

EUROZ LIMITED **Annual Report**



2003

EUROZ
LIMITED

www.euroz.com.au

Contents

Corporate Directory	1
Chairman's Report	2
Managing Director's Report	4
Operations	6
Directors Profile	8

Financial Statements

Directors' Report	11
Statements of Financial Performance	14
Statements of Financial Position	15
Statements of Cash Flows	16
Notes to the Financial Statements	17
Directors' Declaration	33
Independent Audit Report	34
Corporate Governance Statement	36
Shareholder Information	38
Euroz Securities Contact Details	40



Corporate Directory

EUROZ LIMITED
ABN 53 000 364 465

EXECUTIVE DIRECTORS

Peter Diamond *Chairman*
Andrew McKenzie *Managing Director*
Jay Hughes *Executive Director*
Shane Gherbaz *Company Secretary*

REGISTERED OFFICE

STREET ADDRESS

Level 14 The Quadrant
1 William Street
Perth Western Australia 6000

POSTAL ADDRESS

PO Box Z5036
St Georges Terrace
Perth Western Australia 6000

Telephone +61 8 9488 1400
Facsimile +61 8 9488 1477
Web Site www.euroz.com.au

SHARE REGISTER

Computershare Investor Services
Level 2 Reserve Bank Building
45 St Georges Terrace
Perth Western Australia 6000

Telephone +61 8 9323 2000
Facsimile +61 8 9323 2033

AUDITORS

PricewaterhouseCoopers
QV1 Building
250 St Georges Terrace
Perth Western Australia 6000

AUSTRALIAN STOCK EXCHANGE LISTINGS

Euroz Limited (ASX:EZL)
Euroz Limited Options (ASX:EZLO)

BANKING

Westpac Banking Corporation
109 St Georges Terrace
Perth Western Australia 6000

Chairman's Report



The Directors of Euroz Limited are pleased to announce a pre-tax profit of \$1,056,910 (2002: \$1,843,579) and a net profit after tax of \$718,714 (2002: \$1,247,744). This profit represents earnings per share of 2.9 cents.

For the year, the Directors declared a final dividend of 1.5 cents per share fully franked which, combined with the interim dividend of 1 cent per share, represents a total dividend of 2.5 cents per share fully franked.

The primary asset of Euroz Limited is its 100% owned stockbroking operation Euroz Securities Limited. Euroz Securities has continued to operate successfully during the year in difficult market conditions. It has maintained its niche philosophy approach and leading national market share in key stock recommendations.

Euroz Securities has also been successful in recruiting a Corporate Finance team to add to the professional services already provided by the firm. The Corporate department of Euroz Securities Limited effectively commenced business in October 2002 and immediately had a positive impact and contribution. At the date of this report, our list of corporate mandates and opportunities looks extremely encouraging for the coming year.

In October 2002 the Directors placed 6 million shares at 50 cents, raising \$3 million. There were also 2,350,000 options exercised, raising an additional \$1,075,000 for a total of \$4,075,000. The funds were used to strengthen the balance sheet and provide Euroz Ltd with cash resources of approximately \$11 million; enabling the company to take advantage of future Investment Banking opportunities.

Euroz Securities moved premises during the year to The Quadrant, 1 William Street, Perth WA 6000, providing modern and updated facilities for our employees and creating a positive working environment for both staff and clients alike.

As always, the financial services industry will provide many challenges in the year ahead; and like most services industries, Euroz Securities will rely on the quality of its employees to meet these challenges. In this regard we are extremely fortunate to employ a very competent and experienced team. Our employees' motivation is also supported by the fact that they are all shareholders and can participate in the ongoing success of the company.

We thank all our shareholders, staff and clients for their support and contribution and look forward to another successful year.

A handwritten signature in blue ink, appearing to read 'Peter Diamond', followed by a long horizontal line that ends in a small upward-pointing hook.

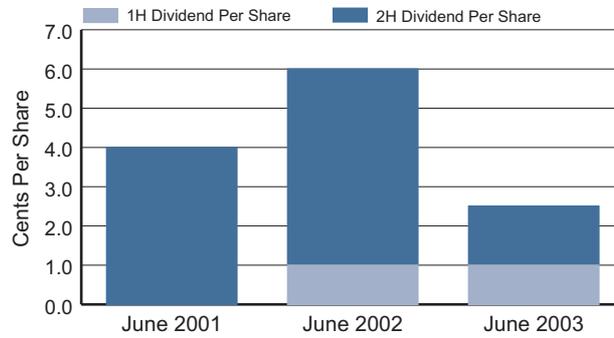
PETER DIAMOND

Chairman

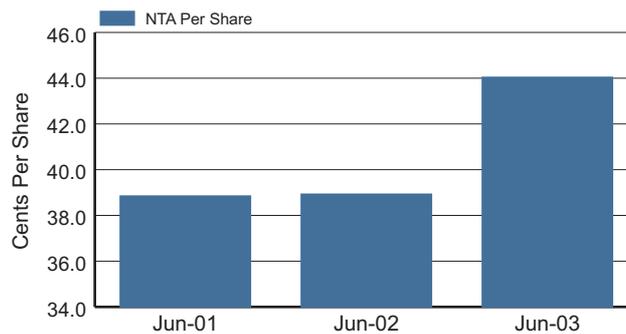
Euroz Limited Profit Before Tax & Net Profit After Tax



Euroz Limited Dividend History



Euroz Limited NTA Per Share



Managing Director's Report



In only three years Euroz has established a strong brand name and a track record of delivering consistent profits and dividends.

Euroz has had a successful year in which we have deliberately expanded our operations despite market conditions where all broking firms have experienced subdued trading volumes and corporate activity.

Our counter-cyclical strategy has been to take advantage of this market weakness by committing additional resources to our core broking operations. By increasing our staff levels from twenty six to thirty five people we believe we have improved our relative market position and specialist reputation.

Euroz Securities remains strongly focussed on delivering superior advice through strict financial analysis and regular company contact. This philosophy of adding value for all clients is applied in all of our core broking operations:

- Equities Research
- Institutional Dealing
- Private Client Services
- Corporate Finance

Euroz Securities transacted \$1.4 billion in ASX turnover in the past financial year. We have achieved National No 1 market share rankings in leading companies including Aquarius Platinum, GRD, Equigold, iiNet, Austal and ARC Energy.

Our Research team of six analysts has continued to provide consistent high quality research that provides the analytical foundation for all our core broking operations.

Our recently established Corporate department has been particularly successful in providing Advisory and Equity Capital Market services to our expanding client base. This has been demonstrated by Thomson Financial Services naming Euroz the highest ranked WA based broker in equity capital raisings for Calendar 2001 and 2002.

Euroz has the largest Institutional Dealing team in Western Australia. Our team of seven dealers continues to build strong relationships with major institutional investors in Australia and overseas.

The Private Client dealing team has initiated a more structured business approach and has been particularly successful in recently attracting a number of experienced advisors to the group.

I would like to congratulate all staff for their significant efforts over the last three years. The company has now developed its own blend of new cultures and personalities that will continue to drive the business in future years.

A handwritten signature in blue ink that reads "Andrew McKenzie". The signature is fluid and cursive, with a small flourish at the end.

ANDREW MCKENZIE

Managing Director

Major capital raisings this financial year

 EQUIGOLD N.L.	\$13,200,000
 INDOPHIL RESOURCES NL	\$8,100,000
 WESTONIA MINES LIMITED	\$4,454,000

Operations

Equities Research

"Quality equities research is the foundation for our entire business"

- ▶ Team of six experienced analysts with access to the latest online news and financial information
- ▶ Based on fundamental analysis, strict financial modelling and regular company contact
- ▶ **Goal**
 - Identify and maximise equity investment opportunities for our clients
- ▶ **Approach**
 - Intimate knowledge of the companies we cover
- ▶ **Coverage**
 - Broad cross section of mostly WA based industrial and resource companies
- ▶ **Research Products**
 - Daily Briefing: Overnight market updates and ASX 100 analysis
 - Weekly Informer: Analysis on midcap companies
 - Quarterly Updates: Regular coverage on midcap companies
 - Company Reports: Detailed analysis on companies as opportunities emerge

Private Client Services

- ▶ Team of highly experienced and qualified private client advisors
- ▶ Focus on dealing with high net worth individuals
- ▶ Extensive research support - high quality local and ASX 100 research enables our advisors to provide quality investment and trading advice
- ▶ **Niche broking allows**
 - Close interaction between research analysts and private client advisors
 - Timely communication of ideas with clients
- ▶ Sophisticated investors are often able to participate in many of our corporate capital raisings
- ▶ **We pride ourselves on offering a tailored service to our clients based on**
 - Quality research
 - Personalised service
 - Wealth creation
- ▶ **Client services**
 - Exclusive web based research
 - Margin lending
 - Money market
 - Portfolio management

Institutional Dealing

- ▶ Largest institutional dealing desk based in Western Australia
- ▶ Team of seven institutional dealers with an extensive client base of Australian and International investors
- ▶ Distribution network strength - long standing relationships with major institutional investors in the small to mid cap market
- ▶ Western Australia's geographic isolation makes it difficult for institutional investors to maintain close contact with companies based here - investors can rely on our "on the ground" information
- ▶ Institutional dealing team "highly focused" on providing the following services
 - Quality advice and idea generation
 - Efficient execution
 - Regular company contact
 - Site visits
 - Roadshows



Euroz Institutional Annual Rottneest Island Conference

Corporate Finance

- ▶ Our corporate business is based on local knowledge and strong, long term relationships.
- ▶ Focus on servicing clients with specialised Corporate Advisory services including:
 - Capital Raisings
 - Mergers and Acquisitions Advice
 - Strategic Planning and Reviews
 - Privatisation and Corporations
- ▶ Established track record in raising capital via
 - Initial Public Offerings (IPO)
 - Placements
 - Rights Issues
- ▶ Euroz has raised significant amounts of new equity and provided corporate advice for a number of leading companies including:
 - Aquarius Platinum Limited
 - GRD NL
 - United Group Limited
 - ARC Energy
- ▶ "Euroz was the highest ranked WA based broker in equity capital raisings in Calendar 2001 and 2002"

(Source: Thompson Financial Services)

Euroz Securities Limited Director's



L - R: Andrew McKenzie, Richard Caldow, Steve Suleski, Simon Yeo, Peter Diamond, Greg Chessell, Shane Gherbaz, Karl Paganin, Jay Hughes

Profile

Euroz Securities Limited is a wholly owned subsidiary of Euroz Limited.

