited	60,000	31,800
Golden Cross Resources Limited	300,000	12,600

Goldlink Incomeplus Limited	70,000	14,700
Gujarat N. R. E. Resources No Liability [option: 31.12.07]	100,000	15,500
Halcyon Group Limited	1,300,000	23,400
Hampton Hill Mining No Liability	500,000	127,500
Highlands Pacific Limited	50,000	8,500
H. J. and B. Limited	20,000	5,100
Homeleisure Limited	30,000	4,800
I. C. S. Golbal Limited	150,380	42,106
Ideas International Limited	50,000	7,500
I. M. B. Limited	11,660	36,729
I. M. D. Group Limited	300,000	16,500
Internova M. C. I. Limited	2,500	1,517
Inventis Limited	20,000	8,400
Kentor Gold Limited	102,667	16,427
K. H. Foods Limited	201,200	32,192
King Solomon Mines Limited	200,000	46,000
Korvest Limited	10,000	58,100
Lend Lease Corporation Limited	1,200	22,248
Lipa Pharmaceuticals Limited	50,000	40,500
Loop Molbile Limited	6518	1,304
Macquarie Radio Network Limited	10,000	12,600
Magellan Petroleum Corporation	1,778	2,934
Magma Metals Limited	75,000	31,500
McPhersons Limited	20,000	68,000
Media Corporation Australia Limited	75,400	15,080
Merchant House International Limited	100,000	22,500
Mermaid Marine Australia Limited	88,404	167,526
Metabolic Pharmaceuticals Limited	50,000	6,500
Mithril Resources Limited	27,960	8,947
Mobileactive Limited	567,665	76,635
Money3 Corporation Limited	5,000	4,500
Multiplex Acumen Property Fund	40,246	52,521
National Can Industries Limited	17,825	31,194
National Leisure and Gaming Limited	40,000	14,600
New Bounty Limited	1,461,526	43,846
Nylex Limited	26,016	39,169
Nylex Limited [option: 12.12.09]	7,265	2,361
Oldfields Holdings Limited	45,659	50,225
On Q. Group Limited [option: 30.05.08]	5,000	425
Orient Resources Holdings Limited	1,375	144
Pacific Mining Limited	140,500	21,075
P. Cleland Enterprises Limited	7,100	2,982
Pearl Health Care Limited	19,765	8,301
Prima Biomed Limited	300,000	7,800

Prime Financial Group Limited	15,000	15,450
Pritchard Equity Limited [A ordinary]	5,000	5000
Pritchard Equity Limited [B ordinary]	5,000	5000
Pritchard Equity Limited [A option]	5,000	100
Pritchard Equity Limited [B option]	2,500	50
Pritchard Equity Limited [C option]	2,500	50
Pro-pac Packaging Limited	20,000	7,200
Q. Limited	400,000	36,000
Redbank Mines Limited	100,000	12,500
Redbank Mines Limited [option: 31.05.08]	30,253	847
Retail Star Limited	34,589	1,038
Rinker Group Limited	2,000	37,680
Shieldliner Limited	120,000	27,600
Sigma Pharmaceuticals Limited	4,391	9,309
Simon Gilbert Wines Limited	550,000	31,350
Skydome Holdings Limited	25,000	8,750
Smorgon Steel Group Limited	14,000	37,520
Soda Brands Limited	10,000	1,700
Souls Private Equity Limited	100,100	24,524
Souls Private Equity Limited [option: 10.12.09]	1,955	78
S. P. Telemedia Limited	5,000	4,350
Steamships Trading Company Limited	5,992	53,209
Stem Cell Sciences Limited	20,000	19,700
Stokes Australasia Limited	93,270	55,962
Strathfield Group Limited	200,000	7,800
Strathfield Group Limited [option: 30.03.08]	50,000	150
Tandou Limited	61,000	26,840
Tasmania Mines Limited	164,262	180,688
Telstra Corporation Limited [instalment receipt]	19,600	60,956
Tissue Therapies Limited	16,964	9,415
Tooth and Company Limited	385,101	24,261
Total Sport and Entertainment Limited	5,000	1,350
T. Z. Limited	7,000	16,800
Walter Diversified Services Limited	5,000	12,800
Warrnambool Cheese and Butter Factory Company Holdings Limited	5,000	22,250
White Energy Company Limited	20,000	58,000
Wellcom Group Limited	3,000	9,600
Western Metals Limited	90	19

