PRO-PAC PACKAGING LIMITED
(ASX: PPG)

RESULTS FOR THE YEAR ENDED 30 JUNE 2011

Subdued consumer spending and sentiment and the challenging non-resource related economic environment resulted in difficult trading conditions particularly in the last quarter of the financial year. Despite this, the Company grew revenue by 27% to $115.2m. EBITDA was up 8% to $10.8m and profit after tax was marginally lower at $5.0m.

The 2011 result included $403,000 of one off relocation and rationalisation costs relating predominantly to the consolidation of the Industrial Division's sites and operations in both NSW and Victoria and, adjusting for these costs, EBITDA was $11.2m (2010: $10.1m) and after tax profit was $5.3m (2010: $5.1m).

Although these costs impact on earnings in the short term, as highlighted in the Half Yearly report, they provide the necessary infrastructure to support continued growth.

Revenue in the Industrial Division grew 55% to $71.9m and revenue growth excluding the impact of acquisitions was 17%. Pre-tax earnings for the Industrial Division were $5.2m (2010: $3.9m). The Rigid Division's sales were marginally higher at $54.9m (2010: $53.8m) but margin and cost pressures resulted in reduced pre-tax divisional earnings of $5.0m (2010: $5.7m).

The strong top line growth necessitated increased investment in inventory and receivables with a resultant increase of $3.3m in net working capital. Despite this and the cash acquisitions of Goodman Packaging and SPD International during the financial year, the Company's gearing (net debt/equity plus debt) remains conservative at 20%.

The Company has a strong pipeline of organic growth opportunities and continues to assess a number of synergistic acquisitions. Following the Industrial Division's site consolidations in Victoria and NSW, a similar exercise is scheduled for Queensland in the first quarter of calendar 2012.

A fully franked interim dividend of one cent per share was paid on 12 April 2011. The Company has today declared a fully franked final dividend of one cent per share. The record date for determining entitlement to the dividend is 21 October 2011 and the dividend will be paid on 2 November 2011. The Company's Dividend Reinvestment Plan will apply to this dividend with a zero discount.

Enquiries

For further information please contact Mr. Brandon Penn, CEO, Pro-Pac Packaging Limited on Tel (02) 8781 0500 or Mr Elliott Kaplan, Chairman, on Tel (02) 9087 8022.

About PPG

Pro-Pac Packaging Limited is a diversified manufacturing and distribution company, providing innovative, flexible and rigid packaging solutions for a broad group of clients. PPG is headquartered in Sydney with operations in Adelaide, Brisbane, Melbourne and Perth. PPG's securities are listed and quoted on the ASX. For further information on PPG visit www.ppgaust.com.au

Appendix 4E

Preliminary Final Report
Results for announcement to the market

Pro-Pac Packaging Limited
for the year ended 30 June 2011

Reporting period : year to June 2011
Previous corresponding period : year to June 2010

Results

				$000's
Revenues from ordinary activities	up	27%	to	115,238
Earnings from continuing operations before interest, tax, depreciation and amortisation (EBITDA) excluding one off relocation costs	up	12%		11,245
Profit from ordinary activities after tax attributable to members	down	1%	to	5,047
Net profit for the year attributable to members	down	1%	to	5,047

Dividends (distributions)

	Amount per security	**Franked amount per security**
Final Dividend	1.0¢	1.0¢
Interim Dividend	1.0¢	1.0¢

Information on Dividends:

The Company has declared a fully franked final dividend of 1.0 cent per share which will be paid on 2 November 2011.

The Company's Dividend Reinvestment Plan will apply to this dividend.

Record date for determining entitlements to the final dividend	21 October 2011
Last date for elections to participate in the Dividend Reinvestment Plan	21 October 2011

Commentary

Please refer to the attached commentary for a more detailed review of the Company.

