APPENDIX 4E

Period Ending 30 June 2005

Oldfields Holdings Limited
ABN 02 000 307 988

Results for Announcement to the Market

				$A,000
Revenues from ordinary activities	up	16.20%	to	28,364
Profit from ordinary activites after tax attributable to members	up	30.80%	to	1,177
Net profit for the period attributable to members	up	32.20%	to	1,190

Interim dividend unfranked ordinary securities	***2.0 cents per security***
Final Dividend unfranked ordinary securities	***3.5 cents per security***
Franked amount ordinary securities	***0.0 cents per security***
Final dividend preference securities	0.0 cents per security
Franked amount preference securities	0.0 cents per security
Record date for determining entitlements to the dividend	18th November 2005
Date the dividend is payable	16th December 2005
Net tangible assets per security	$1.09
Net tangible assets per ordinary security previous corresponding period	$1.09

The accounts are in the process of being audited.

Gary Guild
Company Secretary 8th September 2005.

REVIEW OF OPERATIONS

The Directors are pleased to announce for the full year ending 30 June 2005, the company made a net profit attributable to members of $1,189,631. This compares to a net profit in the same period last year of $900,067 an increase of 32.20%.

The actual revenues earned from ordinary operations being sales from paint applications Treco Sheds, hire, and sale of scaffolding equipment increased in the 2005 year by 16.2% to $28,364,084, whilst EBIT from these operations increased by 37.4% to $2,240,125 from $1,630,186 from the corresponding 2004 year.

DEBT STRUCTURE AND GEARING

The company's long term and short-term debt structure (including all lease liabilities) is $6.2 Million as at June 2005. The Company's net assets are $12.3M as at June 2005. The Company has since raised a total of $1,040,637 through a fully underwritten 1:8 pro-rata non-renounceable Rights Issue on 11 July, 2005.

An additional 1,300,797 new shares were issued at $0.80 cents per share. This brings the total ordinary shares on issue to 11,707,171. The rights issue closed on 11 July 2005 with normal trading of the new shares commencing on 19 July 2005. The funds raised were used to retire Debt, increase Working Capital, and repay Directors Loans as disclosed in the prospectus.

The company has positioned itself to take advantage of any prospective growth opportunities and has available to it facilities which will enable it to grow.

DIVIDENDS

The board has agreed to pay a final dividend of 3.5 cents per share unfranked .This is due to be paid on the 16 December 2005 with the recording date being 18 November 2005. Our company policy is to pay a dividend on an ongoing basis, subject to cash flow restraints. Fully franked dividends will be declared and paid when cumulative previous years' losses have been fully utilised.

Group Operations are reviewed by Division, as under :

BUSINESS STRUCTURE

The company has been organised into the following divisions

Paint Applications
Treco Garden Sheds
Oldfields Access Hire
Pt Ace Oldfields.
Tangshan Ace Oldfields Painting Accessories Co. Ltd

PAINT APPLICATION PRODUCTS

General business was strong during the first half of the year, and then gradually softened towards the later part of the financial year. This was due to the weak new home construction industry, which is widely publicized, especially in NSW where the new controversial Vendor's Tax dampened residential property investor confidence. Most of the notable retailers of home hardware and paint sundry products reported considerable reductions in sales from the previous year.

Despite the weak market conditions, Paint Applications performed reasonably well during the year gaining on market share in its industry. The division is modestly profitable. The division continued to win contracts during the year, despite many retailers warning that inventory consolidation was their main objective. The industry in general is now expected to improve in the later half of 2006, as the NSW State Government has recently announced the abolition of the controversial Vendor's Tax.

The Paint applications industry in Australia is now saturated with many suppliers also opting to import product from low cost countries. Oldfields has become more competitive during the last three years and expects that its China based associate Joint Venture Company, Tangshan Ace Oldfields Painting Accessories Co Ltd's strategies moving into the future will assist in maintaining a prominent market position and in consolidation of our import requirements. We expect modest improved results in 2006.

PT ACE INDONESIA

This division is an associated entity that manufactures paint brushes and rollers in Indonesia. The division is profitable. It experienced increased revenue growth during the year and currently, revenue is in line with management's budget. This division produces a high quality product made in South East Asia. The potential to penetrate new global markets is now slowly being realized.

The Directors feel due to new contracts to supply customers in global markets, our share of earnings under equity accounting for this associate will continue to improve into 2006.

TANGSHAN ACE OLDFIELDS PAINTING ACCESSORIES CO. LTD

Oldfields International Pty Ltd has invested in a Joint Venture Company (JVC) with associates from our Indonesian manufacturing business and with long standing industry participants known to the company in China. The aim of the JVC is to produce Paint Accessory items not currently produced in Jakarta, in the new factory in China. The JVC is currently building a factory in Tangshan and plans to commence manufacturing certain selected items as soon as possible.

One of the objectives of the recent Rights Issue was to provide Working Capital to pay for our portion of the land purchase in China.

The company has since made further contributions towards the building cost of the factory.

The company has already ceased all Paint Brush manufacturing at its site in Campbelltown NSW and the remaining equipment is planned to be sold to the JVC.

We expect considerable interest from overseas markets for the products this JVC will produce.

ACCESS HIRE

This business increased revenue significantly over last year with the expansion of its network of branches in Queensland (Qld) and South Australia (SA). These new branches exceeded budgeted forecasts for the year. A great deal of one-off infrastructural costs, including some development costs, totaling approximately $350,000 associated with introducing its new housing market products onto the market were expensed during the year. Despite this, and a reassessment of its Scaffold book depreciation rates to 5% from 10%, the division increased its EBITDA for the year.

The slow down in the housing industry in the later half of the year and an inability to finalize some major contracts in the Temporary Flooring Market resulted in a slow down in earnings. Major construction groups have since notified the company of certain expression of interests in its Housing Market products. We are currently working to develop the first 100% Occupational Health & Safety (OH&S) compliant safety product of its nature. We have organized registered training courses and through TAFE and expect that significant contracts will come on line within the next few months.

The team was also successful in winning prestigious scaffolding work during the year. The team is very much performance driven with a focus on OH&S related issues within its market and providing access solutions through design and innovation to a variety of leading construction and hire clientele.

The company decided to continue to invest in this division with the purchase through its75% owned subsidiary, Adelaide Scaffold Solutions Pty Ltd, of a SA business Scaffold Hirers Pty Limited and Klemzig Contractors Pty Limited, in January 2005.

This entity has since purchased ABC Mobile Scaffolds' business on 1 July 2005. This business has integrated well and as such has exceeded sales targets set by management. This business is currently experiencing solid increases in revenue over last year.

The Division will continue to look for appropriate growth opportunities.

The company will seek further expansion of this nature by way of acquisitions or by way of exclusive distributor license arrangements to take full advantage of emerging technology. The company is looking at cost effective options in this area.

The focus and challenge will be in managing our existing lines and stripping surplus overheads from the business. As a result, a management re-structuring occurred in the early part of August 2005 to provide the necessary focus on our existing range and to reduce overall overheads.

The Division is expected to be a major contributor to the group's earnings growth in the next few years. The groundwork has been set for a market leader category in its particular niche in the growing Scaffold Market.

TRECO GARDEN SHEDS

This division is still showing signs of continual improvement. Revenue increased because of new export strategies and the acquisition by the group of Backyard Installations Pty Limited and Shedsplus (NSW) Pty Ltd. These acquisitions were necessary to cater for the "Do It for Me" segment of the market. The company provides Shed installation and sales services and a dealer network for its exclusive range of Garden Sheds, differing from other segments. The company has secured new dealers and distributors in NSW and Victoria and hopes to grow its market share in Qld.

This division was restructured two years ago and has been steadily improving. It now contributes to the overall earnings of the group with a strong positive contribution and with revenue growth. It faced challenges with rising Steel commodity prices during the year that restrained its potential overall earnings and the company is looking into strategies to improve this challenging situation.

The focus in the last twelve months was to provide additional gains in revenue whilst spreading our customer base both nationally and internationally. The company has won new supply contracts in Argentina and is looking for opportunities in Europe and the UK. Future focus will be in maximizing adequate distribution networks with affiliate growth in distribution, and installations of garden storage solution products through our associates.

