

# BARIBUNMA HOLDINGS LIMITED

*("Baribunma" is an aboriginal word meaning "to dream")*

(ACN — 095 838 056)

## ANNUAL REPORT 2007-2008



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**baribunma**

# BARIBUNMA HOLDINGS LIMITED

ACN: 095 838 056

## ANNUAL REPORT - 2007-2008

### 1. DIRECTORS' REPORTS:

#### CHAIRMAN'S REPORT:

Dear Fellow Shareholders,

Some significant events that occurred during the past year were, firstly the completion of thirty wheelchairs, which have a market value of some \$360,000. Our C.E.O. (Wally Bancroft) is continuing with the development of a "carer's chair" and, in this venture, the Company is being assisted by the Federal Government with a Research & Development Tax Concession.

As mentioned in our recent newsletter, we have been involved with Mercedes-Benz, who are interested in marketing our chair with their new 115CDI van. Their company has shown great interest in the concept and seminars have been held in at least six of their dealerships. We anticipate that a large number of wheelchair sales will result.

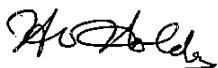
A number of agencies have been appointed in addition to those mentioned in our newsletter. In particular, in the A.C.T. where we have connections with both the State and Federal governments. We have already received several enquiries.

An interesting recent enquiry came from the U.S.A. per medium of the Internet. It appears that wheelchair users in the States are experiencing similar issues in relation to vehicular transport to those in this country. Obviously, we are interested in pursuing this lead as we hold a current U.S. patent and the market for wheelchairs in the U.S. is twenty times that of Australia!

We have been invited to the ARATA conference in Adelaide at the end of the month and will take the opportunity to locate a suitable representative while we are there. This would leave only Victoria in which to appoint an agent. We have had preliminary talks with a sizable entity and will see them in early October with a view to finalising the deal.

I am sure that all the hard work by the staff during the past year will now bear fruit and I am confident that our Company has a bright future. I look forward to meeting you at our Annual General Meeting.

Yours faithfully,



Harold Victor Holden,  
Chairman.

## CHIEF EXECUTIVE OFFICER'S REPORT:

2008 has been a busy year. Dealerships have been established in Queensland, Western Australia/Northern Territory and the A.C.T. Victorian and South Australian dealerships are in the pipeline. At present two wheelchairs are on display at the Independent Living Centres in Perth and Canberra. Our distributor in Queensland, EMS have their's in their own showroom facility. A specifically designed trailer has been built to carry four chairs and signage, props etc. necessary to demonstrate the chair's abilities "on the road". This has made our demonstrations much simpler and more effective.

Research and Development on the "Carer's Chair" is still progressing and is looking promising, with great interest being generated, especially from the elderly. It is expected that this will be complete and ready for testing in late 2009.

The Mercedes Benz concept vehicle has proved to be very popular and hopefully, a rewarding exercise for the Company. It is hoped that funding may become available from Mercedes Benz to allow further development and promotion of the "Disability Pack".

The Directors present their report together with the financial report of Baribunma Holdings Limited for the year ended 30th June, 2007 and the Auditor's Report thereon.

The names of Directors in office at any time during or since the end of the financial year are:

Peter John BANCROFT

Geoffrey Peter DENYER

Harold Victor HOLDEN

Robert John PRINGLE

Directors have been in office for the full period of this report with the exception of Robert Pringle who joined the Board in January 2008.



P.J. (Wally) Bancroft,  
Chief Executive Officer.

## 2. OPERATING RESULTS:

The Company incurred an operating loss of \$ 149,573.36 for the financial year. Major contributors were weak sales figures and a poorer than expected economic climate in the first half of 2008. Nevertheless, the Company has reasonable reserves and sufficient stock on hand to continue to develop markets, particularly in combination with Mercedes Benz, who are enthusiastically embracing our product. Major expenses were again the compliance costs associated with the continued listing of the Company's securities on the National Stock Exchange of Australia and the continued investment in the Company's extensive intellectual

property (IP). Unfortunately, the Company sees these costs as unavoidable, whereas many overseas players entering the local market have significantly less regulation.

