Jumbo Corporation Ltd

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APP 4E – PRELIMINARY FINAL RESULTS – FULL YEAR PROFIT

Directors are pleased to announce the first full year profit result for the company. The profit for the 12 months ending June 2003 was $112,000 (before outside equity interests and includes both recurring and non-recurring revenues) which compares to a loss of $593,000 for the previous year. The revenue for the 12 months ending June 2003 was $2,753,000, up 55% from $1,782,000 for the previous year.

"This result marks an important milestone for the company after continued growth over the past 3 years", said Mr Mike Veverka, CEO of Jumbo Corp. "Jumbo Corp is now well positioned to take advantage of the rapidly growing online shopping market which has grown to $4 billion in Australia and $120 billion globally in 2002".

The following table demonstrates the trend in the growth of the company.

12 months ending:	June 01	June 02	June 03	Growth Last Year
Turnover	$1.36 million	$10.5 million	$23.7 million	126%
Revenue	$548,000	$1.78 million	$2.75 million	54%
Operating Costs	$1.24 million	$1.62 million	$1.65 million	2%
Cost of Sales	$52,000	$753,000	$985,000	31%
Profit/Loss (BOEI)[1]	($744,000)	($593,000)	$112,000	
Profit/Loss (AOEI)[2]	($600,000)	($502,000)	$102,000	
Cash Assets	$751,000	$759,000	$865,000	14%

Revenues have grown 54% per annum while operating costs have increased only 2% per annum demonstrating the benefits of the software automation in handling larger sales volumes with minimal operational cost increases.

Notes:

1. BOEI: Before Outside Equity Interests
2. AOEI: After Outside Equity Interests

Growth of Online Shopping

The Australian Bureau of Statistics released a report on 10 September 2003 stating that Internet shoppers spent around $1.9 billion in 2001 and at least $4 billion in 2002. The report also contained findings that demonstrate a growing number of people are beginning to spend more money online. The key indicators include:

- The number of Australian households that had access to a computer at home grew from 44% in 1998 to 61% in 2002.
- The number of Australian households that had home Internet access grew from 16% in 1998 to 46% in 2002.

Forrester Research estimated that global online shopping grew 52% to US$78 billion (AUD$120 billion) in 2002 (2002 US Ecommerce: The Year in Review. January 28, 2003). This was fuelled by a growth in new product categories, an improvement in digital marketing techniques and web analytics. The report stated that more than 50% of online retailers reached profitability in 2001, with more expected to cross the threshold in 2002. With fears of dot-com instability behind them, retailers seized the chance to optimize sales.

Both full reports can be found at www.jumbocorporation.com

Online Retailing Strategies

Since 1995, Benon Technologies Pty Ltd (a wholly owned subsidiary of Jumbo Corporation) has refined a 4 point strategy for online retailing.

1. Focus on "Internet friendly" products that have proven to sell well over the Internet. The company avoids some product lines that are not suited to online sales and continually investigates new product lines to add to its existing range.
2. Market globally to specific product target markets. Currently over 70% of the online sales are made overseas and marketing campaigns are run online designed to encourage repeat customers placing repetitive orders. The Australian online shopping market accounts for approximately 3% of the global online market.
3. Develop proprietary retailing software and marketing techniques and uses them as a competitive advantage. The in-house development model allows the company to rapidly develop new features to respond to customer demands. The high level of automation means higher sales volumes can be achieved with minimal operating costs.
4. Provide very high standard security to protect customer online payments.

The company plans to continue its growth through further investigations info new product lines and keep its costs under control through further refinement of its e-commerce software.

For further enquiries, please contact:

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JUMBO CORPORATION LIMITED

ABN 66 009 189 128

Appendix 4E

Preliminary Final Report

for the year ended 30 June 2003

RESULTS SUMMARY

Name of entity

JUMBO CORPORATION LIMITED

ABN	Reporting Period (year ended)	Previous corresponding Period (year ended)
66 009 189 128	30 June 2003	30 June 2002

For announcement to the market
Extracts from the report for announcement to the market

Revenues from ordinary activities	up	52%	$2,753,487
Profit (loss) from ordinary activities after tax attributable to members			$101,677
Net profit (loss) for the period attributable to members			$101,677

Dividends

No dividends have been paid or provided for on ordinary shares during the year ended 30 June 2003 (30 June 2002 – nil).

Brief Explanation of Results

The profit of $101,677 compares to a loss of $502,014 for the previous corresponding period. This improvement is a result of continued growth in the companies' principle activity of online retailing and wholesaling.

The 52% increase in revenues to $2,753,487 is a result of improvements in online marketing techniques. This compares with revenues of $1,816,000 for the previous corresponding period.

A key aspect of the improved result is the success of the Jumbo e-commerce software which automates and controls the online sale of goods. While revenues increased 54%, operating costs increased 2% to $1.65 million and costs of goods sold increased 31% to $985,128 from $752,788 in the previous corresponding period.

The purchase in June 2003of the remaining 20% of Benon Technologies Pty Ltd that the company did not already own will eliminate the outside equity interests for that entity and allow the company to consolidate the full profit of the companies main asset in future years.

The Net Asset position of the company improved to $580,930 at 30 June 2003 compared to a net deficit of $41,036 at 30 June 2002.