PETER DIAMOND Chairman

Peter has worked in the stockbroking industry since 1986. He is responsible for dealing with institutional and high net worth clients both domestically and overseas. Peter holds a Bachelor of Business Degree (BBus) and is a Member of Australian Society of Accountants (ASA).

ANDREW MCKENZIE Managing Director

Andrew is a Member of the Australian Stock Exchange, holds a Bachelor of Economics (UWA), is an Associate of the Securities Institute of Australia and is a Fellow of the Australian Institute of Company Directors. Andrew has worked in the stockbroking industry since 1991. He is responsible for the operations of the institutional dealing department with a particular emphasis on Western Australian based industrial and resource companies.

JAY HUGHES Executive Director

Jay has worked in stockbroking since 1986, starting his career on the trading floor. He is a Member of the Australian Stock Exchange and is an Institutional Dealer specialising in promoting Australian stocks to international clients.

SHANE GHERBAZ Executive Director

Shane is a member of The Australian Stock Exchange. Shane has worked as an advisor within the stockbroking industry since 1986.

RICHARD CALDOW Executive Director

Richard holds a Bachelor of Commerce degree from UWA with a double major in Accounting & Finance. Richard has worked as an advisor in the stockbroking industry since 1992 and previously worked in chartered accounting.

GREG CHESSELL Executive Director

Greg is head of research and is our senior resources analyst. He spent 10 years working as a geologist in WA prior to entering the stockbroking industry in 1996. Greg holds a B.App.Sc. degree in geology and a Grad. Dip. Business qualification.

KARL PAGANIN Executive Director

Karl Paganin is the Head of Corporate Finance and is responsible for the operations of Euroz Corporate Pty Ltd. He holds degrees in Law (B JURIS, LLB) and Arts (BA) and is an Associate of the Securities Institute of Australia. Karl has extensive experience in Corporate Finance and Corporate and Commercial Law with major Australian Companies.

STEVE SULESKI Executive Director

Steve heads the industrial research team and specialises in servicing financial institutions on Western Australian small and mid cap industrial equities. He has worked in the investment markets as a research analyst since 1994 and was previously a senior consultant with a major accounting firm.

SIMON YEO Executive Director

Simon is responsible for the operations of the private client division and specialises in blue chip portfolio investing and trading for high net worth individuals. He has been in the stockbroking industry since 1993. Simon has a Bachelor of Commerce majoring in Accounting and Finance (UWA) and was previously a chartered accountant and member of The Institute of Chartered Accountants.

Financial Statements

Directors' Report	11
Statements of Financial Performance	15
Statements of Financial Position	16
Statements of Cash Flows	17
Notes to the Financial Statements	18
Directors' Declaration	34
Independent Audit Report	35
Corporate Governance Statement	37
Shareholder Information	39

Directors' Report

Your directors present their report on the consolidated entity consisting of Euroz Limited and the entities it controlled at the end of, or during, the year ended 30 June 2003.

Directors

The following persons were directors of Euroz Limited during the whole of the financial year and up to the date of this report:

Peter Diamond, Chairman
Andrew McKenzie, Managing Director
Jay Hughes, Executive Director
Shane Gherbaz, Company Secretary

Principal activities

During the year the principal continuing activities of the consolidated entity consisted of:

- (a) Retail and Institutional Dealing;
- (b) Stock Market Research;
- (c) Capital Raisings; and
- (d) Corporate Advice.

Review of Results

The Directors of Euroz Limited (EZL) are pleased to announce a pre-tax profit of \$1,056,910 for the year ended 30 June 2003 - compared with the 2002 year's pre-tax profit of \$1,843,579.

The net profit after tax of \$718,714 compared with the 2002 year's net profit after tax of \$1,247,744. This profit represents a basic earnings-per-share of 2.9 cents versus 6.7 cents in the 2002 year.

The Directors intend to declare a final dividend of 1.5 cents per share fully franked which, combined with the interim dividend of 1 cent per share, represents a total dividend of 2.5 cents per share fully franked. The final dividend payment date is yet to be determined.

Review of operations

The primary asset of EZL is presently its 100% owned stockbroking firm - Euroz Securities Limited. Euroz Securities has continued to operate successfully during the year in very trying market conditions. It has maintained its niche philosophy approach and leading market share in key stock recommendations.

Euroz Securities has also been successful in recruiting a Corporate Finance team to add to the professional services already provided by the firm. Funds raised from the placement of 6 million shares at 50 cents, together with funds from converted options, has strengthened the balance sheet and provided Euroz Limited with cash resources of approximately \$11 million which will enable the company to take advantage of future Investment Banker opportunities.

Earnings per share

	2003	2002
	\$	\$
Basic earnings per share	2.9	6.7
Diluted earnings per share	2.8	6.0

Dividends - Euroz Limited

A final dividend of 1.5 cents per share, franked to 100%, will be paid after the date of this report.

Details of dividends paid in respect of the current year are as follows:

	2003	2002
	\$	\$
Interim ordinary dividend of 1cent (2002 - 1 cent) per fully paid share was paid on 12 March 2003.	284,578	186,059
Final ordinary dividend for 30 June 2002 paid 13 September 2002	929,792	929,792
Total dividends in respect of the year	<u>1,214,370</u>	<u>1,115,851</u>

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the consolidated entity during the year.

Directors' Report

Matters subsequent to the end of the financial year

Other than the final proposed dividend, the Directors are not aware of any matter or circumstance subsequent to 30 June 2003 that has significantly affected, or may significantly affect:

- (a) the consolidated entity's operations in future financial years; or
- (b) the results of those operations in future financial years; or
- (c) the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation

The consolidated entity is not subject to significant environmental regulation in respect of its operations.

Information on directors

Particulars of directors' interests in shares and options of Euroz Limited.

Director	Experience	Special responsibilities and qualifications	Ordinary shares	Options
P Diamond	Mr Diamond has worked in the stockbroking industry since 1986.	Executive Chairman & Chairman of Audit Committee He holds a Bachelor of Business Degree (BBus) and is a member of Australian Society of Accountants (ASA).	2,500,000	2,000,000
A McKenzie	Mr McKenzie has worked in the stockbroking industry since 1991.	Managing Director. Member of Audit Committee. He is a Member of the Australian Stock Exchange and holds a Bachelor of Economics Degree, is an associate of the Securities Institute of Australia and is a Fellow of the Australian Institute of Company Directors.	2,500,000	2,325,000
J Hughes	Mr Hughes has worked in the stockbroking industry since 1986.	He is a Member of the Australian Stock Exchange.	2,500,000	2,325,000
S Gherbaz	Mr Gherbaz has worked in the stockbroking industry since 1986.	Company Secretary. Member of Audit Committee. He is a Member of the Australian Stock Exchange.	220,000	500,000

Meetings of directors

The number of meetings of the company's board of directors held during the year ended 30 June 2003, and the number of meetings attended by each director were:

Full meeting of directors

	A	B
Peter Diamond	10	11
Andrew McKenzie	8	11
Jay Hughes	10	11
Shane Gherbaz	10	11

A = Number of meetings attended

B = Number of meetings held during the time the director held office during the year. The audit committee was formed on 18 June 2003 and no meetings were held during the year.

Directors' Report

Directors' and executives' emoluments

Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the consolidated entity's operations. The board undertakes regular reviews of its performance and the performance of the board against expectations made at the start of the year. Performance related bonuses are available to executives based on the performance of the company.

Executive directors of Euroz Limited

Name	Base Salary \$	Profit Share \$	Super-annuation \$	Other Benefits \$	Total \$
P Diamond, Director	241,584	61,949	10,520	12,272	326,325
A McKenzie, Director	239,765	61,949	10,520	14,533	326,767
J Hughes, Director	240,022	61,949	10,520	11,963	324,454
S Gherbaz, Director	146,943	20,506	10,520	6,765	184,734

Current directors did not receive any directors fees from the consolidated entity.

