

METABOLISM HEALTH LIMITED
Statement of Financial Position
as at 31 October 2003

	Notes	Metabolism Health Ltd 31-Oct-03 \$	The Metabolism Centre Pty Ltd 31-Oct-03 \$	Metabolism Health Consolidated 31-Oct-03 \$
Current Assets				
Cash assets	1	2,012,641	12,766	2,025,407
Receivables	2	26,433	47,378	73,811
Inventories	4	0	135,346	135,346
Other	3	10,424	778,540	788,964
Total Current Assets		<u>2,049,498</u>	<u>974,030</u>	<u>3,023,529</u>
Non-Current Assets				
Receivables		2,587,316	0	0
Property, plant and equipment	5	6,509	1,252,496	1,259,006
Investments		800,800	0	-
Intangible assets	6	0	33,815	4,359,226
Total Non-Current Assets		<u>3,394,625</u>	<u>1,286,311</u>	<u>5,618,232</u>
Total Assets		<u>5,444,124</u>	<u>2,260,341</u>	<u>8,641,760</u>
Current Liabilities				
Payables	7	100,188	2,910,963	3,011,151
Interest bearing liabilities	8	0	131,245	131,245
Other provisions	9	0	146,487	146,487
Total Current Liabilities		<u>100,188</u>	<u>3,188,695</u>	<u>3,288,883</u>
Non-Current Liabilities				
Interest bearing liabilities	8	0	2,596,257	8,941
Total Non-Current Liabilities		<u>0</u>	<u>2,596,257</u>	<u>8,941</u>
Total Liabilities		<u>100,188</u>	<u>5,784,953</u>	<u>3,297,825</u>
Net Assets		<u>5,343,935</u>	<u>(3,524,611)</u>	<u>5,343,935</u>
Equity				
Contributed equity	10	5,833,228	410,180	5,833,228
Accumulated losses	11	(489,293)	(3,934,791)	(489,293)
Total Equity		<u>5,343,936</u>	<u>(3,524,611)</u>	<u>5,343,936</u>

**Metabolism Health Limited - Notes to
the Statement of Financial Position as
at 31 October 2003**

	Metabolism Health Ltd	The Metabolism Centre Pty Ltd	Metabolism Health Ltd - Consolidated
1 Cash assets			
Cash at Bank	4,580	12,766	17,346
Capital Proceeds	2,008,061	-	2,008,061
	<u>2,012,641</u>	<u>12,766</u>	<u>2,025,407</u>
2 Receivables			
Owing by director	-	34,317	34,317
Trade debtors	-	9,592	9,592
Other receivables	26,433	3,469	29,902
	<u>26,433</u>	<u>47,378</u>	<u>73,811</u>
3 Other			
Prepayments	10,424	93,227	103,651
Rent deposits	-	294,500	294,500
Site establishment	-	390,813	390,813
	<u>10,424</u>	<u>778,540</u>	<u>788,964</u>
4 Inventories			
Stock	-	135,346	135,346
	<u>-</u>	<u>135,346</u>	<u>135,346</u>
5 Property, plant & equipment			
Computer equipment - at cost	6,509	144,692	151,201
Less accumulated depreciation	-	(23,707)	-23,707
	<u>6,509</u>	<u>120,985</u>	<u>127,494</u>
Plant & equipment - at cost	-	518,489	518,489
Less accumulated depreciation	-	(44,627)	(44,627)
	<u>-</u>	<u>473,862</u>	<u>473,862</u>
Plant & equipment - leased	-	31,890	31,890
	<u>-</u>	<u>(6,254)</u>	<u>(6,254)</u>
	<u>-</u>	<u>25,636</u>	<u>25,636</u>
Furniture & fittings - at cost	-	651,200	651,200
Less accumulated depreciation	-	(19,186)	(19,186)
	<u>-</u>	<u>632,014</u>	<u>632,014</u>
	<u>6,509</u>	<u>1,252,497</u>	<u>1,259,006</u>
6 Intangibles			
Purchased goodwill	-	37,868	37,868
	<u>-</u>	<u>(4,053)</u>	<u>(4,053)</u>
	<u>-</u>	<u>33,815</u>	<u>33,815</u>
Goodwill on consolidation	-	-	4,325,411
	<u>-</u>	<u>33,815</u>	<u>4,359,226</u>
7 Payables			
Creditors and accruals	100,188	2,910,963	3,011,151
	<u>100,188</u>	<u>2,910,963</u>	<u>3,011,151</u>
8 Interest bearing liabilities - current			
Loan - Directors	-	45,315	45,315
Insurance premium funding	-	78,106	78,106
Lease and hire purchase liabilities	-	7,824	7,824
	<u>0</u>	<u>131,245</u>	<u>131,245</u>

**Metabolism Health Limited - Notes to
the Statement of Financial Position as
at 31 October 2003**

	Metabolism Health Ltd	The Metabolism Centre Pty Ltd	Metabolism Health Ltd - Consolidated
Interest bearing liabilities - non current			
Lease and hire purchase liabilities	-	8,941	8,941
	<u>0</u>	<u>8,941</u>	<u>8,941</u>
9 Other provisions			
Annual leave	-	146,487	146,487
	<u>-</u>	<u>155,428</u>	<u>155,428</u>
10 Contributed equity			
Issued capital - ordinary shares			
1,389,462,837 ordinary pre-consolidated shares	29,002,404	-	29,002,404
			0
200,000,000 pre-consolidated shares issued at 0.4 cents each			657,199
			0
Issue of 200,000,000 pre-consolidated shares to acquire the Metabolism Centre			800,800
500,000,000 pre-consolidated shares issued at 0.4 cents each pursuant to the prospectus			2,008,061
			0
Issue of 100,000,000 pre-consolidated shares to corporate advisor			400,000
			0
33,000,000 pre-consolidated shares to Bennelong Group Pty Ltd on conversion of loan			990,000
Less Reduction in capital			(27,874,845)
Less share issue costs			(297,707)
J Cowling's Loan of \$147,315.93 converted to 736,580 MHL shares after re-quotation on the ASX			147,316
			<u>5,833,228</u>
11 Accumulated losses			
Opening balance	27,964,138	3,934,791	27,964,138
Issue of shares to advisor			400,000
Capital reduction applied against accumulated losses			(27,874,845)
	<u>27,964,138</u>	<u>3,934,791</u>	<u>489,293</u>