Despite the recent hardware industry's sluggish outlook, the Company has positive prospects. It is finalising new and innovative product design solutions for the "home backyard" market. The new concepts and its new low cost range have gained significant interest from some of our major hardware customers. We expect that growth in this area will steadily continue to improve this division's performance for the coming year.

This division's manufacturing base occupies most of our current location at No 8 Farrow Road, Campbelltown, NSW, 2560.

FUTURE OUTLOOK

Our Company will consolidate its operations in the next few months with a focus on cost reduction and efficiency gain. Revenue in the first month of this new financial year has been softer than anticipated in some areas of the group's activities, but nevertheless is now showing steady signs of improvement. It will continue to look for acquisition opportunities in the Scaffold Hire industry and will attempt to finalize some major contracts with products it has been developing with major construction companies.

The company's balance sheet has been strengthened by the recent Non-Renounceable Pro-Rata 1:8 Rights Issue. $1,040,637 was raised by issuing 1,300,797 new shares at an attractive discount to market of $0.80. Our debt to equity ratio is now in line, if not below, industry participants operating in the same industries and markets.

The Directors believe that given the continual improvement in trading performance, shareholder value will also continue to improve.

The Directors are keen to maintain good Corporate Governance. Recent updates have been posted to our new corporate website www.oldfields.com.au and the Board undertakes to keep the market regularly informed of company progress. It is our goal to continue to improve shareholder value over the next 12 months.

The Board, as per previous disclosures, continues to seek appropriate mergers and/or acquisitions with the possibility of achieving synergies with other companies involved in complimentary business activities. The company recognizes it has strong synergy possibilities with other key groups and will encourage discussion with interested parties in light of its sustained proven strong earnings history.

AFTER BALANCE DATE EVENTS

The company's short-term liability of $631,487 including loans by its Directors to the company has been fully repaid.

On 19 July 2005, the company's total shares on issue stood at 11,707,171 ordinary shares after the successful completion of a Fully Underwritten 1:8 Pro-Rata, Non-Renounceable Rights Issue raising $1,040,637 additional funds at an attractive 0.80 share price. The Rights Issue closed on 11 July 2005 with normal trading of the new shares commencing on 19 July 2005.

OLDFIELDS HOLDINGS LIMITED 02 000 307 988
AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005

	Note	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
Sales revenue	2	20,183,112	18,601,217	-	-
Cost of sales		(14,727,958)	(13,397,548)	-	-
Gross profit		5,455,154	5,203,669	-	-
Other revenues from ordinary activities	2	8,180,972	5,808,493	377,736	-
Distribution expenses		(7,514,603)	(4,771,012)	-	-
Marketing expenses		(843,363)	(794,267)	-	-
Occupancy expenses		(1,010,510)	(805,931)	-	-
Administration expenses		(2,303,774)	(3,001,593)	-	-
Borrowing costs expense	3	(658,599)	(341,071)	-	-
Other expenses from ordinary activities		-	-	-	-
Share of net profits of associates and joint ventures accounted for using the equity method	2	276,249	(9,173)	-	-
Profit from ordinary activities before income tax expense	3	1,581,526	1,289,115	377,736	-
Income tax expense relating to ordinary activities	4	(404,877)	(389,049)	-	-
Profit from ordinary activities after related income tax expense		1,176,649	900,067	377,736	-
Profit (loss) from extraordinary item after related income tax expense/(revenue)	4	-	-	-	-
Net profit		1,176,649	900,067	377,736	-
Net Loss attributable to outside equity interests	2	12,982	-	-	-
Net profit attributable to members of the parent entity		1,189,631	900,067	377,736	-
Increase in asset revaluation reserve	24b	-	-	-	-
Net exchange difference on translation of financial report of self-sustaining foreign operations	24d	67,925	(328,736)	-	-
Increase in retained profits and reserves on adoption of new Accounting Standard	24b, 25	-	-	-	-
Total revenues, expenses and valuation adjustments attributable to members of the parent entity and recognised directly in equity		67,925	(328,736)	-	-
Total changes in equity other than those resulting from transactions with owners as owners		1,257,556	571,331	377,736	-
Basic earnings per share (cents per share)	6	11.43	7.25		
Diluted earnings per share (cents per share)	6	11.43	8.43		

The accompanying notes form part of these financial statements.

OLDFIELDS HOLDINGS LIMITED 02 000 307 988
AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005

	Note	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
CURRENT ASSETS					
Cash assets	7	309,539	235,687	28,120	31,631
Receivables	8	3,519,920	4,891,030	1,908,605	1,609,021
Inventories	9	4,623,854	4,759,700	-	-
Other financial assets	13	-	-	-	-
Other	18	730,147	477,366	-	-
TOTAL CURRENT ASSETS		9,183,460	10,363,783	1,936,725	1,640,652
NON-CURRENT ASSETS					
Receivables	8	1,140	-	-	-
Inventories	9	-	-	-	-
Investments accounted for using the equity method	10	1,383,182	1,227,529	-	-
Other financial assets	13	210,620	1,430	7,209,076	7,209,076
Property, plant and equipment	15	9,408,123	7,366,426	-	-
Deferred tax assets	16	1,816,323	2,684,606	1,475,066	2,343,349
Intangible assets	17	902,831	7,451	-	-
Other	18	53,608	51,439	-	-
TOTAL NON-CURRENT ASSETS		13,775,827	11,338,881	8,684,142	9,552,425
TOTAL ASSETS		22,959,287	21,702,664	10,620,867	11,193,077
CURRENT LIABILITIES					
Payables	19	3,387,040	4,126,493	877,546	1,048,852
Interest-bearing liabilities	20	2,715,064	2,606,020	-	-
Current tax liabilities	21	5,015	-	5,015	-
Provisions	22	826,903	663,089	-	-
TOTAL CURRENT LIABILITIES		6,934,022	7,395,602	882,561	1,048,852
NON-CURRENT LIABILITIES					
Payables	19	-	-	-	-
Interest-bearing liabilities	20	3,509,189	2,554,195	-	-
Deferred tax liabilities	21	94,873	563,294	94,873	563,294
Provisions	22	114,405	82,342	-	-
TOTAL NON-CURRENT LIABILITIES		3,718,467	3,199,831	94,873	563,294
TOTAL LIABILITIES		10,652,489	10,595,433	977,434	1,612,146
NET ASSETS		12,306,798	11,107,231	9,643,433	9,580,931
EQUITY					
Contributed equity	23	8,725,550	8,525,550	8,725,550	8,525,550
Reserves	24	711,894	643,969	901,620	901,620
Retained profits	25	2,582,337	1,937,712	16,263	153,761
Parent entity interest		12,019,781	11,107,231	9,643,433	9,580,931
Outside equity interest	26	287,017	-	-	-
TOTAL EQUITY		12,306,798	11,107,231	9,643,433	9,580,931

The accompanying notes form part of these financial statements.

OLDFIELDS HOLDINGS LIMITED 02 000 307 988
AND CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2005

	Note	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		26,668,053	25,872,416	-	1,966
Dividends received		-	-	-	-
Interest received		2,154	2,726	165	-
Payments to suppliers and employees		(23,991,051)	(25,268,634)	(1,204)	-
Borrowing costs		(555,760)	(307,832)	-	-
Income tax paid		-	-	-	-
Net cash provided by (used in) operating activities	29a	**2,123,396**	**298,676**	(1,039)	1,966
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant and equipment		33,000	172,162	-	-
Proceeds from sale of investments		-	-	-	-
Proceeds from sale of scaffolding, construction and hire division		-	-	-	214,738
Proceeds from disposal of subsidiary/ies	29c	-	-	-	-
Payment for subsidiary, net of cash acquired	29b	-	-	-	-
Purchase of property, plant and equipment		(1,729,390)	(2,965,073)	-	-
Purchase of investments		(800,000)	-	-	-
Purchase of other non-current assets		-	-	-	-
Net cash provided by (used in) investing activities		(2,496,390)	(2,792,911)	-	214,738
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		-	350,000	-	350,000
Transfer of cash from discontinuing operation		-	-	-	-
Proceeds from borrowings		1,010,000	1,622,000	-	-
Advances - Related Parties		-	-	515,234	-
Share buy-back payment		-	-	-	-
Repayment of borrowings		(228,422)	(19,040)	-	-
Dividends paid by parent entity		(517,706)	(535,348)	(517,706)	(535,348)
Dividends paid by controlled entities to outside equity interests		-	-	-	-
Net cash provided by (used in) financing activities		263,872	1,417,612	(2,472)	(185,348)
Net increase in cash held		(109,122)	(1,076,623)	(3,511)	31,356
Cash at 1 July 2004		(799,903)	276,720	31,631	275
Effect of exchange rates on cash holdings in foreign currencies		106,072	-	-	-
Cash at 30 June 2005	7	(802,953)	(799,903)	28,120	31,631

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Note 1 Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers the economic entity of Oldfields Holdings Limited and controlled entities, and Oldfields Holdings Limited as an individual parent entity. Oldfields Holdings Limited is a listed public company, incorporated and domiciled in Australia.