PRO-PAC PACKAGING LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR TO 30 JUNE 2011

	Notes	Consolidated 2011 $000's	Consolidated 2010 $000's
Sale of goods and services		115,238	90,944
Interest income		93	72
Reversal of deferred acquisition consideration		247	-
Total Revenues		115,578	91,016
Expenses			
Amortisation and depreciation expense		2,637	2,281
Distribution costs		4,029	3,389
Employee benefits expenses		21,071	16,189
Finance costs		1,287	695
Occupancy costs		4,083	2,992
Other expenses from ordinary activities		6,871	5,594
Purchases, raw materials and consumables		68,186	52,714
Rationalisation and relocation expenses		403	-
Total Expenses		108,567	83,854
Profit before income tax		7,011	7,162
Income tax expense	5	1,964	2,085
Profit after tax from continuing operations	14	5,047	5,077
Other comprehensive income		-	-
Total comprehensive income for the period		5,047	5,077
Earnings per share (cents per share) for the profit from continuing operations attributable to the ordinary equity holders of the parent			
- Basic earnings per share	2	3.74	4.11
- Diluted earnings per share	2	3.74	4.11

PRO-PAC PACKAGING LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Notes	Consolidated 2011 $000's	Consolidated 2010 $000's
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	15	**1,461**	**2,071**
Trade and other receivables	6	**19,852**	**15,301**
Inventories	7	**13,057**	**11,074**
Prepayments		**1,172**	**1,095**
Total Current Assets		**35,542**	**29,541**
NON-CURRENT ASSETS			
Prepayments		**994**	**1,317**
Property, plant and equipment	8	**13,099**	**11,930**
Intangible assets	9	**46,758**	**44,477**
Deferred tax assets	5	**962**	**805**
Total Non-Current Assets		**61,813**	**58,529**
TOTAL ASSETS		**97,355**	**88,070**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	**14,344**	**11,717**
Interest bearing borrowings		**1,670**	**1,503**
Provisions	11	**2,212**	**1,837**
Current tax liabilities	5	**918**	**1,536**
Total Current Liabilities		**19,144**	**16,593**
NON-CURRENT LIABILITIES			
Provisions	11	**395**	**437**
Interest bearing borrowings		**15,657**	**13,186**
Total Non-Current Liabilities		**16,052**	**13,623**
TOTAL LIABILITIES		**35,196**	**30,216**
NET ASSETS		**62,159**	**57,854**
EQUITY			
Issued capital	12	**54,005**	**52,057**
Other reserves	13	**44**	**30**
Retained earnings	14	**8,110**	**5,767**
TOTAL EQUITY		**62,159**	**57,854**

PRO-PAC PACKAGING LIMITED
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR TO 30 JUNE 2011

	Notes	Consolidated 2011 $000's	Consolidated 2010 $000's
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**112,462**	**90,509**
Payments to suppliers and employees (inclusive of GST)		**(104,435)**	**(85,433)**
Interest received		**93**	**72**
Interest paid		**(1,241)**	**(673)**
Income tax paid		**(2,741)**	**(984)**
Net cash flows from operating activities	15	**4,138**	**3,491**
Cash flows from investing activities			
Payments for property, plant and equipment		**(3,676)**	**(3,038)**
Proceeds from sale of property, plant and equipment		**91**	**232**
Payment for controlled entity net of cash		**-**	**(4,945)**
Payment for unincorporated businesses net of cash acquired		**(3,049)**	**(1,373)**
Net cash flows used in investing activities		**(6,634)**	**(9,124)**
Cash flows from financing activities			
Payment of hire purchase and finance lease liabilities		**(1,549)**	**(1,853)**
Finance leases raised		**1,691**	**2,079**
Proceeds from borrowings		**2,500**	**3,230**
Proceeds from issue of shares		**-**	**2,533**
Dividends paid		**(756)**	**(459)**
Net cash flows generated by / (used in) financing activities		**1,886**	**5,530**
Net increase / (decrease) in cash and cash equivalents		**(610)**	**(103)**
Cash and cash equivalents at beginning of financial year		**2,071**	**2,174**
Cash and cash equivalents at end of financial year	15	**1,461**	**2,071**

