

**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

Name of entity

72 078 893 031

Half yearly (tick)

☐

30 JUNE 2004

ABN, ACN or ARBN

Annual (tick)

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

				\$A,000
Sales revenue or operating revenue	up/down	57.2%	to	3,359
Profit (loss) before abnormal items and after tax	up/down	139.2%	to	622
Abnormal items before tax		gain (loss) of		Nil
Profit (loss) after tax but before outside equity interests	up/down	90.8%	to	622
Extraordinary items after tax attributable to members		gain (loss) of		Nil
Profit (loss) for the period attributable to members	up/down	90.8%	To	622

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

Annexure 3A
Half Yearly/Yearly Disclosure

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	3,359	2,137
Expenses from ordinary activities	(2,218)	(1,369)
Borrowing costs	(241)	(291)
Share of net profit (loss) of associates and joint venture entities	Nil	Nil
Profit (loss) from ordinary activities before tax	900	477
Income tax on ordinary activities	(278)	(151)
Profit (loss) from ordinary activities after tax	622	326
Outside equity interests	Nil	Nil
Profit (loss) from ordinary activities after tax attributable to members	622	326
Profit (loss) from extraordinary activities after tax attributable to members	Nil	Nil
Profit (loss) for the period attributable to members	622	326
Retained profits (accumulated losses) at the beginning of the financial period	165	(161)
Net transfers to and from reserves	Nil	Nil
Net effect of changes in accounting policies	Nil	Nil
Dividends paid or payable	(160)	Nil
Retained profits (accumulated losses) at end of financial period	627	165

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Half Yearly/Yearly Disclosure

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	622	326
Less (plus) outside equity interests	Nil	Nil
Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	622	326

Revenue and expenses from operating activities

	Current period \$A'000	Previous corresponding period \$A'000
Details of revenue and expenses		
REVENUE:		
Weigh fees & store sales	1,191	1,392
Droving fees	157	173
Auctioneers fees	59	55
Truckwash fees	163	169
Revenue from sale of land	1,626	100
Revenue from sale of option over land	-	20
Abnormal items	-	76
Other revenue	163	152
TOTAL REVENUE	3,359	2,137
EXPENSES:		
Cost of sales	892	113
Depreciation and amortisation	311	296
Borrowing costs expense	241	291
Salaries and employee benefits expense	453	416
Other expenses from ordinary activities	562	534
Abnormal items	-	10
TOTAL EXPENSES	2,459	1,660

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	22	Nil	22

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Total amortisation of intangibles	22	Nil	22
Extraordinary items (details)	Nil	Nil	Nil
Total extraordinary items	Nil	Nil	Nil

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	540	75
Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	82	251

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	108	324	239
Receivables	139	104	1,757
Investments	Nil	Nil	Nil
Inventories	97	259	97
Other (provide details if material)	27	27	22
Total current assets	371	714	2,115
Non-current assets			
Receivables	Nil	Nil	Nil
Investments	Nil	Nil	Nil
Inventories	Nil	Nil	Nil
Other property, plant and equipment (net)	5,926	6,079	5,962
Intangibles (net)	140	162	151
Other (provide details if material)	11	133	8
Total non-current assets	6,077	6,374	6,121

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Half Yearly/Yearly Disclosure

Total assets	6,448	7,088	8,236
Current liabilities			
Accounts payable	86	92	537
Borrowings	Nil	Nil	Nil
Provisions	157	10	275
Other (provide details if material)	Nil	Nil	Nil
Total current liabilities	243	102	812
Non-current liabilities			
Accounts payable	Nil	Nil	Nil
Borrowings	2,150	3,500	3,550
Provisions	4	Nil	Nil
Other (provide details if material)	276	260	268
Total non-current liabilities	2,430	3,760	3,818
Total liabilities	2,673	3,862	4,630
Net assets	3,775	3,226	3,606
Equity			
Capital	3,148	3,061	3,061
Reserves	Nil	Nil	Nil
Retained profits (accumulated losses)	627	165	545
Equity attributable to members of the parent entity	3,775	3,226	3,606
Outside equity interests in controlled entities	Nil	Nil	Nil
Total equity	3,775	3,226	3,606
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	3,303	2,834
Payments to suppliers and employees	(1,731)	(1,602)
Dividends received	Nil	Nil
Interest and other items of similar nature received	10	6

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Half Yearly/Yearly Disclosure

Interest and other costs of finance paid	(239)	(272)
Income taxes paid	Nil	Nil
Other (provide details if material)	Nil	Nil
Net operating cash flows	1,343	966
Cash flows related to investing activities		
Payments for purchases of property, plant and equipment	(138)	(150)
Proceeds from sale of property, plant and equipment	2	6
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)	Nil	Nil
Net investing cash flows	(136)	(144)
Cash flows related to financing activities		
Proceeds from issues of securities (shares, options, etc.)	Nil	Nil
Proceeds from borrowings	Nil	Nil
Repayment of borrowings	(1,350)	(400)
Dividends paid	(73)	Nil
Other (provide details if material)	Nil	(18)
Net financing cash flows	(1,423)	(418)
Net increase (decrease) in cash held	(216)	404
Cash at beginning of period (see Reconciliation of cash)	324	(80)
Exchange rate adjustments	Nil	Nil
Cash at end of period (see Reconciliation of cash)	108	324

