Jumbuck Entertainment Ltd

Reconciliation of revenue and profit/(loss) used in prospectus

	30/06/2002 $000	30/06/2003 $000
Reconciliation of Revenue		
Revenue as per prospectus	**572**	**1,422**
Revenue as per Financial Statements	593	1,422
Less: Export Market Development Grant	(21)	
Revenue as per Financial Statements - Adjusted	**572**	**1,422**

Reconciliation of profit(loss) before tax		
Profit(loss) before tax as per prospectus	**(1,036)**	**(285)**
Profit(loss) before tax as per Financial Statements	(334)	60
Less: Corporate expenses	(364)	(364)
Less: Goodwill write off	(338)	
Add back: Asset write off		19
Profit(loss) before tax per Financial Statements - Adjusted	**(1,036)**	**(285)**

Jumbuck Entertainment Pty Ltd

ACN 092 817 171

Financial Report
for the Financial Year ended 30 June 2003

Annual Financial Report for the Financial Year ended 30 June 2003

Index

DIRECTORS' REPORT

The directors of Jumbuck Entertainment Pty Ltd submit herewith the annual financial report for the financial year ended 30 June 2003. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names and particulars of the directors of the company during or since the end of the financial period are:

Kevin Victor Campbell AM	Non-executive director appointed 18 February 2002. Mr Campbell is Chairman and non-executive director of Jumbuck Corporation Limited and has been at the forefront of media technology during an extensive and diverse career in the broadcasting industry in Australia for over thirty-six years. He pursues an active and varied community leadership role and holds many honorary board positions. He is a former Managing Director of TVW Seven, Perth and he is also the non-executive chairman of Data & Commerce Ltd and chairman of the Lotteries Commission of Western Australia.
Adrian Paull Risch	Executive director and Chief Executive Officer (CEO). Mr Risch was appointed as a director on 12 May 2000 and as CEO on 14 December 2000. He founded Jumbuck Entertainment Pty Ltd in early 2000 and has continued to manage the day-to-day operations of Jumbuck Entertainment Pty Ltd. He has experience in managing corporate IT projects and application development teams. Over the past year, Adrian has met with many wireless carriers and has an in-depth understanding of international telecommunication markets and consumer consumption of mobile data services.
Kim Maxwell Stedman	Executive chairman. Mr Stedman was appointed a director on 14 December 2000. He is a Director Jumbuck Corporation Limited and is a Fellow of the Institute of Chartered Accountants in Australia and has held directorships in a number of public companies. Mr Stedman specializes in the area of financial management and business restructuring.

DIRECTORS' REPORT

Paul Gerard Choiselat

Director. Mr Choiselat's academic qualifications include a Bachelor of Business (Accounting), a Diploma of Business (Marketing), a Master of Business Administration, Certified Practising Accountant (CPA and Fellow of the Chartered Institute of Company Secretaries in Australia (FCIS). Mr Choiselat was appointed Managing Director of Jumbuck Corporation Ltd 2002. Board member since 2001. Mr Choiselat has had 25 years experience primarily in the investment, finance, manufacture, healthcare and retail sectors. He currently heads up Beconwood Securities Pty Ltd, his privately owned investment banking business. He has had extensive experience in funds management, underwriting and venture capital. He is currently a non-executive director of Healthscope Ltd, an ASX listed private hospital operator, and a number of Australian and international private and public investment and trading corporations. He is also a member of the Board of Trustees of the Scotch College Foundation.

The above named directors held office during and since the end of the financial year except for:

- Paul Gerard Choiselat - appointed 31 October 2002

Principal Activities

The principal activity of the company during the period was mobile data services provider to wireless carriers.

Review of Operations

From a start up company in 1999/2000, Jumbuck Entertainment Pty Ltd has grown steadily and established itself as one of the leading providers of mobile data services to the major international wireless carriers. Its products, which include wireless CHAT and Speed Dating services.

Jumbuck Entertainment Pty Ltd's clients include:

* America Online, Inc. (USA)
* AT&T Wireless Services (USA)
* Bell Mobility (Canada)
* CSL (Hong Kong)
* Digifone (Ireland)
* MMO2 (Netherlands)
* MMO2 (UK)
* Sprint PCS (USA)
* StarHub (Singapore)
* Telstra (Australia)
* Telus (Canada)

DIRECTORS' REPORT

Jumbuck Entertainment Pty Ltd's current and future revenue is generated by the provision of mobile data services to major international wireless carriers. The consumer market for Wireless Application Protocol (WAP) and new 3G services has not at this early stage developed at the expected pace. This is as a result of the slower than expected uptake of WAP and the delayed rollout of 3G networks and advanced mobile services by international wireless carriers.