The amounts disclosed for remuneration relating to options are the assessed fair values of options at the date they were granted to executive directors and other executives during the year ended 30 June 2003. Fair values have been assessed using the Black-Scholes option pricing model. Factors taken into account by the Black-Scholes option pricing model include the exercise price, the term of the option, the current price and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Other executives of the consolidated entity

Details of the nature and amount of each element of the emoluments of each of the 5 executives of the consolidated entity receiving the highest emoluments are set out in the following table.

Name	Commission \$	Base Salary \$	Profit Share \$	Super-annuation \$	Options \$	Other Benefits \$	Total \$
R Caldwell - Director*	98,191	98,057	-	10,520	-	3,902	210,670
G Chessell - Director*	-	149,205	42,835	10,520	-	2,754	205,314
S Suleski - Director*	-	139,407	16,519	10,520	-	2,173	168,619
S Yeo - Director*	74,038	89,395	-	10,520	-	7,530	181,483
K Paganin - Director*	-	87,312	30,000	7,688	16,000	8,359	149,359

* Directors of Euroz Securities Limited

Share options granted to directors and the most highly remunerated officers

160,000 options over unissued ordinary shares of Euroz Limited were granted during the financial year to Karl Paganin on 11 December 2002 as part of his employment package. The options expire on 31 December 2005 and are exercisable at 45 cents.

Shares under option

Unissued ordinary shares of Euroz Limited under option at the date of this report are as follows:

Date options granted	Expiry date	Issue price of shares	Number under option
8 February 2000	30 November 2004	0.50	3,550,000
10 February 2000	30 November 2004	0.50	1,200,000
23 February 2000	30 November 2004	0.50	10,000
27 November 2000	30 November 2004	0.50	500,000
13 February 2001	31 December 2005	0.45	8,000,000
22 May 2001	31 December 2005	0.45	400,000
11 December 2002	31 December 2005	0.45	160,000
Total shares under option			13,820,000

Shares issued on the exercise of options

The following ordinary shares of Euroz Limited were issued during the year ended 30 June 2003 on the exercise of options. No further shares have been issued since that date. No amounts are unpaid on any of the shares.

Date options granted	Issue price of shares	Number of share issued
4 September 2002	0.50	300,000
10 September 2002	0.45	2,000,000
23 September 2002	0.50	50,000
Total options exercised		2,350,000

Directors' Report

Insurance of officers

During the financial year, Euroz Limited paid a premium of \$149,963 to insure the directors and secretaries of the company and its Australian-based controlled entities. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the consolidated entity.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors.



Peter Diamond

Chairman



Andrew McKenzie

Chairman

Perth, Western Australia

20 August 2003

Statements of Financial Performance

	Notes	Consolidated		Parent entity	
		2003	2002	2003	2002
		\$	\$	\$	\$
Revenue from ordinary activities	3	7,984,482	8,248,753	571,148	1,329,150
Consultancy expenses		(595,920)	(529,057)	(27,497)	(45,960)
Depreciation and amortisation expenses	4	(175,518)	(116,526)	-	-
Employee benefits expense		(3,957,870)	(3,762,325)	-	-
Conference and seminar expenses		(296,326)	(299,901)	(232)	-
Brokerage and underwriting expenses		(598,205)	(807,703)	-	-
Regulatory expenses		(284,102)	(273,609)	(33,231)	(34,720)
Communication expenses		(151,863)	(134,668)	-	-
Write down of investment in traded entities		(25,000)	-	(25,000)	-
Reversal of writedown of investments in controlled entity		-	-	135,000	-
Carrying amount of investments sold		(200,000)	-	(200,000)	-
Other expenses from ordinary activities		(642,768)	(481,385)	(2,914)	(2,694)
Profit from ordinary activities before related income tax expense	4	1,056,910	1,843,579	417,274	1,245,776
Income tax expense	5	(338,196)	(595,835)	(11,339)	1,968
Profit from ordinary activities after related income tax expense		718,714	1,247,744	405,935	1,247,744
Total changes in equity attributable to members of Euroz Limited other than those resulting from transactions with owners as owners	20	718,714	1,247,744	405,935	1,247,744
		Cents	Cents		
Basic earnings per share	33	2.9	6.7		
Diluted earnings per share	33	2.8	6.0		

The above statements of financial performance should be read in conjunction with the accompanying notes.

Statements of Financial Position

	Notes	Consolidated		Parent entity	
		2003	2002	2003	2002
		\$	\$	\$	\$
Current assets					
Cash assets	6,22	9,968,798	8,543,170	3,535,587	17,452
Receivables	7,22	7,010,906	11,640,597	270,971	1,177,547
Other	8	317,947	187,481	-	-
Total current assets		17,297,651	20,371,248	3,806,558	1,194,999
Non-current assets					
Other financial assets	9,22	532,795	-	7,782,795	7,115,000
Property, plant and equipment	10	651,000	197,935	-	-
Deferred tax assets	11	90,942	78,056	9,150	9,000
Other	12	250,000	250,000	-	-
Total non-current assets		1,524,737	525,991	7,791,945	7,124,000
Total assets		18,822,388	20,897,239	11,598,503	8,318,999
Current liabilities					
Payables	13,22	6,805,284	12,038,180	37,950	36,500
Current tax liabilities	14	11,489	463,247	11,489	-
Provisions	15	110,855	1,024,861	-	929,792
Total current liabilities		6,927,628	13,526,288	49,439	966,292
Non-current liabilities					
Deferred tax liabilities	17	27,990	13,317	-	-
Total non-current liabilities		27,990	13,317	-	-
Total liabilities		6,955,618	13,539,605	49,439	966,292
Net assets		11,866,770	7,357,634	11,549,064	7,352,707
Equity					
Contributed equity	18	12,206,642	8,131,642	12,206,642	8,131,642
Accumulated losses	19	(339,872)	(774,008)	(657,578)	(778,935)
Total equity	20	11,866,770	7,357,634	11,549,064	7,352,707

The above statements of financial position should be read in conjunction with the accompanying notes.

Statements of Cashflow

	Notes	Consolidated		Parent entity	
		2003	2002	2003	2002
		\$	\$	\$	\$
Cash flows from operating activities					
Receipts from customers (inclusive of goods and services tax)		12,691,520	6,484,212	-	-
Payments to suppliers and employees (inclusive of goods and services tax)		(12,354,456)	(4,870,633)	(63,763)	(80,209)
		337,064	1,613,579	(63,763)	(80,209)
Dividends received		7,500	-	1,177,393	1,109,930
Interest received		293,738	303,445	101,670	1,757
Income taxes paid		(870,285)	(270,595)	-	-
Net cash inflow (outflow) from operating activities	32	(231,983)	1,646,429	1,215,300	1,031,478
Cash flows from investing activities					
Payments for property, plant and equipment		(645,224)	(40,102)	-	-
Payments for investments		(757,795)	-	(757,795)	-
Proceeds from sale of investments		200,000	-	200,000	-
Repayment of loans (to) by related parties		-	-	-	(87,092)
Net cash outflow from investing activities		(1,203,019)	(40,102)	(557,795)	(87,092)
Cash flows from financing activities					
Proceeds from issues of shares and other equity securities		4,075,000	-	4,075,000	-
Dividends paid	21	(1,214,370)	(929,892)	(1,214,370)	(929,892)
Net cash (outflow) inflow from financing activities		2,860,630	(929,892)	2,860,630	(929,892)
Net increase in cash held		1,425,628	676,435	3,518,135	14,494
Cash at the beginning of the financial year		8,543,170	7,866,735	17,452	2,958
Cash at the end of the financial year	6	9,968,798	8,543,170	3,535,587	17,452

The above statements of cash flows should be read in conjunction with the accompanying notes.

Note 1. Summary of significant accounting policies

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

It is prepared in accordance with the historical cost convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

(a) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Euroz Limited ('company' or 'parent entity') as at 30 June 2003 and the results of all controlled entities for the year then ended. Euroz Limited and its controlled entities together are referred to in this financial report as the consolidated entity. The effects of all transactions between entities in the consolidated entity are eliminated in full.

(b) Income tax

Tax effect accounting procedures are followed whereby the income tax expense in the statements of financial performance is matched with the accounting profit after allowing for permanent differences. The future tax benefit relating to tax losses is not carried forward as an asset unless the benefit is virtually certain of realisation. Income tax on cumulative timing differences is set aside to the deferred income tax or the future income tax benefit accounts at the rates which are expected to apply when those timing differences reverse.

(c) Acquisition of assets

The purchase method of accounting is used for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is determined as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the value of the instruments is their fair value as at the acquisition date. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

(d) Revenue recognition

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

- Brokerage revenue earned from share trading is recognised on completion of the transactions.
- Underwriting, management fees and corporate retainers are brought to account when the fee in respect of the services provided is receivable.
- Interest income is recognised as it accrues.

Change in accounting policy for revenue recognition

On 1 July 2002, the company changed its accounting policy in relation to the recognition of dividend income. Prior to 1 July 2002, the company recognised dividends receivable from controlled entities at the time at which the controlled entity raised a provision for the dividend payable. This included provisions raised at the end of a financial year to reflect dividends proposed for payment between the end of the financial year and the date of the financial report.

From 1 July 2002, the company will recognise dividends receivable from controlled entities at the time such dividends are finalised, declared and approved by the controlled entity. This change was made to improve the relevance and reliability of information concerning the company's financial performance and position.