### 3. REVIEW OF OPERATIONS:

A review of the operations of Baribunma Holdings Limited during the financial year found that:

During the year, Baribunma Holdings Limited continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

### 4. SIGNIFICANT CHANGES IN AFFAIRS:

The Company has had no significant changes in its affairs in the period of this report..

### 5. PRINCIPAL ACTIVITIES:

The principal activities of Baribunma Holdings Limited during the financial year were research, development, testing, compliance and marketing of the *Baribunma* Wheelchair.

### 6. AFTER BALANCE DATE EVENTS:

Particulars of matters or circumstances that have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years are as follows:

The Company successfully completed a "disability pack" based on the Mercedes Benz 115CDI Van and the *Baribunma* Electric Wheelchair. This received great interest with Company representatives, including C.E.O. Wally Bancroft, being invited to present the concept vehicle at "Dealer Days" in both Sydney and Brisbane and at the Bus and Coach Expo on the Gold Coast in October (as part of the Mercedes Benz stand).

In September 2008 the Company successfully applied for a Research and Development Tax Concession, which will result in a return of around \$48,000 to the Company.

### 7. LIKELY DEVELOPMENTS:

Baribunma Holdings Limited, through its trading entity Baribunma Mobility Systems, is now well placed to take advantage of its lead in research and development over its competitors. Agents have been appointed in N.S.W., A.C.T., Queensland, W.A. and N.T. (Victoria and S.A. should be in place by the end of 2008). Additionally, all Mercedes Benz dealers in N.S.W., A.C.T. and Queensland are aware of the product as a disability pack and can supply the product with minimal delay to the customer.

### 8. ENVIRONMENTAL ISSUES:

The Company has complied with all environmental regulations under a law of the Commonwealth or of a State or Territory that it was subject to.

## **9. DIVIDENDS PAID OR RECOMMENDED:**

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

## **10. DIRECTORS PROFILES AND MEETINGS OF DIRECTORS:**

### **Harold Victor Holden**

Harry holds a Bachelor of Engineering from Sydney University and a Diploma from the Australian Institute of Insurance and is an affiliate of the Life Underwriters Association. He has served as a Director in listed Companies such as SSH Medical Limited and in senior management with T & G Life Insurance and APA Life Insurance Ltd. He has further experience as general manager of Dennis Trading & Engineering and Managing Director of Amalgamated Mining Services totaling 14 years. Harry brings a sound management record with growing small-medium enterprises to the business.

### **Peter John (Wally) Bancroft**

Peter (Wally) Bancroft is a leading practitioner in disabled transport in Australia. He has spent much of his working life in the research and development sector including developments for Massey Ferguson Experimental Division before entering the disabled transport industry with Paraquad Engineering in 1987. During seven years with Paraquad he became convinced that it was possible to make significant and unprecedented changes to existing mobility aids including wheelchairs that could enable far greater independence for his disabled clients. Wally was able to develop innovative modifications to electric wheelchairs to improve the quality of life of his customers. Baribunma Holdings was formed to commercialise these innovations and related concepts that Wally has developed over recent years. Wally is an authorised signatory for the N.S.W. Roads and Traffic Authority enabling him to certify vehicle modifications for use by disabled drivers in registered motor vehicles in N.S.W. To the best of our knowledge, his designs were officially approved to enable the first person in Australia to *drive from a wheelchair*. He has served as a consultant and lecturer at the University of Western Sydney (Cumberland College of Health Sciences) and is widely sought as a consultant to other disabled support groups.

