

**SUBJECT TO REVIEW****Annexure 3A****BSX Listing Rules****Half yearly/Yearly Disclosure****References** Issued 30/8/2000

Chapter 3, BSX Listing Rules

VICTORIAN LIVESTOCK EXCHANGE LIMITED AND CONTROLLED ENTITY

Name of entity

72 078 893 031

Half yearly (tick)

☐

30 JUNE 2005

ABN, ACN or ARBN

Annual (tick)

☒Half year/financial year ended
(‘Current period’)**Summary**

				\$A,000
Sales revenue or operating revenue	up/down	22.0%	to	4,098
Profit (loss) before abnormal items and after tax	up/down	96.8%	to	1,224
Abnormal items before tax		gain (loss) of		Nil
Profit (loss) after tax but before outside equity interests	up/down	96.8%	to	1,224
Extraordinary items after tax attributable to members		gain (loss) of		Nil
Profit (loss) for the period attributable to members	up/down	96.8%	to	1,224

Dividends (distributions)	Franking rate applicable	100%
Current period	Final	Proposed 5.0¢
	Interim	Nil¢
Previous corresponding period	Final	5.0¢
	Interim	Nil¢
Record date for determining entitlements to the dividend, (in the case of a trust distribution)		Proposed only, date to be determined

Short details of any bonus or cash issue or other items(s) of importance not previously released to BSX:

None

Consolidated profit and loss account

	Current period \$A'000	Previous corresponding period \$A'000
Sales revenue or operating revenue	4,098	3,359
Expenses from ordinary activities	(2,191)	(2,218)
Borrowing costs	(153)	(241)
Share of net profit (loss) of associates and joint venture entities	Nil	Nil
Profit (loss) from ordinary activities before tax	1,754	900
Income tax on ordinary activities	(530)	(278)
Profit (loss) from ordinary activities after tax	1,224	622
Outside equity interests	Nil	Nil
Profit (loss) from ordinary activities after tax attributable to members	1,224	622
Profit (loss) from extraordinary activities after tax attributable to members	Nil	Nil
Profit (loss) for the period attributable to members	1,224	622
Retained profits (accumulated losses) at the beginning of the financial period	627	165
Net transfers to and from reserves	Nil	Nil
Net effect of changes in accounting policies	Nil	Nil
Dividends paid or payable	(164)	(160)
Retained profits (accumulated losses) at end of financial period	1,687	627

Profit restated to exclude amortisation of goodwill

	Current period \$A'000	Previous corresponding period \$A'000
Profit (loss) from ordinary activities after tax before outside equity interests and amortisation of goodwill	1,224	622
Less (plus) outside equity interests	Nil	Nil
Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	1,224	622

Revenue and expenses from operating activities

	Current period \$A'000	Previous corresponding period \$A'000
Details of revenue and expenses		
REVENUE:		
Revenue from sale of land	2,286	1,626
Revenue from rendering of services	1,752	1,665
Rental revenue	55	53
Interest revenue	3	10
Proceeds on sale of property, plant & equip	2	5
TOTAL REVENUE	4,098	3,359
EXPENSES:		
Cost of sales	642	892
Depreciation and amortisation	331	311
Borrowing costs expense	153	241
Salaries and employee benefits expense	588	453
Other expenses from ordinary activities	630	562
TOTAL EXPENSES	2,344	2,459

Intangible and extraordinary items

	Consolidated - current period		
	Before tax \$A'000	Related tax \$A'000	After tax \$A'000
Amortisation of goodwill	Nil	Nil	Nil
Amortisation of other intangibles	9	Nil	9
Total amortisation of intangibles	9	Nil	9

Extraordinary items (details)

Nil	Nil	Nil
Nil	Nil	Nil

Total extraordinary items

Comparison of half year profits

(Annual statement only)

	Current year - \$A'000	Previous year - \$A'000
Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year	8	540
Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	1,216	82

Consolidated balance sheet

Current assets	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly statement \$A'000
Cash	30	108	68
Receivables	2,278	139	122
Investments	Nil	Nil	Nil
Inventories	62	97	114
Other (provide details if material)	31	27	21
Total current assets	2,401	371	325
Non-current assets			
Receivables	Nil	Nil	Nil
Investments	Nil	Nil	Nil
Inventories	Nil	Nil	Nil
Other property, plant and equipment (net)	12,988	5,926	5,886
Intangibles (net)	140	140	135
Other (provide details if material)	15	11	12
Total non-current assets	13,143	6,077	6,033
Total assets	15,544	6,448	6,358