The cumulative effect of the change in accounting policy up to 30 June 2002 recognised in the current year is a reduction in dividends received by \$929,792, being dividend income recognised in the year to 30 June 2002 that would not have been recognised in that year had this change in accounting policy always applied. A corresponding increase to dividends received in the current year of \$929,792 would also be recognised, to reflect the amounts declared by the controlled entity in the year to 30 June 2003.

There is therefore no net cumulative effect of this change in accounting policy on the company's or consolidated entity's statement of financial performance for the year ended 30 June 2003, or statement of financial position at that date.

(e) Receivables

All trade debtors relating to brokerage are recognised at the amounts receivable as they are due for settlement no more than 3 days from the date of recognition.

Collectibility of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

(f) Recoverable amount of non-current assets

The recoverable amount of an asset is the net amount expected to be recovered through the cash inflows and outflows arising from its continued use and subsequent disposal.

Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount. Where net cash inflows are derived from a group of assets working together, recoverable amount is determined on the basis of the relevant group of assets. The decrement in the carrying amount is recognised as an expense in net profit or loss in the reporting period in which the recoverable amount write-down occurs.

The expected net cash flows included in determining recoverable amounts of non-current assets are not discounted.

(g) Investments

Interests in listed and unlisted securities, other than controlled entities in the consolidated financial statements are initially bought to account at cost. Refer to note 1(d) for details of a change in accounting policy in relation to the recognition of dividend income from controlled entities. Controlled entities are accounted for in the consolidated financial statements as set out in note 1(a). If the fair value of an investment is below its initial cost, a provision is made against the investment to reduce its carrying amount to its fair value.

(h) Depreciation of property, plant and equipment

Depreciation is calculated on a straight line basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding artwork) over its expected useful life to the consolidated entity. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

Plant and equipment 3 - 5 years

Artwork is not depreciated, but is reviewed annually for impairment.

(i) Leasehold improvements

The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement to the company, whichever is the shorter. Leasehold improvements held at the reporting date are being amortised over 5 years.

(j) Leased non-current assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incident to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expense and reduction of the liability.

Other operating lease payments are charged to the statement of financial performance in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

(k) Trade and other creditors

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Dividends

Provision is made for the amount of any dividend declared, determined, or publicly recommended by the directors on or before the end of the financial year, but not distributed at balance date.

Change in accounting policy for providing for dividends

The above policy was adopted with effect from 1 July 2002 to comply with AASB 1044 Provisions, Contingent Liabilities and Contingent Assets released in October 2001. In previous years, in addition to providing for the amount of any dividends declared, determined or publicly recommended by the directors on or before the end of the financial year but not distributed at balance date, provision was made for dividends to be paid out of retained profits at the end of the financial year where the dividend was proposed, recommended or declared between the end of the year and the completion of the financial report.

An adjustment of \$929,792 was made against the consolidated and parent entity retained profits at the beginning of the financial year to reverse the amount provided at 30 June 2002 for the proposed final dividend for that year that was recommended by the directors between the end of the year and the completion of the financial report. This reduced the consolidated and parent entity current liabilities - provisions and total liabilities at the beginning of the financial year by \$929,792 with corresponding increases in their net assets, retained profits, total equity and the total dividends provided for or paid during the current financial year.

The restatements of consolidated and parent entity retained profits, provisions and total dividends provided for or paid during the year set out below show the information that would have been disclosed had the new accounting policy always been applied.

Notes to the Financial Statements for the Year Ended 30 June 2003

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
	(Restated)	(Restated)	(Restated)	(Restated)
Restatement of retained profits/(accumulated losses)				
Previously reported accumulated losses at the end of the previous financial year (note 19)	(774,008)	(905,901)	(778,935)	(910,828)
Change in accounting policy for providing for dividends	929,792	743,833	929,792	743,833
Restated retained profits/(accumulated losses) at the beginning of the financial year	155,784	(162,068)	150,857	(166,995)
Net profit attributable to members of Euroz Limited(note 19)	718,714	1,247,744	405,935	1,247,744
Total available for appropriation	874,498	1,085,676	556,792	1,080,749
Dividends provided for or paid (see below)	(1,214,370)	(929,892)	(1,214,370)	(929,892)
Restated retained profits/(accumulated losses) at the end of the financial year	(339,872)	155,784	(657,578)	150,857
Restatement of current liabilities - provisions				
Previously reported net carrying amount at the end of the financial year (note 15)	110,555	1,024,861	-	929,792
Adjustment for change in accounting policy	-	(929,792)	-	(929,792)
Restated carrying amount at the end of the financial year	110,555	95,069	-	-
Restatement of total dividends provided for or paid				
Previously reported total dividends provided for or paid during the financial year (note 21)	1,214,370	1,115,851	1,241,370	1,115,851
Adjustment for change in accounting policy	-	(185,959)	-	(185,959)
Restated total dividends provided for or paid during the financial year	1,214,370	929,892	1,241,370	929,892

(m) Employee share options

The fair value of options in the shares of the company issued to directors or executives is included in the amounts disclosed in the financial report for the aggregate remuneration. The fair value of options issued is determined as described in note 23. No expense is recognised in the financial statements in relation to the granting of these options.

(n) ASX licence fee

The consolidated entity's licence fee is carried at cost. No amortisation is charged against the licence as the directors have determined the licence to have a very long useful life. The directors do not expect this life to be curtailed in the foreseeable future. An assessment of the recoverable amount of the licence is made each reporting period in accordance with note 1(f).

(o) Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages, salaries and annual leave expected to be settled within 12 months of the reporting date are recognised in other creditors in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Superannuation

Contributions are made by the consolidated entity to superannuation funds as stipulated by statutory requirements and are charged as expenses when incurred.

(p) Cash

For purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

(q) Earnings per share

(i) Basic earnings per share

Basic earnings per share is determined by dividing the net profit after income tax attributable to members of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 2. Segment information

The consolidated entity operates in one business segment for primary reporting being a stockbroking business offering trading of Australian securities, post trade reporting, corporate investment opportunities, provision of company research and funds management. The consolidated entity operates in one geographical segment for secondary reporting, being Australia.

Note 3. Revenue

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Revenue from operating activities				
Brokerage and jobbing	5,325,778	5,812,090	-	-
Underwriting and management fees	1,823,738	2,141,590	-	-
Corporate retainers	245,500	-	-	-
	<u>7,395,016</u>	<u>7,953,680</u>	<u>-</u>	<u>-</u>
Revenue from outside the operating activities				
Interest	377,659	294,951	101,670	1,757
Dividends	7,500	-	269,478	1,327,393
Other revenue	4,307	122	-	-
Proceeds on sale of investments	200,000	-	200,000	-
	<u>589,466</u>	<u>295,073</u>	<u>571,148</u>	<u>1,329,150</u>
Revenue from ordinary activities	<u>7,984,482</u>	<u>8,248,753</u>	<u>571,148</u>	<u>1,329,150</u>

Note 4. Profit from ordinary activities

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
(a) Expenses				
Profit from ordinary activities before income tax expense includes the following specific net gains and expenses:				
Depreciation				
Plant and equipment	106,289	101,970	-	-
Total depreciation	<u>106,289</u>	<u>101,970</u>	<u>-</u>	<u>-</u>
Amortisation				
Leasehold improvements	69,229	14,556	-	-
Total amortisation	<u>69,229</u>	<u>14,556</u>	<u>-</u>	<u>-</u>
Other charges against assets				
Write down of investments to recoverable amount	25,000	-	25,000	-
Bad and doubtful debts - trade debtors	-	50,000	-	-
Net loss on disposal of property, plant and equipment	16,641	-	-	-
Other Provisions				
Employee entitlements	78,764	44,922	-	(1,880)
Total other provisions	<u>78,764</u>	<u>44,922</u>	<u>-</u>	<u>(1,880)</u>
Rental expense relating to operating leases				
Minimum lease payments	47,978	53,838	-	-
Total rental expense relating to operating leases	<u>47,978</u>	<u>53,838</u>	<u>-</u>	<u>-</u>

Note 5. Income tax

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Income tax expense				
The income tax expenses for the financial year differs from the amount calculated on the profit. The differences are reconciled as follows:				
Profit from ordinary activities before income tax expense	1,056,910	1,843,579	417,274	1,245,776
Income tax calculated @ 30% (2002 - 30%)	317,073	553,074	125,182	373,733
Non-deductible entertainment	17,152	-	-	-
Imputation credits	964	-	-	-
Capital professional fees	23,911	-	-	-
Non-deductible capital expenses	332	-	-	-
Timing differences not previously recognised	(18,794)	-	-	-
Capital loss - not recognised	7,500	-	7,500	-
Other non-deductible amounts	-	17,964	-	-
Inter-corporate dividend rebate	(3,214)	22,517	(80,843)	(375,701)
Reversal of writedown	-	-	(40,500)	-
Income tax adjusted for permanent differences	344,924	593,555	11,339	(1,968)
Under (over) provision in prior year	(6,728)	2,280	-	-
Income tax expense	338,196	595,835	11,339	(1,968)
Aggregate income tax expense comprises:				
Current taxation provision	336,260	637,444	11,339	-
Deferred income tax provision	18,739	1,519	-	-
Future income tax benefit	(10,075)	(43,128)	-	(1,968)
Under (over) provision in prior year	(6,728)	-	-	-
	338,196	595,835	11,339	(1,968)

Tax losses

No part of the future income tax benefit shown in note 11 is attributable to tax losses. The directors advise that the potential future income tax benefit at 30 June 2003 in respect of tax losses not brought to account is nil.