### **Geoffrey Peter Denyer**

Geoff studied engineering at the University of New South Wales, a leading university for research and development. He has extensive tertiary qualifications and has worked as a consultant and in project management for many organisations including the N.S.W. Department of Education and Training and more recently, Baribunma Holdings. Geoff also has extensive experience in the Information Technology sector. He has been a Director of Baribunma Holdings since its foundation, assuming the role of Company Secretary in November 2002. Additionally, Geoff serves on the Boards of Shoalhaven City Turf Club and Mortdale R.S.L. Club and is a Justice of the Peace. He brings valuable technical management skills to the business.

### **Robert Pringle**

Robert Pringle joined the Board in early 2008, replacing the retired Don Wild. An employee

of Qantas, he has extensive frontline experience in the transport industry and is well placed to assist with the expansion of the Company in Australia and overseas. His experience in the airline industry has convinced him that the Baribunma technology is a much-needed solution to the problems associated with transporting people with high-level disabilities on aircraft. His enthusiasm makes him the ideal person to represent the Company in the transport industry.

Directors:	Meetings eligible to attend:	Meetings attended:
Peter John Bancroft	11	11
Geoffrey Peter Denyer	11	11
Harold Victor Holden	11	11
Robert Pringle	5	5

#### 11. OPTIONS:

No options over issued shares or interests of the Company or a controlled entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

#### 12. REMUNERATION REPORT:

Director, Mr. H.V. Holden was paid \$15,000 for his services as Chairman during the year. Director, Mr. G.P. Denyer was paid \$12,000 for his services as Company Secretary during the year. Bancroft Engineering, a trading entity of Mr. P.J. Bancroft, a Director of the Company, was paid a nett total of \$94,216.32 with regard to the provision of Research & Development services to the Company. Southside Project Services, a trading entity of Mr. G.P. Denyer, a Director of the Company was paid a nett total of \$12,000 with regard to the provision of engineering consultancy services to the Company. Other than listed above, no Director received any other remuneration, either personally, or through a related party.

#### 13. INDEMNIFICATION OF OFFICERS:

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is, or has been, an officer or auditor of the Company.

Signed in accordance with a resolution of the Directors:

Director

Peter John Bancroft



Director

Geoffrey Peter Denyer

Dated this 26<sup>th</sup> day of September, 2008.

**BARIBUNMA HOLDINGS LIMITED**

**A.B.N. 56 095 838 056**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2008**

**BARIBUNMA HOLDINGS LIMITED**

**A.B.N. 56 095 838 056**

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**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2008**

	Notes	2007 \$	2008 \$
<b>CLASSIFICATION OF EXPENSES BY NATURE</b>			
Revenues from ordinary activities	2	50,407.00	28,270.83
Changes in inventories of finished goods and work in progress	3	56,798.60	23,644.64
Raw materials and consumables used	3	(65,816.15)	(32,061.11)
Depreciation and amortisation			
Expenses	3	(283.00)	(5,379.00)
Other expenses from ordinary activities		(201,317.97)	(214,872.22)
<b>Loss from ordinary activities before income tax expense</b>		(160,211.52)	(200,396.86)
Income Tax Expense attributable to operating activities	4	-	-
Income Tax Benefit attributable	4		
To prior years operating activities		96,074.83	45,655.50
<b>Net Loss from ordinary activities after income tax attributable to members of the company</b>	5	(64,136.69)	(154,741.36)
<b>Total changes in equity other than resulting from transactions with owners as owners</b>		(64,136.69)	(154,741.36)