Current liabilities			
Accounts payable	2,786	86	128
Borrowings	91	Nil	Nil
Provisions	550	157	161
Other (provide details if material)	Nil	Nil	2
Total current liabilities	3,427	243	291
Non-current liabilities			
Accounts payable	Nil	Nil	Nil
Borrowings	2,184	2,150	2,000
Provisions	292	280	284
Other (provide details if material)	-	-	-
Total non-current liabilities	2,476	2,430	2,284
Total liabilities	5,903	2,673	2,575
Net assets	9,641	3,775	3,783
Equity			
Capital	3,247	3,148	3,148
Reserves	4,707	Nil	Nil
Retained profits (accumulated losses)	1,687	627	635
Equity attributable to members of the parent entity	9,641	3,775	3,783
Outside equity interests in controlled entities	Nil	Nil	Nil
Total equity	9,641	3,775	3,783
Preference capital and related premium included	Nil	Nil	Nil

Consolidated statement of cash flows

Cash flows related to operating activities

	Current period \$A'000	Previous corresponding period \$A'000
Receipts from customers	1,943	3,303
Payments to suppliers and employees	(1,216)	(1,731)
Dividends received	Nil	Nil
Interest and other items of similar nature received	3	10
Interest and other costs of finance paid	(154)	(239)

Income taxes paid	(141)	Nil
Other (provide details if material)	Nil	Nil
Net operating cash flows	435	1,343
Cash flows related to investing activities		
Payments for purchases of property, plant and equipment	(565)	(138)
Proceeds from sale of property, plant and equipment	2	2
Payment for purchases of equity investments	Nil	Nil
Proceeds from sale of equity investments	Nil	Nil
Loans to other entities	Nil	Nil
Loans repaid by other entities	Nil	Nil
Other (provide details if material)	(10)	Nil
Net investing cash flows	(573)	(136)
Cash flows related to financing activities		
Proceeds from issues of securities (shares, options, etc.)	Nil	Nil
Proceeds from borrowings	45	Nil
Repayment of borrowings	(2)	(1,350)
Dividends paid	(64)	(73)
Other (provide details if material)	Nil	Nil
Net financing cash flows	(21)	(1,423)
Net increase (decrease) in cash held	(159)	(216)
Cash at beginning of period (see Reconciliation of cash)	108	324
Exchange rate adjustments	Nil	Nil
Cash at end of period (see Reconciliation of cash)	(51)	108

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

None

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current period \$A'000	Previous corresponding period \$A'000
Cash on hand and at bank	30	108
Deposits at call	Nil	Nil
Bank overdraft	(81)	Nil
Other (provide details)	Nil	Nil
Total cash at end of period	(51)	108

Ratios

	Current period	Previous corresponding period
Profit before tax/sales		
Consolidated profit (loss) from ordinary activities before tax as a percentage of sales revenue	42.8%	26.8%
Profit after tax/equity interests		
Consolidated profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	12.7%	16.5%

Earnings per security (EPS)

	Current period	Previous corresponding period
Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share		
(a) Basic EPS	37.1 cents	19.3 cents
(b) Diluted EPS (if materially different from (a))		

NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	283.1 cents	110.8 cents

Details of specific receipts/outlays, revenues/expenses

	Current period A\$'000	Previous corresponding period \$A'000
Interest revenue included	3	10
Interest revenue included but not yet received (if material)	Nil	Nil
Interest costs excluded from borrowing costs capitalised in asset values	Nil	Nil
Outlays (excepts those arising from the acquisition of an existing business) capitalised in intangibles (if material)	10	Nil
Depreciation (excluding amortisation of intangibles)	322	288
Other specific relevant items	Nil	Nil

Control gained over entities having material effect

Name of entity

NA

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity since the date in the current period on which control was acquired

\$NA

Date from which such profit has been calculated

NA

Profit (loss) from ordinary activities and extraordinary items after tax of the entity for the whole of the previous corresponding period

\$NA

Loss of control of entities having material effect

Name of entity

NA

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity for the current period to the date of loss of control

\$NA

Date from which the profit (loss) has been calculated

NA

Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity while controlled during the whole of the previous corresponding period

\$NA

Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control

\$NA

Reports for industry and geographical segments

Segments

Operating Revenue			NA
Sales to customers outside the economic entity			NA
Inter-segment sales			NA
Unallocated revenue			NA
Total revenue			NA
Segment result			NA
Unallocated expenses			NA
Consolidated profit from ordinary activities after tax (before equity accounting)			NA
Segment assets	NA)	<i>Comparative data for segment assets should be as at the end of the previous corresponding period</i>
Unallocated assets	NA)	
Total assets	NA)	