Non cash financing transactions

Hire purchase and finance lease liabilities raised	**1,691**	**2,079**
Issue of shares for dividend re-investment plan	**1,948**	**1,370**

PRO-PAC PACKAGING LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR TO 30 JUNE 2011

	Issued Capital $000's	Retained Earnings $000's	Option Reserve $000's	Total Equity $000's
Consolidated				
Balance as at 1 July 2010	**52,057**	**5,767**	**30**	**57,854**
Issue of shares for dividend re-investment plan	**1,948**	**-**	**-**	**1,948**
Dividends paid	**-**	**(2,704)**	**-**	**(2,704)**
Recognition of share based payments	**-**	**-**	**14**	**14**
Total comprehensive income for the year	**-**	**5,047**	**-**	**5,047**
Balance as at 30 June 2011	**54,005**	**8,110**	**44**	**62,159**

	Issued Capital $000's	Retained Earnings $000's	Option Reserve $000's	Total Equity $000's
Consolidated				
Balance as at 1 July 2009	**48,154**	**2,520**	**20**	**50,694**
Issue of shares for dividend re-investment plan	**1,371**	**-**	**-**	**1,371**
Dividends paid		**(1,830)**	**-**	**(1,830)**
Shares issued to Creative Packaging vendors	**2,532**	**-**	**-**	**2,532**
Recognition of share based payments	**-**	**-**	**10**	**10**
Total comprehensive income for the year	**-**	**5,077**	**-**	**5,077**
Balance as at 30 June 2010	**52,057**	**5,767**	**30**	**57,854**

PRO-PAC PACKAGING LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT

NOTE 1: AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

This financial report is prepared in accordance with Australian Equivalents to International Financial Reporting Standards ("AIFRS").

NOTE 2: EARNINGS PER SHARE

	Consolidated Year Ended 30 June 11 Cents	Consolidated Year Ended 30 June 10 Cents
Basic and diluted earnings per share *	**3.74**	**4.11**

Reconciliation of earnings used in calculation of earnings per share:		
	$000's	**$000's**
Profit after income tax	**5,047**	**5,077**
	No. of Shares	**No. of Shares**
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	**135,092,131**	**123,505,913**
Number of ordinary shares on issue at year end (including ESPP shares)	**139,735,576**	**133,143,012**

* The difference between basic and diluted shares on issue represents the PPG Executive Long Term Incentive Plan (ESPP) shares on issue which are treated as an option grant. As the average exercise price of the options was higher than the average market price per share during both the current and prior years, the options would not have been exercised and therefore no dilution has occurred.

NOTE 3: DIVIDENDS

The Directors of Pro-Pac Packaging Limited have declared a final fully franked dividend of one cent (1.0 c) per share in respect of the financial year ended 30 June 2011. When combined with the interim dividend of one cent (1.0 c) per share paid on 12 April 2011, this represents fully franked dividends of two cents (2.0 c) per share for the 2010/11 financial year.

NOTE 4: NET TANGIBLE ASSETS PER SECURITY

	Consolidated Year Ended 30 June 11 Cents	Consolidated Year Ended 30 June 10 Cents
Net tangible assets per security - basic	**9.48**	**8.25**
Net assets per security – basic	**44.91**	**43.67**

