

Index

Chairman's Report	2
Directors' Report	4
Auditor's Independence Declaration	12
Corporate Governance Statement	14
Statements of Financial Performance	21
Statements of Financial Position	22
Statements of Cash Flows	23
Notes to the Financial Statements	24
Directors' Declaration	39
Independent Audit Report	41
ASX Additional Information	44
Corporate Directory	48



Chairman's Report

Chairman's Report and Key Highlights

I have great pleasure in enclosing the company's fifth Annual Report to Shareholders and Noteholders, and the first since the successful acquisition of the private Becton Pty Ltd on 1 July 2005, and the subsequent transfer of the company's listing to the Australian Stock Exchange (ASX) on 8 July 2005 – both extremely significant events in the company's history.

The last twelve months have been particularly busy. Firstly, the company listed on the Australia Pacific Exchange in January of this year – a long standing commitment to shareholders. This was followed in short order by substantial negotiations to acquire all of the share capital of Becton Pty Ltd, the offer of conversion options to all Noteholders at 30 June 2005, changing the name of the company to Becton Property Group Limited (Becton), raising additional share and note capital under an underwritten prospectus offer, and transferring the company's listing to the ASX.

These changes, although some did not take effect until after the financial year end, have substantially changed the nature and operations of your company. As a result, Becton has become a broad based and integrated property business offering property funds management, retirement village ownership and operation, holiday ownership, as well as our traditional construction and development activities. These four businesses were explained in detail in information provided to Shareholders and Noteholders in advance of the formal meeting to approve the above transactions in June 2005.

At that time, your company welcomed onto its Board the following new directors – all long standing directors of Becton Pty Ltd – Hamish Macdonald CEO and Managing Director, Mark Taylor CFO and Finance Director, Bill Conn and Michael Naphtali non-executive directors. I also took over the chairmanship from Brian Pollock, who had held that role since the inception of Becton Developments Ltd and its first offer of securities to the public in 2000. I would like to thank Brian for his careful stewardship and guidance of the company to where it is today, and I am pleased he remains Deputy Chairman of the Board.

The enclosed accounts are for the year ended 30 June 2005, a period prior to the acquisition of Becton Pty Ltd and therefore are not indicative of the performance of the newly enlarged Becton going forwards. We are currently on target to achieve the financial forecasts for the year ended 30 June 2006 published in the company's prospectus dated 3 June 2005.

Over the years, Becton Pty Ltd, with its experienced management team, has demonstrated an ability to grow and diversify its businesses and earnings streams whilst maintaining an essential property focus. This growth is testament to its ability to foresee change and adapt according to anticipated movements in property and economic cycles.

As an integrated property group, Becton will derive stable, recurrent income from property funds management, retirement and holiday ownership coupled with development and construction profits which typically display a higher risk and reward profile. These income streams will allow Becton to generate returns from the various stages in the property investment lifecycle. The Directors and senior management team of Becton are committed to the company's long term prosperity.

For those shareholders in place prior to the recent acquisition and restructure, I am pleased to report that the company performed at the top end of the forecast range for the year ended 30 June 2005, generating an increase in profits after tax over 2004 of 441% to \$2,412,744 thereby allowing a dividend to be declared of 7.5c per share fully franked which will be paid to Shareholders (who were on record at 30 May 2005) on 30 September 2005.



Maxwell John Beck
Chairman

13 September 2005



Directors' Report

Directors' Report

The Directors of Becton Property Group Limited ("Becton" or the "Company") submit their report for the year ended 30 June 2005.

DIRECTORS

The names and details of Becton's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr. Max Beck

(appointed 24 November 2000)

Executive Chairman, aged 63. Max has over 40 years experience in the building and construction industry. In addition to his current position as executive chairman of Becton and deputy chairman of the Royal Children's Hospital, Max has served on numerous public Boards and committees, including the Melbourne Majors Events Company Limited, the Melbourne Neuromuscular Research Centre, the organisational committee for the 2004 Prime Minister's Olympic dinner, the Melbourne Chapter of the Children's International Summer Villages and the 1996 Melbourne Olympic Bid. Max is chairman of the Remuneration Committee.

Mr. Brian Pollock - FAPI, ANZIIF Senior Assoc.

(appointed 24 November 2000)

Non-executive Deputy Chairman, independent director, aged 59. Brian has over 35 years experience in superannuation, financial services and property investment. He currently holds Directorships with Clive Peeters Group Limited (Chairman), Members Equity Portfolio Management Ltd (Chairman), Programmed Maintenance Services Limited, Macquarie Real Estate Equity Fund No.1 Pty. Ltd, Macquarie Real Estate Equity Fund No.2 Pty. Ltd, Macquarie Real Estate Equity Fund No.3 Pty Ltd and Macquarie Real Estate Equity Fund No.4 Pty Ltd. Brian is a member of the Audit & Risk Management Committee.

Mr. Robert Critchley - B.Ec, CPA

(appointed 8 February 2001)

Non-executive Director, independent director, aged 61. Bob is a Strategic Workforce Consultant and published author. Previously, he was International President for DBM Inc, the world's leading outplacement and career management company, responsible for its global operations. Earlier he established DBM in Australia, before selling the business to its US parent and becoming its Asia Pacific President.

Bob is a Director of Worklife International Pty Limited and Coates Hire Limited. He is also Chairman of Noni B Limited, Cordukes Limited and Trent Capital Limited. He has over 25 years' experience in the banking and finance industry - in Australia and overseas - including service with National Australia Bank, Citibank and Societe Generale. He was the former chairman of Strathfield Group Limited from April 2004 to June 2005. Bob is a member of the Remuneration Committee.

Mr. William J Conn - B.Comm (Hons.), MBA

(appointed 28 June 2005)

Non-executive Director, independent director, aged 59. Bill has over 35 years experience in investment banking. He is Chairman of Grand Hotel Group Limited, Palm Springs Limited and the Foundation for Young Australians. He is also Director of Village Roadshow Limited and Berren Asset Management Limited (as responsible entity for the International Wine Investment Fund) as well as a Director of a number of private companies, including, the National Academy of Music and the Melbourne Food and Wine Festival. Within the past three years he was a Director of Homeloans Limited. He is also a consultant to Merrill Lynch International (Australia) Limited. Bill is chairman of the Audit & Risk Management Committee.

Mr. Michael Naphtali - BEcon (Hons), MBA (Chicago)

(appointed 28 June 2005)

Non-Executive Director, independent director, aged 56. Michael is co-Chairman of Hindal Corporate Pty Ltd, a corporate finance and investment firm specialising in mergers and acquisitions, capital raisings and business valuations. He is also a director of Rattoon Holdings Limited. Michael is a member of the Audit & Risk Management Committee and Remuneration Committee.

Directors' Report (Continued)

Mr. Hamish Macdonald – B.Bd (Hons), ASIA, MAICD
(appointed 28 June 2005)

Chief Executive Officer, aged 45. Hamish has many years of international, national and local experience in the property and construction industry gained with Civil and Civic and Lend Lease before joining Becton. He has driven the growth and diversification of Becton, having been in the senior management team for over a decade. Hamish holds a Bachelor of Building Degree (Honours), is an Associate of the Securities Institute of Australia and a member of the Australian Institute of Company Directors.

Mr. Mark Taylor – B.Sc. (Hons), CA, MAICD
(appointed 28 June 2005)

Finance Director, aged 48. Mark is responsible for all finance and accounting matters in relation to Becton, including the funding of new projects and the raising of corporate debt and equity. Mark holds a Bachelor of Science (Honours) and postgraduate qualifications in accounting and treasury disciplines. He is a member of the Australian Institute of Chartered Accountants, the Australian Institute of Company Directors, the Finance and Treasury Association Limited and the Australian Institute of Management.

Information on Company Secretaries

Mr. Mark Taylor – B.Sc. (Hons), CA, MAICD

Joint Company Secretary. Details as shown above.

Mr. Andrew Metcalfe –
B.Bus, CPA, FCIS, Dip. App.Corp.Gov.

Joint Company Secretary, aged 41. Andrew has over 20 years experience in finance and accounting and 10 years as Company Secretary of a number of ASX listed companies. He is assisting Becton in Company Secretarial processes and procedures.