The accompanying notes form part of these financial statements

**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**BALANCE SHEET**  
**AS AT 30 JUNE 2008**

	Notes	2007 \$	2008 \$
<b>CURRENT ASSETS</b>			
Cash assets	6	56,685.69	37,260.85
Receivables	7	4,743.01	13,944.17
Inventories	8	126,245.79	149,890.43
Investments	9	277,980.64	108,390.34
<b>TOTAL CURRENT ASSETS</b>		465,655.13	309,485.79
<b>NON-CURRENT ASSETS</b>			
Property, plant & equipment	10	1,711.33	32,676.43
Intangible assets	11	51,567.27	54,092.82
<b>TOTAL NON-CURRENT ASSETS</b>		53,278.60	86,769.25
<b>TOTAL ASSETS</b>		518,933.73	396,255.04
<b>CURRENT LIABILITIES</b>			
Interest bearing liabilities	12	-	5,095.18
<b>TOTAL CURRENT LIABILITIES</b>		-	5,095.18
<b>NON CURRENT LIABILITIES</b>			
Interest bearing liabilities	12	-	26,967.49
<b>TOTAL NON CURRENT LIABILITIES</b>		-	26,967.49
<b>TOTAL LIABILITIES</b>		-	32,062.67
<b>NET ASSETS</b>		518,933.73	364,192.37
<b>EQUITY</b>			
Issued Capital	13	1,287,161.90	1,287,161.90
Accumulated losses	5	768,228.17	922,969.53
<b>TOTAL EQUITY</b>		518,933.73	364,192.37

The accompanying notes form part of these financial statements

**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

	Notes	2007 \$	2008 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		25,000.00	2,629.00
Payments to suppliers and officers		(210,335.52)	(221,129.38)
Interest Received		25,407.00	15,116.83
Net Goods and Services Tax Received		2,667.99	1,073.84
Income Tax Benefits Received		96,074.83	45,655.50
Recoveries		-	250.00
Net cash provided by (used in) operating activities	14(b)	(61,185.70)	(156,404.21)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Realising/(Purchase) of investments		(20,091.91)	169,590.30
Purchase of other non-current assets:			
Patents		(5,967.16)	(2,525.55)
Acquisition of Depreciable Assets		-	-
Increase of Inventory/Work in Progress		(56,798.60)	(23,644.64)
Proceeds from disposal of non-current assets:		-	-
Net Cash provided by (used in) investing activities		(82,857.67)	143,420.11
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		-	-
Proceeds from borrowings		-	-
Repayment of borrowings		-	(6,440.74)
Net cash provided by (used in) financing activities		-	(6,440.74)
Net increase/(decrease) in cash held		(144,043.37)	(19,424.84)
Cash at beginning of year		200,729.06	56,685.69
Cash at end of year	14(a)	56,685.69	37,260.85

The accompanying notes form part of these financial statements

**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

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 have been applied.

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

**(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 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 credited 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 benefits 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.

**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

**(b) Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of work in progress includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

**(c) Plant and Equipment**

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

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 which will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

**(d) Depreciation**

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on either a straight line basis or diminishing value at rates approved by the Australian Taxation Office over the estimated useful lives to the company commencing from the time the asset is held ready for use.

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 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.

**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

**(e) Impairment of Assets**

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

**(f) Intangibles**

*Patents and trademarks*

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their useful life ranging from 15 to 20 years.

**(g) Research and Development Expenditure**

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

**(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 of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

**(i) Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of goods and services tax (GST).

**BARIBUNMA HOLDINGS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

Notes	2007 \$	2008 \$
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**(j) 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 sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**2. REVENUE**

**Operating Activities**

Sale of goods	25,000.00	12,904.00
Interest	25,407.00	15,116.83
Other Revenue	-	250.00
	<hr/>	<hr/>
	50,407.00	28,270.83
	<hr/>	<hr/>

**3. PROFIT FROM ORDINARY ACTIVITIES**

Profit from ordinary activities before income tax expense has been determined after:

(a) Expenses:

Cost of Sales	9,017.55	8,416.47
Depreciation of Non-Current Assets:		
Office Equipment	283.00	5,379.00
Remuneration of auditor	20,717.50	11,357.50