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

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a. **Principles of Consolidation**

A controlled entity is any entity controlled by Oldfields Holdings Limited. Control exists where Oldfields Holdings Limited has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with Oldfields Holdings Limited to achieve the objectives of Oldfields Holdings Limited. A list of controlled entities is contained in Note 14 to the financial statements.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the economic entity or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

Outside interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

b. **Income Tax**

The economic entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of accounting profit and taxable income are brought to account as either a provision for deferred income tax or as a future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

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 and 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.

Oldfields Holdings Limited and wholly-owned Australian subsidiaries have formed an income tax consolidated group under the Tax Consolidation Regime.Oldfields Holdings Limited is responsible for recognising the current and deferred tax assets and liabilities for the tax consolidated group.The tax consolidated group has entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to net profit before tax of the tax consolidated group.

c. **Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity.

d. **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the economic entity to have an independent valuation every three years, with annual appraisals being made by the directors.

The revaluation of freehold land and buildings has not taken account of the potential capital gains tax on assets acquired after the introduction of capital gains tax.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to depreciation. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	1%
Leasehold improvements	4-5%
Plant and equipment	5-50%
Leased plant and equipment	18-20%

e. **Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to entities in the economic entity are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability. Lease payments received reduce the liability.

f. **Investments**

Shares in listed companies held as current assets are valued by directors at those shares' market value at each balance date. The gains or losses, whether realised or unrealised, are included in profit from ordinary activities before income tax.

Non-current investments are measured on the cost basis. The carrying amount of non-current investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for listed investments or the underlying net assets for other non-listed investments.

The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

g. **Investments in Associates**

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting.

h. **Interests in Joint Ventures**

The economic entity's share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the consolidated statements of financial performance and financial position. Details of the economic entity's interests are shown in Note 17.

The economic entity's interests in joint venture entities are brought to account using the equity method of accounting in the consolidated financial statements. The parent entity's interests in joint venture entities are brought to account using the cost method.

i. **Research and Development Expenditure**

Research and Development costs are charged to profit from ordinary activities before income tax as incurred or deferred where it is expected beyond any reasonable doubt that sufficient future benefits will be derived so as to recover those deferred costs.

Deferred research and development expenditure is amortised on a straight line basis over the period during which the related benefits are expected to be realised, once commercial production has commenced.

j. **Intangibles**

Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net tangible assets at date of acquisition. Both purchased goodwill and goodwill on consolidation are amortised on a straight line basis over the period of 20 years. The balances are reviewed annually and any balance representing future benefits for which the realisation is considered to be no longer probable are written off.

Patents and Trademarks

Patents and Trademarks are valued in the accounts at cost of acquisition and are amortised over the period in which their benefits are expected to be realised.

k. **Foreign Currency Transactions and Balances**

Foreign currency transactions during the year are converted to Australian currency at the rates of exchange applicable at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are converted at the rates of exchange ruling at that date.

The gains and losses from conversion of assets and liabilities, whether realised or unrealised, are included in profit from ordinary activities as they arise.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

The assets and liabilities of the overseas controlled entities, which are self-sustaining, are translated at year-end rates and operating results are translated at the rates ruling at the end of each month. Gains and losses arising on translation are taken directly to the foreign currency translation

l. **Employee Entitlements**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the economic entity to employee superannuation funds and are charged as expenses when incurred.

m. **Cash**

For the purpose of the statement of cash flows, cash includes:

— cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts.

n. **Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

o. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the

p. **Comparative Figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

q **Impact of Adoption of Australian Equivalents to International Financial Reporting Standards**

The company is preparing and managing the transition to Australian Equivalents to International Financial Reporting Standards (AIFRS) effective for the financial years commencing from 1 July 2005. The adoption of AIFRS will be reflected in the economic entity's financial statements for the year ending 30 June 2006. On first time adoption of AIFRS, comparatives for the financial year ended 30 June 2005 are required to be restated. The majority of the AIFRS transitional adjustments will be made retrospectively against retained earnings at 1 July 2004

The economic entity's management, with the assistance of external consultants, has assessed the significance of the expected changes and is preparing for their implementation. The entity's management is overseeing and managing the economic entity's transition to AIFRS. The impact of the alternative treatments and elections under AASB 1: First Time Adoption of Australian Equivalents to International Financial Reporting Standards has been considered where applicable.

The directors are of the opinion that the key material differences in the economic entity's accounting policies on conversion to AIFRS and the financial effect of these differences, where known, are as follows. Users of the financial statements should note, however, that the amounts disclosed could change if there are any amendments by standard-setters to the current AIFRS or interpretation of the AIFRS requirements changes from the continuing work of the economic entity's management.

Research and Development Expenditure

Under AASB 138: Intangible Assets, costs associated with the research phase of the development of an asset must be expensed. This will result in a change in the current accounting policy, which capitalises research costs to the statement of financial position where it is expected beyond any reasonable doubt that sufficient future benefits will be derived so as to recover these deferred costs.

On transition to AIFRS research and development costs of $53,608 nett will be written off against retained profit.

Goodwill

On transition amounts of $894,782 nett will not change under the AIFRS treatment of impairment of goodwill assets. As a result goodwill will no longer be amortised. The amortisation of $4640.00 will be adjusted against retained earnings on transition.

Impairment of Assets

Under AASB 136: Impairment of Assets, the recoverable amount of an asset is determined as the higher of fair value less costs to sell, and value in use. In determining value in use, projected future cash flows are discounted using a risk adjusted pre-tax discount rate and impairment is assessed for the individual asset or at the 'cash generating unit' level. A 'cash generating unit' is determined as the smallest group of assets that generates cash flows that are largely independent of the cash inflows from other assets or groups of assets. The current policy is to determine the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the asset's use and subsequent disposal. It is likely that this change in accounting policy will lead to impairments being recognised more often.

The economic entity has reassessed its impairment testing policy and tested all assets for impairment as at 1 July 2005. The nett financial affect after transition to AIFRS is not expected to be material.

Non-current Investments

Under AASB 139: Financial Instruments: Recognition and Measurement, financial assets are required to be classified into four categories, which determines the accounting treatment of the item. The categories and various treatments are:
— held to maturity, measured at amortised cost;
— held for trading, measured at fair value with unrealised gains or losses charged to the profit and loss;
— loans and receivables, measured at amortised cost; and
— available for sale instruments, measured at fair value with unrealised gains or losses taken to equity.

The nett financial affect after transition to AIFRS is not expected to be material.

AASB 1 provides an election whereby the requirements of AASB 139 dealing with financial instruments are not required to be applied to the first AIFRS comparative year, and the first time adoption of this standard will apply from 1 July 2005. The economic entity has decided that it will adopt this election and will not restate comparative information for the 30 June 2005 financial year.

Income Tax

Currently, the economic entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the accounting profit adjusted for any permanent differences. Timing differences are currently brought to account as either a provision for deferred income tax or future income tax benefit. Under AASB 112: Income Taxes, the entity will be required to adopt a balance sheet approach under which temporary differences are identified for each asset and liability rather than the effects of the timing and permanent differences between taxable income and accounting profit.

The nett financial affect after transition to AIFRS is not expected to be material.

Share based payments

Equity-settled share based payments in respect of equity instruments issued after 7 November 2002 that were unvested as at 1 January 2004 are measured at fair value at grant date. The fair value determined at grant date of equity-settled share-based payments is expensed on a straight-line basis over the veting period, based on the estimated number of equity instruments that will vest. The financial effect has been calculated to be negligible.