Principal Activities

During the year the principal continuing activities of the Company consisted of:

- Investment by way of performance notes in the Becton Construction Services Group.

There were no significant changes in the nature of the activities of the Company during the year.

Review of operations

A summary of revenue and results for the year is as follows:

	2005 \$	2004 \$
Total revenue	8,193,362	4,615,050
Profit from ordinary activities before income tax	3,446,824	636,958
Income tax expense	(1,034,080)	(191,088)
Net profit	2,412,744	445,870

The Company's higher profit for the year is the result of a higher interest being earned on the Company's Performance Note investment in Becton Construction Services Trust. The Company's investment in Performance Notes earned 18% per annum, which included the minimum unconditional rate of 10% per annum and the maximum conditional interest of 8%.

On 21 June 2005, shareholder approval was received for the following matters:

- to acquire all of the issued shares in Becton Pty Ltd,
- to issue 208,000,000 new ordinary shares (the "sale shares") to the vendors of Becton Pty Ltd as consideration for the acquisition,
- to enter into various escrow arrangements with the vendors relating to the sale shares,
- to approve a public raising of additional ordinary shares and new convertible notes pursuant to a prospectus, and
- to change the name of the Company from Becton Developments Limited to Becton Property Group Limited.

Dividends

Dividends paid and payable to members during the financial year were as follows:

	2005 \$	2004 \$
Dividend Paid – Final ordinary dividend for the year ended 30 June 2004 of 1.25 cents (2003 – 7.5 cents) per fully paid share fully franked paid in October 2004.	404,415	1,920,780

In addition to the above dividend, the Directors have recommended the payment of a final ordinary dividend of \$2,426,490 (7.5 cents per fully paid share) fully franked to be paid on 30 September 2005 out of the retained profits at 30 June 2005.

Significant changes in the state of affairs

As noted in "Review of Operations" above, on 21 June 2005 Becton shareholders approved a number of resolutions which will result in significant change in the future operations of the company.

The prospectus offer dated 3 June 2005 closed on 24 June 2005, the same date that trading of the Company's ordinary shares on the Australia Pacific Exchange (APX) ceased. Pursuant to the prospectus, \$35,015,000 was raised from the issue of 30,030,000 new ordinary shares and 30,769,231 new Convertible Notes. These securities were allotted on 27 June 2005 and are reflected in the financial accounts for the year ended 30 June 2005.

In addition, at 30 June 2005, 3,594,875 2005 Convertible Notes were converted to 7,568,158 ordinary shares at \$0.475 per share and 13,789,929 2006 Convertible Notes were converted to 29,031,429 ordinary shares at \$0.475 per share. \$4,163,125 was redeemed by the 2005 Convertible Noteholders on 30 June 2005.

Shareholders also approved a change of Company name from Becton Developments Limited to Becton Property Group Limited.

Matters subsequent to the end of the financial year

Subsequent to balance date, the following events occurred related to events listed above:

On 1 July 2005 the Company issued the sale shares to the vendors, and the acquisition of Becton Pty Ltd was completed.

The record date for the transfer of listing of the Company's shares to the Australian Stock Exchange (ASX) was 4 July 2005, and trading commenced for both the ordinary shares (ASX code BEC) and the 2010 Convertible Notes (ASX code BECG) on 8 July 2005.

From 1 July 2005 the Company will no longer derive its earnings from interest earned on the Performance Notes

held in Becton Pty Ltd as they will, from that date, be reclassified as inter-group loans. It will instead be deriving income from the four existing operating businesses of the wider Becton group, i.e. property funds management, retirement living, property development and construction, and holiday ownership as set out in the recent prospectus.

The material financial impact of the merger between Becton Developments Limited and Becton Pty Ltd has been disclosed in Note 27 of the financial report.

Since the end of the financial period, the Directors are not aware of any other matter or circumstance not otherwise dealt with in the report, that has significantly or may significantly affect the operations of the Company, the results of those operations or state of affairs of the Company in subsequent financial years.

Likely developments and expected results of operations

Information regarding future likely developments in the operations of the Company in future financial years and the expected results of those operations were disclosed in the Company's prospectus dated 3 June 2005. Becton plans to be involved in retirement, property funds management and holiday ownership as well as its ongoing activities in development and construction. The Company has identified a number of growth opportunities including:

- Expanding and further diversifying its property funds management activities;
- Pursuing growth in the retirement sector through the acquisition of both greenfield development sites and established operations;
- Increasing member numbers in the holiday ownership club and pursuing greater synergies between timeshare and property development and construction; and
- Securing appropriate new development and construction projects advantageously through property cycles.

Options

No options for shares in the Company have been granted during the year and there were no options outstanding at the end of the financial year.

Directors' Report (Continued)

Directors' interests in contracts

No material contracts involving Directors' interests were entered into during the year or existed at the end of the year other than the transactions detailed in the Directors & Executives Disclosure note to the financial statements.

Environmental regulation

The operations of the Company are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law. The Directors are not aware of any breach of environmental regulations during the year and up to the date of this report.

Indemnification and insurance of officers

As provided under the constitution, the Company must indemnify each officer on a full indemnity basis and to the full extent permitted by law against all losses, liabilities, costs, charges and expenses incurred by the officer as an officer of the Company or of a related body corporate. During the financial year, the Company has paid a premium of \$52,937 towards the cost of a public indemnity insurance premium providing cover to 30 June 2005, insuring its officers and senior employees against any liability of this nature. On 1 July 2005, the Company entered into a new Directors & Officers Liability Insurance policy providing cover for the period to 30 June 2006.

Meetings of Directors

The following table sets out the number of meetings of the Company's Board of Directors and the number of meetings attended by each Director (including meetings of the committees of Directors) held during the year ended 30 June 2005:

Directors	Board of Directors	
	Held	Attended
M. Beck	7	6
B. Pollock	7	7
R. Critchley	7	6
W. Conn	1	1
M. Naphtali	1	-
H. Macdonald	1	1
M. Taylor	1	1

In accordance with the ASX Corporate Governance Council's published guidelines as set out in its "Principles of Good Corporate Governance and Best Practice Recommendations", and following the merger of Becton Developments Limited and Becton Pty Ltd, Becton has formed an Audit & Risk Management Committee and a Remuneration Committee. This represents a continuation of the Audit & Compliance Committee and Human Resources Committee respectively that were formed under Becton Pty Ltd. Details relating to the policy & procedures and membership of these committees are found in the Corporate Governance Statement. Further, it has been agreed that a Nomination Committee will not be formed by the Company as the matters normally reserved and dealt with by a Nomination Committee will be dealt with by the Board as a whole.

Remuneration report

Remuneration philosophy

The performance of Becton in part depends upon the quality of its directors. To prosper, Becton must attract, motivate and retain highly skilled directors and executive officers.

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive Directors shall be determined from time-to-time by a general meeting. At the Annual General Meeting to be held on 28 October 2005, shareholders will be requested to approve the aggregate remuneration of a maximum \$300,000 per annum to be apportioned amongst non-executive Directors.

Non-executive Directors are required to sign a Letter of Appointment that outlines the Directors duties and responsibilities and the remuneration fee to be paid to that Director in carrying out his duties. At the date of this report, no formal Letter of Appointment has been signed by any Director. Fees paid cover both the Board and any committee position where the non-executive Director is a member. The non-executive Director's emoluments are comparable to similar companies in the property industry. There is no formal link between the Company's performance and these emoluments.

Remuneration Committee

The Remuneration Committee of the Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and the executive team

and high level company remuneration policy decisions. The Remuneration Committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of an experienced and high quality Board and executive team. Such officers are given the opportunity to receive their base emolument in a variety of forms including cash and superannuation salary sacrifice.

Remuneration policy for Directors

Due to the nature of the Company and its operations for the financial year, remuneration is limited to its non-executive Directors.

Non-executive Directors

Fees and payments to non-executive Directors are aimed to reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive Directors' fees and payments are reviewed by the Board annually to ensure non-executive Directors' fees are appropriate and in line with the external market.