\$2,709,428

INVESTMENT PORTFOLIO
AS AT 30 JUNE 2007

Company	Number	Market \$
Aga Foodservice Group p.l.c.	1,400	12,285
Allied Irish Banks p.l.c.	550	17,528
Angostura Holdings p.l.c.	10,000	11,720
A. P. I. Group p.l.c.	3,000	6,339
Augusta and Districts Community Financial Services Limited	2,000	1,800
Balmain / Rozelle Financial Services Limited	16,000	12,800
Bayswater Community Financial Services Limited	5,022	5,022
Beiersdorf A.G.	300	25,126
Bendigo Community Telco Limited	11,400	13,680
Berkshire Hathaway Limited	1	4,231
Bidgee Finance Limited	10,000	16,900
Blue Planet Financials Growth and Income Investment Trusts p.l.c.	2,000	11,408
Brendale Community Finance Limited	5,000	5,000
Broadstoner Holdings p.l.c. [preference]	5,000	10,355
Broadwater Financial Services Limited	5,000	5,000
Byford and District Community Development Services Limited	5,000	5,000
Cadbury Schweppes p.l.c.	1,000	15,880
Caffyns p.l.c. [preference]	5,852	22,618
Capilano Honey Limited	4,500	17,100
Caplay p.l.c.	10,000	10,510
Carlton Investments Limited [preference]	5,566	11,955
C. I. Traders Limited	500	1,147
Clifroy Limited	5,000	4,500
Coal and Allied Industries Limited [preference]	46,445	47,142
Community Financial Services Victoria Limited	4,000	4,800
Conygar Investment Company p.l.c.	10,000	52,780
Crimson Tide p.l.c.	6,100	23
Crimson Tide p.l.c. [non-voting]	1.183	305
Daniel Thwaites and Co. p.l.c.	3,000	29,985
Dee Valley Group p.l.c.	500	12,903
Delta p.l.c.	5,000	15,590
Doncaster East Community Financial Services Limited	5,000	4,500
Ettalong Beach Financial Services Limited	1,500	1,485
East Gosford and Districts Community Financial Services Limited	8,000	6,400
Fiji Industries Limited	4,555	25,868
Fiji Television Limited	2,000	6,592
Fosters Group Pacific Limited	950	12,177

Fremantle Community Financial Services Limited	11,000	8,800
Fuller Smith and Turner p.l.c. [A ordinary]	300	13,115
Goodwood / Highgate Community Financial Services Limited	6,000	4,800
Guildhall Property Company p.l.c.	5,000	11,560
Gympie and District Financial Services Limited	18,300	12,810
Harris and Company Limited [preference]	5,500	11,957
Heyfield and District Community Financial Services Limited	9,500	8,550
Hobsons Bay Community Financial Services Limited	5,000	6,000
Hydro Hotel Eastbourne p.l.c.	100	3,024
I. G. C. Resources Incorporated	35,000	14,700
Isle of Wight Private Hospital p.l.c.	25,000	33,875
James Latham p.l.c. [preference]	2,000	5,186
John Lewis Partnership p.l.c. [preference]	5,000	11,325
Johnston Press p.l.c. [preference]	4,000	18,616
Kemp and Denning Limited	1,800	22,871
K. H. Foods Limited [preference]	3,525	17,625
Laxey Investment Trusts p.l.c.	10,000	20,670
Linden and Conway Limited [5 percent preference]	200	900
Logan Community Financial Services Limited	47,800	34,513
London and St. Lawrence Investment Company p.l.c. [preference]	5,000	11,445
Ludowici Limited [first preference]	2,825	2,542
Ludowici Limited [second preference]	3,207	3,047
Mallett p.l.c.	2,000	9,762
Mandurah Community Financial Services Limited	11,400	10,830
Mariana Resources Limited	30,000	9,300
Marwyn Value Investors Limited	8,000	24,848
McMullen and Sons Limited [non-voting]	5,000	41,225
Meander Valley Financial Services Limited	1,000	900
Mooroolbark and District Finance Services Limited	8,600	8,170
National Consolidated Limited [preference]	9,926	9,926
Nord Anglia Education p.l.c.	2,500	18,697
North Ryde Community Financial Services Limited	2,000	2,100
N. Y. S. E. Group Incorporated	100	10,510
Orica Limited [preference]	74,605	120,860
Organic Research Technology Limited	50	1
Pauls Victoria Limited	325	650
Paynesville and District Financial Services Limited	4,500	4,050
Penrose Club Holdings Limited	1,600	99,468
Phosphate Resources Limited	8,300	37,159
P. Z. Cussons p.l.c. [A ordinary]	500	1,903
Public Holdings Australia Limited	299,576	71,898
Queensland Professional Credit Union Limited	1	10
Ransomes p.l.c. [preference]	76,729	275,073
Redcliffe Peninsular Financial Services Limited	6,000	5,100