Note 2 Revenue

		Economic Entity		Parent Entity	
		2005	2004	2005	2004
	Note	$	$	$	$
Operating activities					
— sale of goods		20,183,112	18,601,217	-	-
— dividends received	2a	-	-	-	-
— interest received	2b	107,429	2,702	-	-
— government subsidies received		-	46,106	-	-
— other revenue from operating activities		-	57,104	-	-
— construction revenue		-	-	-	-
— unrealised gain on current investments		-	-	-	-
— rental revenue		7,982,355	5,515,807	377,736	-
— services revenue		-	-	-	-
— royalties		-	-	-	-
— Commission		3,413	14,612	-	-
		28,276,309	24,237,548	377,736	-
Non-operating activities					
— proceeds on disposal of property, plant and equipment		40,273	172,162	-	-
— gain on debt defeasance		-	-	-	-
— proceeds on disposal of non-current investments		-	-	-	-
— proceeds on disposal of controlled entity		-	-	-	-
— other revenue from non-operating activities		47,502	-	-	-
		87,775	172,162	-	-
Total Revenue		28,364,084	24,409,710	377,736	-
a. **Dividend revenue from:**					
— wholly-owned subsidiaries		-	-	-	-
— partly owned subsidiaries		-	-	-	-
— associated companies		-	-	-	-
— joint venture entities		-	-	-	-
— other related corporations		-	-	-	-
— director related entities		-	-	-	-
— other corporations		-	-	-	-

Total dividend revenue	-	-	-	-
b. **Interest revenue from:**				
— ultimate parent entity	-	-	-	-
— wholly-owned controlled entities	107,325	-	-	-
— partly owned subsidiaries	-	-	-	-
— associated companies	-	-	-	-
— subsidiaries of ultimate parent entity	-	-	-	-
— other related parties	-	-	-	-
— directors	-	-	-	-
— other persons	104	2,702	-	-
Total interest revenue	107,429	2,702	-	-

Note 3 Profit from Ordinary Activities

	Note	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
Profit from ordinary activities before income tax has been determined after:					
a. **Expenses:**					
Cost of sales		14,727,958	13,397,548	-	-
Borrowing costs:					
— wholly-owned subsidiaries		-	-	-	-
— partly owned subsidiaries		74,628	-	-	-
— director related entities		-	-	-	-
— ultimate parent entity		-	-	-	-
— associated companies		-	-	-	-
— subsidiaries of ultimate parent entity		-	-	-	-
— other related parties		-	-	-	-
— other persons		583,971	341,071	-	-
Total borrowing costs		658,599	341,071	-	-
Depreciation of non-current assets:					
— buildings		3,081	2,736	-	-
— plant and equipment		558,210	648,903	-	-
— leased plant and equipment		263,679	137,035	-	-
— capitalised depreciation charges		-	-	-	-
Total depreciation		824,970	788,674	-	-
Amortisation of non-current assets:					
— leasehold improvements		-	-	-	-
— research and development expenditure		-	6,880	-	-
— debenture issue expenses		-	-	-	-
— capitalisation exploration expenditure		-	-	-	-
— goodwill		-	-	-	-
— goodwill on consolidation		-	-	-	-
— patents and trademarks		-	-	-	-
Total amortisation		-	6,880	-	-
Write-down of non-current investments to recoverable amount		-	-	-	-
Goodwill written off as future benefits are no longer recoverable		-	-	-	-
Foreign currency translation losses		-	-	-	-
Foreign currency translation loss from speculative dealings		-	-	-	-
Bad and doubtful debts:					
— trade debtors		7,712	12,339	-	-
— term debtors		-	-	-	-
— directors		-	-	-	-
— wholly-owned subsidiaries		-	-	-	-
— other related parties		-	-	-	-
Total bad and doubtful debts		7,712	12,339	-	-
Rental expense on operating leases					
— minimum lease payments		-	-	-	-

	— contingent rentals	-	-	-	-
	— rental expense for sub-lease	-	-	-	-
	Contingent rentals on finance leases	-	97,909	-	-
	Exploration expenditure	-	-	-	-
	Royalties [Insert Details]	-	-	-	-
	Shares bought back	-	-	-	-
	Early termination of foreign currency hedge	-	-	-	-
	Write down of inventories to net realisable value	-	-	-	-
b.	**Revenue and Net Gains**				
	Net gain on disposal of non-current assets:				
	— property, plant and equipment	(33,551)	(55,150)	-	-
	— investments	-	-	-	-
	Foreign currency translation gains	-	-	-	-
c.	**Significant Revenues and Expenses**				
	There are no items of significant revenue and expense affecting financial performance this year.				

Note 4 Income Tax Expense

		Note	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
a.	The prima facie tax on profit from ordinary activities before tax is reconciled to the income tax as follows:					
	Prima facie tax payable on profit from ordinary activities before tax income tax at 30% (2004:30%)					
	— Economic entity		474,458	386,735		
	— Parent entity				474,458	386,735
	— other members of the income tax consolidated group net of intercompany transactions					
			474,458	386,735	474,458	386,735
	Add:					
	Tax effect of:					
	— non-deductible depreciation and amortisation		10,409	821	10,409	821
	— other non-allowable items		(3,033)	7,163	(3,033)	7,163
	— write downs to recoverable amounts		-	-	-	-
	Under provision for income tax in prior year		-	-	-	-
			481,834	394,719	481,834	394,719
	Less:					
	Tax effect of:					
	— rebateable fully franked dividends		-	-	-	-
	— capital profits not subject to income tax		-	-	-	-
	— foreign currency exchange profit not subject to income tax		-	-	-	-
	— revaluation of shares not subject to income tax		-	-	-	-
	— share of net profits of associates and joint venture entities		(1,769)	(54,619)	(1,769)	(54,619)
	— tax losses transferred from controlled entities		-	-	-	-
	Recoupment of prior year tax losses not previously brought to account		-	-	-	-
	Non Tax Effected Overseas Income		78,726	60,289	78,726	60,289
	Income tax expense attributable to profit from ordinary activities before income tax		404,877	389,049	404,877	389,049
	Allocation of income tax expense to wholly-owned subsidiaries under the Tax Sharing Agreement				(404,877)	(389,049)
	Income tax attributable to parent entity		-	-	-	-
b.	Income tax expense attributable to:					
	Profit from ordinary activities before income tax		404,877	389,049	-	-
	Extraordinary items	4				
			404,877	389,049	-	-

Note 5 Dividends

	Note	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
Final unfranked ordinary dividend of 2 cents per share [2004: unfranked dividend of 2 cents per share]		307,106	202,106	307,106	202,106
Interim unfranked ordinary dividend of 2 cents per share [2004: unfranked dividend of 2 cents per share]		208,128	204,738	208,128	204,738
share)		-	157,500	-	157,500
		515,234	564,344	515,234	564,344
2004 proposed final fully franked ordinary dividend of 4 cents per share paid in 2005		-	-	-	-
	25	515,234	564,344	515,234	564,344
a. Proposed final unfranked ordinary dividend of 3.5 cents (2004 : 3 cents)		364,223	307,106	364,223	307,106
b. Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and franking credits that may be prevented from distribution in subsequent financial years		-	-	-	-

Note 6 Earnings per Share

	Economic Entity 2005 $	Economic Entity 2004 $
a. **Reconciliation of Earnings to Net Profit or Loss**		
Net profit	1,176,649	900,067
Net profit attributable to outside equity interest	12,982	
Redeemable and converting preference share dividends		(157,500)
Earnings used in the calculation of basic EPS	1,189,631	742,567
Dividends on converting preference shares		157,500
Earnings used in the calculation of dilutive EPS	1,189,631	900,067
b. **Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS**	10,406,374	10,236,682
Weighted average number of options outstanding		441,466
Weighted average number of converting preference shares on issue		
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive EPS	10,406,374	10,678,148

Note 7 Cash Assets

	Note	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
Cash at bank		309,539	235,687	28,120	31,631
Deposits at call		-	-	-	-
		309,539	235,687	28,120	31,631
Reconciliation of Cash					
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:					
Cash		309,539	235,687	28,120	31,631
Bank overdrafts	20	(1,112,492)	(1,035,590)	-	-
		(802,953)	(799,903)	28,120	31,631