Chairman

The Chairman's fees are reviewed annually and are determined independently to the fees of non-executive Directors based on comparative roles in the external market. Mr Beck, the Company's executive chairman has, from the time of his appointment, declined to accept any fees.

Details of remuneration

Details of remuneration of each Director of Becton, including their personally-related entities, are set out below:

2005	Primary		Post-employment			Equity	
	Cash salary and fees	Cash Bonus	Non-monetary Benefits	Super-annuation	Retirement benefits	Options	Total
Name:	\$	\$	\$	\$	\$	\$	\$
M. Beck (executive chairman)	-	-	-	-	-	-	-
B. Pollock (non-executive deputy chairman)	50,000	-	-	4,500	-	-	54,500
R. Critchley (non-executive director)	25,625	-	-	-	-	-	25,625
W. Conn	-	-	-	-	-	-	-
M. Naphtali	-	-	-	-	-	-	-
H. Macdonald	-	-	-	-	-	-	-
M. Taylor	-	-	-	-	-	-	-
Total	75,625	-	-	4,500	-	-	80,125

Messrs Conn, Naphtali, Macdonald and Taylor were all appointed on 28th June 2005 and they received no remuneration from the Company in the financial year ended 30 June 2005.

Due to the nature of the Company and its operations, there were no specified executives during the year.

Directors' Report (Continued)

Retirement allowances

It is a policy of the Company not to pay lump sum retirement benefits to non-executive Directors.

Service agreements

There are no service agreements between Becton and its Directors.

Equity instrument disclosures relating to Directors

Options provided as remuneration

There has not been any grant of options during the year to any Director. The Directors do not have any options at year end.

Shares provided on exercise of options

No shares have been provided to any Director as a result of the exercise of options during the year.

Option holdings

No Director holds any options over ordinary shares in the Company.

Share holdings

The numbers of shares in the Company held during the financial year by each Director of Becton, including their personally related entities, are set out below.

Director	Balance at 1 July 2004	Balance at date of appointment for new Directors	Subscription in capital raising	2006 Note conversion to shares	Balance at 30 June 2005	Issued as a result of the merger on 1 July 2005	Balance at date of this report
M. Beck	3,000,000	-	-	8,421,053	11,421,053	145,490,508	156,911,561
B. Pollock	-	-	-	-	-	-	-
R. Critchley	120,000	-	-	336,842	456,842	-	456,842
W. Conn	-	3,000,000	-	8,421,053	11,421,053	-	11,421,053
M. Naphtali	-	60,000	-	168,421	228,421	-	228,421
H. Macdonald	-	602,143	1,000,000	842,105	2,444,248	21,347,373	23,791,621
M. Taylor	-	1,595,714	10,000	2,526,316	4,132,030	10,947,373	15,079,403
Total	3,120,000	5,257,857	1,010,000	20,715,790	30,103,647	177,785,254	207,888,901

Note holdings

Mr. Mark Taylor also holds 300,000 convertible notes with a 9.5% pa coupon rate, at \$0.65 per note maturing 30 June 2010.

Loans to Directors

The Company has not made any loans to any Director of Becton, including their personally-related entities.

Tax Consolidation

For purposes of income taxation, Becton has elected to form a tax consolidation group from 1 July 2005. Members of the group will be entering into a tax sharing agreement in order to allocate income tax expense to the wholly-owned subsidiaries on a pro-rata basis prior to the lodgement of the June 2006 tax return.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under s307C of the Corporations Act 2001 is set out following this report.

Audit Information

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditors' expertise and experience with the Company are important.

The Board of Directors has considered the position and is satisfied that the provision of non-audit service is compatible with the general standard of independence for auditors imposed by the Corporation Act 2001 and did not compromise the auditors' independence requirements of the Corporations Act 2001 for the following reasons:

- the non-audit services do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in Professional Statement F1, including reviewing or auditing the auditors own work, acting in a management or decision making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

During the year the following fees were paid or payable for services provided by the auditor of the Company and its related practices:

	2005 \$	2004 \$
Assurance Services		
1. <i>Audit services</i>		
Audit and review of financial reports and other audit work under the Corporations Act 2001	17,000	8,750
2. <i>Other assurance services</i>		
Investigating accountants report for prospectus and merger	790,000	-
Total remuneration for assurance services	807,000	8,750
Taxation services		
Taxation services in relation to prospectus and merger	446,180	-

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Becton Property Group Limited support and adhere to the principles of good corporate governance. The Company's Corporate Governance Statement is contained in this Annual Report to shareholders.

This report is made in accordance with a resolution of the Board of Directors.

For and on behalf of the Board



Maxwell John Beck
Chairman

Melbourne
This 13th day of September 2005



Auditor's Independence Declaration

Auditor's Independence Declaration

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
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Auditor's Independence Declaration

As lead auditor for the audit of Becton Property Group Limited for the year ended 30 June 2005,
I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001
in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Becton Property Group Limited and the entities it controlled
during the period.



Peter Fekete
Partner
PricewaterhouseCoopers Melbourne
14 September 2005



Corporate Governance Statement

Corporate Governance Statement

Introduction

Becton was established in 1976 and has a history of high quality residential construction and commercial property development. Becton Property Group Limited ("Becton" or the "Becton Group") was incorporated in November 2000 and listed on the Australian Stock Exchange (ASX) in July 2005. Becton is a diversified group involved in retirement living, property funds management and holiday ownership as well as ongoing activities in property development and construction.

The Board of Directors are responsible for the corporate governance of the Becton Group. Following the merger of Becton Property Group Limited and Becton Pty Ltd and the subsequent listing of the Company's securities on the ASX on 8th July 2005, the Board of Directors are in the process of formally adopting appropriate Corporate Governance policies and procedures having regard to the ASX Corporate Governance Council (CGC) published guidelines as set out in its "Principles of Good Corporate Governance and Best Practice Recommendations" to which the Company's Directors, officers and employees will then recognise and adhere to best practice guidelines.

In accordance with these recommendations, the Corporate Governance Statement must now contain certain specific information and must disclose the extent to which the Company has followed the guidelines during the period. Where a recommendation has not been followed, the fact must be disclosed, together with reasons for the departure. This Corporate Governance Statement is structured with reference to the ASX Corporate Governance Council's published guidelines. The Charters and policies laid out in this Corporate Governance Statement represent a concise version of those charters and policies that have been adopted or are currently being considered for adoption by the Board of Directors.

For further information on corporate governance charters and policies associated with the Becton Group, refer to the Company's website:
www.becton.com.au.

1 Board Charter

a) Role of the Becton Board and Company management

The Board of Directors of Becton together with management are collectively experienced in the property and funds management industry.

The Board is responsible for setting corporate strategic and financial objectives and ensuring appropriate management is in place to devise and implement a business strategy to achieve these objectives. The Board appoints the Chief Executive Officer, the Chief Financial Officer and the Company Secretary. The Board approves and monitors management's corporate strategy and performance objectives for Becton. Under the oversight of the Board's Audit and Risk Management Committee, the Board monitors systems of risk management, compliance and financial reporting. The Board is responsible for approving and monitoring the progress of major capital expenditure, capital management and acquisitions and divestitures of assets.

b) Delegation of Authority

The Board may delegate to its sub-committees, a Director, subsidiary company, or any other person in authority to perform any of its functions and exercise any of its powers, in the ordinary course of business. This includes the day to day administration of its assets, including ensuring that assets are adequately insured where necessary; that detailed market investigations and effective due diligence is carried out on proposed investments or acquisitions; that capital required to fund proposed investments or acquisitions as well as general working capital requirements is adequate; that subject to the responsibility of the Board's Audit and Risk Management Committee there is effective risk management, financial management and compliance management of Becton Group's assets. The Board has adopted a Statement of Delegated Authority.

c) Becton Board Structure

The Board is comprised of seven Directors, with a majority of the Board being non-executive Directors.