Tax consolidation legislation

Euroz Limited and its wholly-owned Australian subsidiaries have decided to implement the tax consolidation legislation as of 1 July 2003. The Australian Taxation Office has not yet been notified of this decision. The entities also intend to enter into a tax sharing agreement, but details of this agreement are yet to be finalised.

As a consequence, Euroz Limited, as the head entity in the tax consolidated group, will recognise current and deferred tax amounts relating to transactions, events and balances of the wholly-owned Australian controlled entities in this group in future financial statements as if those transactions, events and balances were its own, in addition to the current and deferred tax balances arising in relation to its own transactions, events and balances. Amounts receivable or payable under the tax sharing agreement will be recognised separately by Euroz Limited as tax-related amounts receivable or payable. The impact on the income tax expense and results of Euroz Limited is unlikely to be material because of the tax sharing agreement. This is not expected to have a material impact on the consolidated assets and liabilities and results.

The financial effect of the implementation of the legislation has not been recognised in the financial statements for the year ended 30 June 2003.

Notes to the Financial Statements for the Year Ended 30 June 2003

Note 6. Current assets - Cash assets

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Cash at bank and on hand	8,596,458	4,370,830	3,535,587	17,452
Deposits at call	1,372,340	4,172,340	-	-
	<u>9,968,798</u>	<u>8,543,170</u>	<u>3,535,587</u>	<u>17,452</u>

The above figures are reconciled to cash at the end of the financial year as shown in the statements of cash flows as follows:

Balances as above	9,968,798	8,543,170	3,535,587	17,452
-------------------	-----------	-----------	-----------	--------

Deposits at call

The deposits are bearing floating interest rates between 3.8% and 4.55% (2002 - 4.05% and 4.8%)

Note 7. Current assets - Receivables

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Trade debtors	6,977,295	11,690,443	-	-
Less: Provision for doubtful debts	(50,000)	(50,000)	-	-
	<u>6,927,295</u>	<u>11,640,443</u>	<u>-</u>	<u>-</u>
Other debtors	1,493	154	1,493	154
Dividends due from controlled entity	-	-	269,478	1,177,393
Income tax refundable	82,118	-	-	-
	<u>7,010,906</u>	<u>11,640,597</u>	<u>270,971</u>	<u>1,177,547</u>

Other debtors

These amounts generally arise from transactions outside the company's usual operating activities.

Note 8. Current assets - Other

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Prepayments	203,190	156,645	-	-
Accrued income	114,757	30,836	-	-
	<u>317,947</u>	<u>187,481</u>	<u>-</u>	<u>-</u>

Note 9. Non-current assets - Other financial assets

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Investments traded on organised markets				
Shares in other corporations - at cost	532,795	-	532,795	-
Other (non-traded) investments				
Shares in controlled entities - at cost (note 30)	-	-	7,250,000	7,250,000
Provision for diminution	-	-	-	(135,000)
Total non-traded shares	-	-	7,250,000	7,115,000
	<u>532,795</u>	<u>-</u>	<u>7,782,795</u>	<u>7,115,000</u>

Net Fair Value

The aggregate net fair value of investments in listed corporations at 30 June 2003 is \$597,800, based on the market value at that date.

Note 10. Non-current assets - Property, plant & equipment

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Land & buildings				
Leasehold improvements				
At cost	437,466	72,778	-	-
Less: Accumulated amortisation	(32,840)	(36,389)	-	-
	<u>404,626</u>	<u>36,389</u>	<u>-</u>	<u>-</u>
Total land and buildings	<u>404,626</u>	<u>36,389</u>	<u>-</u>	<u>-</u>
Plant and equipment				
Software				
At cost	30,000	30,000	-	-
Less: Accumulated depreciation	(30,000)	(30,000)	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Office equipment				
At cost	297,814	266,523	-	-
Less: Accumulated depreciation	(224,089)	(142,087)	-	-
	<u>73,725</u>	<u>124,436</u>	<u>-</u>	<u>-</u>
Furniture, fixtures & fittings				
At cost	196,665	64,203	-	-
Less: Accumulated depreciation	(24,016)	(27,093)	-	-
	<u>172,649</u>	<u>37,110</u>	<u>-</u>	<u>-</u>
Total plant and equipment	<u>246,374</u>	<u>161,546</u>	<u>-</u>	<u>-</u>
	<u>651,000</u>	<u>197,935</u>	<u>-</u>	<u>-</u>

Non-current assets pledged as security

Refer to note 16 for information on non-current assets pledged as security by the parent entity or its controlled entities.

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below:

	Leasehold Improvements	Plant and Equipment	Total
	\$	\$	\$
Consolidated			
Carrying amount at 1 July 2002	36,389	161,546	197,935
Additions	437,466	207,758	645,224
Disposals	-	(16,641)	(16,641)
Depreciation/amortisation expense (note 4(a))	(69,229)	(106,289)	(175,518)
Carrying amount at 30 June 2003	<u>404,626</u>	<u>246,374</u>	<u>651,000</u>
Consolidated			
Carrying amount at 1 July 2001	50,945	227,060	278,005
Additions	-	36,456	36,456
Depreciation/amortisation expense (note 4(a))	(14,556)	(101,970)	(116,526)
Carrying amount at 30 June 2002	<u>36,389</u>	<u>161,546</u>	<u>197,935</u>

Note 11. Non-current assets - Deferred tax assets

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Future income tax benefit	90,942	78,056	9,150	9,000

Note 12. Non-current assets - Other

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
ASX Licence - at cost	250,000	250,000	-	-

Note 13. Current liabilities - Payables

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Trade creditors	6,491,318	11,203,103	7,450	6,500
Other payables	313,966	835,077	30,500	30,000
	6,805,284	12,038,180	37,950	36,500

Note 14. Current liabilities - Current tax liabilities

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Income tax	11,489	463,247	11,489	-

Note 15. Current liabilities - Provisions

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Dividends	-	929,792	-	929,792
Employee entitlements	110,855	95,069	-	-
	110,855	1,024,861	-	929,792

Note 16. Financing arrangements

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$

Financing arrangements

Unrestricted access was available at balance date to the following lines of credit:

Credit standby arrangements

Total facilities				
Bank overdrafts	750,000	750,000	-	-
Unused at balance date				
Bank overdrafts	750,000	750,000	-	-

Euroz Securities Ltd, a wholly owned subsidiary of Euroz Limited, has a bank overdraft facility as at 30 June 2003 for up to \$750,000 (\$nil drawn down at 30 June 2003). The facility may be drawn at any time, is repayable on demand and interest is incurred at the standard variable rate. The facility is secured by a fixed and floating charge over the assets of Euroz Limited and Euroz Securities Limited.

Note 17. Non-current liabilities - Deferred tax liabilities

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Provision for deferred income tax	27,990	13,317	-	-

Note 18. Contributed equity

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Issued and paid up capital - consisting of ordinary shares	26,947,839	18,595,839	12,206,642	8,131,642

(a) Movements in ordinary share capital

Date	Details	Number of shares	Issue price	\$
01-07-2001	Opening balance	6,095,839		3,131,642
13-02-2001	Share placement	12,500,000	\$0.40	5,000,000
30-06-2002	Closing Balance	18,595,839		8,131,642
04-09-2002	Options converted	300,000	\$0.50	150,000
10-09-2002	Options converted	2,000,000	\$0.45	900,000
12-09-2002	Correction	2,000		-
23-09-2002	Options converted	50,000	\$0.50	25,000
29-10-2002	Capital raising	5,491,000	\$0.50	2,745,500
12-12-2002	Capital raising	509,000	\$0.50	254,500
30-06-2003	Balance	26,947,839		12,206,642

(b) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(c) Options

160,000 unlisted options were granted to Karl Paganin, a director, on 11 December 2002. Each option is convertible into one ordinary share at any time on or before 31 December 2005 at a fixed price of 45 cents per share. 2,000,000 unlisted options previously granted were exercised on 10 September 2002 at 45 cents per share. The number of unissued ordinary shares under these options at 30 June 2003 is 8,560,000 (30 June 2002 10,400,000).

No listed options were granted during the year. 350,000 listed options were exercised at 50 cents per share as detailed above. The number of unissued ordinary shares under these options at 30 June 2003 is 5,260,000 (2002 - 5,610,000).