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

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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	108	324
Deposits at call	Nil	Nil
Bank overdraft	Nil	Nil
Other (provide details)	Nil	Nil
Total cash at end of period	108	324

Ratios

Profit before tax/sales

Consolidated profit (loss) from ordinary activities before tax as a percentage of sales revenue

Current period

26.8%

Previous
corresponding period

22.3%

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

16.5%

10.1%

Earnings per security (EPS)

Calculation of basic, and fully diluted, EPS in accordance with AASB 1027: Earnings per Share

(a) Basic EPS

19.3 cents

10.2 cents

(b) Diluted EPS (if materially different from (a))

NTA backing

Net tangible asset backing per ordinary security

Current period

110.8 cents

Previous
corresponding period

91.8 cents

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Details of specific receipts/outlays, revenues/expenses

	Current period A\$'000	Previous corresponding period \$A'000
Interest revenue included	10	6
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)	Nil	Nil
Depreciation (excluding amortisation of intangibles)	288	273
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

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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 18 February
2005

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

		<i>Franking rate applicable</i>		%
<i>(annual report only)</i>				
Final dividend:	Current year		5.0¢	100%
	Previous year		5.0¢	0%
<i>(Half yearly and annual statements)</i>				
Interim dividend:	Current year		Nil¢	NA
	Previous year		Nil¢	NA

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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	164	160
Preference securities	NA	NA
Total	164	160

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	164	160
Preference securities	NA	NA
Total	164	160

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 18 February 2005.

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Half Yearly/Yearly Disclosure

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				

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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 <i>(description)</i>	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
Changes during current period	79,020	79,020	110	110
Convertible debt securities <i>(description and conversion factor)</i>	Nil	Nil	NA	NA
Changes during current period	Nil	Nil	NA	NA

			Exercise price	Expiry date
Options <i>(description and conversion factor)</i>	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

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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	3,359	2,137	Nil	Nil	3,359	2,137
Other revenue	Nil	Nil	Nil	Nil	Nil	Nil
Expenses from ordinary activities	(2,459)	(1,660)	Nil	Nil	(2,459)	(1,660)
Profit (loss) before tax	900	477	Nil	Nil	900	477
Less tax	(278)	(151)	Nil	Nil	(278)	(151)
Profit (loss) from ordinary activities after tax	622	326	Nil	Nil	622	326

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	1,343	966	Nil	Nil	1,343	966
Net investing cash flows	(136)	(144)	Nil	Nil	(136)	(144)

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Half Yearly/Yearly Disclosure

Net financing cash flows	(1,423)	(418)	Nil	Nil	(1,423)	(418)
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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 \$899,533. This is the best result the company 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. For this reason, VLE directors have continued to apply funds to debt reduction.

At the close of the financial year, VLE had debt of \$2.15 million compared to previous year end of \$3.5 million.

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

Stage 10 of the industrial land development was completed within the reporting period and yielded a profit of \$709,498. A further land sale for \$2.28 million was contracted within the period (as per notice given to the Bendigo Stock Exchange on 16 February 2004); the completion of the transaction is dependent on issue of appropriate approvals by the relevant authorities.

The return of more favourable pasture production seasons resulted in a decline in stock throughput. This was expected and a similar effect has been felt at most livestock marketing centres.

The improved rainfall has seen the VLE dam replenished, hopefully water for truck washing will not have to be purchased this year.

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.

Shareholder rebates of \$43,225 were paid during the year.

Under the Dividend Re-investment Plan (DRP), 79,020 new shares were issued. \$72,686 was paid to shareholders as cash dividends for the period.

The company has now utilised all of its prior year income tax losses and in respect of the income tax year ended 30 June 2004, must pay income tax of \$140,788.

With the continued improvement in the company's financial strength, directors have chosen not to lift yard dues for the ensuing year.

The company's mobile electronic ear tag reading service delivered services into western Victoria, East Gippsland and Tasmania during the year. In both Victoria and Tasmania the value of VLE services was recognised by the respective government departments who consequently contributed financially to the activities. This service has proven to be an excellent promotional tool for the company. The company has of late been invited to deliver similar services to NSW and Queensland.

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.

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Half Yearly/Yearly Disclosure

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

During the period contracts were signed for the sale of five lots (comprising over 8 hectares) of industrial land resulting in non-recurring revenue of \$1,626,527 and non-recurring expense of \$892,080.

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

The company's franking account had a balance of \$Nil at 30 June 2004. However payment of the company's 2003/04 income tax liability of \$140,788 in March 2005 will enable the company to fully frank the proposed 5.0 cent per share dividend expected to be paid in February 2005.

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

None

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

None

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Half Yearly/Yearly Disclosure

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

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 2004

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).

☐

Date 30/08/2000

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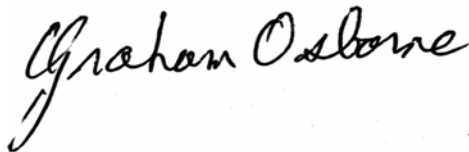
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The financial statements are in the process of being audited or subject to review.

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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:

(Director/Company secretary)

Date: 11/9/2004

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.