Corporate Governance Statement (Continued)

Max Beck	Executive Chairman
Brian Pollock	Non-executive Deputy Chairman and Independent Director
Robert Critchley	Non-executive Director and Independent Director
Bill Conn	Non-executive Director and Independent Director
Michael Naphtali	Non-executive Director and Independent Director
Hamish Macdonald	Chief Executive Officer
Mark Taylor	Finance Director and joint Company Secretary

In accordance with the CGC's "Principles of Good Corporate Governance and Best Practice Recommendations", the recommendation that no independent Director holds more than 5% of the total shares on issue has been met by the following Directors:

Brian Pollock	Non-executive Deputy Chairman
Robert Critchley	Non-executive Director
Bill Conn	Non-executive Director
Michael Naphtali	Non-executive Director

Mr Max Beck is the Executive Chairman of the Becton Group by reason of his association with the Becton Group since inception in 1976 and his significant shareholding in the Company. This is a departure from CGC best practice recommendation 2.2, however the Board have appointed Mr Brian Pollock, non-executive deputy chairman, as lead independent Director.

The Becton Group supports the appointment of Directors who bring a wide range of business and professional skills and experience, details of which are recorded in the Directors Report accompanying this Corporate Governance Statement. Each director has a three year term of office where they retire and seek re-election by shareholders as a director.

Each Director is required to disclose any interest which might create a potential conflict of interest with their duties as a Director of Becton or which would affect their independence.

In order for Directors to bring independent judgement to bear in decision making, Directors have the ability to

obtain independent professional advice, if necessary, at the Company's expense.

2 Code of Conduct and Conflicts of Interest

a) Conduct of Management

The Board of Becton is vigilant in adhering to the highest standards of ethical business practice. These standards embody Becton's own corporate values. We communicate this to management and require our employees to adhere to our core values, together with a number of other key attributes that have been identified as being imperative to the success of Becton.

Employees must comply with all laws and regulations. This includes understanding the laws and regulations relevant to their work and complying with the legal requirements of the jurisdictions in which they operate.

Employees should not engage in activities or hold or trade assets that involve, or could appear to involve, a conflict between their personal interests and the interests of the Becton Group.

Management is responsible to the Board for the Becton Group's performance under this Code, and have operational responsibility for ensuring compliance with the Code.

The Code of Conduct aims to promote ethical and responsible decision making. Our employment practices include:

- induction training for all employees;
- an Equal Employment Opportunity Policy;
- Occupational Health and Safety Policies and Procedures; and
- assistance in professional development opportunities and industry based training for employees.

Our Code of Conduct requires all employees to exhibit honesty, loyalty, integrity, professionalism and trust in their dealings both internally and externally. We aim for good corporate governance and industry best practice. We specifically require employees to:

- avoid situations which may give rise to a conflict of interest;
- avoid situations where they may profit from their position with the Company or gain any benefit which competes with Becton's business;
- comply with laws and regulations;

- not undertake activities inconsistent with their employment with Becton;
- properly use Becton's assets for legitimate business purposes; and
- maintain privacy and confidentiality in both Becton's business and the information of its clients and shareholders.

The Board have resolved that the Code of Conduct extends to guide compliance with legal and other obligations with respect to stakeholders.

The Becton Group aims to maximise the returns to its investors by capital appreciation. Should the Company reach a stage where it can declare dividends, each shareholder has the right to receive a share of distributed income and capital in proportion to their interest in the Becton Group.

b) Conflicts of Interest and related party transactions

The Board of Becton is committed to good corporate governance and aims for continuous improvement in these practices. We embrace high ethical standards and require our employees to demonstrate both personal and corporate responsibility. Directors, officers and employees are required to safeguard the integrity of the Becton Group and to act in the best interests of our stakeholders (generally, shareholders and clients).

There must be no conflict, or perception of a conflict, between the interests of any Becton Director, officer or employee and the responsibility of that person to the Becton Group and to the stakeholders. Becton Directors, officers and employees may never improperly use their position for personal or private gain to themselves, a family member, or any other person ("associates").

Directors can only purchase Becton products on the same terms and conditions available to Becton staff.

As a general rule, a conflict of interest, or the perception of a conflict, may arise if their duties involve any actual or potential business with a person, entity or organisation in which they or their associates have a substantial personal or financial interest. Accordingly, the following rules apply:

- Without prior Board approval, Directors, officers and employees may not act on behalf of Becton in connection with any business or potential business

involving any person, entity or organisation in which they or their associates have direct or indirect managerial influence (such as serving as an executive officer, Director, general partner or similar position or who hold a substantial ownership or beneficial interest); and

- Where a potential conflict exists, this should be disclosed to the Chairperson prior to any dealings taking place.

3 Audit & Risk Management Committee

Pursuant to ASX CGC Principle 4.5, the Becton Group has established an Audit & Risk Management Committee. The Board of Directors are in the process of formally adopting the charter associated with this Committee.

a) Purpose

The Audit & Risk Management Committee plays a key role in assisting the Board of Directors with its responsibilities relating to accounting, developing internal control systems, reporting practices and risk management, and ensuring the independence of the Becton Group auditor. The charter for this Committee incorporates policies and procedures to ensure an effective focus from an independent perspective.

The Audit & Risk Management Committee oversees and appraises the quality of the audits conducted by the auditors of the Becton Group. PricewaterhouseCoopers, Chartered Accountants, are the currently appointed auditors of Becton. Their appointment will be reviewed periodically in line with industry best practice. We believe in the ongoing assessment of our audit arrangements and will comply with any regulatory requirements to rotate our external audit partner.

The Audit & Risk Management Committee includes in its Charter a review of the effectiveness of administrative, operating and accounting controls.

Meetings of the Committee are held prior to and following the annual audit and half year review process.

Following a recommendation by the Committee to the Board of Directors to approve the annual and half year financial accounts, the CEO and CFO state in writing to the Board that the Company's financial reports present a true and fair view, in all material respects, of the company's financial condition and operational

Corporate Governance Statement (Continued)

results and are in accordance with relevant accounting standards; and that this statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and that the company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

b) Composition

Becton's Audit & Risk Management Committee follows each of the principles listed below:

- Only non-executive Directors with a majority of the Committee being independent Directors;
- An independent Chairperson, who is not Chairperson of the Board and is a qualified accountant or has significant experience in the financial industry;
- At least three members.

Members of the Committee are:

Bill Conn	Committee Chairman (non-executive director and independent director)
Brian Pollock	(non-executive director and independent director)
Michael Naphtali	(non-executive director and independent director)

There have been no meetings held during the reporting period as the Committee was formed on 5 September 2005.

4 Risk Management System Statement

The Board of the Becton Group takes a proactive approach to the Becton Group's risk management and internal compliance and control system. This function is dealt with by the Audit & Risk Management Committee.

The Board of Directors are in the process of formally adopting a policy on risk oversight and management.

The Audit & Risk Management Committee is responsible for ensuring that risks, and also opportunities are identified on a timely basis and that the Becton Group's objectives and activities are aligned with the risks and opportunities identified by the Committee and the Board of Directors.

5 Board Continuous Disclosure Policy

Becton's Continuous Disclosure Policy is designed to meet market best practice, promoting transparency and investor confidence and ensuring that all interested parties have an equal opportunity to obtain information which is issued by Becton.

The ASX defines continuous disclosure in its Listing Rules as "the timely advising of information to keep the market informed of events and developments as they occur". The Listing Rules and the Corporations Act require that a listed entity disclose to the market matters which a reasonable person would expect to have a material effect on the price or value of the entities securities. A reasonable person is taken to expect information to have a material effect on the price or value of securities if it would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the securities.

The procedures which have been developed to comply with these rules include immediate reporting of any matter which could potentially have a material effect, via established reporting lines to the Chief Executive Officer and/or the Company Secretary. Both the Chief Executive Officer and the Company Secretary are responsible for monitoring information which could be price sensitive, liaising with Becton Group executive Directors and escalating to the Chairperson where practicable. The Chief Executive Officer and the Company Secretary monitor daily activity to ascertain what matters should be considered for disclosure and as soon as a matter is appropriate for disclosure notifying each other immediately. Disclosure of such price-sensitive information to the ASX must not be delayed.