Note 19. Accumulated losses

Notes	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Accumulated losses at the beginning of the financial year	(774,008)	(905,901)	(778,935)	(910,828)
Adjustment resulting from change in accounting policy for providing for dividends 1(l)	929,792	-	929,792	-
Net profit attributable to members of Euroz Limited	718,714	1,247,744	405,935	1,247,744
Dividends provided for or paid 21	(1,214,370)	(1,115,851)	(1,214,370)	(1,115,851)
Accumulated losses at the end of the financial year	(339,872)	(774,008)	(657,578)	(778,935)

Note 20. Equity

Notes	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Total equity at the beginning of the financial year	7,357,634	7,225,741	7,352,707	7,220,814
Adjustment to accumulated losses at the beginning of the financial year resulting from change in accounting policy for providing for dividends	1(l) 929,792	-	929,792	-
Total changes in equity recognised in the statement of financial performance	718,714	1,247,744	405,935	1,247,744
Transactions with owners as owners:				
Contributions of equity, net of transaction costs	18 4,075,000	-	4,075,000	-
Dividends provided for or paid	21 (1,214,370)	(1,115,851)	(1,214,370)	(1,115,851)
Total equity at the end of the financial year	11,866,770	7,357,634	11,549,064	7,352,707

Note 21. Dividends

	Parent entity	
	2003	2002
	\$	\$
Ordinary shares		
Interim dividend of 1 cents (2002 - 1 cent) per fully paid share on 12 March 2003 Fully franked based on tax paid @ 30%	284,578	186,059
	284,578	186,059

Final dividend of 5 cents per fully paid share paid on 13 September 2002 recognised as a liability at 30 June 2002 but adjusted against retained profits at the beginning of the financial year on the change in accounting policy for providing for dividends (note 1(l)). Fully franked based on tax paid @ 30%	929,792	929,792
Total dividends provided for or paid	1,214,370	1,115,851

	Parent entity	
	2003	2002
	\$	\$
Dividends not recognised at year end		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of 1.5 cents per fully paid ordinary share, franked at 100%. The aggregate amount of the proposed dividend expected to be paid after year end, but not recognised as a liability at year end as a result of the change in accounting policy for providing for dividends (note 1), is	404,217	-

Franked dividends

The franked portions of the dividends recommended after 30 June 2003 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ending 30 June 2004

	Consolidated entity	
	2003	2002
	\$	\$
Franking credits available for subsequent financial years based on a tax rate of 30% (2002 - 30%)	382,072	332,473

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- (a) franking credits that will arise from the payment of the current tax liability
- (b) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- (c) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date, and
- (d) franking credits that may be prevented from being distributed in subsequent financial years.

The consolidated amounts include franking credits that would be available to the parent entity if distributable profits of controlled entities were paid as dividends.

Under legislation that took effect on 1 July 2002, the amount recorded in the franking account is the amount of Australian income tax paid, rather than franking credits based on after tax profits, and amounts debited to that account in respect of dividends paid after 30 June 2002 are the franking credits attaching to those dividends rather than the gross amount of the dividends. In accordance with this legislation, the franking credits available at 30 June 2002 for the consolidated entity and parent entity based on after tax profits, were converted so that the opening balances on 1 July 2002 reflected tax paid amounts of \$332,473.

Note 22. Financial instruments

(a) Net fair value of financial assets and liabilities

(i) On-balance sheet

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the consolidated entity approximates their carrying amounts, with the exception of traded investments, the fair value of which is disclosed in note 9.

The net fair value of traded investments is based upon market prices.

(ii) Off-balance sheet

There are no off-balance sheet financial assets and financial liabilities.

(b) Credit risk exposures

The credit risk on financial assets of the consolidated entity which have been recognised on the statement of financial position, other than investments in shares, is generally the carrying amount, net of any provisions for doubtful debts.

(c) Interest rate risk exposures

The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate is set out in the following table. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements.

2003	Notes	Weighted	Floating	Non interest	Total
		average interest rate %	interest rate \$	bearing \$	
Financial assets					
	6	4.14	9,968,798	-	9,968,798
	7,8		-	7,125,663	7,125,663
	9		-	532,795	532,795
			9,968,798	7,658,458	17,627,256
Financial liabilities					
	13		-	6,805,285	6,805,285
			9,968,798	853,173	10,821,971

2002	Notes	Weighted	Floating	Non interest	Total
		average interest rate %	interest rate \$	bearing \$	
Financial assets					
	6	4.04	8,543,170	-	8,543,170
	7,8		-	11,671,433	11,671,433
			8,543,170	11,671,433	20,214,603
Financial liabilities					
	13		-	12,038,180	12,038,180
			8,543,170	(366,747)	8,176,423

Note 23. Remuneration of directors

	Directors of entities in the consolidated entity		Directors of parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Income paid or payable, or otherwise made available, to directors by entities in the consolidated entity and related parties in connection with the management of affairs of the parent entity or its controlled entities.				
Directors' fees/remuneration	2,202,409	2,250,758	1,162,280	1,402,840

Notes to the Financial Statements for the Year Ended 30 June 2003

The amounts disclosed for remuneration of directors include the assessed fair values of options granted to directors during the year ended 30 June 2003 at the date they were granted being \$16,000 (2002, \$ nil). Fair values have been independently determined using an appropriate option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the current price and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. No expense has been recorded in the statement of financial performance for the value of these options.

The numbers of parent entity directors whose total income from the parent entity or related parties was within the specified bands are as follows:

	2003	2002
\$160,000 - \$169,999	-	1
\$180,000 - \$189,999	1	-
\$320,000 - \$329,999	3	-
\$410,000 - \$419,999	-	3

No director received any retirement benefits during the financial year to 30 June 2003 (2002: \$nil).

Note 24. Remuneration of executives

	Executive officers of the consolidated entity		Executive officers of the parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Remuneration received, or due and receivable, from entities in the consolidated entity and related parties by Australian based executive officers (including directors) whose remuneration was at least \$100,000:				
Executive officers of the parent entity	1,162,280	1,402,840	1,162,280	1,402,840
Executive officers of other entities in the consolidated entity	1,040,129	847,918	-	-
Total	<u>2,202,409</u>	<u>2,250,758</u>	<u>1,162,280</u>	<u>1,402,840</u>

The amounts disclosed for remuneration of executive officers in this note include the assessed fair values at the date they were granted of options granted to executive officers during the year ended 30 June 2003 being \$16,000 (2002, \$ nil). Fair values have been independently determined using an appropriate option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the current price and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. No expense has been recorded in the statement of financial performance for the value of these options.

During the year 160,000 options were granted to Karl Paganin. The options are exercisable at 45 cents and expire on 31 December 2005.

The numbers of Australian based executive officers (including directors) whose remuneration from entities in the consolidated entity and related parties was within the specified bands are as follows:

	Executive officers of the consolidated entity		Executive officers of the parent entity	
	2003	2002	2003	2002
\$120,000 - \$129,999	1	-	-	-
\$140,000 - \$149,999	1	-	-	-
\$160,000 - \$169,999	1	1	-	1
\$170,000 - \$179,999	-	1	-	-
\$180,000 - \$189,999	2	1	1	-
\$200,000 - \$209,999	1	-	-	-
\$210,000 - \$219,999	1	-	-	-
\$230,000 - \$239,999	-	1	-	-
\$240,000 - \$249,999	-	1	-	-
\$320,000 - \$329,999	3	-	3	-
\$410,000 - \$419,999	-	3	-	3

Note 25. Remuneration of auditors

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
During the year, the auditor of the parent entity and its related practices earned the following remuneration:				
PricewaterhouseCoopers - Australian firm				
Audit or review of financial reports of the entity or any entity in the consolidated entity	35,822	34,300	19,747	28,500
Advisory services	12,000	12,000	-	6,000
Taxation	7,200	6,750	7,200	2,500
Total remuneration	55,022	53,050	26,947	37,000

Note 26. Contingent liabilities

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Details and estimates of maximum amounts of contingent liabilities are as follows:				
Guarantees				
Secured guarantees in respect of:				
(a) operating lease of a controlled entity	450,000	32,605	-	-
(b) bank overdraft of a controlled entity	750,000	750,000	750,000	750,000
	1,200,000	782,605	750,000	-

No material losses are anticipated in respect of any of the above contingent liabilities.

Note 27. Commitments for expenditure

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Other commitments				
Commitments for the cost of services contracted by the consolidated entity but not recognised as liabilities, payable:				
Within one year	160,000	135,000	-	-
Later than one year but not later than 5 years	40,000	100,000	-	-
	200,000	235,000	-	-
Operating leases				
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
Within one year	262,589	53,838	-	-
Later than one year but not later than 5 years	741,428	-	-	-
Later than 5 years	849,552	-	-	-
Commitments not recognised in the financial statements	1,853,569	53,838	-	-

Note 28. Employee entitlements

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Employee entitlement liabilities				
Provision for employee entitlements Current (note 15)	110,855	95,069	-	-
Aggregate employee entitlement liability	110,855	95,069	-	-
Employee numbers				
Average number of employees during the financial year	33	27	4	4

Note 29. Related parties

Directors

The names of persons who were directors of Euroz Limited at any time during the financial year are as follows:

Peter Diamond
Andrew McKenzie
Jay Hughes
Shane Gherbaz

All of these persons were also directors during the year ended 30 June 2002.

Remuneration benefits

Information on remuneration benefits of directors is disclosed in note 23.

Transactions of directors and director-related entities concerning shares or share options

Aggregate numbers of shares and share options of Euroz Limited acquired by directors of the company and consolidated entity or their director-related entities from the company:

	Parent entity and consolidated	
	2003	2002
	Number	Number
Acquisitions		
Ordinary shares	811,510	-
Options over ordinary shares (refer note 24)	160,000	-

Transactions relating to shares of the company, including the payment and receipt of dividends, were on the same basis as similar transactions with other shareholders.