Redlands Community Financial Services Limited	3,000	2,700
Rights and Issues Investment Trust p.l.c.	5,000	11,080
Rockingham Community Financial Services Limited	15,000	13,500
Rutherland Pty. Limited	75,538	76,293
Sandringham Community Financial Services Limited	26,000	26,260
San Remo District Financial Services Limited	6,000	5,100
Sarina and District Financial Services Limited	3,500	3,500
Shepherd Neame Limited	2,212	40,840
Sietel Limited [preference]	16,800	17,640
South Burdekin Community Financial Services Limited	3,900	3,510
Sovereign Reversions p.l.c.	2,000	17,048
Sunshine Coast Community Financial Services Limited	24,975	16,234
S. X. R. Uranium One Incorporated	6,000	97,170
Tate and Lyle p.l.c. [preference]	10,000	26,860
Textron Incorporated	28	3,703
The Investment Company p.l.c.	7,600	40,356
The Investment Company p.l.c. [preference]	10,000	27,730
The Peninsular and Oriental Steam Navigation Company [preference]	3,500	8,246
The Romney Hythe and Dymchurch Railway p.l.c.	200	1,536
The Van Diemens Land Company	30	40
Tongala and District Financial Services Limited	3,000	2,850
Travellink Limited	20,000	14,000
Tuggeranong Valley Financial Services Limited	2,000	2,000
Vealls Limited [preference]	2,150	6,450
Verizon Communications Limited	574	27,733
Wadworth and Company Limited [A ordinary]	1,900	59,413
Warburton Community Financial Services Limited	3,000	3,000
Webster Limited [preference]	34,270	49,863
Westco Financial Corporation	5	2,259
Whitefield Limited [preference]	6,248	8,404
Witan Investment Trust p.l.c. [preference]	20,000	27,520
Young and Company's Brewery p.l.c.	500	24,693
Yule Catto and Company p.l.c.	270	1,438

\$2,248,648

**SHAREHOLDER INFORMATION
AS AT 30 SEPTEMBER 2007**

As at 30 September 2007 the Company had 276 shareholders. The 20 largest shareholders and their shareholdings were as follows:

Shareholder	Holding
National Exchange Pty. Limited	743,744
Gordon Bradley Elkington	406,729
Darin Investments Pty. Limited	261,174
Peq Nominees Pty. Limited	221,491
R. F. C. Investment Holdings Pty. Limited	95,868
Peters Trading Company Australia Pty. Limited	90,469
Milly Elkington	86,230
Bell Ixl Investments Pty. Limited	39,249
A. K. W. Investments Pty. Limited	36,977
Peter Windeyer Donovan	35,453
Mary Graham Neild	34,809
Wilcorp No. 41 Pty. Limited	31,463
Bulwark Trading Pty. Limited	30,313
Boulevard Nominees Pty. Limited	28,000
Peter Andrew Martin	28,407
M. H. C. L. Nominees Pty. Limited	27,848
Douglas Robert Graham Neild	27,701
Lynette Gay McLennan	26,779
Kyleast Pty. Limited	25,000
Mulla Nominees Pty. Limited	25,000

The distribution of shareholdings was as follows:

Range	Number of holders	Percentage of holders	Number of shares	Percentage of shares
1-1,000	119	44	35,220	1
1,001-5,000	77	34	185,829	6
5,001-10,000	25	7	138,342	4
10,001-50,000	41	13	635,736	20
50,001-100,000	2	1	272,567	9
100,001-500,000	3	1	1,086,294	36
500,001-1,000,000	1	0	743,744	24
	276	100	3,096,732	100

The number of shareholders holding less than a marketable parcel was 82.

The substantial shareholders and their shareholdings were as follows:

Shareholder	Holding
National Exchange Pty. Limited	889,392
Gordon Bradley Elkington	406,729
Darin Investments Pty. Limited	261,174
Peq Nominees Pty. Limited	221,491

FIVE YEAR SUMMARY

	2003	2004	2005	2006	2007
	\$	\$	\$	\$	\$
Earnings before tax	(240,573)	370,148	159,102	563,904	1,395,582
Tax	(72,820)	45,075	35,941	158,318	392,031
Earnings after tax	(167,753)	325,073	123,161	405,586	1,003,551
Dividends paid	51,626	77,439	161,917	169,048	236,167
Current assets	1,834,691	1,784,097	1,896,952	2,253,745	2,832,114
Current liabilities	430,253	144,580	170,808	377,690	348,776
Non-current assets	1,229,515	1,260,571	1,229,936	1,744,702	2,249,371
Non-current liabilities	34,968	24,201	16,918	169,933	311,748
Shareholders equity	2,598,985	2,875,887	2,939,162	3,450,824	4,420,991
Subscribed capital	2,581,287	2,658,725	2,789,377	2,909,345	3,096,732

CORPORATE DIRECTORY

Directors	John Weston Seaforth Mackenzie Gordon Bradley Elkington John David Honan Steven Pritchard Alfred Edward Fulton Rofo
Company Secretary	Gordon Bradley Elkington
Registered office	Level 5 10 Spring Street Sydney New South Wales 2000
Auditor	Graham Baker Chartered Accountant 2 Kennedy Place St. Ives New South Wales 2075
Solicitor	Stephen Blanks and Associates 119 Evans Street Rozelle New South Wales 2039
Share Registrar	Newcastle Capital Markets Registries Pty. Limited 10 Murray Street Hamilton New South Wales 2303
Bankers	Macquarie Cash Management Trust 20 Bond Street Sydney New South Wales 2000 The Rock Building Society Limited Cnr. Archer and Bolsover Streets Rockhampton Queensland 4500

Wide Bay Capricorn Building Society Limited
16-20 Barolin Street
Bundaberg
Queensland 4670

Manchester Building Society
24 Queen Street
Manchester M2 5AH
United Kingdom