Price-sensitive information will be disclosed, in the first instance, to the Australian Stock Exchange and disclosures to the market will then be placed on Becton's website. Material information must not be selectively disclosed (i.e. to analysts, the media or shareholders) prior to being announced to the ASX, and all media releases must be referred to the Chief Executive Officer for approval prior to any release.

6 Share Trading Policy

Becton's Share Trading Policy ensures that unpublished price sensitive information about Becton is not used in an unlawful manner. The main provisions of this policy are:

- the specific requirements of the Corporations Act;
- prohibition of short term trading in Becton shares;
- when Directors and employees may trade in Becton shares; and
- prior notification by Directors, offices and employees of their intention to deal in Becton shares.

The Policy is as follows:

"Trading of securities by Directors, officers and employees is only allowed when he or she is not in possession of price sensitive information that is not generally available to the market."

7 Shareholder Communications Policy

Becton's communication strategy is to promote effective communication with shareholders.

In accordance with our regulatory obligations, certain periodic reporting will also be made to shareholders, including the Annual Report. In addition, all shareholders are requested to attend the annual general meeting and the Company promotes effective participation at those meetings. Our aim is for informed shareholders.

The Becton Group maintains a web site and endeavours to publish on the website all important company information and relevant announcements made to the market.

In accordance with ASX CGC Principle 6.2, the external auditors are requested to attend the annual general meeting and are available to answer shareholder's questions about the conduct of the audit and preparation of the auditors report.

8 Board Remuneration and Nomination Policy

Pursuant to ASX CGC Principle 9, the Becton Group has established a Remuneration Committee, made up of three members of the Board of Directors, which is responsible for determining and reviewing compensation arrangements for the Directors and the executive team and high level company remuneration policy decisions. The Committee will meet at least twice per calendar year.

Members of the Committee are:

Max Beck	Committee Chairman (executive chairman)
Robert Critchley	[non-executive director and independent director]
Michael Naphtali	[non-executive director and independent director]

There have been no meetings held during the reporting period as the Committee was formed on 5 September 2005.

The Remuneration Committee will monitor and review:

- the remuneration arrangements for the CEO and other senior executives;
- the remuneration policies, personnel practices and strategies of the Company generally;
- any employee incentive schemes;
- the remuneration arrangements for non-executive Directors.

All remuneration and superannuation for Directors, officers and employees are paid by the Becton Group.

The Becton Group has not formed a separate Nominations Committee as this function is dealt with by the Board as a whole.

The Board is responsible for Performance Evaluation of the members of the Board and key executives against both measurable and qualitative indicators. A performance evaluation to assess remuneration paid to Directors of the Becton Group relating to Directors fees and associated superannuation is undertaken annually.



Financial Information

Statements Of Financial Performance

For The Year Ended 30 June 2005

	Notes	Consolidated		Parent entity	
		2005	2004	2005	2004
		\$	\$	\$	\$
Total Revenue from Ordinary Activities	3	8,193,362	4,615,050	8,193,362	4,615,050
Employee benefits expense		(80,125)	(82,000)	(80,125)	(82,000)
Borrowing costs expense		(3,708,665)	(3,719,362)	(3,708,665)	(3,719,362)
Management fees		(662,068)	-	(662,068)	-
Other expenses from ordinary activities		(295,680)	(176,730)	(295,680)	(176,730)
Profit from Ordinary activities before income tax		3,446,824	636,958	3,446,824	636,958
Income tax expense	4	(1,034,080)	(191,088)	(1,034,080)	(191,088)
Net profit		2,412,744	445,870	2,412,744	445,870
Total changes in equity attributable to members other than those resulting from transactions with owners as owners	17	2,412,744	445,870	2,412,744	445,870
Basic earnings per share (cents)	29	7.33	1.38		

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

Statements Of Financial Position

As At 30 June 2005

	Notes	Consolidated		Parent entity	
		2005	2004	2005	2004
		\$	\$	\$	\$
CURRENT ASSETS					
Cash assets	5	30,723,542	740,453	30,723,542	740,453
Receivables	6	16,157,656	67,712	16,157,656	67,712
Other financial assets	7	32,302,000	12,880,000	32,302,000	12,880,000
TOTAL CURRENT ASSETS		79,183,198	13,688,165	79,183,198	13,688,165
NON CURRENT ASSETS					
Other financial assets	8	-	32,302,000	2	32,302,000
Deferred tax assets	9	-	1,650	-	1,650
TOTAL NON CURRENT ASSETS		-	32,303,650	2	32,303,650
TOTAL ASSETS		79,183,198	45,991,815	79,183,200	45,991,815
CURRENT LIABILITIES					
Payables	10	4,959,026	55,018	4,959,028	55,018
Interest bearing liabilities	11	12,107,671	7,758,000	12,107,671	7,758,000
Current tax liabilities	12	461,454	49,499	461,454	49,499
Provisions	13	2,426,490	-	2,426,490	-
TOTAL CURRENT LIABILITIES		19,954,641	7,862,517	19,954,643	7,862,517
NON CURRENT LIABILITIES					
Interest bearing liabilities	14	20,000,000	25,897,600	20,000,000	25,897,600
Deferred tax liabilities	15	12,182	-	12,182	-
TOTAL NON CURRENT LIABILITIES		20,012,182	25,897,600	20,012,182	25,897,600
TOTAL LIABILITIES		39,966,823	33,760,117	39,966,825	33,760,117
NET ASSETS		39,216,375	12,231,698	39,216,375	12,231,698
EQUITY					
Contributed equity	16	39,049,238	11,646,400	39,049,238	11,646,400
Retained earnings	17	167,137	585,298	167,137	585,298
TOTAL EQUITY		39,216,375	12,231,698	39,216,375	12,231,698

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

Statements Of Cash Flows

For The Year Ended 30 June 2005

	Note	Consolidated		Parent entity	
		2005	2004	2005	2004
		\$	\$	\$	\$
Cash Flows from Operating Activities					
Receipts from investments (inclusive of GST)		2,576,923	7,624,491	2,576,923	7,624,491
Payments to suppliers (inclusive of GST)		(569,242)	(873,568)	(569,242)	(873,568)
		2,007,681	6,750,923	2,007,681	6,750,923
Borrowing Costs		(3,708,665)	(3,719,362)	(3,708,665)	(3,719,362)
Income taxes paid		(456,256)	(904,329)	(456,256)	(904,329)
Net Cash Provided by Operating Activities	24	(2,157,240)	2,127,232	(2,157,240)	2,127,232
Cash Flows from Financing Activities					
Proceeds from issue of shares		15,015,000	-	15,015,000	-
Proceeds from oversubscription		1,692,869	-	1,692,869	-
Repayment of borrowings		(4,163,125)	-	(4,163,125)	-
Proceeds from borrowings		20,000,000	-	20,000,000	-
Dividends paid		(404,415)	(1,920,780)	(404,415)	(1,920,780)
Net Cash Provided by (used in) Financing Activities		32,140,329	(1,920,780)	32,140,329	(1,920,780)
Net Increase in Cash Held		29,983,089	206,452	29,983,089	206,452
Cash at the Beginning of the Year		740,453	534,001	740,453	534,001
Cash at the End of the Year	5	30,723,542	740,453		30,723,542

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

Notes to the Financial Statements

30 June 2005

NOTE 1. Directors

The directors of Becton Property Group Limited are referred to in these accounts as 'the directors'.

NOTE 2. Statement of significant accounting policies

The principal accounting policies adopted by Becton Property Group Limited ("the Company") are stated to assist in a general understanding of these accounts.

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 Becton Property Group Limited ("company" or "parent entity") as at 30 June 2005 and the results of all controlled entities for the year then ended. Becton Property Group 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.

Where control of an entity is obtained during a financial year, its results are included in the consolidated statement of financial performance from the date on which control commences. Where control of an entity ceases during a financial year its results are included for that part of the year during which control existed.

(b) Income Tax

Tax effect accounting procedures are followed whereby the income tax expense in the statement of financial performance is matched with the accounting profit after tax 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.

The directors have elected to form a tax consolidation group from 1 July 2005. Members of the group will be entering into a tax sharing agreement in order to allocate income tax expense to the wholly owned subsidiaries on a pro-rata basis prior to the lodgement of the 30 June 2006 tax return.