CONSOLIDATED STATEMENTS OF FINANCIAL PERFORMANCE

YEAR ENDED 30 JUNE 2003	Notes	CONSOLIDATED		JUMBO CORPORATION LIMITED	
		2003	2002	**2003**	2002
		$	$	**$**	$
REVENUES FROM ORDINARY ACTIVITIES	2	2,753,487	1,816,518	158,015	39,759
Cost of goods sold	3	(985,128)	(752,788)	-	-
Depreciation expense	3	(17,517)	(10,918)	-	-
Amortisation expense	3	(1,841)	(80,378)	-	-
Borrowing costs expense	3	(10,880)	(2,240)	-	-
Salaries and employee benefits expense	3	(323,174)	(412,586)	-	-
Directors' remuneration	3	(181,600)	(200,377)	-	-
Consultancy fees	3	(89,678)	(332,695)	(37,826)	(109,252)
Marketing costs	3	(62,508)	(63,727)	-	-
Other expenses from ordinary activities	3	(954,799)	(553,260)	(77,507)	(520,038)
Share of losses from associates	3	(14,565)	-	(14,565)	-
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		111,797	(592,451)	28,117	(589,531)
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES	4	-	-	-	-
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE		111,797	(592,451)	28,117	(589,531)
NET PROFIT/(LOSS)		111,797	(592,451)	28,117	(589,531)
NET PROFIT/(LOSS) ATTRIBUTABLE TO OUTSIDE EQUITY INTEREST	17	(10,120)	90,437	-	-
NET PROFIT/(LOSS) ATTRIBUTABLE TO MEMERS OF JUMBO CORPORATION LIMITED	16	101,677	(502,014)	28,117	(589,531)
Total changes in equity other than those resulting from transactions with owners as owners attributable to members of Jumbo Corporation Limited.		101,677	(502,014)	28,117	(589,531)
Basic profit/(loss) per share (cents per share).		0.06 cents	(0.32) cents		
Diluted profit/(loss) per share (cents per share) .		0.06 cents	(0.32) cents		

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2003	Notes	CONSOLIDATED		JUMBO CORPORATION LIMITED	
		2003	2002	**2003**	2002
		$	$	$	$
CURRENT ASSETS					
Cash assets	19(b)	865,083	758,670	82,865	290,515
Receivables	6	284,380	73,026	214,350	1,720
Inventories	7	12,665	24,675	-	-
TOTAL CURRENT ASSETS		1,162,128	856,371	297,215	292,235
NON-CURRENT ASSETS					
Investments accounted for using the equity method	8	135,435	-	135,435	-
Other financial assets	9	54,056	51,701	54,056	51,701
Interests in controlled entities	10	-	-	12,000	12,000
Property, plant and equipment	11	36,548	26,676	-	-
Intangible assets	12	349,500	12,000	337,500	-
TOTAL NON-CURRENT ASSETS		575,539	90,377	538,991	63,701
TOTAL ASSETS		1,737,667	946,748	836,206	355,936
CURRENT LIABILITIES					
Payables	13	1,088,328	896,492	42,542	100,558
Interest-bearing liabilities	14	-	2,793	-	-
Provisions	15	68,409	88,499	-	-
TOTAL CURRENT LIABILITIES		1,156,737	987,784	42,542	100,558
TOTAL LIABILITIES		1,156,737	987,784	42,542	100,558
NET ASSETS		580,930	(41,036)	793,664	255,378
EQUITY					
Parent entity interest					
Contributed equity	16	20,177,830	20,214,423	20,724,592	20,214,423
Accumulated losses	17	(19,485,333)	(19,587,010)	(19,930,928)	(19,959,045)
Total parent entity interest in equity		692,497	627,413	793,664	255,378
Total outside equity interest	18	(111,567)	(668,449)	-	-
TOTAL EQUITY		580,930	(41,036)	793,664	255,378

CONSOLIDATE STATEMENTS OF CASH FLOWS

YEAR ENDED 30 JUNE 2003	Notes	CONSOLIDATED		JUMBO CORPORATION LIMITED	
		2003	2002	**2003**	2002
		$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		2,513,454	1,841,898	1,720	455
Payments to suppliers and employees		(2,426,012)	(1,928,395)	(162,055)	(122,921)
Interest received		10,703	14,257	7,971	13,085
Borrowing costs			(2,240)		-
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES	19(a)	98,145	(74,480)	(152,364)	(109,381)
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(29,229)	(4,566)	-	-
Purchase of shares		(150,000)	-	(150,000)	-
Funds placed on deposit		(2,355)	(51,701)	(2,355)	(51,701)
Proceeds sale of shares		-	26,219	-	26,219
Loans to controlled entity		-	-	(75,600)	(281,358)
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		(181,584)	(30,048)	(227,955)	(306,840)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of ordinary shares		172,669	120,457	172,669	120,457
Proceeds on share issue from outside equity interests		-	4,000	-	-
Repayment of borrowings – related party		-	1,680	-	-
Repayment of Director loans		19,976			
Repayment of borrowings		(2,793)	(13,447)	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		189,852	112,690	172,669	120,457
NET INCREASE/(DECREASE) IN CASH HELD		106,413	8,162	(207,650)	(295,764)
Add opening cash brought forward		758,670	750,508	290,515	586,279
CLOSING CASH CARRIED FORWARD	19 (b)	865,083	758,670	82,865	290,515

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, which includes applicable Accounting Standards. Other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) have also been complied with.

The financial report has been prepared in accordance with the historical cost convention.