Aggregate numbers of shares and share options of Euroz Limited held directly, indirectly or beneficially by directors of the company or the consolidated entity or their director-related entities at balance date:

	2003	2002
	Number	Number
Ordinary shares	10,403,510	9,592,000
Options over ordinary shares	9,036,800	8,876,800

Other transactions with directors and director-related entities

During the year Mr Gherbaz, Mr McKenzie, Mr Diamond and Mr Hughes and entities related to these directors transacted share business through Euroz Securities Limited on normal terms and conditions.

Aggregate amounts of each of the above types of other transactions with directors and their director-related entities:

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Brokerage earned by Euroz Securities Limited on director's accounts	6,063	8,807	-	-
Legal fees	32,933	-	-	-

On 23 October 2002, Karl Paganin was appointed a director of Euroz Securities Limited. Mr Paganin's brother is a partner in law firm Steinepreis Paganin. During the year to 30 June 2003, the consolidated entity received legal advisory services from Steinepreis Paganin. These services were on normal terms and conditions.

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Aggregate amounts payable/receivable to directors and their director-related entities at balance date:				
Current liabilities	-	47,212	-	-
Current assets	999	104	-	-

Notes to the Financial Statements for the Year Ended 30 June 2003

Wholly-owned group

The wholly-owned group consists of Euroz Limited and its wholly-owned controlled entities, Euroz Securities Limited, Detail Nominees Pty Limited, Zero Nominees Pty Limited and Euroz Corporate Pty Ltd. Ownership interests in these controlled entities are set out in note 30.

Transactions between Euroz Limited and other entities in the wholly-owned group during the years ended 30 June 2003 and 2002 consisted of:

- (a) loans advanced by Euroz Limited
- (b) loans advanced to Euroz Limited
- (c) loans repaid to Euroz Limited
- (d) the payment of dividends to Euroz Limited

	Parent entity	
	2003	2002
	\$	\$
Aggregate amounts included in the determination of profit from ordinary activities before income tax that resulted from transactions with entities in the wholly-owned group:		
Dividend revenue	269,478	1,327,393
Aggregate amounts receivable from entities in the wholly-owned group at balance date:		
Current receivables - dividends receivable	269,478	1,177,393

Aggregate amounts brought to account in relation to other transactions with entities in the wholly owned group:

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Loan repayments to				
Controlled entities	-	-	-	87,902
Controlling entities				

The ultimate parent entity in the wholly-owned group is Euroz Limited.

Note 30. Investments in controlled entities

Name of entity	Country of incorporation	Class of shares	Equity Holding		Cost of parent entity's investment	
			2003	2002	2003	2002
			%	%	\$	\$
Euroz Securities Limited	Australia	Ordinary	100	100	7,250,000	7,250,000
Detail Nominees Pty Limited	Australia	Ordinary	100	100	-	-
Zero Nominees Pty Limited	Australia	Ordinary	100	100	-	-
Euroz Corporate Pty Limited	Australia	Ordinary	100	-	-	-
					<u>7,250,000</u>	<u>7,250,000</u>

Acquisition of controlled entity

On 19 September 2002 Euroz Corporate Pty Limited was incorporated by Euroz Limited. Euroz Corporate Pty Limited has remained dormant since this date.

Note 31. Events occurring after reporting date

The directors are not aware of any subsequent event that would materially affect this financial report other than the intention to declare a final fully franked dividend as set out in note 21.

Note 32. Reconciliation of profit from ordinary activities after income tax to net cash inflow from operating activities

	Consolidated		Parent entity	
	2003	2002	2003	2002
	\$	\$	\$	\$
Profit from ordinary activities after income tax	718,714	1,247,744	405,935	1,247,744
Depreciation and amortisation	175,518	116,526	-	-
Provisions	-	95,669	-	-
Net loss on sale of non-current assets	16,714	3,647	-	-
Reversal of writedown of investments in controlled entities	-	-	(135,000)	-
Write down of investments	25,000	-	25,000	-
Decrease (increase) in trade debtors and bills of exchange	4,722,201	(2,098,436)	(1,339)	2,357
Increase in future income tax benefit	(12,886)	(43,127)	(150)	(1,968)
(Increase) decrease in receivables	(140,858)	(105,299)	907,915	(217,463)
(Decrease) increase in trade creditors	(4,942,717)	2,061,338	1,450	2,688
(Decrease) in other operating liabilities	(601,322)	-	-	-
Increase in provision for income taxes payable	(207,019)	366,848	11,489	-
Increase in provision for deferred income tax	14,673	1,519	-	-
Decrease (Increase) in other provisions	-	-	-	(1,880)
Net cash inflow from operating activities	<u>(231,982)</u>	<u>1,646,429</u>	<u>1,215,300</u>	<u>1,031,478</u>

Note 33. Earnings per share

	Consolidated	
	2003	2002
	Cents	Cents
Basic earnings per share	2.9	6.7
Diluted earnings per share	2.8	6.0

	Consolidated	
	2003	2002
	Number	Number
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share and alternative basic earnings per share	<u>24,460,899</u>	<u>18,595,839</u>
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share and alternative diluted earnings per share	<u>25,969,192</u>	<u>20,924,021</u>

Directors' Declaration

Euroz Limited Directors' Declaration, 30 June 2003

The directors declare that the financial statements and notes set out on pages 10 to 33:

- (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) give a true and fair view of the company's and consolidated entity's financial position as at 30 June 2003 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date.

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

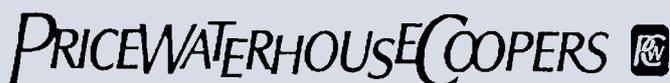


Peter Diamond

Director

Perth, Western Australia

20 August 2002



Independent audit report to the members of Euroz Limited

Audit opinion

In our opinion, the financial report of Euroz Limited:

- gives true and fair view, as required by the Corporations Act 2001 in Australia, of the financial position of Euroz Limited and the Euroz Group (defined below) as at 30 June 2003 and of their performance for the year ended on that date, and
- is presented in accordance with the Corporations Act 2001, Accounting Standards and other mandatory professional reporting requirements in Australia, and the Corporations Regulations 2001.

This opinion must be read in conjunction with the rest of our audit report.

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for both Euroz Limited (the company) and the Euroz Group (the consolidated entity), for the year ended 30 June 2003. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Auditor approach

We conducted an independent audit in order to express an opinion on it to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

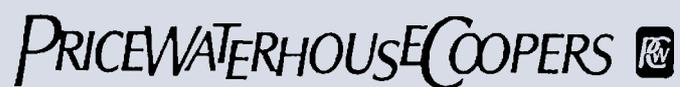
We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

When this audit report is included in an Annual Report, our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independent Audit Report



Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

A handwritten signature in black ink that reads "PricewaterhouseCoopers".

PricewaterhouseCoopers
Chartered Accountants

A handwritten signature in black ink that reads "John O'Connor".

John O'Connor
Partner

Perth, Western Australia
20 August 2003

Corporate Governance Statement

The directors are responsible to the shareholders for the performance of the company, in both the short and the longer term, and seek to balance these sometimes competing objectives in the best interest of the company as a whole.

The directors' focus is to enhance the interest of shareholders and to ensure the company, including its controlled entities, is properly managed.

The functions of the board include:

- review and approval of corporate strategies and financial plans
- overseeing and monitoring organisational performance and the achievement of the company's strategic goals and objectives
- monitoring financial performance including approval of the annual and half-year financial reports and liaison with the company's auditors
- appointment of, and assessment of the performance of, the Managing Director and the members of the senior management team
- ensuring the significant risks facing the company and its controlled entities have been identified and appropriate and adequate control, monitoring and reporting mechanisms are in place, and
- reporting to shareholders.

The board of directors

The board operates in accordance with the broad principles set out in its charter including that:

- the board should undertake an annual board performance review and consider the appropriate mix of skills required by the board to maximise its effectiveness and its contribution to the company. When a vacancy exists, for whatever reason, or where it is considered that the board would benefit from the services of a new director with particular skills, the board selects appropriate candidates with relevant qualifications, skills and experience. External advisors may be used to assist in such a process. The board then appoints the most suitable candidate who must stand for election at the next general meeting of shareholders.

The maximum number of directors shall not exceed 10 without the approval of shareholders at a meeting of shareholders.

Directors appointed by the board hold office until the next Annual General Meeting and are eligible for re-election. At least one third of the directors shall retire by rotation at each Annual General Meeting, though the Managing Director is not required to retire by rotation.

The directors are not required to hold any shares in the company.

Directors of the company may be proposed by shareholders at the Annual General Meeting in accordance with the Constitution of the company. However, in most cases, the board of directors nominates and appoints new directors with due regard to the company's needs and the skills and contribution which a proposed director can bring to the company.

Independent professional advice

Each director has the right to seek independent professional advice at the company's expense for which the prior approval of the Chairman is required and is not unreasonably withheld.

Remuneration

The board reviews the remuneration packages and policies applicable to directors and senior executives on an annual basis. Remuneration levels are competitively set to attract the most qualified and experienced directors and senior executives. Where necessary, the board obtains independent advice on the appropriateness of remuneration packages. Further details on the remuneration of directors and senior executives is provided in the directors' report.