Notwithstanding, Jumbuck Entertainment Pty Ltd has remained focused and is well positioned to weather the unstable economic climate and boost market share for its products in what is evolving as a substantial international industry.

Changes In State Of Affairs

In the opinion of the directors there were no significant changes in the state of affairs of the company that occurred during the financial year not otherwise disclosed in this report or the financial statements.

Subsequent Events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the company, to affect significantly the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Future Developments

Disclosure of information regarding likely developments in the operations of the company in future financial years and the expected operations is likely to result in unreasonable prejudice to the company. Accordingly this information has not been disclosed in this report.

Dividends Paid or Recommended

No dividends have been paid or declared since the start of the financial period, and the directors do not recommend the payment of a dividend in respect of the financial period.

Share Options

Share Options Granted to Directors and Executives

During or since the end of the financial period no share options were granted to any directors or executives of the company.

Indemnification of Officers and Auditors

During the financial period, the directors of the company (as named above), the company secretary Mr D J Berinson, and all executive officers of the company and of any related body corporate were indemnified against a liability incurred as such a director, secretary or

DIRECTORS' REPORT

executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The company has not otherwise, during or since the financial period, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

Signed in accordance with a resolution of the directors made pursuant to s. 298(2) of the Corporations Act 2001.

On behalf of the Directors

Paul Gerard Choiselat
Director

Melbourne
Date: 28th August 2003

DIRECTORS DECLARATION

The directors declare that:

(a) the attached financial statements and notes thereto comply with accounting standards;

(b) the attached financial statements and notes thereto give a true and fair view of the financial position and performance of the company;

(c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001; and

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

Signed in accordance with a resolution of the directors made pursuant to s. 295(5) of the Corporations Act 2001.

On behalf of the Directors

Paul G Choiselat
Director

STATEMENT OF FINANCIAL PERFORMANCE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

	Note	2003 $	2002 $
Revenue from ordinary activities	2(a)	1,421,658	593,167
Raw materials and consumables used		-	-
Communications expense		-	(204,429)
Employee benefits expense		(320,167)	(254,271)
Depreciation and amortisation expense	2(b)	(60,244)	(48,005)
Other expenses from ordinary activities		(981,144)	(420,675)
Loss from ordinary activities before income tax expense	2	60,103	(334,213)
Income tax benefit relating to ordinary activities	3	-	-
Loss from ordinary activities after related income tax expense		60,103	(334,213)
Net Profit(Loss)	13	60,103	(334,213)
Total Changes in Equity Other than those resulting from Transactions with Owners as Owners		60,103	(334,213)

Notes to the financial statements are included on pages 11 to 21

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2003

	Note	2003 $	2002 $
Current assets			
Cash assets	16(a)	62,806	79,707
Receivables	7	570,785	102,303
Inventory		-	11,386
Total current assets		633,591	193,396
Non-current assets			
Property, plant & equipment	8	104,337	144,205
Total non-current assets		104,337	144,205
Total assets		737,928	337,601
Current liabilities			
Payables	9	210,089	163,896
Provisions	10	25,203	13,957
Other	11	77,947	209,358
Total current liabilities		313,239	387,211
Non-current liabilities			
Other	11	782,131	367,935
Total non-current liabilities		782,131	367,935
Total liabilities		1,095,370	755,146
Net assets		(357,442)	(417,545)
Equity			
Contributed equity	12	507,060	507,060
Accumulated losses	13	(864,503)	(924,605)
Total equity		(357,443)	(417,545)

Notes to the financial statements are included on pages 11 to 21

STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 1 JULY 2002 TO 30 JUNE 2003

	Note	2003 $	2002 $
Cash flows from operating activities			
Receipts from customers		880,238	515,008
Payments to suppliers & employees		(1,250,564)	(601,202)
Interest received		208	214
Borrowing cost		(1,289)	
Net operating cash flows	19(b)	(371,408)	(85,980)
Cash flows from investing activities			
Payments for plant & equipment		(39,690)	(34,600)
Net investing cash flows		(39,690)	(34,600)
Cash flows from financing activities			
Proceeds from share issue		-	-
Advances from parent entity		394,196	208,435
Net financing cash flows		394,196	208,435
Net increase (decrease) in cash held		(16,901)	87,855
Cash at the beginning of the financial period		79,707	(8,148)
Effect of exchange rate on cash holdings			
Cash at the end of the financial period	19(a)	62,806	79,707

Notes to the financial statements are included on pages 11 to 21

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

1. Summary of Accounting Policies

Financial Reporting Framework

The financial report is a general-purpose financial report, which has been prepared in accordance with the Corporations Act 2001, applicable Accounting Standards and Urgent Issues Group Consensus Views, and complies with other requirements of the law.