(b) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous year.

(c) Principles of consolidation

The consolidated financial statements are those of the consolidated entity, comprising Jumbo Corporation Limited (the parent entity) and all entities, which Jumbo Corporation Limited controlled from time to time during the year and at balance date.

Information from the financial statements of subsidiaries is included from the date the parent company obtains control until such time as control ceases. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the parent company has control.

Subsidiary acquisitions are accounted for using the purchase method of accounting.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies, which may exist.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

(d) Foreign currencies

Transactions in foreign currencies within the consolidated entity are converted to local currency at the rate of exchange ruling at the date of the transaction.

All resulting exchange differences arising on settlement or re-statement are brought to account in determining the profit or loss for the financial year.

(e) Cash and cash equivalents

Cash on hand and in banks and short-term deposits are stated at the lower of cost and net realisable value.

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 2 working days, net of outstanding bank overdrafts.

Bank overdrafts are carried at the principal amount. Interest is charged as an expense as it accrues.

(f) Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(g) Investments

Listed shares held for trading are carried at net market value. Changes in net market value are recognised as revenue or expense in the Statement of Financial Performance for the period.

Investments in associates are carried at the lower of the equity-accounted amount and the recoverable amount in the consolidated report.

All other non-current investments are carried at the lower of cost and recoverable amount.

(h) Inventories

Inventories are valued at the lower of cost and net realisable value.

(i) Recoverable Amount

Non-current assets are not carried at an amount above their recoverable amount, and where carrying values exceed this recoverable amount assets are written down. In determining recoverable amount, the expected net cash flows have been discounted to their present value using a market determined risk adjusted discount rate.

(j) Property, plant and equipment

Items of property, plant and equipment are carried at cost.

Depreciation is provided on a diminishing value basis on all property, plant and equipment.

Major depreciation periods are:	**2003**	2002
Leasehold improvements:	the lease term	The lease term
Plant and equipment:	3 to 7 years	3 to 5 years

(k) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases. The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight-line basis.

Finance leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to the group are capitalised at the present value of the minimum lease payments and disclosed as property, plant and equipment under lease. A lease liability of equal value is also recognised.

Capitalised lease assets are depreciated over the shorter of the estimated useful life of the assets and the lease term. Minimum lease payments are allocated between interest expense and reduction of the lease liability with the interest expense calculated using the interest rate implicit in the lease and charged directly the Statement of Financial Performance.

(l) Intangibles

Goodwill represents the excess of the purchase consideration over the fair value of identifiable net assets acquired at the time of acquisition of a business or shares in a controlled entity. The goodwill primarily relates to amounts recorded in connection with the acquisition of the outside equity interest in Editson Pty Ltd in June 2003.

Goodwill is amortised on a straight-line basis over the period during which benefits are expected to be received. At each reporting date, the carrying value of goodwill is reviewed to ensure it does not exceed the recoverable amount. When necessary adjustments are made to reduce the carrying value to the recoverable amount.

Intellectual property development costs are expensed as incurred, except where future benefits are expected, beyond any reasonable doubt, to exceed those costs. Where intellectual property development costs are deferred such costs are amortised over future periods on a basis related to expected future benefits.

30 JUNE 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(m) Other non-current assets

Research and development costs

Research and development costs are expensed as incurred, except where future benefits are expected, beyond any reasonable doubt, to exceed those costs. Where research and development costs are deferred such costs are amortised over future periods on a basis related to expected future benefits. Unamortised costs are reviewed at each balance date to determine the amount (if any) that is no longer recoverable and any amount identified is written off.

Expenditure carried forward

Significant items of carry forward expenditure having a benefit or relationship to more than one period are written off over the periods to which such expenditure relates.

(n) Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated entity.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

(o) Interest bearing liabilities

All loans are measured at the principal amount. Interest is charged as an expense as it accrues.

Finance lease liability is determined in accordance with the requirements of AASB 1008: Leases.

(p) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received or receivable by the company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(q) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the consolidated entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest

Control of the right to receive the interest payment.

Dividends

Control of the right to receive the dividend payment.

The consolidated entity generates revenue from e-commerce (Jumbomall), web site development and design software sales, subscriptions to business-to-business web portal and on-line retailing of computer and peripherals.

Benon Technologies Pty Ltd received commissions, which are charged on sales made through shops that are administrated by the Jumbomall and are recognised as income when the order has been completed. Jumbomall stores are charged subscriptions, which are payable monthly, quarterly, 6 monthly or yearly in advance. Revenue is recognised in the month that the fee relates to.

30 JUNE 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(q) Revenue recognition (cont'd)

Web site development and design revenues are recognised when the project is completed. The company sells internet software tools and revenue on these sales is recognised when the software is delivered and payment has been received.

Building Site Services (Aust) Pty Ltd (trading as Neo Build) generates revenue from subscriptions to its business-to-business web portal. Revenue is recognised as it is billed to subscribers.

Dealer Dan Pty Ltd generates revenue from on-line sales of computer hardware and peripherals.

Online Computing Australia Pty Limited, trading as Bozzo Brown Computer Wholesalers generates revenue from on-line sales of computer hardware and peripherals.

Revenue from online sales of computer hardware and peripherals is recognized when control of the goods is passed to the buyer.