Note 8 Receivables

	Note	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
CURRENT					

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Trade debtors		3,209,371	4,571,139	-	-
Provision for doubtful debts		(94,814)	(210,157)	-	-
		3,114,557	4,360,982	-	-
Term debtors		-	-	-	-
Provision for doubtful debts		-	-	-	-
		-	-	-	-
Short term deposits		-	-	-	-
Amounts due from customers for construction contracts	8a	-	-	-	-
Other debtors		285,767	239,597	-	-
Government subsidies receivable	8b	-	-	-	-
Amounts receivable from:					
— wholly-owned subsidiaries		-	-	1,908,604	1,609,021
— partly-owned subsidiaries		-	-	-	-
— associated companies		119,596	290,451	-	-
— provision for doubtful debts associated companies		-	-	-	-
— other related parties		-	-	-	-
— provision for doubtful debts other related parties		-	-	-	-
— subsidiaries of ultimate parent entity		-	-	-	-
— director related entities		-	-	-	-
		3,519,920	4,891,030	1,908,604	1,609,021
NON-CURRENT					
Trade debtors		-	-	-	-
Provision for doubtful debts		-	-	-	-
Term debtors		-	-	-	-
Provision for doubtful debts		-	-	-	-
		-	-	-	-
Oldfields Holdings Limited Employee Share Scheme		-	-	-	-
Amounts receivable from:					
— ultimate parent entity		-	-	-	-
— wholly-owned entities		1,140	-	-	-
— provision for doubtful debts wholly-owned subsidiaries		-	-	-	-
— associated companies		-	-	-	-
— provision for doubtful debts associated companies		-	-	-	-
— other related parties		-	-	-	-
— directors of parent entity	8c	-	-	-	-
— specified executives		-	-	-	-
		1,140	-	-	-

Note 9 Inventories

		Economic Entity		Parent Entity	
		2005	2004	2005	2004
	Note	$	$	$	$
CURRENT					
Raw materials and stores at cost		720,928	969,897	-	-
Work in progress at cost		758,403	748,215	-	-
Finished goods at cost		3,144,523	3,041,588	-	-
Construction work in progress		-	-	-	-
		4,623,854	4,759,700	-	-
At net realisable value					
Raw materials and stores		-	-	-	-
Work in progress		-	-	-	-
Finished goods		-	-	-	-
		-	-	-	-
		4,623,854	4,759,700	-	-

Note 10 Investments Accounted for Using the Equity Method

Economic Entity		Parent Entity	
2005	2004	2005	2004

	Note	$	$	$	$
Associated companies	11	1,109,842	1,109,785	-	-
Interests in joint venture entities	12	273,340	117,744	-	-
		1,383,182	1,227,529	-	-

Note 11 Associated Companies

Interests are held in the following associated companies

Name	Principal Activities		Ownership Interest		Carrying Amount of Investment	
			2005	2004	2005	2004
			%	%	$	$
Unlisted:						
Ace Oldfields China Co. Limited	Paint Brush Manufacturers	Ord	35			
PT Ace Oldfields	Paint Brush Manufacturers	Ord	49	49		1,271,178
Concrete Pumping Systems	Concrete Suppliers	Ord	25	25		
Brisbane Garden Sheds Pty Limited	Garden Shed Supplier	Ord	50	50		(1,238)
Adelaide Garden Sheds Pty Limited	Garden Shed Supplier	Ord	50	50		
					-	1,269,940

		2005	2004	2005	2004
a.	**Movements During the Year in Equity Accounted Investment in Associated Companies**				
	Balance at beginning of the financial year	1,109,786	1,719,738	-	-
Add:	New investments during the year	56	95	-	-
	Share of associated company's profit from ordinary activities and extraordinary items after income tax	-	(228,500)	-	-
	Share of associated company's reserve increments arising during the year	-	(381,548)	-	-
Less:	Dividend revenue from associated company	-	-	-	-
	Disposals during the year	-	-	-	-
	Balance at end of the financial year	1,109,842	1,109,785	-	-
b.	**Retained Earnings Attributable to Associate**				
	Share of associate's profit from ordinary activities before income tax expense	20,315	(228,500)		
	Share of associate's income tax expense				
	Share of associate's profit from ordinary activities after income tax	20,315	(228,500)	-	-
	Share of retained profits at beginning of the financial year	1,216,224	1,235,227		
	Dividends received				
	Share of retained profits at end of the financial year	1,236,539	1,006,727	-	-
c.	**Reserves Attributable to Associate**				
	Asset revaluation reserve				
	Balance at the beginning of the financial year				
	Share of reserve increments				
	Balance at the end of the financial year	-	-	-	-
d.	**Summarised Presentation of Aggregate Assets, Liabilities and Performance of Associates**				
	Current Assets	4,881,651	7,412,728		
	Non-Current Assets	1,901,033	2,021,012		
	Total Assets	6,782,684	9,433,740	-	-
	Current Liabilities	1,799,136	4,372,684		
	Non-Current Liabilities	2,510,239	2,829,642		
	Total Liabilities	4,309,375	7,202,326	-	-
	Net Assets	2,473,309	2,231,414	-	-
		-	(228,500)	-	-

Note 12 Joint Ventures

		Economic Entity		Parent Entity	
		2005	2004	2005	2004
		$	$	$	$
a.	**Interests in Joint Venture Entities**				

A controlled entity Oldfields (NZ) Limited has a 49% interest in the joint venture entity of Enduring Enterprises selling hardware products to the global market.

The voting power held by Oldfields Holdings Limited is 49%

i. Retained earnings attributable to interest in joint venture:				
Balance at the beginning of the financial year	117,744	9,196		
— share of joint venture's profit from ordinary activities after income tax	276,249	219,327		
— dividends received	(120,653)	(110,779)		
Balance at the end of the financial year	273,340	117,744	-	-
ii. Reserves attributable to interest in joint venture:				
Asset revaluation reserve				
Balance at the beginning of the financial year				
— share of increments/decrements				
Balance at the end of the financial year	-	-	-	-
iii. Carrying amount of investment in joint venture entity:				
Balance at beginning of the financial year	117,744	9,196	-	-
— share of profit from ordinary activities after income tax	276,249	219,327	-	-
— additional investments made during year	(120,653)	-	-	-
— dividends received	-	(110,779)	-	-
Balance at the end of the financial year	273,340	117,744	-	-
iv. Share of joint venture entity's results and financial position:				
Current Assets	2,780,633	4,712,534		
Non-Current Assets				
Total Assets	2,780,633	4,712,534	-	-
Current Liabilities	2,481,363	4,472,240		
Non-Current Liabilities				
Total Liabilities	2,481,363	4,472,240	-	-
Revenues	4,382,331	1,963,025		
Expenses	4,316,028	4,763,025		
Profit from ordinary activities before income tax	266,306	219,327		
Income tax expense	(79,892)	(65,798)	-	-
Profit from ordinary activities after income tax	186,414	153,529	-	-

Note 13 Other Financial Assets

	Note	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
CURRENT					
Shares in listed corporations, at market value		-	-	-	-
NON-CURRENT					
Listed investments, at cost					
— government and fixed interest securities		-	-	-	-
— debentures		-	-	-	-
— shares in other related parties		-	-	-	-
— shares in other corporations		1,380	1,380	-	-
— options for shares in other corporations		-	-	-	-
	13a	1,380	1,380	-	-
Unlisted investments, at cost					
— shares in controlled entities	14	-	-	7,209,076	7,209,076
— shares in other related parties		-	-	-	-
— shares in other corporations		-	-	-	-
— shares in associates	11	209,240	50	-	-
— interest in joint venture entities	12	-	-	-	-
— options for shares in other corporations		-	-	-	-
— units in unit trusts		-	-	-	-
		209,240	50	7,209,076	7,209,076
Unlisted investments, at recoverable amount					
— shares in other corporations, at cost		-	-	-	-

Less: Provision for write-down to recoverable amount	-	-	-	-
	-	-	-	-
	210,620	1,430	7,209,076	7,209,076
a. **Market value of listed investments:**				
— debentures				
— shares in other related parties				
— shares in other corporations				
— shares in associated companies				
— options for shares in other corporations				
	-	-	-	-

Note 14 Controlled Entities

a. **Controlled Entities**

	Country of Incorporation	Percentage Owned (%) 2005	2004
Parent Entity			
Oldfields Holdings Limited			
Subsidiaries of Oldfields Holdings Limited			
Oldfields Pty Limited	Australia	100	100
Oldfields Access Pty Limited	Australia	100	100
Oldfields International Pty Limited	Australia	100	100
Oldfields Administration Pty Limited	Australia	100	100
National Office Service Trust	Australia	100	100
Shed Holdings Pty Limited	Australia	100	100
Sheds Plus Pty Limited	Australia	100	100
Backyard Installations Pty Limited	Australia	100	55
Midco Pty Limited	Australia	100	100
Advantage Contracting Pty Limited	Australia	100	100
Advantage Scaffolding Pty Limited	Australia	100	100
Oldfields (NZ) Limited	New Zealand	100	100
Oldfields Paint Applications (NZ) Limited	New Zealand	100	100
Oldfields USA Inc.	USA	100	100
Adelaide Scaffold Solutions Pty Ltd	Australia	75	

b. **Controlled Entities Acquired**

On 1 January 2005 the parent entity acquired 75% of Adelaide Scaffold Solutions Pty Ltd, with Oldfields Holdings Limited entitled to 75% of profits earned from 1 January 2005.