(c) Revenue Recognition

Revenue from interest is brought to account on an accruals basis.

(d) Trade and sundry 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 with 30 days of recognition.

(e) Cash

For the purposes of the statement of cash flows, cash includes deposits held at call with financial institutions which are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

(f) Interest bearing liabilities

Loans are carried at the principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of other creditors.

(g) Investments

The Company's investments in interest bearing performance notes are brought to account at cost, and all investment income is recognised in the statement of financial performance on an accruals basis.

(h) Segment Information

Business Segment – The Company's operations are confined to the one industry of investment management.

Geographical Segment – The Company's operations are confined to Australia.

(i) 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.

(j) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred. They include interest on unsecured notes issued by the Company.

(k) Earnings per share

Basic earnings per share is determined by dividing 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.

	Consolidated		Parent entity	
	2005	2004	2005	2004
	\$	\$	\$	\$
NOTE 3. Revenue				
Revenue from operating activities				
Interest income	8,188,362	4,555,556	8,188,362	4,555,556
Management fees	5,000	59,494	5,000	59,494
	8,193,362	4,615,050	8,193,362	4,615,050

NOTE 4. Income Tax

The income tax expense 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	3,446,824	636,958	3,446,824	636,958
Income tax calculated at 30% (2004 - 30%)	1,034,047	191,088	1,034,047	191,088
Under provision of tax in previous year	33	-	33	-
Income tax expense attributable to profit from ordinary activities	1,034,080	191,088	1,034,080	191,088
Aggregate income tax expense comprises:				
Current taxation provision	868,723	191,088	868,723	191,088
Deferred income tax provision	11,637	-	11,637	-
Future income tax benefit	153,687	-	153,687	-
Under provision in prior year	33	-	33	-
	1,034,080	191,088	1,034,080	191,088

No part of the future income tax benefit shown in Note 9 is attributable to tax losses.

NOTE 5. Current assets - Cash

Cash at bank	30,723,542	740,453	30,723,542	740,453
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Notes to the Financial Statements (Continued)

30 June 2005

	Consolidated		Parent entity	
	2005	2004	2005	2004
	\$	\$	\$	\$
NOTE 6. Current assets - Receivables				
Trade Debtors	12,431	63,884	12,431	63,884
Other Debtors	50,894	3,828	50,894	3,828
Loan to related party	16,094,331	-	16,094,331	-
	<u>16,157,656</u>	<u>67,712</u>	<u>16,157,656</u>	<u>67,712</u>

The loan to related party represents advances to Becton Construction Services Trust following the shareholder approval of the merger with Becton Pty Ltd effective 1 July 2005.

NOTE 7. Current assets - Other financial assets

Non-trade investments

Performance notes - at cost

32,302,000	12,880,000	32,302,000	12,880,000
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The performance notes are issued by Becton Construction Services Trust and are acquired at a price of \$1 per note. The notes offer an unconditional rate of interest of 10% per annum with a maximum conditional rate of 8% per annum. The notes mature on 30 June 2006. As disclosed in the Directors' Report and Note 27 this investment will be reclassified to inter-group loans from 1 July 2005.

NOTE 8. Non- current assets - Other financial assets

Non-trade investments

Shares in controlled entity - at cost (note 23)

-	-	2	-
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Performance notes - at cost

-	32,302,000	-	32,302,000
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-	32,302,000	2	32,302,000
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NOTE 9. Non-current assets - Deferred tax assets

Future income tax benefit

-	1,650	-	1,650
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NOTE 10. Current liabilities - Payables

Trade creditors

67,994	44,843	67,994	44,843
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Sundry creditors & accruals

3,198,163	10,175	3,198,165	10,175
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Monies refundable for oversubscription of convertible notes and shares

1,692,869	-	1,692,869	-
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<u>4,959,026</u>	<u>55,018</u>	<u>4,959,028</u>	<u>55,018</u>
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	Consolidated		Parent entity	
	2005	2004	2005	2004
	\$	\$	\$	\$
NOTE 11. Current liabilities - Interest bearing liabilities				
Unsecured				
Unsecured notes	12,107,671	7,758,000	12,107,671	7,758,000
Date of maturity and interest rate is as follows				
- 30 June 2006 at 11.25% per annum				
NOTE 12. Current - Current tax liabilities				
Income tax payable	461,454	49,499	461,454	49,499
NOTE 13. Current - Provisions				
Provision for dividends (refer note 18)	2,426,490	-	2,426,490	-
NOTE 14. Non - Current liabilities - Interest bearing liabilities				
Unsecured				
Convertible notes	20,000,000	-	20,000,000	-
Unsecured notes	-	25,897,600	-	25,897,600
	20,000,000	25,897,600	20,000,000	25,897,600
Convertible notes				
The parent entity issued 30,769,231 convertible notes with 9.5% p.a. coupon for \$20 million on 27 June 2005. The notes are convertible into ordinary shares of the parent entity, at the option of the holder from 30 June 2007 until maturity date, or repayable on 30 June 2010. Each convertible note converts to 1 ordinary share. The company has the discretion to repay a portion of the face value of the convertible note if the market price of an ordinary share is less than \$0.65 at the time of conversion.				
NOTE 15. Non-Current - Deferred tax liabilities				
Provision for deferred income tax	12,182	-	12,182	-

Notes to the Financial Statements (Continued)

30 June 2005

	Parent entity		Parent entity	
	2005 Shares	2004 Shares	2005 \$	2004 \$
NOTE 16. Contributed equity				
(a) Share capital				
Ordinary shares - fully paid	99,464,780	32,353,200	40,513,843	11,646,400
Date and details	Notes	Number of Shares	Issue Price	\$
(b) Movements in share capital				
1 July 2004 - Opening balance		32,353,200		11,646,400
27 June 2005 - Conversion of 2005 Unsecured Notes to shares	(d)	7,568,151	\$0.475	3,594,872
27 June 2005 - Conversion of 2006 Unsecured Notes to shares	(e)	29,031,429	\$0.475	13,789,929
27 June 2005 - New share issue	(f)	30,030,000	\$0.500	15,015,000
27 June 2005 - Employee share gifts	(g)	482,000	\$0.500	241,000
				44,287,201
Less: Transaction costs arising on share issues				5,237,963
30 June 2005 - Closing balance		99,464,780		39,049,238

(c) 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 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.

(d) Conversion of 2005 Unsecured notes to shares

As part of the public fund raising through the issue of ordinary shares and new convertible notes pursuant to the prospectus dated 3 June 2005, 2005 noteholders were offered the option of converting their unsecured notes into shares of the company at a discount of \$0.025 to the issue price of \$0.50. 46.34% of noteholders took up the offer resulting in \$3,594,875 in notes being converted to shares.

(e) Conversion of 2006 Unsecured notes to shares

As part of the public fund raising through the issue of ordinary shares and new convertible notes pursuant to the prospectus dated 3 June 2005, 2006 noteholders were offered the option of converting their unsecured notes into shares of the company at a discount of \$0.025 to the issue price of \$0.50. 53.25% of noteholders took up the offer resulting in \$13,789,929 in notes being converted to shares.

(f) New share issue

Pursuant to the prospectus dated 3 June 2005, \$15,015,000 was raised from the issue of 30,030,000 new ordinary shares, at an issue price of \$0.50. These shares were allotted on 27 June 2005.

(g) Employee share gifts

In anticipation of the acquisition of Becton Pty Ltd on 1 July 2005, the Directors approved an issue of shares on 27 June 2005 at an issue price of \$0.50 to the employees of Becton Pty Ltd, contiguous with and pursuant to the prospectus dated 3 June 2005.

	Notes	Consolidated		Parent entity	
		2005	2004	2005	2004
		\$	\$	\$	\$
NOTE 17. Retained profits					
Retained profits at the beginning of the financial year		585,298	2,060,208	585,298	2,060,208
Net profit attributable to members of Becton Property Group Limited		2,412,744	445,870	2,412,744	445,870
Dividends provided for or paid	18	(2,830,905)	(1,920,780)	(2,830,905)	(1,920,780)
Retained profits at the end of the financial year		167,137	585,298	167,137	585,298

NOTE 18. Dividends**Ordinary shares**

Final dividend for the year ended 30 June 2004 of 1.25 cents (2003 - 7.5 cents) per fully paid share paid on 1st October 2004, fully franked (2003 - fully franked) based on tax paid @ 30%.