(r) Income tax

Tax-effect accounting is applied using the liability method whereby income tax is regarded as an expense and is calculated on the accounting profit after allowing for permanent differences. To the extent timing differences occur between the time items are recognised in the financial statements and when items are taken into account in determining taxable income, the net related taxation benefit or liability, calculated at current rates, is disclosed as a future income tax benefit or a provision for deferred income tax. The net future income tax benefit relating to tax losses and timing differences is not carried forward as an asset unless the benefit is virtually certain of being realised.

(s) Employee entitlements

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee entitlements expected to be settled within twelve months of the reporting date are measured at their nominal amounts. All other employee entitlement liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the interest rates attaching to government guaranteed securities which have terms to maturity approximating the terms of the related liability are used.

Employee entitlements expenses and revenues arising in respect of the following categories:

- wages and salaries, non-monetary benefits, annual leave, long service leave and other leave entitlements; and
- other types of employee entitlements

are charged against profits on a net basis in their respective categories.

The value of the Employee Share Option Plan, described in Note 20, is not being charged as an employee entitlement expense.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(t) Earnings per share

Basic earnings per share is determined by dividing the profit from ordinary activities after related income tax expense by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is determined by dividing the profit from ordinary activities after related income tax expense adjusted for the effect of earnings on potential ordinary shares, by the weighted average number of ordinary shares (both issued and potentially dilutive) outstanding during the financial year.

(u) Good and services tax

Revenues, expenses and assets are recognized net of the amount of GST except

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the costs of acquisition of the asset or as part of the expense item as applicable: and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

(v) Comparative amounts

Where necessary, comparatives for employee options have been reclassified and repositioned for consistency with current year disclosures as a result of the first time application of revised Accounting Standard AASB 1028 "Employee Benefits".

(w) Going Concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of business activities and the realisation of assets and the payment of liabilities in the normal course of business and at the amounted stated in this report.

As at 30 June 2003, the company had net current assets of $5,390. This compares to net current assets of ($131,413) at 30 June 2002. Although the company has generated a net profit from ordinary activities of $101,677, this includes non-recurring revenue related to the sale of Kringle Pty Ltd. The net loss from ordinary activities prior to non-recurring revenue is $37,073 and includes establishment costs for new projects.

The directors believe that the company will be able to pay its debts as and when they fall due based on the following information:
- Since 30 June 2003, the company has issued additional new ordinary shares raising $130,000 in new capital

- Benon Technologies, the operating company for the core Jumbo on line shopping business was profitable during 2003. Further effort will be made to continue the growth in Benon Technologies as the "Star Performer" of the group. Attention will be focused on improving marketing techniques and improving the software to maximize automation.
- Efforts will be made to grow the operations of the online casino business.

- The company has contracted the sale of the Kringle subsidiary with payment due before the end of June 2004. It is expected to complete the sale earlier than expected by late 2003.

- Turnaround growth in Online Computing Australia Pty Ltd and Dealer Dan Pty Ltd. Now that the new management has proven to be a success, efforts will be made to grow the business in a more stable manner over the coming months. The customer base has proven to be strong to generate profits and sustain the business.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2003	CONSOLIDATED		JUMBO CORPORATION LIMITED	
	2003	2002	**2003**	2002
	$	$	**$**	$
2. REVENUE FROM ORDINARY ACTIVITIES				
Revenues from operating activities				
Jumbomall commissions	1,082,275	551,093	-	-
Other commissions	292,776	212,010	-	-
Revenue from sale of goods	1,015,576	804,697	-	-
Revenue from services	158,727	171,912	-	-
Total revenues from operating activities	2,549,354	1,739,712	-	-
Revenues from non-operating activities				
Rental income	37,645	16,880	-	-
Interest received - other persons/corporations	10,703	14,257	7,971	13,085
Proceeds from sale of shares	-	26,219		26,219
Revenue from sale of shares in Kringle Pty Ltd	138,750		138,750	
(On 30 June 2003, the company sold its 100% interest in Kringle Pty Limited for $150,000. Kringle Pty Limited was a controlled entity during 2003 and 2002, but was inactive during these years and had no profits or losses. The sales price of $150,000 is non interest bearing and has been recorded at the present value).				
Other revenues	17,035	19,450	11,294	455
Total revenues from ordinary activities	2,753,487	1,816,518	158,015	39,759

30 JUNE 2003	CONSOLIDATED		JUMBO CORPORATION LIMITED	
	2003	2002	**2003**	2002
	$	$	**$**	$
3. EXPENSES AND LOSSES/ (GAINS)				
(a) Expenses				
Costs of sales				
Sale of goods	951,684	707,235	-	-
Sales of services	33,444	45,553	-	-
Total cost of sales	985,128	752,788	-	-
Depreciation of non current assets				
Plant and equipment	17,517	10,918	-	-
Amortisation of non-current assets				
Plant and equipment under lease	1,841	2,583	-	-
Goodwill	-	77,795	-	-
Total amortisation of non-current assets	1,841	80,378	-	-
Borrowing costs expensed				
Interest expense – other persons/corporations	10,724	763	-	-
Finance lease payments	156	1,477	-	-
Total borrowing costs expensed	10,880	2,240	-	-
Salaries and employee benefits expense				
Salaries	290,910	371,797	-	-
Superannuation contributions	22,704	33,044	-	-
Annual leave provision	9,560	7,745	-	-
Total salaries and employment benefits	323,174	412,586	-	-
Directors' remuneration				
Directors of the Company	181,600	200,377	-	-
Total directors remuneration	181,600	200,377	-	-