On 1 January 2005 the parent entity acquired 55% of Backyard Installations Pty Ltd, with Oldfields Holdings Limited entitled to 55% of profits earned from 1 January 2005.

c. A deed of cross-guarantee between Oldfields Holdings Limited and its wholly owned subsidiaries was enacted during the financial year ended June 2001. An assumption deed to include Advantage Scaffolding Pty Limited and Advantage Concreting Pty Limitted was enacted during the financial year ended June 2004. An assumption deed to include Adelaide Scaffold Solutions Pty Limited was enacted during the financial year ended June 2005. Relief has been obtained from preparing a financial report for Oldfields Pty Limited and Oldfields Access Pty Limited under ASIC Class Order [98/1418]. Under the deed, Oldfields Holdings Limilted guarantees to support the liabilities and obligations of Oldfields Pty Limited and other entities listed above

Note 15 Property Plant and Equipment

	Economic Entity 2005	2004	Parent Entity 2005	2004
	$	$	$	$
LAND AND BUILDINGS				
Freehold land at:				
— directors' valuation 2004	-	-	-	-
— independent valuation 2005	-	-	-	-
— at cost	200,000	200,000	-	-
Total Land	200,000	200,000	-	-
Buildings at:				
— directors' valuation 2004	-	-	-	-
— independent valuation 2005	-	-	-	-

— at cost	154,054	154,054	-	-
Accumulated depreciation	(5,817)	(2,736)	-	-
Total Buildings	148,237	151,318	-	-
Total Land and Buildings	348,237	351,318	-	-
PLANT AND EQUIPMENT				
Plant and equipment				
At cost	10,948,806	8,300,803	-	-
Accumulated depreciation	(3,194,474)	(2,642,483)	-	-
	7,754,332	5,658,320	-	-
Plant and Equipment leased to external parties pursuant to operating leases				
At cost	-	-	-	-
Accumulated depreciation	-	-	-	-
	-	-	-	-
Leasehold improvements				
At cost	23,037	10,804	-	-
Accumulated amortisation	(6,309)	(90)	-	-
Total leasehold improvements	16,728	10,714	-	-
Leased plant and equipment				
Capitalised leased assets	1,880,840	1,674,409	-	-
Accumulated depreciation	(592,014)	(328,335)	-	-
	1,288,826	1,346,074	-	-
Total Plant and Equipment	9,059,886	7,015,108	-	-
Total Property, Plant and Equipment	9,408,123	7,366,426	-	-

a. **Movements in Carrying Amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Freehold Land	Buildings	Leasehold Improvement	Plant and Equipment	Leased Plant and Equipment	Total
	$	$	$	$	$	$
Economic Entity:						
Balance at the beginning of year	200,000	151,318	10,714	5,658,320	1,346,074	7,366,426
Additions			12,233	2,757,320	217,948	2,987,501
Disposals				(109,317)	(11,517)	(120,834)
Additions through acquisition of entity						-
Revaluation increments/(decrements)						-
Depreciation expense		(3,081)	(6,219)	(551,991)	(263,679)	(824,970)
Capitalised borrowing costs and depreciation						-
Disposals of assets on sale of subsidiary						-
Write-off of assets destroyed during flood						-
Carrying amount at the end of year	200,000	148,237	16,728	7,754,332	1,288,826	9,408,123
Parent Entity:						
Balance at the beginning of year						-
Additions						-
Disposals						-
Revaluation increments/ (decrements)						-
Depreciation expense						-
Write-off of assets destroyed during flood						-
Carrying amount at the end of year	-	-	-	-	-	-

Note 16 Deferred Tax Assets

	Economic Entity		Parent Entity	
	2005	2004	2005	2004
	$	$	$	$
Future income tax benefit	1,816,323	2,684,606	1,475,066	2,343,349
a. The future income tax benefit is made up of the following estimated tax benefits:				
— tax losses	1,476,203	1,925,678	1,134,946	1,584,421
— timing differences	340,120	758,928	340,120	758,928
	1,816,323	2,684,606	1,475,066	2,343,349

b. Future income tax benefits not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1b occur				
— timing differences				
— tax losses:				
– operating losses				
– capital losses	-	-	-	-

Note 17 Intangible Assets

	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
Goodwill at cost	899,422	2	-	-
Accumulated amortisation	4,640	-	-	-
	894,782	2	-	-
Patents, trademarks and licences at cost	8,049	7,449	-	-
Accumulated amortisation	-	-	-	-
	8,049	7,449	-	-
	902,831	7,451	-	-

Note 18 Other Assets

	Note	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
CURRENT					
Prepayments		730,147	477,366	-	-
NON-CURRENT					
Research and development — at cost	18a	74,171	72,002	-	-
Accumulated amortisation		20,563	20,563	-	-
		53,608	51,439	-	-
Debenture issue expenses — at cost		-	-	-	-
Accumulated amortisation		-	-	-	-
		-	-	-	-
Exploration expenditure					
Costs carried forward in respect of areas of interest in:					
– exploration and evaluation phases		-	-	-	-
– development phase		-	-	-	-
		-	-	-	-
Production phase		-	-	-	-
Accumulated depreciation		-	-	-	-
		-	-	-	-
Total exploration expenditure		-	-	-	-
		53,608	51,439	-	-
a. Research and development costs incurred during the year and deferred to future years, before crediting related grants					

Note 19 Payables

	Notes	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
CURRENT					
Unsecured liabilities					
Trade creditors		1,794,859	2,073,998	-	-
Sundry creditors and accrued expenses		1,576,684	1,638,592	28,943	60,642
Amounts due to customers for contract work	8a	-	-	-	-
Construction contract advances received		-	-	-	-
Amount due under contract of sales		-	-	-	-
Amounts payable to:					
— wholly-owned subsidiaries		-	-	839,228	988,210

— partly-owned subsidiaries	-	-	9,375	-
— ultimate parent entity	-	-	-	-
— subsidiaries of ultimate parent entity	-	-	-	-
— associated companies	-	-	-	-
— other related parties specified	15,497	413,903	-	-
— specified director related entities	-	-	-	-
	3,387,040	4,126,493	877,546	1,048,852
NON-CURRENT				
Unsecured liabilities				
Amount due under contract of sale	-	-	-	-
	-	-	-	-