The financial report has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Going concern

Notwithstanding the deficiency of net assets of the company, the financial statements have been prepared on a going concern basis. This basis has been applied as the directors have received undertakings from the company's ultimate parent entity, Jumbuck Corporation Limited, to provide funding for working capital requirements and not to call on any amounts due to them during the twelve months from the date the directors sign the Directors' Report and Directors' Declaration.

Significant Accounting Policies

Accounting policies are selected and applied in a manner, which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions and other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

<u>Accounts Payable</u>

Trade payables and other accounts payable are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services.

<u>Acquisition of Assets</u>

Assets acquired are recorded at the date of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

In the event that settlement of all or part of the cash consideration given in the acquisition of an asset is deferred, the fair value of the purchase consideration is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

<u>Depreciation</u>

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land and investment properties. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The following estimate useful lives are used in the calculation of depreciation:

Professional Equipment	4 years
Furniture & Fittings	8 years
Leasehold Improvements	8 years
Other	8 years

Employee Entitlements

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and when it is probable that settlement will be required and are capable of being measured reliably.

Provisions made in respect of wages and salaries, annual leave and long service leave expected to be settled within 12 months, are measured at their nominal values.

Provisions made in respect of long service leave, which is not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the economic entity in respect of services provided by employees up to the reporting date.

Financial Instruments Issued by the Company

Debt and Equity Instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Transaction Costs on the Issue of Equity Instruments

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which these costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except:

(i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
(ii) for receivables and payables which are recognised inclusive of GST.

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

Income Tax

Tax-effect accounting principles are adopted whereby income tax expense is calculated on pre-tax accounting profits after adjustment for permanent differences.

The tax effect of timing differences, which occur when items are included or allowed for income tax purposes in a period different to that for accounting, is shown at current taxation rates in provision for deferred income tax and future income tax benefit, as applicable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation, the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Leased assets

Leased assets classified as finance leases are capitalised as fixed assets. The amount initially brought to account is the present value of minimum lease payments.

A finance lease is one which effectively transfers from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased property.

Capitalised leased assets are amortised on a straight line basis over the estimated useful life of the asset.

Finance lease payments are allocated between interest expense and reduction of lease liability over the term of the lease. The interest expense is determined by applying the interest rate implicit in the lease to the outstanding lease liability at the beginning of each lease payment period.

Operating lease payments are recognised as an expense on a basis which reflects the pattern in which economic benefits from the leased asset are consumed.

Receivables

Trade receivables and other receivables are recorded at amounts due less any provision for doubtful debts.

Recoverable Amount of Non-Current Assets

Non-current assets are written down to recoverable amount where the carrying value of any non-current asset exceeds recoverable amount. In determining the recoverable amount of non-current assets, the expected net cash flows have not been discounted to their present values.

Research and Development Costs

Research and development costs are recognised as an expense when incurred.

Revenue Recognition

Revenue from the sale of goods and disposal of other assets is recognised when the company has passed control of the goods or other assets to the buyer. Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract. Grant revenue is recognised on an accruals basis.

	2003 $	2002 $
2. Operating Loss		
The loss from ordinary activities before income tax includes the following items of revenue and expense:		
(a) Operating Revenue		
Sales revenue		
Rendering of services	1,312,837	571,953
Foreign exchange		
Foreign exchange gain	8,304	
Interest revenue		
Interest received – other entities	208	214
Grant revenue	100,309	21,000
Total operating revenue	1,421,658	593,167

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

(b) Expenses:

Depreciation & amortisation		
Depreciation of:		
Plant & equipment	60,244	48,005

3. Income tax

(a) The prima facie income tax expense on pre-tax accounting loss reconciles to the income tax expense in the financial statements as follows:

Profit/(Loss) from Ordinary Activities	60.103	(334,213)
Income tax benefit calculated at 30% (2002:30%) of operating loss	18,031	(100,264)
Permanent differences:		
Non-deductible expenses	-	-
Timing differences and tax losses not brought to account as future income tax benefits	18,031	100,264
Income tax expense attributable to operating profit	-	-

(b) Future income tax benefits not brought to account as assets:

Tax losses	259,350	277,381
Timing differences	-	-
	259,350	277,381

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

	2003 $	2002 $

4. Directors' Remuneration

The directors of Jumbuck Entertainment Pty Ltd during the period were:

- K V Campbell
- K M Stedman
- A P Risch
- Paul Choiselat (appointed 31/10/2002)

	2003 $	2002 $
The aggregate of income paid or payable, or otherwise made available, in respect of the financial period, to all directors of the company, directly or indirectly, by the company or any related party.	234,204	230,120

The number of directors of the company whose total income falls within each successive $10,000 band of income:	Number	Number
$0 - $9,999	1	1
$20,000 - $29,999	1	1
$60,000 - $69,999	-	1
$90,000 - $99,999	1	-
$110,000 - $119,999	1	-
$120,000 - $129,999	-	1

5. Directors' Retirement Benefits

	2003 $	2002 $
Aggregate retirement benefits paid to all directors of the company, by the company or by any related party	-	-

6. Remuneration of Auditors

	2003 $	2002 $
Audit of the financial report	-	-
Other services	-	4,000
	-	4,000

Jumbuck Entertainment Pty Ltd

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

7. Current Receivables

	2002 $	2002 $
Trade receivables	483,344	69,227
GST Recoverable	-	10,983
Other	87,441	22,093
	570,785	102,303

8. Property, Plant And Equipment

	Professional Equipment $	Furniture & Fittings $	Leasehold Improvements $	Other Assets $	TOTAL $
Gross Carrying Amount					
Balance at 30 June 2002	142,464	6,821	26,445	29,558	205,288
Additions	35,987	-	-	3,703	39,690
Transfers	4,591			(4,591)	-
Disposals	-	-	-	-	-
Asset Write down			(19,314)	-	(19,314)
Balance at 30 June 2003	183,042	6,821	-	28,670	225,664
Accumulated Depreciation					
Balance at 30 June 2002	(49,595)	(1,999)	(3,696)	(5,793)	(61,083)
Disposals	-	-	-	-	-
Depreciation expense	(44,436)	(941)	(3,435)	(11,432)	(60,244)
Asset write down					
Balance at 30 June 2003	(94,031)	(2,940)	(7,131)	(17,225)	(121,327)
Net Book Value					
As at 30 June 2002	92,869	4,822	22,749	23,765	144,205
As at 30 June 2003	89,011	3,881	0	11,445	104,337

9. Current Payables

	2003 $	2002 $
Trade payables	124,788	139,495
Accrued expenses	73,037	12,591
Sundry payables	12,264	11,810
	210,089	163,896

10. Provisions

Employee entitlements	25,203	13,957

	2003 Number	2002 Number
Number of employees at end of financial year	6	5

11. Other Liabilities

	2003 $	2002 $
Current		
Billings in advance	77,947	209,358
Non-Current		
Unsecured loan – parent entity	782,131	367,935

12. Contributed Equity

	2003	2002
Contributed Equity		
Fully paid ordinary shares	507,060	507,060
Fully paid A class shares	-	-
Fully paid B class shares	-	-
	507,060	507,060

	2003		2002	
Fully paid ordinary shares	**Number**	**$**	**Number**	**$**
Opening issued capital	20,000,000	507,060	10,000,000	7,060
Conversion of A class shares (1)	-	-	1,000,000	50,000
Conversion of B class shares (3)	-	-	9,000,000	450,000
Issued during the period	-	-	-	-
Closing issued capital	20,000,000	507,060	20,000,000	507,060

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

	2003		2002	
Fully paid A class shares	**Number**	**$**	**Number**	**$**
Opening issued capital	-	-	1,000,000	50,000
Issued during the period	-	-	-	-
Conversion (1)	-	-	(1,000,000)	(50,000)
Closing issued capital	-	-	-	

Fully paid A class shares carry 10 votes per share and carry the right to dividends.

(1) On 13 August 2001 the 1 million fully paid A class shares on issue converted to 1 million fully paid ordinary shares.

	2003		2002	
Fully paid B class shares	**Number**	**$**	**Number**	**$**
Opening issued capital	-	-	6,000,000	300,000
Issued during the period (2)	-	-	3,000,000	150,000
Conversion (3)	-	-	(9,000,000)	(450,000)
Closing issued capital	-	-	-	

Fully paid B class shares carry no votes per share and carry the right to dividends.

(2) On 13 August 2001 the company issued a further 3,000,000 fully paid B class ordinary shares for a total consideration of 5 cents.