30 JUNE 2003	CONSOLIDATED		JUMBO CORPORATION LIMITED	
	2003	2002	**2003**	2002
	$	$	**$**	$
3. EXPENSES AND LOSSES (GAINS) Cont'd				
Consultancy fees				
Legal fees	(49,247)	120,002	14,326	90,946
Corporate - other	109,525	127,003	23,500	18,306
Controlled entities	29,400	85,690	-	-
Total Consultancy fees	89,678	332,695	37,826	109,252
Marketing costs				
Commissions	42,605	52,721	-	-
Overseas marketing		-	-	-
Promotions	19,903	11,006	-	-
Total marketing costs	62,508	63,727	-	-
Other expenses from ordinary activities				
Bad and doubtful debts-trade debtors	6,303	27,034	-	-
Operating lease rental				
- minimum lease payments	121,918	128,283	-	-
Provision for non recovery of loans to controlled entities	-	-	-	281,358
Provision for diminuition in investments in controlled entities	-	-	-	160,007
Auditors' remuneration	41,030	34,542	41,030	34,542
Accountancy fees	20,820	5,727	-	-
Bank merchant fees	436,204	156,520	-	-
Cost of shares sold	-	34,000		34,000
Other	328,524	167,154	36,477	10,131
Total other expenses from ordinary activities	954,799	553,260	77,507	520,038
Total Costs	2,627,125	2,408,969	115,333	629,290
b) Losses				
Share of losses from associate	14,565	-	14,565	-
Net loss on sale of shares	-	7,781	-	7,781
	14,565	7,781	14,565	7,781

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2003	CONSOLIDATED		JUMBO CORPORATION LIMITED	
	2003	2002	**2003**	2002
	$	$	**$**	$
4. INCOME TAX				
The prima facie tax, using tax rates applicable in the country of operation, on operating loss differs from the income tax provided in the financial statements as follows:				
Prima facie tax on profit/(loss) from ordinary activities	33,359	(177,735)	8,435	(176,859)
Calculated at 30%				
Tax effect of permanent differences				
Provision for diminution in investment			3,427	48,000
Amortisation of intangible assets	552	24,113	-	
Utilisation of operating loss carry forward	(33,359)		(11,862)	
Income tax benefit expense attributable to ordinary activities	-	(153,622)	-	(128,859)
Future income tax benefits not brought to account at balance date				
- timing differences	10,875	73,458	7,200	896,500
- tax losses	1,075,614	1,120,028	247,627	266,689
	1,086,489	1,193,486	254,827	1,163,189

Future income tax benefit arising from tax losses of a controlled entity not brought to account at balance date as realisation of the benefit is not regarded as virtually certain.

5. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

No dividends have been paid or provided for on ordinary shares during the year ended 30 June 2003 (30 June 2002 – nil).

30 JUNE 2003	CONSOLIDATED		JUMBO CORPORATION LIMITED	
	2003	2002	**2003**	2002
	$	$	$	$
6. RECEIVABLES (CURRENT)				
Trade debtors	84,233	136,954	-	-
Provision for doubtful debts	(6,303)	(113,633)	-	-
	77,930	23,321	-	-
Sundry debtors				
Receivable from sale of shares in Kringle Pty Ltd	138,750	-	138,750	-
Amounts other than trade debtors receivable from related parties	54,341	18,370		1,720
Directors and director-related entities				
– director	13,359	31,335	-	-
	284,380	73,026	138,750	1,720
Receivables (Non-Current)				
Amounts other than trade debts receivable from related parties	-	-	3,039,784	2,967,326
- controlled entities less provision for non-recovery	-	-	(2,964,184)	(2,967,326)
	-	-	75,600	-

(a) Terms and conditions relating to the above financial instruments

(i) Trade debtors are non-interest bearing and generally on 30-day terms.

(ii) Receivable from sale of shares in Kringle Pty Ltd is non interest bearing and is due on 30 June 2004.

7. INVENTORIES (CURRENT)

Finished goods at cost	12,665	24,675	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2003		CONSOLIDATED		JUMBO CORPORATION LIMITED	
		2003	2002	**2003**	2002
		$	$	**$**	$
8. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD					
Investment in associate	8(a)	135,435	-	135,435	-
		Ownership interest held by consolidated entity			
(a) Global Approach Ltd		**2003**	2002		
(i) Principal activity					
Online casino		38.7%	-		
		CONSOLIDATED			
(ii) Share of associates profits (losses)		**2003**	2002		
Share of associates:					
Net loss before income tax		(14,565)			
Income tax expense attributable to net profit		-			
Net loss after income tax		(14,565)			
(iii) Carrying amount of investment					
Balance at beginning of financial year		-			
Investments made during the year		150,000			
Share of associates net losses for financial year		(14,565)			
Carrying amount of investment in associate at the end of the financial year		135,435			
(iv) Share in associates assets and liabilities					
Current assets		60,185			
Non-current assets		109,112			
Current Liabilities		33,862			
Non-current liabilities		-			
Net assets		135,435			
(v) Retained profits of the consolidated entity attributable to associate					
Balance at beginning of financial year		-			
Share of associates net profits/(losses)		(14,565)			
Balance at the end of the financial year		(14,565)			