**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

	Notes	2007 \$	2008 \$
<hr/>			
<b>4. INCOME TAX EXPENSE</b>			
<p>The Directors have determined that the Company is not liable to pay Income Tax for the financial year. This opinion is based on the Company's principal activity being research and development associated with the Baribunma Wheelchair project. As such, the Company has not traded profitably during the period and is not liable to pay Income Tax. Furthermore, the Directors intend to apply for a "Research and Development Tax Credit" as a result of these activities. In relation to prior accounting periods, the Directors have successfully applied for Research and Development Tax Credits amounting to \$45,655.50 that has been received during the financial year.</p>			
<b>5. ACCUMULATED LOSSES</b>			
Accumulated losses at the beginning of the financial year		(704,091.48)	(768,228.17)
Net profit attributable to members of the company		(64,136.69)	(154,741.36)
		<hr/>	<hr/>
Accumulated losses at the end of the financial year		(768,228.17)	(922,969.53)
		<hr/>	<hr/>
<b>6. CASH ASSETS</b>			
Cash at Bank		56,685.69	37,260.85
		<hr/>	<hr/>
<b>7. RECEIVABLES</b>			
CURRENT			
Other debtors		4,743.01	3,669.17
Trade debtors		-	10,275.00
		<hr/>	<hr/>
		4,743.01	13,944.17
		<hr/>	<hr/>
<b>8. INVENTORIES</b>			
CURRENT			
Work in Progress		126,245.79	149,890.43
		<hr/>	<hr/>
<b>9. INVESTMENTS</b>			
CURRENT			
Term Deposits at Bank		277,980.64	108,390.34
		<hr/>	<hr/>



**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

	2007 \$	2008 \$
<hr/>		
<b>10. PROPERTY, PLANT AND EQUIPMENT</b>		
<p>The Company has the use of the premises provided by Bancroft Engineering as part of the Research and Development Agreement which exists between the entity and the Company. As such, all costs associated with property, plant and equipment are borne by Bancroft Engineering.</p> <p>The company acquired during the year a motor vehicle on a Goods Mortgage committment recognised at Note 12 of the notes to these financial statements.</p>		
Office Furniture & Equipment at cost	3,062.33	3,062.33
Less: Accumulated Depreciation	1,351.00	1,562.00
	<hr/> 1,711.33	<hr/> 1,500.33
Motor Vehicle at cost	-	36,344.10
Less: Accumulated Depreciation	-	5,168.00
	<hr/> -	<hr/> 31,176.10
Total Property, Plant & Equipment	<hr/> 1,711.33	<hr/> 32,676.43
<b>Movements in Carrying Amounts</b>		
Balance at the beginning of the year	1,994.33	1,711.33
Additions	-	36,344.10
Depreciation expense	(283.00)	(5,379.00)
	<hr/>	<hr/>
Carrying amount at the end of year	<hr/> 1,711.33	<hr/> 32,676.43
<hr/>		
<b>11. INTANGIBLES</b>		
Patents and Trademarks	51,567.27	54,092.82
	<hr/>	<hr/>

**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

	2007 \$	2008 \$
<b>12. INTEREST BEARING LIABILITIES</b>		
<b>CURRENT</b>		
Goods Mortgage Liability	-	5,095.18
<b>NON CURRENT</b>		
Goods Mortgage Liability	-	26,967.49
<b>13. CONTRIBUTED EQUITY</b>		
Paid Up Capital:		
19,360,076 (2006: 19,360,076)		
Fully Paid Ordinary Shares	1,287,161.90	1,287,161.90
<b>14. CASH FLOW INFORMATION</b>		
(a) Reconciliation of cash:		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash at bank	56,685.69	37,260.85
	56,685.69	37,260.85
(b) Reconciliation of Cash Flow from Operations with Operating Profit from Ordinary activities after income tax		
Operating loss after income tax	(64,136.69)	(154,741.36)
Non-cash flows in operating profit		
Depreciation	283.00	5,379.00
Profit on Disposal of Non-Current assets	-	-
Hire Purchase Charges/Good Mortgage Interest	-	2,159.31
Decrease/(Increase) in GST receivable	2,667.99	1,073.84
Decrease/(Increase) in Trade Debtors	-	(10,275.00)
Cash Flows from operations	(61,185.70)	(156,404.21)

**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

2007	2008
\$	\$

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**15. RELATED PARTY TRANSACTIONS**

No Directors were paid for their services during the financial year.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Bancroft Engineering, a trading entity of Mr P J Bancroft received a total of \$91,636.32 with regard to provision of Research and Development services to the Company.