(3) On 13 August 2001 the 9 million fully paid B class shares on issue converted to 9 million fully paid ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

13. Accumulated Losses

	2003 $	2002 $
Balance at beginning of financial period	(924,605)	(590,392)
Net Profit/(Loss)	60,103	(334,213)
Balance at end of financial period	(864,502)	(924,605)

14. Segment Information

The Company operates as a mobile data services provider to wireless carriers. It specialises in application development and services in relation to Wireless Application Protocol (WAP) technology

In the current financial year, Jumbuck Entertainment Pty Ltd only operated from Australia.

15. Related Party Disclosures

(a) Directors' Remuneration and Retirement Benefits

Details of the directors' remuneration and retirement benefits are disclosed in notes 4 and 5 to the financial statements

(b) Directors' Equity Holdings	**Fully paid ordinary shares 2003 Number**	**Options 2003 Number**	**Fully paid ordinary shares 2002 Number**	**Options 2002 Number**
Ordinary shares & executive options				
Issued during the financial period to directors and their director-related entities by:				
Jumbuck Entertainment Pty Ltd	-	-	3,000,000	-
		-	3,000,000	-
Redeemed, exercised or bought back during the financial period from directors and their director-related entities by:				
Jumbuck Entertainment Pty Ltd	-	-	-	-
	-	-	-	-
Held as at the reporting date by directors and their director-related entities in:				
Jumbuck Entertainment Pty Ltd	20,000,000	-	20,000,000	-
	20,000,000	-	20,000,000	-

15. Related Party Disclosures (cont.)

(c) Controlling entities
The company's ultimate parent entity is Jumbuck Corporation Limited

(d) Transactions with related parties
During the financial period, Jumbuck Entertainment Pty Ltd received management services from the Ultimate parent entity, Jumbuck Corporation Limited, for no charge.

16. Notes To The Statement Of Cash Flows

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial period as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position as follows:

	2003 $	2002 $
Cash at bank	62,806	79,707
Bank Overdraft	-	-
	62,806	79,707

(b) Reconciliation of Operating Loss After Income Tax to Net Cash Flows From Operating Activities

	2003	2002
Operating loss after income tax	60,103	(334,213)
Adjustments for non-cash income and expense items:		
Depreciation & amortisation	60,244	48,005
(Increase)/decrease in assets:		
Receivables	(459,465)	(72,140)
Other assets	11,386	693
(Decrease)/increase in liabilities:		
Trade payables	(54,922)	257,718
Provisions	11,246	13,957
Net cash (used in) operating activities	(371,408)	(85,980)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

17. Financial Instruments

(a) Interest Rate Risk

The following table details the company's exposure to interest rate risk as at 30th June 2003:

2003	Average interest rate %	Variable interest rate $	Fixed Interest Rate Maturity: Less than 1 year $	1 to 5 years $	More than 5 years $	Non-interest bearing $	Total $
Financial assets							
Cash	2.60	62,806	-	-	-	-	62,806
Receivables		-	-	-	-	570,835	570,835
		62,806	-	-	-	570,835	633,641
Financial liabilities							
Trade payables		-	-	-	-	124,788	139,495
Accrued expenses		-	-	-	-	73,037	12,591
Sundry payables		-	-	-	-	12,264	11,810
Loan from parent entity		-	-	-	-	782,181	367,741
		-	-	-	-	992,270	531,637

The following table details the company's exposure to interest rate risk as at 30th June 2002:

2002	Average interest rate %	Variable interest rate $	Fixed Interest Rate Maturity: Less than 1 year $	1 to 5 years $	More than 5 years $	Non-interest bearing $	Total $
Financial assets							
Cash	3.05	79,707	-	-	-	-	79,707
Receivables		-	-	-	-	102,303	102,303
Other receivables		-	-	-	-	-	-
		79,514	-	-	-	102,303	181,010
Financial liabilities							
Bank Overdraft		-	-	-	-	-	-
Trade payables		-	-	-	-	139,495	139,495
Accrued expenses		-	-	-	-	12,591	12591
Sundry payables		-	-	-	-	11,810	11,810
Loan from parent entity		-	-	-	-	367,935	367,935
		-	-	-	-	531,831	531,831

(b) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The company measures credit risk on a fair value basis.

The company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the financial statement, net of any provisions for losses, represents the company maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

(c) Net Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values. Fair values are determined by reference to standard terms and conditions, quoted market prices, where available, or discounting expected future cash flows.

18. Additional Company Information

Jumbuck Entertainment Pty Ltd is, incorporated and operates in Australia.