NOTES TO THE FINANCIAL STATEMENTS

9. OTHER FINANCIAL ASSETS (NON-CURRENT)

Term deposit	54,056	51,701	54,056	51,701

10. INTERESTS IN CONTROLLED ENTITIES

Name	Country of incor-poration	Percentage of equity interest held by the consolidated entity		Jumbo Corporation Limited	
		2003	2002	**2003**	2002
		%	%	**$**	$
Benon Technologies Pty Limited	Australia	100	80	**(a)**	12,099,997 (a)
Editson Pty Limited	Australia	100	80	10,400,000	10,400,000
– less provision for diminution				(10,400,000)	(10,400,000)
– and its controlled entity					
Kringle Pty Limited	Australia	100	100	1	1
Building Site Services (Aust) Pty Limited	Australia	70	70	160,000	160,000
Dealer Dan Pty Limited	Australia	75	75	6	6
– less provision for diminution				(160,007)	(160,007)
Online Computing Australia Pty Ltd	Australia	75	75	12,000	12,000
				12,000	12,000

	CONSOLIDATED		JUMBO CORPORATION LIMITED	
	2003	2002	**2003**	2002
	$	$	**$**	$
11. PROPERTY, PLANT AND EQUIPMENT				
Plant and equipment at cost				
Office equipment and furniture	123,460	119,250	-	13,597
Accumulated depreciation	(92,585)	(100,088)	-	(13,597)
	30,875	19,162	-	-
Plant and equipment under lease				
Office Equipment	21,601	21,601	-	-
Accumulated amortisation	(15,928)	(14,087)	-	-
	5,673	7,514	-	-
Total plant and equipment	36,548	26,676	-	-

Reconciliations

Reconciliations of the carrying amounts of property plant and equipment at the beginning and end of the current and previous financial year.

Plant and equipment				
– at cost				
Carrying amount at beginning	19,162	25,514	-	-
Additions	32,428	4,566	-	-

Disposal of assets	(3,198)	-	-	-
Depreciation expense	(17,517)	(10,918)	-	-
Carrying amount at year end	30,875	19,162	-	-
Plant and equipment				
- under lease				
Carrying amount at beginning	7,514	10,097	-	-
Amortisation expense	(1,841)	(2,583)	-	-
Carrying amount at year end	5,673	7,514	-	-

12. INTANGIBLES

Goodwill	432,852	95,352	349,500	-
Accumulated amortisation and write off	(83,352)	(83,352)	-	-
	349,500	12,000	349,500	-
Intellectual property	20,090	20,090	-	-
Accumulated amortisation	(20,090)	(20,090)	-	-
	349,500	12,000	349,500	-

	2003	2002	**2003**	2002
	$	$	**$**	$
13. PAYABLES (CURRENT)				
Trade creditors	991,683	847,168	19,836	100,558
Other creditors	45,321	-	22,706	-
Aggregate amounts payable to related parties				
Directors and director related entities				
– director of controlled entities	51,324	49,324	-	-
	1,088,328	896,492	42,542	100,558

14. INTEREST BEARING LIABILITIES (CURRENT)

Lease liability (refer note 21)	-	1,173	-	-
Bank loan - unsecured	-	1,620	-	-
	-	2,793	-	-

	2003	2002	**2003**	2002
	$	$	**$**	$
15. PROVISIONS (CURRENT)				
Fringe benefits tax	40,770	33,271	-	-
Employee entitlements	27,639	30,228	-	-
Other provisions	-	25,000	-	-
	68,409	88,499	-	-

NOTES TO THE FINANCIAL STATEMENTS

16. CONTRIBUTED EQUITY

a) Issued and paid up capital

– Ordinary shares fully paid.	20,724,592	20,214,423	20,724,592	20,214,423

b) Movements in shares on issue

	2003 Number of Shares	**2003 $**	2002 Number of Shares	2002 $
Balance at the beginning of the year	163,338,459	20,214,423	157,720,171	20,070,041
Issued during the year:				
• on 7 February 2002 in satisfaction of debt	-	-	400,000	12,000
• on 20 May 2002 in consideration for acquisition of Online Computing Australia Pty Ltd	-	-	400,000	12,000
• on 28 June 2002 under the Shareholder Share Offer	-	-	4,818,288	120,457
• on 23 August 2002 under Shareholder Share Offer	2,426,768	60,669	-	-
• on 7 May 2003 as a private placement	8,000,000	112,000		
• on 27 June 2003 in consideration for acquisition of balance of shares in Editson Pty Ltd	25,000,000	337,500	-	-
• outside equity interest in Editson Pty Ltd assumed by parent company upon acquisition of shares		(546,762)		
	198,765,227	20,177,830	163,338,459	20,214,498
less:				
Transaction costs	-	-	-	(75)
Balance at the end of the financial year	198,765,227	20,177,830	163,338,459	20,214,423

c) Employee Share Option Plan

The Company has in place an Employee Share Option Plan approved by shareholders at the annual general meeting held on 30 November 1999. On 6 June 2001 the Company granted a total of 5,750,000 options exercisable at 5 cents each and expiring on 5 June 2006 under the Employee Share Option Plan. On 29 March 2002 the Company granted a further 750,000 options also exercisable at 5 cents each and expiring on 5 June 2006 under the Employee Share Option Plan. The total number of options granted under the Employee Share Option Plan is 6,500,000.