PRO-PAC PACKAGING LIMITED

NOTES TO THE PRELIMINARY FINAL REPORT

	Consolidated Year Ended 30 June 2011 $000's	Consolidated Year Ended 30 June 2010 $000's
NOTE 5: TAXATION		
a) Income Tax Expense:	1,964	2,085
Income tax expense:		
Prima facie income tax expense calculated at 30% on the profit from ordinary activities	2,103	2,149
Decrease in income tax expense due to:		
Special tax allowances net of expenditure not allowable for tax purposes	-	(64)
Other income not subject to tax net of expenditure not allowable for tax purposes	(52)	-
Adjustment in respect of prior years	(87)	-
Income tax expense attributable to profit from ordinary activities	1,964	2,085
b) Current Tax Liabilities:		
Income tax payable	918	1,536
c) Non-Current Tax Assets:		
Deferred tax asset	962	805
NOTE 6: TRADE AND OTHER RECEIVABLES		
Current		
Trade receivables	19,463	15,044
Provision for impairment of receivables	(219)	(191)
	19,244	14,853
Other debtors	608	448
Total Current Receivables	19,852	15,301
NOTE 7: INVENTORIES		
Current		
Raw materials and work in progress (lower of cost and net realisable value)	797	801
Finished goods (lower of cost and net realisable value)	12,260	10,273
Total Inventories	13,057	11,074

PRO-PAC PACKAGING LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT

	Consolidated Year Ended 30 June 2011 $000's	Consolidated Year Ended 30 June 2010 $000's
Note 8: PROPERTY, PLANT AND EQUIPMENT		
Plant and Equipment		
At cost	19,625	16,844
Accumulated depreciation	(6,526)	(4,914)
Total plant and equipment	13,099	11,930
Note 9: INTANGIBLE ASSETS		
Goodwill	46,758	44,477
Reconciliation		
Carrying amount at beginning of the year	44,477	38,195
Acquisition of businesses	2,281	6,282
Total goodwill	46,758	44,477
NOTE 10: PAYABLES		
Current		
Unsecured		
Trade payables	11,567	9,326
GST payable	579	423
Other tax payable	405	218
Sundry creditors and accruals	1,793	1,750
	14,344	11,717
NOTE 11: PROVISIONS		
Current		
Employee entitlements	2,212	1,837
Non-Current		
Employee entitlements	395	437

PRO-PAC PACKAGING LIMITED

NOTES TO THE PRELIMINARY FINAL REPORT

NOTE 12: ISSUED CAPITAL	Consolidated	Consolidated
2011	**Number**	**$000's**
Issued and Paid-Up Share Capital		
Fully paid ordinary shares:	**139,735,576**	**54,005**
Movements during the year:		
Balance at beginning of year	**133,143,012**	**52,057**
Issue of shares for Executive Long Term Incentive Plan	**1,335,000**	**-**
Cancellation of shares for Executive Long Term Incentive Plan	**(675,000)**	**-**
Issue of shares for dividend re-investment plan	**5,932,564**	**1,948**
	139,735,576	**54,005**
2010	**Number**	**$000's**
Issued and Paid-Up Share Capital		
Fully paid ordinary shares:	**133,143,012**	**52,057**
Movements during the year:		
Balance at beginning of year	**120,160,300**	**48,154**
Shares issued to Creative Packaging vendors	**7,235,712**	**2,533**
Issue of shares for dividend re-investment plan	**5,747,000**	**1,370**
	133,143,012	**52,057**

Shares issued under the Long Term Executive Incentive Plan are subject to restrictions until August 2013 in accordance with the terms of the plan.

	Consolidated Year Ended 30 June 2011 $000's	Consolidated Year Ended 30 June 2010 $000's
NOTE 13: OTHER RESERVES		
Options Reserve		
Balance brought forward	**30**	**20**
Recognition of share based payments	**14**	**10**
Balance carried forward	**44**	**30**

PRO-PAC PACKAGING LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT

	Consolidated Year Ended 30 June 2011 $000's	Consolidated Year Ended 30 June 2010 $000's
NOTE 14: RETAINED PROFITS		
Retained profits at the beginning of the year	5,767	2,520
Net profit attributable to members of the company	5,047	5,077
Dividends paid	(2,704)	(1,830)
Retained Profits at the End of the year	8,110	5,767