Final dividend for the year ended 30 June 2005 of 7.5 cents (2004 - 1.25 cents) per fully paid share to be paid on 30th September 2005, fully franked (2004 - fully franked) based on tax paid @ 30%.

Total dividends provided for or paid

404,415	1,920,780
2,426,490	-
2,830,905	1,920,780

Franked dividends

The franked portions of the dividend recommended after 30 June 2005 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 2006.

Franking credits available for subsequent financial years based on a tax rate of 30% (2004 - 30%)

1,156,901	253,166
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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, and
- (c) franking credits that may be prevented from being distributed in subsequent financial years.

The ability to utilise the franking credits is dependent upon there being sufficient available profits to declare dividends.

Notes to the Financial Statements (Continued)

30 June 2005

NOTE 19. Contingent liabilities

The directors are not aware of the existence of any contingent liabilities at balance date.

NOTE 20. Commitments for expenditure

There are no commitments for expenditure contracted for at balance date which are not provided for in the accounts.

NOTE 21. Director and executive disclosures

Directors

The following persons were directors of Becton Property Group Limited during the financial year:

Chairman – executive

M.J. Beck

Deputy Chairman – non-executive

B.J. Pollock

Executive directors

H.E. Macdonald - Chief Executive Officer (appointed director 28 June 2005)

M.W. Taylor - Finance Director (appointed director 28 June 2005)

Non-executive directors

R.K. Critchley

W.J. Conn (appointed 28 June 2005)

M. Napthali (appointed 28 June 2005)

Executives (other than directors) with the greatest authority for strategic direction and management

Due to the nature of the Company and its operations, there were no specified executives during the year.

Remuneration of directors and executives

Principles used to determine the nature and amount of remuneration

The objective of the company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders, and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following criteria for good reward governance practices:

- competitive and reasonable
- acceptable to shareholders
- transparent.

Due to the nature of the company and its operations, during the year remuneration was limited to its non-executive directors.

Non-executive directors

Fees and payments to non-executive directors are aimed to reflect the demands which are made on, and the responsibilities of, the directors. Non-executive director fees and payments are reviewed by the Board to ensure non-executive directors fees are appropriate and in line with the market.

The Chairman's fees are determined independently and compared to the fees of non-executive directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration. The Chairman's fees were approved by shareholders at the Annual General Meeting held on 30 October 2004. Mr Beck, has from the time of his appointment declined to accept any fees.

NOTE 21. Director and executive disclosures (Continued)**Details of remuneration**

Details of remuneration of each director of Becton Property Group Limited, including their personally-related entities, are set out in the following tables.

2005	Primary		Post-employment		Equity		
	Cash salary and fees	Cash Bonus	Non- monetary benefits	Superannuation	Retirement benefits	Options	Total
Name:	\$	\$	\$	\$	\$	\$	\$
B.J. Pollock	50,000	-	-	4,500	-	-	54,500
R.K. Critchley	25,625	-	-	-	-	-	25,625
M.J. Beck	-	-	-	-	-	-	-
M. Napthali	-	-	-	-	-	-	-
W.J. Conn	-	-	-	-	-	-	-
H.E. Macdonald	-	-	-	-	-	-	-
M.W. Taylor	-	-	-	-	-	-	-
Total	75,625	-	-	4,500	-	-	80,125

Total remuneration of directors of Becton Property Group Limited for the year ended 30 June 2004 is set out below.

2004	Primary		Post-employment		Equity		
	Cash salary and fees	Cash Bonus	Non- monetary benefits	Superannuation	Retirement benefits	Options	Total
Name:	\$	\$	\$	\$	\$	\$	\$
B.J. Pollock	50,000	-	-	4,500	-	-	54,500
R.K. Critchley	27,500	-	-	-	-	-	27,500
M.J. Beck	-	-	-	-	-	-	-
M. Napthali	-	-	-	-	-	-	-
W.J. Conn	-	-	-	-	-	-	-
H.E. Macdonald	-	-	-	-	-	-	-
M.W. Taylor	-	-	-	-	-	-	-
Total	77,500	-	-	4,500	-	-	82,000

Retirement Allowances

There were no retirement allowances paid to directors during the year.

Service agreements

There are no service agreements between Becton Property Group Limited and its directors.

Notes to the Financial Statements (Continued)

30 June 2005

NOTE 21. Director and executive disclosures (Continued)

Equity instrument disclosures relating to directors and executives

Options provided as remuneration

There has not been any grant of options during the year to any director.

Shares provided on exercise of options

No shares have been provided to any director as a result of the exercise of options.

Option holdings

No director holds any options over ordinary shares in the Company.

Share holdings

The numbers of shares in the Company held during the financial year by each director of Becton Property Group Limited, including their personally related entities, are set out below.

Directors of Becton Property Group Limited Ordinary shares	Balance at start of the year	Received during year on exercise of options	Other changes during the year	Balance at the end of the year
B.J. Pollock	-	-	-	-
R.K. Critchley	120,000	-	336,842	456,842
M.J. Beck	3,000,000	-	8,421,053	11,421,053
M. Napthali	-	-	228,421	228,421
W.J. Conn	-	-	11,421,053	11,421,053
H.E. Macdonald	-	-	2,444,248	2,444,248
M.W. Taylor	-	-	4,132,030	4,132,030

Other changes during the year

The increases in director shareholdings is the result of the conversion of 2006 unsecured notes to shares, subscriptions relating to capital raising and share purchases during the year.

Directors of Becton Property Group Limited 2006 Convertible Notes	Balance at start of the year	Balance at date of appointment for new directors	Converted to shares in year	Balance at the end of the year
B.J. Pollock	-	-	-	-
R.K. Critchley	160,000	-	(160,000)	-
M.J. Beck	4,000,000	-	(4,000,000)	-
M. Napthali	-	80,000	(80,000)	-
W.J. Conn	-	4,000,000	(4,000,000)	-
H.E. Macdonald	-	400,000	(400,000)	-
M.W. Taylor	-	1,200,000	(1,200,000)	-

M Taylor also holds 300,000 convertible notes with a 9.5% pa coupon rate, at \$0.65 per note maturing 30 June 2010.

NOTE 21. Director and executive disclosures (Continued)*Loans to directors*

No loans have been made to any director of Becton Property Group Limited, including their personally related entities.

*Other transactions with directors**Directors of Becton Property Group Limited*

Directors, Mr. M.J. Beck, H Macdonald, M Taylor, W Conn and M Naphali are also directors of Becton Pty Ltd. Becton Property Group Limited invested in performance notes issued by Becton Construction Services Trust, a subsidiary of Becton Pty Ltd based on the commercial terms as detailed in the Becton Property Group Limited prospectus dated 21st February 2001. The investment commenced in May 2001.

During the year Mr. M.J. Beck, H Macdonald, M Taylor and W Conn were also directors of Becton Investment Management Limited, which entered into a management agreement with Becton Property Group Limited. The terms of the management agreement are entirely performance based. The management agreement was extinguished on 1 July 2005 as a result of the merger with Becton Pty Ltd.

During the year the Directors were holders of 2006 unsecured notes as shown in the table above. Interest expense was payable on these notes at a rate of 11.25%.

Aggregate amount of the above other transactions with directors or director-related entities of Becton Property Group Limited:

	2005	2004
	\$	\$
Amounts recognised as revenue		
Interest income	8,188,362	4,530,579
Amounts recognised as expense		
Management fees	662,068	-
Interest expense	1,107,000	468,000
Aggregate amounts of assets at balance date relating to the above types of other transactions with directors or director-related entities of Becton Property Group Limited		
Current assets	48,396,331	12,880,000
Non-current assets	-	32,302,000
Aggregate amounts payable to directors or director related entities of Becton Property Group Limited at balance date relating to the above types of other transactions.		
Current liabilities	662,068	-

Notes to the Financial Statements (Continued)

30 June 2005

NOTE 22. Related parties

Directors and specified executives

Disclosures relating to directors and specified executives are set out in note 21.