Southside Project Services, a trading entity of Mr G P Denyer received a total of \$12,000.00 for provision of engineering consultancy services to the Company.

Mr H.V Holden received \$17,500.00 in allowance of director's expenses reimbursed.

Mr G.P Denyer received \$12,000.00 in allowance of director's expenses reimbursed.

**16. COMPANY DETAILS**

The registered office and principal place of business of the company is:

Unit 3, 16 Stanley Street  
Peakhurst NSW 2210

**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 538 056**

**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. the financial statements and notes, are in accordance with the Corporations Act 2001 and:

a) comply with Accounting Standards and the Corporations Regulations 2001; and

b) give a true and fair view of the financial position as at 30 June 2008 and of the performance for the year ended on that date of the company;

2. Chief Executive Officer have 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 2001;

b) the financial statements and notes for the financial year comply with the Accounting Standards; and

c) the financial statements and notes for the financial year give a true and fair view;

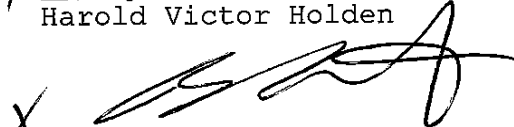
3. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:

Director

X   
Harold Victor Holden

Director

X   
Peter John Bancroft

Dated this 17th day of September 2008

**BAMFIELD & COMPANY****CHARTERED ACCOUNTANTS****ABN 47 549 052 337****PRINCIPAL**  
Mario Raciti ACA4/123 CLARENCE STREET, SYDNEY 2000  
Telephone: (02) 9262-1222  
Facsimile: (02) 9262-2012  
Email: m.raciti@bamfield.com.au**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056****INDEPENDENT AUDIT REPORT TO THE MEMBERS OF**  
**BARIBUNMA HOLDINGS LIMITED****SCOPE**

We have audited the attached financial report, being a general purpose financial report of Baribunma Holdings Limited for the year ended 30<sup>th</sup> June, 2008. The company's directors are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of the company's constitution and are appropriate to meet the needs of the members. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of Baribunma Holdings Limited. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting requirements under the company's constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any other purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with accounting policies described in Note 1, Accounting Standards, and other mandatory professional reporting requirements and statutory requirements, so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows.

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

**BAMFIELD & COMPANY****CHARTERED ACCOUNTANTS****ABN 47 549 052 337****PRINCIPAL**  
Mario Raciti ACA4/123 CLARENCE STREET, SYDNEY 2000  
Telephone: (02) 9262-1222  
Facsimile: (02) 9262-2012  
Email: m.raciti@bamfield.com.au**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056****INDEPENDENT AUDIT REPORT TO THE MEMBERS OF**  
**BARIBUNMA HOLDINGS LIMITED****Audit Opinion**

In our opinion, the financial report of Baribunma Holdings Limited is in accordance with:

- (a) the Corporations Act 2001 including:
- i) giving a true and fair view of the company's financial position as at 30<sup>th</sup> June, 2008 and its performance for the year ended on that date and its cash flows during the year ended same date; and
  - ii) complying with Accounting Standards and the Corporations Regulations; and
- (b) other mandatory professional reporting requirements.