NOTE 15: NOTES TO THE STATEMENT OF CASH FLOWS

a) Reconciliation of Cash

For the purposes of the statements of cash flows, cash includes cash on hand and at bank and short-term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash Assets	1,461	2,071

b) Reconciliation of profit from ordinary activities after income tax to the net cash provided by operating activities:

Profit from ordinary activities after income tax	5,047	5,077
Add/(Less) non-cash items:		
Depreciation and amortisation of plant and equipment	2,637	2,281
(Profit) / loss on disposal of assets	156	31
Movement in income tax provision	(618)	1,272
Movement in deferred tax assets & liabilities	(157)	(170)
Movement in provision for bad debts	28	(60)
Other Non-cash movements	6	10
Changes in Assets and Liabilities:		
Receivables	(4,457)	(1,152)
Inventories	(1,299)	(2,927)
Payables	2,614	(861)
Provisions	257	231
Prepayments	(76)	(241)
Net cash flows from operating activities	4,138	3,491

PRO-PAC PACKAGING LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT

NOTE 16: CONTROLLED ENTITIES

a) Particulars in Relation to Controlled Entities

The consolidated entity includes the following controlled entities. The financial years of all controlled entities are the same as that of the parent entity. All companies are incorporated in Australia.

	Parent Company Interest Held
Direct Controlled Entities:	
Pro-Pac Group Pty Ltd	100%
Plastic Bottles Pty Ltd	100%
Controlled Entities owned 100% by Pro-Pac Group Limited	
Pro-Pac Packaging (Aust) Pty Ltd	100%
Pro-Pac (GLP) Pty Ltd	100%
Controlled Entities owned 100% by Pro-Pac Packaging (Aust) Pty Ltd	
Pro-Pac Packaging Manufacturing (Syd) Pty Ltd	100%
Pro-Pac Packaging Manufacturing (Melb) Pty Ltd	100%
Pro-Pac Packaging Manufacturing (Bris) Pty Ltd	100%
Creative Packaging Pty Ltd	100%
Controlled Entities owned 100% by Plastic Bottles Pty Ltd	
Speciality Products and Dispensers Pty Ltd	100%
Australian Bottle Manufacturers Pty Ltd	100%
Ctech Closures Pty Ltd	100%
Bev Cap Pty Ltd	100%
Controlled Entities owned 100% by Bev Cap Pty Ltd	
Great Lakes Moulding Pty Ltd	100%
Finpact Pty Ltd	100%

NOTE 17: OPERATING SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings since the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the manufacturing process;

Types of products and services by segment

Industrial packaging

The Industrial packaging division manufactures, sources and distributes industrial packaging materials and related products and services. All products produced or distributed are aggregated as one reportable segment as the products are similar in nature and are distributed to similar types of customers. The industrial packaging segment also installs, supports and maintains packaging machines.

NOTE 17: OPERATING SEGMENTS (CONTINUED)

Rigid packaging

The Rigid packaging division manufactures, sources and distributes containers and closures and related products and services. All products produced or distributed are aggregated as one reportable segment as the products are similar in nature and are manufactured and distributed to similar types of customers.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Inter-segment transactions

An internally determined transfer price is set for all inter-entity sales. This price is re-set regularly and is usually based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation for the Group's financial statements.

Inter-segment loans payable and receivable are initially recognised at the consideration received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

Segment Assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the assets role, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment Liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain borrowings.

Unallocated items

The following items of revenue, expenses, asset and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment: impairment of assets and other non-recurring revenue or expenses; income tax expense; deferred tax asset and liabilities; current tax liabilities; other financial liabilities; intangible assets.