Dividends

Date the dividend is payable

Proposed 17 February
2006

Record date to determine entitlements to the dividend (ie. on the basis of registrable transfers received up to 5.00 pm)

To be determined

Amount per security

		Franking rate applicable		%
<i>(annual report only)</i>				
Final dividend:	Current year		5.0¢	100%
	Previous year		5.0¢	100%
<i>(Half yearly and annual statements)</i>				
Interim dividend:	Current year		Nil¢	N/A
	Previous year		Nil¢	N/A

Total annual dividend (distribution) per security*(Annual statement only)*

	Current year	Previous year
Ordinary securities	5.0¢	5.0¢
Preference securities	NA¢	NA¢

Total dividend (distribution)

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	168	164
Preference securities	NA	NA
Total	168	164

Half yearly report – interim dividend (distribution) on all securities or Annual report – final dividend (distribution) on all securities

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities	168	164
Preference securities	NA	NA
Total	168	164

The dividend or distribution plans shown below are in operation.

The VLE Dividend Reinvestment Plan, as approved at the 2003 Annual General Meeting.

The last date(s) for receipt of election notices to the dividend or distribution plans NA

Any other disclosures in relation to dividends (distributions)

The directors have recommended payment of a fully franked dividend of 5.0 cents per ordinary share. This dividend is expected to be paid on 17 February 2006.

Equity accounted associated entities and other material interests

Equity accounting information attributable to the economic entity's share of investments in associated entities must be disclosed in a separate notice. See AASB 1016: Disclosure of Information about Investments in Associated Companies.

Entities share of:	Current period A\$'000	Previous corresponding period A\$'000
Profit (loss) from ordinary activities before tax.	Nil	Nil
Income tax	Nil	Nil
Profit (loss) from ordinary activities after tax	Nil	Nil
Extraordinary items net of tax	Nil	Nil
Net profit (loss)	Nil	Nil
Outside equity interests	Nil	Nil
Net profit (loss) attributable to members	Nil	Nil

Material interests in entities which are not controlled entities

The entity has an interest (that is material to it) in the following entities.

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to profit (loss) from ordinary activities and extraordinary items after tax	
Equity accounted associates and joint venture entities	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
None				
Total	Nil	Nil	Nil	Nil
Other material interests				
None				

Total	Nil	Nil	Nil	Nil

Issued and listed securities

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of securities

	Number issued	Number listed	Issue Price (cents)	Paid-up value (cents)
Preference securities (description)	NA	NA	NA	NA
Changes during current period	NA	NA	NA	NA
Ordinary securities	2,550,000	2,550,000	100	100
	721,820	721,820	110	110
	79,392	79,392	125	125
Changes during current period	79,392	79,392	125	125
Convertible debt securities (description and conversion factor)	Nil	Nil	NA	NA
Changes during current period	Nil	Nil	NA	NA

			Exercise price	Expiry date
Options (description and conversion factor)	Nil	Nil	NA	NA
Changes during current period	Nil	Nil	NA	NA
Exercised during current period	Nil	Nil	NA	NA
Expired during current period	Nil	Nil	NA	NA

Debentures	Nil	Nil
Unsecured Notes	Nil	Nil

Discounting Operations

Consolidated profit and loss account

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Sales revenue or operation revenue	4,098	3,359	Nil	Nil	4,098	3,359
Other revenue	Nil	Nil	Nil	Nil	Nil	Nil
Expenses from ordinary activities	(2,344)	(2,459)	Nil	Nil	(2,344)	(2,459)
Profit (loss) before tax	1,754	900	Nil	Nil	1,754	900
Less tax	(530)	(278)	Nil	Nil	(530)	(278)
Profit (loss) from ordinary activities after tax	1,224	622	Nil	Nil	1,224	622

Consolidated statement of cash flows

	Continuing operations		Discontinuing operations		Total entity	
	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000	Current period - \$A'000	Previous corresponding period - \$A'000
Net operating cash flows	435	1,343	Nil	Nil	435	1,343
Net investing cash flows	(573)	(136)	Nil	Nil	(573)	(136)

Net financing cash flows

(21)

(1,423)

Nil

Nil

(21)

(1,423)

Other disclosures

	Current period A\$'000	Previous corresponding period A\$'000
Carrying amount of items to be disposed of:		
- total assets	Nil	Nil
- total liabilities	Nil	Nil
Profit (loss) on disposal of assets or settlement of liabilities	Nil	Nil
Related tax	Nil	Nil
Net profit (loss) on discontinuance	Nil	Nil

Description of disposals

None

Comments by *directors*

The annual accounts show a profit before tax of \$1,754,355. This is the best result the economic entity has recorded to date and it has been largely driven by land development and sales. It should be recognised that profits of this magnitude from land sales are not sustainable and that eventually VLE will be bereft of excess land to sell. Directors have chosen to apply a considerable portion of the retained profits to business development.