Audit Committee

The Audit Committee was formed on 18 June 2003. Previously, matters typically addressed by audit committees were dealt with by the Board. The Audit Committee consists of the following directors:

P Diamond (Chairman)
S Gherbaz
A McKenzie

The main responsibilities of the audit committee will be to:

- review and report to the board on the annual report, the annual and half-year financial reports and all other financial information published by the company or released to the market
- assist the board in reviewing the effectiveness of the organisation's internal control environment covering:
 - effectiveness and efficiency of operations
 - reliability of financial reporting
 - compliance with applicable laws and regulations

Corporate Governance Statement

- oversee the effective operation of the risk management framework, and
- recommend to the board the appointment, removal and remuneration of the external auditors, and review the terms of their engagement, and the scope and quality of the audit
- review the level of non-audit services provided by the external auditors and ensure it does not adversely impact on auditor independence.

In fulfilling its responsibilities, the audit committee will receive regular reports from management and the external auditors. It will also meet with the external auditors at least twice a year - more frequently if necessary, and reviews any significant disagreements between the auditors and management, irrespective of whether they have been resolved. The external auditors have a clear line of direct communication at any time to either the Chairman of the audit committee or the Chairman of the board. It is the policy of the external auditors to provide an annual declaration of their independence to the audit committee.

Risk assessment and management

The board monitors the company's strategic direction, including specific focus on the identification of the key business and financial risks which could prevent the company from achieving its objectives. Management is then required to ensure that appropriate controls are in place to effectively manage those risks.

Ethical standards

The board's policy is for the directors and management to conduct themselves with the highest ethical standards. All directors and employees are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the consolidated entity.

The purchase and sale of company securities by directors and employees is generally only permitted during the thirty day period following the release of the half-yearly and annual financial results to the market. Any transactions undertaken within or outside this window must be approved by the Board of Directors.

Continuous disclosure

The company secretary has been appointed as the person responsible for communications with the Australian Stock Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX listing rules and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

ASX guidelines on corporate governance

In March 2003, the Australian Stock Exchange (ASX) issued the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations. The Board has commenced a review of the consolidated entity's corporate governance framework with reference to the Principles and Recommendations and will report on the outcomes of that review in the 2004 Annual Report.

Shareholders & Optionholders as at 30 June 2003

DISTRIBUTION OF SHAREHOLDERS

Size of Holdings	Holders	Units
1 to 1,000	167	48,256
1,001 to 5,000	69	205,329
5,001 to 10,000	42	363,836
10,001 to 100,000	75	3,086,710
100,001 +	17	23,243,708
Totals	370	26,947,839

TOP 20 SHAREHOLDERS

No.	Name	Units	%
1	Zero Nominees Pty Ltd	18,840,691	69.92
2	Ice Cold Investments Pty Ltd	940,000	3.49
3	National Nominees Limited	500,000	1.86
4	Cedar Park Pty Ltd	400,000	1.48
5	Mr William Charles & Mrs Jeanette Anne Caldwell	350,000	1.30
6	Equitas Nominees Pty Ltd	298,317	1.11
7	Darenth Securities Limited	250,000	0.93
8	Onyx (WA) Pty Ltd	250,000	0.93
9	Chesilton Pty Ltd	200,000	0.74
10	Effie Holdings Pty Ltd	200,000	0.74
11	Mr William Hugh Mckenzie	200,000	0.74
12	Rygold Nominees Pty Ltd	175,000	0.65
13	Wylde Wood Nominees Pty Ltd	150,000	0.56
14	Lancaster Investment Nominees Pty Ltd	140,000	0.52
15	Mr Malachy & Mrs Margaret Ferris	124,700	0.46
16	Mrs Dayle Gherbaz	120,000	0.45
17	Mr Sydney Edward & Mrs Christina Lorraine Newman	105,000	0.39
18	Sir James Winter Cruthers	100,000	0.37
19	Danwell Holdings Ltd	100,000	0.37
20	Mrs Susannah Evans	100,000	0.37
	Total	23,543,708	87.38

DISTRIBUTION OF OPTIONHOLDERS

Size of Holdings	Holders	Units
1 to 1,000	3	3,000
1,001 to 5,000	11	43,895
5,001 to 10,000	15	141,618
10,001 to 100,000	36	1,618,301
100,001 +	10	3,453,186
Totals	75	5,260,000

TOP 20 OPTIONHOLDERS (Expiring 30/11/2004)

No.	Name	Units	%
1	Zero Nominees Pty Ltd	1,100,000	20.91
2	Bb Nominees Pty Ltd	745,000	14.16
3	Mr Malachy Francis & Mrs Margaret Mary Ferris	400,000	7.60
4	Beirne Trading Pty Ltd	240,000	4.56
5	Mr Shane Gherbaz	216,000	4.11
6	Mrs Dayle Gherbaz	204,000	3.88
7	Mytece Pty Ltd	150,000	2.85
8	Ms Krystina Rzeznik	150,000	2.85
9	Weighbridge Trust Limited	127,000	2.41
10	Ms Justine Mary Young	121,186	2.30
11	Mr Peter De Haan	100,000	1.90
12	Mr Richard Ian Fairley	100,000	1.90
13	Mr Wayne Cameron Jones	100,000	1.90
14	Callum Masters & Terry Masters	100,000	1.90
15	S V L Pty Ltd	100,000	1.90
16	Mr Robert Leonard & Mrs Ann Leonard	99,000	1.88
17	Mrs Sandra Jane Cornell	75,000	1.43
18	Wall Street Nominees Pty Ltd	74,300	1.41
19	Mr Andrew Bruce Every	72,905	1.39
20	Tizoku Securities Pty Ltd	71,500	1.36
	Total	4,345,891	82.62

As at the date of the Annual Report, Zero Nominees Pty Ltd was a substantial shareholder, with 18,460,091 shares comprising 68% of the issued shares.

The number of holders of unmarketable parcels of ordinary shares was 153.

Euroz Securities Limited Contact Details

Institutional Dealing

Andrew McKenzie	Domestic	+61 8 9488 1407	amckenzie@euroz.com.au
Ben Laird	Domestic	+61 8 9488 1429	blaird@euroz.com.au
Jay Hughes	International	+61 8 9488 1406	jhughes@euroz.com.au
Mark Hepburn	Domestic	+61 8 9488 1408	mhepburn@euroz.com.au
Peter Diamond	International	+61 8 9488 1405	pdiamond@euroz.com.au
Rob Black	Domestic	+61 8 9488 1423	rblack@euroz.com.au
Rod Thomson	International	+61 8 9488 1232	rthomson@euroz.com.au

Research

Andrew Clayton	Resources	+61 8 9488 1427	aclayton@euroz.com.au
Dan Vovil	Industrial	+61 8 9488 1413	dvovil@euroz.com.au
Greg Chessell	Resources	+61 8 9488 1409	gchessell@euroz.com.au
Jo Brooks	Publications Co-ordinator	+61 8 9488 1421	jbrooks@euroz.com.au
Justin Stewart	Industrial	+61 8 9488 1412	jstewart@euroz.com.au
Oliver Foster	Resources	+61 8 9488 1431	ofoster@euroz.com.au
Olivia Nikolic	Publications Co-ordinator	+61 8 9488 1411	onikolic@euroz.com.au
Steve Suleski	Industrial	+61 8 9488 1414	ssuleski@euroz.com.au

Corporate

Douglas Young	Corporate Advisor	+61 8 9488 1434	dyoung@euroz.com.au
Evelyn Litopoulos	Executive Assistant	+61 8 9488 1430	elitopoulos@euroz.com.au
Karl Paganin	Corporate Advisor	+61 8 9488 1433	kpaganin@euroz.com.au
Michael Soucik	Corporate Advisor	+61 8 9488 1437	msoucik@euroz.com.au

Retail Dealing

Cameron Murray	Advisor	+61 8 9488 1440	cmurray@euroz.com.au
Christian Zerovich	Advisor	+61 8 9488 1436	czerovich@euroz.com.au
Derek Jones	Advisor	+61 8 9488 1435	djones@euroz.com.au
James Mackie	Advisor	+61 8 9488 1416	jmackie@euroz.com.au
Lucas Robinson	Advisor	+61 8 9488 1424	lrobinson@euroz.com.au
Paul Watts	Advisor	+61 8 9488 1428	pwatts@euroz.com.au
Richard Caldwell	Advisor	+61 8 9488 1403	rcaldow@euroz.com.au
Russell Kane	Advisor	+61 8 9488 1426	rkane@euroz.com.au
Shane Gherbaz	Advisor	+61 8 9488 1401	sgherbaz@euroz.com.au
Simon Yeo	Advisor	+61 8 9488 1404	syeo@euroz.com.au
Stephen Grove	Advisor	+61 8 9488 1410	sgrove@euroz.com.au

Financial Controller

Tina Newman	Financial Controller	+61 8 9488 1415	tnewman@euroz.com.au
-------------	----------------------	-----------------	----------------------

Support Team

Donna Bontempo	Settlements	+61 8 9488 1402	dbontempo@euroz.com.au
Emma Gunthorpe	Nominee/Bookings	+61 8 9488 1417	egunthorpe@euroz.com.au
Leylani Taylor	Office Assistant	+61 8 9488 1425	ltaylor@euroz.com.au
Natalie Ouf	Reception	+61 8 9488 1400	nouf@euroz.com.au

Euroz Securities Limited Team



EUROZ
LIMITED

Level 14 The Quadrant
1 William Street
Perth Western Australia 6000
T +61 8 9488 1400
F +61 8 9488 1477
www.euroz.com.au