	CONSOLIDATED		**JUMBO CORPORATION LIMITED**	
	2003 $	2002 $	**2003 $**	2002 $
17. ACCUMULATED LOSSES				
Balance at the beginning of the year	(19,587,010)	(19,084,996)	(19,959,045)	(19,369,514)
Net profit/ (loss) attributable to members of Jumbo Corporation Limited	101,677	(502,014)	28,117	(589,531)
Balance at the end of the year	(19,485,333)	(19,587,010)	(19,930,928)	(19,959,045)

18. OUTSIDE EQUITY INTEREST

Reconciliation of outside equity interest in controlled entities:	**2003 $**	2002 $
Opening balance	(668,449)	(582,012)
Share of current year operating profit/(loss)	10,120	(90,437)
Share of capital of acquired controlled entities	-	4,000
Outside equity interest in Editson Pty Ltd assumed by parent company upon acquisition of shares	546,762	-
Closing balance	(111,567)	(668,449)

30 JUNE 2003

	CONSOLIDATED		JUMBO CORPORATION LIMITED	
	2003	2002	**2003**	2002
	$	$	$	$
19. STATEMENT OF CASH FLOWS				
(a) Reconciliation of the operating loss after tax to the net cash flows from operations				
Operating profit after tax	111,797	(592,451)	28,117	(589,531)
Add non-cash items:				
Loss on sale of shares				
Depreciation of non-current assets	17,517	10,918		-
Amortisation of non-current assets	1,840	2,583		-
Amortisation and write off of intangibles	-	77,795		-
Provision for doubtful debts	6,303	27,034		-
Provision for employee entitlements	4,560	7,745		-
Other Provisions	-	(29,831)		
Provision for loss on loan to controlled entity	-	-		281,358
Net loss on sale of shares	-	7,781		7,781
Provision for diminution – controlled entity	-	-		160,007
Share of associates losses	14,565	-	14,565	-
Preliminary expenses written off	-	-		-
Decrease/(Increase) in trade receivables	(60,913)	65,854		-
Decrease/(Increase) in Other Receivables	(174,721)		(137,030)	
Decrease/(Increase) in inventories	12,010	(20,820)		-
Increase/(Decrease) in trade creditors	144,516	368,912	(80,722)	31,004
Increase/(Decrease) in other creditors	45,321	-	22,706	-
Increase/(Decrease) in Other Provisions	(29,650)	-	-	-
Net cash flow (used in) operating activities	98,145	(74,480)	(152,364)	(109,381)
(b) Reconciliation of cash				
Cash balance comprises:				
– cash on hand	865,083	758,670	82,865	290,515
– funds on deposit		-		-
	865,083	758,670	82,865	290,515

(c) Financing facilities available

The consolidated entity has no financing facilities negotiated.

(d) Non cash financing and investing activities

During the year ended 30 June 2003 the company acquired 20% of Editson Pty Ltd, resulting in the companys ownership increasing to 100%. The consideration paid was $337,500 which was satisfied by the issue of 25,000,000 ordinary shares in Jumbo Corporation Ltd at a deemed issue price of 1.35 cents per share.

(e) Acquisition of controlled entities

No controlled entities were acquired during the year ended 30 June 2003.

The following table summarises information about options held by employees at 1st July 2002 and 30th June 2003. There were no options granted or exercised during the reporting period.

Number of Options	Grant Date	Vesting Date	Expiry Date	Weighted Average Exercise price
5,750,000	5 June 2001		5 June 2006	5 cents
750,000	19 March 2002		5 June 2006	5 cents

	CONSOLIDATED	
	2003	2002
20. EARNINGS PER SHARE	**Cents per Share**	Cents per Share
The following reflects the incoming and share data used in the calculations o f basic and diluted earnings per share:		
Net profit/(loss)	111,797	(592,451)
Less:		
Net profit/loss attributable to outside equity interests	10,120	90,437
Earnings used in calculating basic and diluted earnings per share	101,677	(502,014)
(a) Basic profit/(loss) per share	0.06 cents	(0.32) cents
(b) Diluted profit/(loss) per share	0.06 cents	(0.32) cents

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2003	CONSOLIDATED		JUMBO CORPORATION LIMITED	
	2003	2002	**2003**	2002
	$	$	**$**	$
20. EARNINGS PER SHARE (Cont'd)	**Cents per Share**	Cents per Share		
(b) Diluted profit/(loss) per share	0.06	(0.32)		
(c) Weighted average number of ordinary shares on issue used in the calculation of basic and diluted earnings per share	166,682,876	157,949,312		

(d) The number of ordinary shares not used in the calculation of basic and diluted earnings per share are set out in note 17, as they are not considered dilutive.

(e) Since 30 June 2003 the Company has issued a further 10,000,000 ordinary shares at 1.3 cents per share as a private placement raising an additional $130,000 in new capital.