The directors have sanctioned the payment of a dividend of five cents per share.

The land sale "Stage 12" has become unconditional; the transaction has been shown in this year's accounts even though it has not actually settled. This process is in compliance with accounting standards and follows the practice of previous years.

The abnormally high summer rains caused a substantial distortion to the flow of livestock onto the market in February and March and depressed throughput at that time. By comparison, VLE Pakenham has had record throughput in the winter months.

Currently an upgrade of the process for drying sludge from the truck wash is taking place. This is expected to assist with cost control in this area and provide commercial benefit.

Under the Dividend Re-investment Plan (DRP), 79,392 new shares were issued. \$64,371 was paid to shareholders as cash dividends for the period.

In respect of the income tax year ended 30 June 2005, the economic entity must pay income tax of \$527,055.

The economic entity's mobile electronic ear tag reading service delivered services into Western District of Victoria, East Gippsland and Tasmania during the year. This service has proven to be an excellent promotional tool for the economic entity. The economic entity has delivered advisory services to NSW and Queensland saleyards under the auspices of Meat and Livestock Australia and the relevant Departments of Primary Industries.

The facility at Pakenham continues to attract visitors from all over Australia and from overseas. Of particular interest is VLE's effectiveness and efficiency in recording and reading the now mandatory electronic ear tags.

Basis of accounts preparation

If this statement is a half yearly statement it should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period.

Material factors affecting the revenues and expenses of the entity for the current period including seasonal or cyclical factors

None

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

None

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

\$526,063. The proposed 5.0c dividend payable in February 2006 will be fully franked.

Changes in accounting policies since the last annual report and estimates of amounts reported in prior years are disclosed as follows.

The application of Accounting Standard AASB 1024: Consolidated Accounts and the Corporations Act 2001 have changed the economic entity's accounting policy in respect of the entity included as a controlled entity and incorporated into the consolidated financial statements. As a result of the change in policy VLE Advisory Services Pty Ltd is from 1 July 2004 included as a controlled entity in the economic entity. In accordance with the Standard, a retrospective adjustment of \$332 for post-acquisition profits has been made against the balance of retained earnings at 1 July 2004. The change also resulted in an increase in consolidated operating profit after income tax attributable to members of the parent entity of \$32,545 from the inclusion of the economic entity's share of the results of VLE Advisory Services Pty Ltd for the year ended 30 Jun 2005.

Changes in the amounts of contingent liabilities or assets since the last annual report are disclosed as follows.

None

Additional disclosure for trusts

Number of unites held by the management company or responsible entity to their related parties.

A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- Initial service charges
- Management fees
- Other fees

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Annual meeting

(Annual statement only)

The annual meeting will be held as follows:

Place

Exchange Drive, Pakenham

Date

To be determined

Time

To be determined

Approximate date the annual report will be available

13 September 2005

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law.
- 2 This statement, and the financial statements under the Corporations Law (if separate), use the same accounting policies.
- 3 In the case of a half-yearly report the same accounting standards and methods of computation are/are not* (*delete one*) followed as compared with the most recent annual accounts.
- 4 This statement does/~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.
- 5 This statement is based on financial statements to which one of the following applies:

(Tick one)

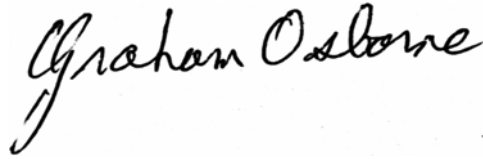
☒ The financial statements have been audited.

☐ The financial statements have been subject to review by a registered auditor (or overseas equivalent).

☐ The financial statements are in the process of being audited or subject to review.

☐ The financial statements have *not* yet been audited or reviewed.

- 6 If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*).
- 7 The entity has/~~does not have~~* (*delete one*) a formally constituted audit committee.



Sign here: Date: 12th September 2005
(Director/Company secretary)

Print name: GRAHAM OSBORNE

Notes

True and fair view If this statement does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

Income tax If the amount provided for income tax in this statement differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

Additional information An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the financial statements. The information may be an expansion of the material contained in this statement, or contained in a note attached to the statement.