Note 20 Interest Bearing Liabilities

		Economic Entity		Parent Entity	
		2005	2004	2005	2004
	Notes	$	$	$	$
CURRENT					
Unsecured liabilities					
Bank overdrafts		-	-	-	-
Bills of exchange and promissory notes		-	-	-	-
Lease liability	27	422,519	370,000	-	-
Redeemable preference shares	23b	-	-	-	-
		422,519	370,000	-	-
Secured liabilities					
Bank overdrafts	20a, c	1,112,492	1,035,590	-	-
Bank loans	20a, d	348,560	308,560	-	-
Mortgage loans	20a, d	-	183,674	-	-
Debentures	20a	577,312	708,196	-	-
Hire Purchase Loans	20e	254,181	-	-	-
		2,292,545	2,236,020	-	-
		2,715,064	2,606,020	-	-
NON-CURRENT					
Unsecured liabilities					
Bills of exchange and promissory notes	20f	-	-	-	-
Lease liability	27	1,163,910	-	-	-
Converting preference shares	23c	-	-	-	-
		1,163,910	-	-	-
Secured liabilities					
Bank loans	20a, d	1,969,733	1,438,155	-	-
Mortgage loans	20a, d	375,446	260,205	-	-
Debentures	20a	100	855,835	-	-
		2,345,279	2,554,195	-	-
		3,509,189	2,554,195	-	-
a. Total current and non-current secured liabilities:					
Bank overdraft		1,112,492	1,035,590	-	-
Bank loan		2,318,293	1,746,715	-	-
Mortgage loans		375,446	443,879	-	-
Debentures		577,412	1,564,031	-	-
Hire Purchase Loans		254,181	-	-	-
Other		100	-	-	-
		4,637,924	4,790,215	-	-
b. The carrying amounts of non-current assets pledged as security are:					
First mortgage					
Freehold land and buildings		348,237	351,318		
Floating charge over assets, including listed investments at market value		22,611,050	21,013,692		
Total assets pledged as security		22,959,287	21,365,010	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

c. The bank overdrafts of the parent entity and subsidiaries are secured by floating charges over the assets of the parent entity and controlled entities

d. The bank and mortgage loans are secured by registered first mortgages over certain freehold property of the parent entity and the subsidiaries

e. Lease liabilities are secured by a charge over the leased assets. Hire purchase assets are secured by a charge over the hire purchase assets

Note 21 Tax Liabilities

	Economic Entity		Parent Entity	
	2005	2004	2005	2004
	$	$	$	$
CURRENT				
Income tax	5,015	-	5,015	-
NON-CURRENT				
Provision for deferred income tax	94,873	563,294	94,873	563,294
Future income tax benefits attributable to tax losses	-	-	-	-
Provision for deferred income tax	94,873	563,294	94,873	563,294

Note 22 Provisions

	Notes	Economic Entity		Parent Entity	
		2005	2004	2005	2004
	Notes	$	$	$	$
CURRENT					
Employee entitlements	22a	826,903	663,089	-	-
Warranties		-	-	-	-
Mine Restoration		-	-	-	-
Restructuring costs		-	-	-	-
Other		-	-	-	-
		826,903	663,089	-	-
NON-CURRENT					
Employee entitlements	22a	114,405	82,342	-	-
Mine restoration		-	-	-	-
Warranties		-	-	-	-
		114,405	82,342	-	-
a. **Aggregate Employee Benefits Liability**					
		No.	No.	No.	No.
b. **Number of Employees at Year-end**		136	124		

Note 23 Contributed Equity

	Note	Economic Entity		Parent Entity	
		2005	2004	2005	2004
	Note	$	$	$	$
10,406,374 (2004 : 10,236,882) fully paid ordinary shares	23a	8,725,550	8,525,550	8,725,550	8,525,550
	23b	-	-	-	-
		8,725,550	8,525,550	8,725,550	8,525,550
a. **Ordinary shares**					
At the beginning of the reporting period		8,525,550	4,675,550	8,525,550	4,675,550
Shares issued during the year					
— 169,492 on 1 February, 2005		200,000		200,000	
— 3,500,000 on 1 February, 2004			3,500,000		3,500,000
— Conversion Payment Received	23c		350,000		350,000
Transaction costs relating to share issues					
		200,000	3,850,000	200,000	3,850,000
Shares bought back during the year					

At reporting date	8,725,550	**8,525,550**	8,725,550	**8,525,550**
	No.	No.	No.	No.
At the beginning of reporting period	10,236,882	6,736,882	10,236,882	6,736,882
Shares issued during year				
— 169,492 on 1 February, 2005	169,492		169,492	
— 3,500,000 on 1 February, 2004		3,500,000		3,500,000
At reporting date	10,406,374	10,236,882	10,406,374	10,236,882

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

b. **Converting Preference Shares**

At beginning of the reporting period	-	3,500,000	-	3,500,000
Preference Shares Converted on 1st February, 2004		(3,500,000)		(3,500,000)
At reporting date	-	-	-	-
	No.	No.	No.	No.
At beginning of reporting period	-	3,500,000	-	3,500,000
Preference Shares Converted on 1st February, 2004		(3,500,000)		(3,500,000)
At reporting date	-	-	-	-

Note 24 Reserves

	Note	Economic Entity 2005 $	Economic Entity 2004 $	Parent Entity 2005 $	Parent Entity 2004 $
Capital profits	24a	1,228,445	1,228,445	-	-
Asset revaluation	24b	-	-	-	-
Asset realisation	24c	740,885	740,885	901,620	901,620
Foreign currency translation	24d	(1,257,436)	(1,325,361)	-	-
General	24e	-	-	-	-
		711,894	643,969	901,620	901,620

a. **Capital Profits Reserve**

Movements during the year				
Opening balance	1,228,445	1,228,445	-	-
profits	-	-	-	-
Closing balance	1,228,445	1,228,445	-	-

The capital profits reserve records non-taxable profits on sale of investments

b. **Asset Revaluation Reserve**

Movements during the year				
Opening balance	-	-	-	-
Adjustment to opening balance for share of joint ventures reserves upon application of revised Accounting Standard AASB 1006: Interests in Joint Ventures	-	-	-	-
Revaluation increment on freehold land and buildings	-	-	-	-
Share of associates revaluation increments for freehold land and buildings	-	-	-	-
Transfer prior year revaluation increment to asset realisation reserve being increment realised on sale of freehold property	-	-	-	-
Closing balance	-	-	-	-

The asset revaluation reserve records revaluations of non-current assets

c. **Asset Realisation Reserve**

Movements during the year				
Opening balance	740,885	740,885	901,620	901,620
Realised increment on freehold property sold during the year transferred from asset revaluation reserve	-	-	-	-
Capital profit on sale of freehold property transferred from retained profits	-	-	-	-
Closing balance	740,885	740,885	901,620	901,620

The asset realisation reserve records realised gains on sale of non-current assets

d. **Foreign Currency Translation Reserve**

Movements during the year				
Opening balance	(1,325,361)	(996,625)	-	-
Adjustment arising from the translation of foreign controlled entities' financial statements	67,925	(328,736)	-	-
Closing balance	(1,257,436)	(1,325,361)	-	-

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary

e. **General Reserve**

Movements during the year				
Opening balance	-	-	-	-
Transfers from retained profits	-	-	-	-
Transfers to retained profits	-	-	-	-
Share Premium Reserve	-	-	-	-
Closing balance	-	-	-	-

The general reserve records funds set aside for future expansion of the economic entity

Note 25 Retained Profits

		Economic Entity		Parent Entity	
		2005	2004	2005	2004
	Note	$	$	$	$
Retained profits at the beginning of the financial year		1,937,712	1,601,990	153,761	718,105
Net profit attributable to the members of the parent entity		1,189,631	900,066	377,736	-
application of Accounting Standard AASB 1006: Interests in Joint Ventures		-	-	-	-
Dividends provided for or paid	5	(515,234)	(564,344)	(515,234)	(564,344)
Transfers to and from reserves					
— asset realisation reserve	24c	-	-	-	-
— capital profits reserve	24a	-	-	-	-
— general reserve	24e	-	-	-	-
— Profit & Loss Appropriation Adjustment		(29,772)	-	-	-
Retained profits at the end of the financial year		2,582,337	1,937,712	16,263	153,761

Note 26 Outside Equity Interests in Controlled Entities

	Economic Entity		Parent Entity	
	2005	2004	2005	2004
	$	$	$	$
Outside equity interest comprises:				
Share capital	300,000	-	-	-
Reserves	-	-	-	-
Adelaide Scaffold Solutions Pty Limited	(12,983)	-	-	-
	287,017	-	-	-

Note 27 Capital and Leasing Commitments

		Economic Entity		Parent Entity	
		2005	2004	2005	2004
	Note	$	$	$	$

a. **Finance Lease Commitments**					
Payable					
— not later than 1 year		828,749	1,020,384		
— later than 1 year but not later than 5 years		1,690,440	1,207,628		
— later than 5 years					
Minimum lease payments		2,519,189	2,228,012	-	-
Less future finance charges		303,134	220,102		
Total Lease Liability	20	2,216,055	2,007,910	-	-
b. **Operating Lease Commitments**					
Non-cancellable operating leases contracted for but not capitalised in the financial statements					
Payable					
— not later than 1 year		400,600	400,600		
— later than 1 year but not later than 5 years		1,201,800	1,602,400		
— later than 5 years					
		1,602,400	2,003,000	-	-

The property lease has a five year lease term with rent payable monthly in advance. Contingent rental provisions within the lease require the minimum lease payments to be increased by CPI per annum. An option exists to renew the lease at the end of the five year term for a further five years. The lease can be terminated at any time on payment of an amount equal to six (6) months rent plus outgoings.