**BAMFIELD & COMPANY**  
Chartered Accountants  
.....  
**MARIO RACITI**  
Principal

Signed at Sydney this 29th day of September 2008

**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**TRADING ACCOUNT**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2008**

	<b>2007</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>SALES</b>		
Wheelchairs	25,000.00	12,904.00
	<hr/>	<hr/>
Less Cost of Sales		
Opening Work in Progress	69,447.19	126,245.79
Purchases	<u>65,816.15</u>	<u>32,061.11</u>
	135,263.34	158,306.90
	<hr/>	<hr/>
Less Closing Work in Progress	126,245.79	149,890.43
	<hr/>	<hr/>
<b>TOTAL COST OF SALES</b>	<b>9,017.55</b>	<b>8,416.47</b>
	<hr/>	<hr/>
<b>GROSS PROFIT FROM TRADING</b>	<b>15,982.45</b>	<b>4,487.53</b>
	<hr/>	<hr/>

**BARIBUNMA HOLDINGS LIMITED**  
**A.B.N. 56 095 838 056**

**ITEMISED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2008**

	2007 \$	2008 \$
<b>INCOME</b>		
Interest received	25,407.00	15,116.83
Recoveries	-	250.00
Gross Profit from Trading	15,982.45	4,487.53
	<hr/>	<hr/>
	41,389.45	19,854.36
 <b>EXPENDITURE</b>		
Accountancy Fees	2,807.75	4,997.50
Advertising	-	5,913.49
Audit Fees	20,717.50	11,357.50
Bank Charges	86.15	66.80
Consultancy Fees	95,991.97	106,216.32
Computer Expenses	1,400.15	1,857.84
Depreciation	283.00	5,379.00
Directors' Expenses Reimbursed	27,000.00	29,500.00
Entertainment Expenses	61.70	-
Filing Fees	8,032.40	6,843.13
Goods Mortgage Interest	-	2,159.31
Insurance	11,818.18	10,909.09
Legal Costs	8,477.19	17,687.28
Motor Vehicle Expenses	-	3,241.69
Tool Replacements	2,034.19	-
Electricity & Gas	130.91	-
Printing, Postage and Stationary	1,078.58	1,995.02
Rent	14,218.71	3,949.08
Seminar Expenses, Dues & Subscriptions	220.00	1,018.18
Hire of Venues	130.00	135.00
Telephone & Facsimile	3,373.09	2,778.94
Travelling Expenses	3,739.50	4,246.05
	<hr/>	<hr/>
	201,600.97	220,251.22
 <b>NET LOSS</b>		
	<hr/>	<hr/>
	160,211.52	(200,396.86)
	<hr/>	<hr/>



## BARIBUNMA HOLDINGS LIMITED

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TAXATION DEPRECIATION SCHEDULE  
From 01-07-2007 To 30-06-2008

Asset Code	Description	Acq/Disp Date	Priv. Use	Orig Cost	Bal. Char.	Accum Depr.	Open. W.D.V	Add/ Disp.	P/L Sale	Cap. Gains Tax	Non Tax	Depreciation Method %	YTD	Close W.D.V
<u>744 Motor Vehicles at Cost</u>														
7	Holden Rodeo Crew Cab AR29EJ	28-09-2007		36344				36344				D 18.75	5168	31176
				36344				36344					5168	31176
<u>746 Office Furniture &amp; Equipment</u>														
2	Intel Computer	30-09-2003		1242		1025	217					D 37.50	81	136
4	Office Furniture	29-09-2004		407		146	261					D 15.00	39	222
5	Facsimile	01-02-2006		481		120	361					D 18.75	68	293
				2130		1291	839						188	651

## BARIBUNMA HOLDINGS LIMITED

TAXATION DEPRECIATION SCHEDULE  
From 01-07-2007 To 30-06-2008

Asset Code	Description	Acq/Disp Date	Priv. Use	Orig Cost	Bal. Char.	Accum Depr.	Open. W.D.V	Add/Disp.	P/L Sale	Cap. Gains Tax	Non Tax	Depreciation Method	%	YTD	Close W.D.V
748	<u>Furniture &amp; Fixtures at Cost</u>														
3	Display & Storage	18-11-2004		932		60	872					P	2.50	23	849
				932		60	872							23	849
TOTAL				39406		1351	1711	36344						5379	32676

\* Depreciation Limit

@ Balancing Charges

^ Balancing Charges in previous year