NOTE 17: OPERATING SEGMENTS (CONTINUED)

	Rigid packaging	Industrial packaging	Total	Rigid packaging	Industrial packaging	Total
	$ 000	$ 000	$ 000	$ 000	$ 000	$ 000
(i) Segment performance						
Twelve months ended 30 June		**2011**			**2010**	
Revenue						
External sales	48,235	67,003	115,238	46,917	44,027	90,944
Inter-segment sales	6,618	4,895	11,513	6,910	2,458	9,368
Total segment revenue	54,853	71,898	126,751	53,827	46,485	100,312
Reconciliation of segment revenue to group revenue						
Interest Income			93			72
Other income			247			-
Inter-segment elimination			(11,513)			(9,368)
Total group revenue			**115,578**			**91,016**
Segment net profit before tax	5,020	5,244	10,264	5,658	3,870	9,528
Reconciliation of segment result to group net profit before tax						
Amounts not included in segment result but reviewed by the Board:						
Unallocated items:						
* Corporate and finance charges			(1,417)			(994)
* Head office costs			(1,775)			(1,286)
* Inter-segment elimination			(61)			(86)
Net profit before tax from continuing operations			**7,011**			**7,162**
(ii) Segment assets						
As at 30 June		**2011**			**2010**	
Segment assets	20,680	27,749	48,429	20,732	20,449	41,181
Reconciliation of segment assets to group assets						
Inter -segment eliminations			(1,253)			(1,786)
Unallocated assets			50,179			48,675
* Deferred tax assets			962			805
* Intangibles			46,758			44,477
* Other			2,459			3,393
Total group assets from continuing operations			97,355			88,070
(iii) Segment liabilities						
As at 30 June		**2011**			**2010**	
Segment liabilities	10,740	11,376	22,116	10,663	9,012	19,675
Reconciliation of segment liabilities to group liabilities						
Inter -segment eliminations			(1,038)			(1,630)
Unallocated liabilities			14,118			12,171
* Deferred tax liabilities			-			-
* Other liabilities			14,118			12,171
Total group liabilities from continuing operations			35,196			30,216

(iv) The Group operates solely within Australia. As such there is only one geographical segment.

NOTE 18: AUDIT STATUS

This report is based on financial reports that are in the process of being audited.

Note 19: LONG TERM EXECUTIVE INCENTIVE PLAN

Under AIFRS, shares issued to executives under the Long Term Executive Incentive Plan are considered to be options granted. As such, the contributed equity (share capital) as well as the related receivable are not recognised on the balance sheet and do not form part of the asset base in the calculation of the basic net assets and basic net tangible assets per security.

NOTE 20: SIGNIFICANT EVENTS DURING THE PERIOD

Acquisition of businesses

Effective 1 July 2010, Pro-Pac Packaging (Aust) Pty Ltd, a wholly owned subsidiary, acquired the business and assets of Dysher Pty Ltd trading as Goodman Packaging, a Sydney & Perth based distributor of industrial packaging products and effective 1 April 2011, acquired the business and assets of SPD International Pty Ltd, a Melbourne based distributor of industrial packaging products.

The effect of the above transactions can be summarised as follows:

	$000's
Assets	
Current Assets	
Trade and other receivables	126
Inventories	675
Total Current Assets	**801**
Non-Current Assets	
Property, plant and equipment	105
Total Non-Current Assets	**105**
Total Assets	**906**
Liabilities	
Current Liabilities	
Trade and other payables	102
Total Current Liabilities	**102**
Non-Current Liabilities	
Other liabilities	37
Total Non-Current Liabilities	**37**
Total Liabilities	**139**
NET ASSETS	**767**
CONSIDERATION PAID	
Cash	2,494
Vendor loan	554
Total	**3,048**
GOODWILL	**2,281**

NOTE 21: CONTINGENT LIABILITIES

As at balance sheet date, the company issued security deposit guarantees and standby letters of credit to the value of $2,116,449 to the landlords of rented premises and overseas suppliers.

NOTE: 22 CAPITAL EXPENDITURE COMMITMENTS

As at balance sheet date the company had commitments for future capital expenditure of $89,141.

NOTE: 23 EVENTS SUBSEQUENT TO YEAR END

There are no events subsequent to year end.