Note 28 Segment Reporting

Primary Reporting - Business Segments

	Manufacturing	Wholesaling	Scaffolding	Other			Economic Entity
	2005	2005	2005	2005	2005	2005	2005
	$	$	$	$	$	$	$
REVENUE							
External Sales		17,604,247	10,529,420				28,133,667
Other segments		78,703	151,714				230,417
Total sales revenue	-	17,682,950	10,681,134	-	-	-	28,364,084
Share of net profits of equity accounted associates and joint venture entities							
Total segment revenue	-	17,682,950	10,681,134	-	-	-	28,364,084
Unallocated revenue							
Total Revenue from ordinary activities							28,364,084
RESULT							
Segment result	319,720	539,826	721,980				1,581,526
Unallocated expenses net of unallocated revenue							
Profit from ordinary activities before income tax expense							1,581,526
Income Tax Expense							
Profit from ordinary activities after income tax expense							1,581,526
Extraordinary items after income tax expense							
Net profit							1,581,526
ASSETS							
Segment assets	1,212,911	9,928,998	11,817,376				22,959,285
Unallocated assets							
Total assets							22,959,285
LIABILITIES							
Segment liabilities		1,451,376	9,201,112				10,652,488
Unallocated liabilities							

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Total liabilities							10,652,488
OTHER							
Investments accounted for using the equity method	1,212,911	170,271	-				1,383,182
Acquisitions of non-current segment assets		275,071	2,712,143				2,987,214
Depreciation and amortisation of segment assets		323,208	501,762				824,970
Other non-cash segment expenses		200,480	235,640				436,120

	Manufacturing	Wholesaling	Scaffolding	Other			Economic Entity
	2004	2004	2004	2004	2004	2004	2004
	$	$	$	$	$	$	$
Primary Reporting - Business Segments							
REVENUE							
External Sales		15,730,786	8,342,847				24,073,633
Other segments		220,997	115,080				336,077
Total sales revenue	-	15,951,783	8,457,927	-	-	-	24,409,710
Share of net profits of equity accounted associates and joint venture entities							
Total segment revenue	-	15,951,783	8,457,927	-	-	-	24,409,710
Unallocated revenue							
Total Revenue from ordinary activities							24,409,710
RESULT							
Segment result		332,916	965,372				1,298,288
Unallocated expenses net of unallocated revenue							(9,172)
Profit from ordinary activities before income tax expense							1,289,116
Income Tax Expense							
Profit from ordinary activities after income tax expense							1,289,116
Extraordinary items after income tax expense							
Net profit							1,289,116
ASSETS							
Segment assets	1,271,178	12,202,970	7,890,862				21,365,010
Unallocated assets							
Total assets							21,365,010
LIABILITIES							
Segment liabilities		3,412,467	6,845,322				10,257,789
Unallocated liabilities							
Total liabilities							10,257,789
OTHER							
Investments accounted for using the equity method	1,271,178	(43,649)					1,227,529
Acquisitions of non-current segment assets		542,835	3,117,864				3,660,699
Depreciation and amortisation of segment assets		338,580	456,974				795,554
Other non-cash segment expenses		138,663	85,824				224,487

Secondary reporting — Geographical segments

	Segment Revenues from		Carrying Amount of Segment		Acquisitions of Non-current	
	2005	2004	2005	2004	2005	2004
	$	$	$	$	$	$
Geographical location:						
Australia	28,415,852	24,367,211	19,078,318	17,996,703	2,987,214	3,660,699
New Zealand	1,646	42,499	2,521,415	2,212,042		

South East Asia			1,359,554	1,388,922		
Other Countries						
	28,417,498	24,409,710	22,959,287	21,597,667	2,987,214	3,660,699

Accounting Policies

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists.

Segment assets include all assets used by a segment and consist principally of cash, receivables, inventories, intangibles and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of accounts payable, employee entitlements, accrued expenses, provisions and borrowings. Segment assets and liabilities do not include deferred income taxes.

Intersegment Transfers

Segment revenues, expenses and result include transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the economic entity at an arm's length. These transfers are eliminated on consolidation.

Business and Geographical Segments

Business Segments

The economic entity has the following five business segments:

- Manufacturing division manufactures paint application products used in the building and general hardware business.
- Wholesale division sells paint application products, painters tools and associated products to the hardware and paint industry.
- Scaffolding construction and hire division manufactured scaffolding equipment for both sale and hire to the building and contruction industry in NSW, Victoria, and Queensland.

Geographical Segments

- The economic entity's business segments are located in Australia, with the manufacturing and distribution division also having operations in New Zealand and South East Asia

Note 29 Cash Flow Information

	Economic Entity		Parent Entity	
	2005	2004	2005	2004
	$	$	$	$
a. **Reconciliation of Cash Flow from Operations with Profit from ordinary activities after Income Tax**				
Profit from ordinary activities after income tax	1,176,649	900,067		
Cash flows excluded from profit from ordinary activities attributable to operating activities	12,982			1
Finance costs on debentures				
Non-cash flows in profit from ordinary activities				
Amortisation	926	6,882	-	-
Depreciation	824,970	788,674	-	-
Write-off of capitalised expenditure				
Write-off of obsolete stock				
Net gain on disposal of property, plant and equipment	(33,551)	(55,150)	-	-
Net gain on disposal of sale of scaffolding construction and hire division				
Gain on debt defeasance				
Net gain on disposal of controlled entity				
Net gain on disposal of investments				
Unrealised gain on investments				
Write-downs to recoverable amount				
Share of associated companies net profit after income tax and dividends	(43,471)	228,500		
Share of joint venture entity net profit after income tax and dividends	(276,249)	(219,327)		
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries				
(Increase)/decrease in trade and term debtors	1,131,513	(557,536)	(299,583)	2,112,494
(Increase)/decrease in prepayments	(66,761)	(18,028)		
(Increase)/decrease in inventories	149,757	(642,480)		
(Increase)/decrease in trade creditors and accruals	1,956,141	1,858,155	(101,318)	(172,973)
Increase/(decrease) in income taxes payable	(2,774,600)	(1,515,893)	530,629	(2,005,696)
Increase/(decrease) in deferred taxes payable	(130,767)	(232,659)	(130,767)	225,640
Increase/(decrease) in provisions	195,877	(242,529)		(157,500)
Cash flows from operations	2,123,396	298,676	(1,039)	1,966

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

b. **Acquisition of Entities**

During the year 75% of the controlled entity Adelaide Scaffold Solutions Pty Limited was acquired. Details of this transaction are:

Purchase consideration	1,000,000			
Cash consideration				
Amount due under contract of sale				
Cash outflow/inflow	-	-	-	-
Assets and liabilities held at acquisition date:				
Receivables				
Inventories	388,000			
Property, plant and equipment	171,500			
Creditors				
	559,500	-	-	-
Goodwill on consolidation	440,500			
Outside equity interests in acquisitions	300,000			
	1,300,000	-	-	-

c. **Credit Standby Arrangements with Banks**

Credit facility	3,200,000	3,000,000		
Amount utilised	(2,283,674)	(2,782,305)		
Unused credit facility	916,326	217,695	-	-

The major facilities are summarised as follows:

Banking Overdrafts

Bank overdraft facilities are arranged with a number of Australian banks with the general terms and conditions being set and agreed to annually

Interest rates are variable and subject to adjustment

Commercial Bill Facility

$5,000,000 five-year variable interest rate facility provided by various Australian banks

Note 30 Events subsequent to Reporting Date

Other than the matter referred to below, there are no matters of circumstance have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

On 11 July, 2005, as the result of a fully underwritten non-renounceable pro-rata rights issue, the Parent Entity issued 1,300,797 new shares on the basis of a 1 for 8 share issue at a price of $0.80 per new share for $1,040,638.