On 10 July 2002 a total of 22,941,171 options exercisable at 20 cents each, expired unexercised.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2003

21. SEGMENT INFORMATION

a) Geographical segment
The consolidated entity operates predominantly in one geographical segment, namely Australia. Purchases by customers on the Jumbomall are substantially by overseas residents but are predominantly processed through the Australian banking system.

b) Business Segment
Details of the consolidated entity's industry segment classifications are set out below:

b) Business segments	2003 Jumbomall Online Shopping Mall	2003 Online Retailing	2003 Provision of IT Services	2003 Online Database	2003 Other	2003 Total Revenues
	$	$	$	$	$	$
Revenues						
Sales to customers outside the consolidated entity	1,872,234	539,334	97,139	32,495		2,541,202
Other revenues					212,285	212,285
	1,872,234	539,334	97,139	32495	212,285	2,753,487
Results						
Segment results	103,656	(100,303)	105,808	(22,323)	24,959	111,797

	2002 Jumbomall Online Shopping Mall	2002 Online Retailing	2002 Provision of IT Services	2002 Online Database	2002 Other	2002 Total Revenues
Revenues	$	$	$	$	$	$
Sales to customers outside the consolidated entity	763,103	808,331	78,144	90,313	-	1,739,891
Other revenues	-	-	-	-	76,627	76,627
	763,103	808,331	78,144	90,313	76,627	1,816,518
Results						
Segment results	(172,102)	(112,574)	36,046	(195,552)	(148,269)	(592,451)

b) Business segments	2003 Jumbomall Online Shopping Mall	2003 On-line Retailing	2003 Provision of IT Services	2003 On-line Database	2003 Other	2003 Eliminations	2003 Total Assets
	$	$	$	$	$	$	$
Assets							
Segment assets	1,244,828	167,076	-	1,427	160	-512,030	901,461
unallocated assets						836,206	836,206
	1,244,828	167,076	-	1,427	160	324,176	1,737,667

The unallocated assets are predominantly cash at bank held by the parent company and are not attributable to a business segment.

	2002 Jumbomall Online Shopping Mall	2002 On-line Retailing	2002 Provision of IT Services	2002 On-line Database	2002 Other	2002 Eliminations	2002 Total Assets
	$	$	$	$	$	$	$
Assets							
Segment assets	736,400	71,389	-	10,466	176	-227,619	590,812
unallocated assets	-	-	-	-	-	355,936	355,936
	736,400	71,389	-	10,466	176	128,317	946,748

The unallocated assets are predominantly cash at bank held by the parent company and are not attributable to a business segment.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2003

21. SEGMENT INFORMATION (Cont'd)

	2003	2003	2003	2003	2003	2003	2003
	Jumbomall Online Shopping Mall	**On-line Retailing**	**Provision of IT Services**	**On-line Database**	**Other**	**Eliminations**	**Total Liabilities**
	$	$	$	$	$	$	$
Liabilities							
Segment Liabilities	3,978,639	384,222	-	215,549	-	-3,464,214	1,114,196
Unallocated liabilities						42,542	42,542
	3,978,639	384,222	-	215,549	-	-3,421,672	1,156,738

The unallocated liabilities are predominantly the liabilities of the parent company and are not attributable to a business segment.

	2002	2002	2002	2002	2002	2002	2002
	Jumbomall Online Shopping Mall	**On-line Retailing**	**Provision of IT Services**	**On-line Database**	**Other**	**Eliminations**	**Total Liabilities**
	$	$	$	$	$	$	$
Liabilities							
Segment Liabilities	3,679,499	188,231	-	202,265	-	-3,182,769	887,226
Unallocated liabilities	-	-	-	-	-	-	100,558
	3,679,499	188,231	-	202,265	-	-3,182,769	987,784

The unallocated liabilities are predominantly the liabilities of the parent company and are not attributable to a business segment.

Other segment information as at 30 June 2003	2003	2003	2003	2003	2003	2003	2003
	Jumbomall Online Shopping Mall	**On-line Retailing**	**Provision of IT Services**	**On-line Database**	**Other**	**Eliminations**	**Total**
	$	$	$	$	$	$	$
Depreciation	14,520	1,917		1,080			17,517
Amortization	1,841						1,841
Other non-cash expenses	9,560			6,303			15,863
Details of other non-cash expense							
annual leave provision	9,560						9,560
provision for doubtful debts				6,303			6,303
preliminary expenses written off							
	9,560			6,303			15,863

Other segment information as at 30 June 2002	2002	2002	2002	2002	2002	2002	2002
	Jumbomall Online Shopping Mall	**On-line Retailing**	**Provision of IT Services**	**On-line Database**	**Other**	**Eliminations**	**Total**
	$	$	$	$	$	$	$
Acquisition of goodwill	-	12,000	-	-	-	-	12,000
Depreciation	10,007	42	-	2,160	-	-	12,209
Amortisation	17,962	-	-	61,125	-	-	79,087
Other non-cash expenses	6104	16,843	-	12,359	-	-	35,306
Details of other non-cash expense							
annual leave provision	6,104	-	-	1,641	-	-	7,745
provision for doubtful debts	-	16,316	-	10,718	-	-	27,034
inventory write down	-	527	-	-	-	-	527
	6,104	16,843	-	12,359	-	-	35,306

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2003

NET TANGIBLE ASSETS PER SECURITY

		Current period	Previous corresponding period
11.1	Net tangible asset backing per +ordinary security	0.12 cents	(0.08) cents

AUDITED ACCOUNTS

	The accounts have been audited.	The accounts have been subject to review.
X	The accounts are in the process of being audited or subject to review.	The accounts have not yet been audited or reviewed.

LIKELY DISPUTE OR QUALIFICATION

If the accounts **have not** yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion, attention is drawn to the following matter. As indicated in Note 1 to the financial statements, there is significant uncertainty whether the company will be able to continue as a going concern and therefore realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial statements. No adjustments have been made relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

If the accounts **have** been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification.

N/A