Wholly-owned group

The wholly-owned group consists of Becton Property Group Limited and its wholly-owned controlled entity being Becton Property Group Investments Pty Ltd. Ownership interests in the controlled entity is set out in note 23.

There were no transactions between Becton Property Group Limited and its wholly-owned controlled entity Becton Property Group Investments Pty Ltd during the year.

NOTE 23. Investment in controlled entity

Name of entity	Country of incorporation	Class of shares	Equity holding	
			% 2005	% 2004
Becton Property Group Investments Pty Ltd	Australia	Ordinary	100	-

Acquisition of controlled entity

On 6 June 2005 Becton Property Group Limited (the parent entity) acquired 100% of the issued share capital of Becton Property Group Investments Pty Ltd for \$2.

	Consolidated		Parent entity	
	2005	2004	2005	2004
	\$	\$	\$	\$
NOTE 24. Reconciliation of profit from ordinary activities after income tax to net cash inflow/ (outflow) from operating activities				
Profit from ordinary activities after income tax	2,412,744	445,870	2,412,744	445,870
Change in assets and liabilities				
Decrease/(increase) in trade debtors	(6,660,555)	3,009,441	(6,660,555)	3,009,441
Increase/(decrease) in deferred tax liabilities	12,182	-	12,182	-
Increase in provisions	2,426,490	-	2,426,490	-
Decrease/(increase) in deferred tax assets	(1,462,955)	(150)	(1,462,955)	(150)
Increase/(decrease) in payables	702,900	(614,837)	702,900	(614,837)
Increase/(decrease) in income tax payable	411,954	(713,092)	411,954	(713,092)
Net cash inflows (outflows) from operating activities	(2,157,240)	2,127,232	(2,157,240)	2,127,232

NOTE 25. Financial instruments

(a) Credit risk exposures

The credit risk on financial assets of the Company, which have been recognised on the statement of financial position, generally is the carrying amount.

NOTE 25. Financial instruments (Continued)**(b) Interest rate risk exposures**

The Company's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the table below.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the Company intends to hold fixed rate liabilities to maturity.

	Note	Floating Interest Rate	Fixed interest maturing in:		Non- interest bearing	Total
			Within 1 year	1 to 5 Years		
2005		\$	\$	\$	\$	\$
Financial Assets:						
Cash	5	30,723,542	-	-	-	30,723,542
Receivables	6	-	-	-	16,157,656	16,157,656
Other financial assets	7&8	-	32,302,000	-	-	32,302,000
Total Financial Assets:		30,723,542	32,302,000	-	16,157,656	79,183,199
Weighted average interest rate		4.75%	10.00%	-	-	
Financial Liabilities:						
Trade and other creditors	10	-	-	-	4,959,026	4,959,026
Unsecured notes	11	-	12,107,671	-	-	12,107,671
Unsecured convertible notes	14	-	-	20,000,000	-	20,000,000
Total Financial Liabilities:		-	12,107,671	20,000,000	4,959,026	37,066,697
Weighted average interest rate		-	11.25%	9.50%	-	
Net financial assets		30,723,542	20,194,329	(20,000,000)	11,198,630	42,116,502
	Note	Floating Interest Rate	Fixed interest maturing in:		Non- interest bearing	Total
			Within 1 year	1 to 5 Years		
2004		\$	\$	\$	\$	\$
Financial Assets:						
Cash	5	740,453	-	-	-	740,453
Receivables	6	-	-	-	67,712	67,712
Other financial assets	7&8	-	12,880,000	32,302,000	-	45,182,000
Total Financial Assets:		740,453	12,880,000	32,302,000	67,712	45,990,165
Weighted average interest rate		4.50%	10.00%	10.00%		
Financial Liabilities:						
Trade and other creditors	10	-	-	-	55,018	55,018
Unsecured notes	11 & 14	-	7,758,000	25,897,600	-	33,655,600
Total Financial Liabilities:		-	7,758,000	25,897,600	55,018	33,710,618
Weighted average interest rate		-	10.25%	11.25%		
Net financial assets		740,453	5,122,000	6,404,400	12,694	12,279,547

Notes to the Financial Statements (Continued)

30 June 2005

NOTE 25. Financial instruments (Continued)

(c) Net Fair Value of financial assets and liabilities

The directors consider that the net fair values of financial assets and liabilities approximates their carrying value.

NOTE 26. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices:

	Consolidated		Parent entity	
	2005	2004	2005	2004
	\$	\$	\$	\$
Assurance Services				
1. Audit services				
Fees paid to PricewaterhouseCoopers Australian firm:				
Audit and review of financial reports and other work under the Corporations Act 2001	17,000	8,750	17,000	8,750
2. Other Assurance Services				
Fees paid to PricewaterhouseCoopers Australian firm:				
Investigating accountants report for merger and prospectus	790,000	-	790,000	-
Total remuneration for assurance services	807,000	8,750	807,000	8,750
Taxation Services				
Fees paid to PricewaterhouseCoopers Australian firm:				
Services in relation to the merger and prospectus	446,180	-	446,180	-

NOTE 27. Events occurring after reporting date

Subsequent to balance date, the following events occurred:

On 1 July 2005, the Company issued 208 million shares to acquire 100% of the issued capital of Becton Pty Ltd (Becton).

From 1 July 2005 the Company will no longer derive its earnings from interest earned on the Performance Notes held in Becton as they will, from that date, be reclassified as inter-group loans. It will instead be deriving income from the four existing operating businesses of the wider Becton group i.e. property funds management, retirement living, property development and construction, and holiday ownership as set out in the recent prospectus.

The financial effects of the above transaction have not been brought to account at 30 June 2005. The operating results and assets and liabilities of Becton will be consolidated from 1 July 2005. The financial effect of the acquisition on the Company is set out in the Company's prospectus dated 3 June 2005.

The company transferred its listing to the Australian Stock Exchange (ASX) and trading commenced for both the ordinary shares (ASX code BEC) and the 2010 Convertible Notes (ASX code BECG) on 8 July 2005.

Since the end of the financial period, the Directors are not aware of any other matter or circumstance not otherwise dealt with in the report, that has significantly or may significantly affect the operations of the Company, the results of those operations or state of affairs of the Company in subsequent financial years.

Note 28. Impacts of adopting Australian equivalents to IFRS

The Australian Accounting Standards Board (AASB) is adopting International Financial Reporting Standards (IFRS) for application to reporting periods beginning on or after 1 January 2005. The AASB has issued Australian equivalents to IFRS, and the Urgent Issues Group has issued interpretations corresponding to IASB interpretations originated by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee. These Australian equivalents to IFRS are referred to hereafter as AIFRS. The adoption of AIFRS will be first reflected in the consolidated entity's financial statements for the half-year ending 31 December 2005 and the year ending 30 June 2006.

Entities complying with AIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AIFRS to that comparative period. Most adjustments required on transition to AIFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

The consolidated entity has established an AIFRS committee to manage the transition to AIFRS, including training of staff as well as system and internal control changes necessary to gather all the required financial information.

The AIFRS committee has analysed all of the AIFRS and has identified the accounting policy changes that will be required. In some cases choices of accounting policies are available, including elective exemptions under Accounting Standard AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards. These choices have been analysed to determine the most appropriate accounting policy for the consolidated entity.

The known or reliably estimable impacts on the financial report for the year ended 30 June 2005 had it been prepared using AIFRS are set out below. No material impacts are expected in relation to the statements of financial performance, statements of financial position and statements of cash flows.

Although the adjustments disclosed in this note are based on management's best knowledge of expected standards and interpretations, and current facts and circumstances,

these may change. For example, amended or additional standards or interpretations may be issued by the AASB and the IASB. Therefore, until the company prepares its first full AIFRS financial statements, the possibility cannot be excluded that the accompanying disclosures may have to be adjusted.

(a) Income tax

Under AASB 112 Income Taxes, deferred tax balances are determined using the balance sheet method which calculates temporary differences based on the carrying amounts of an entity's assets and liabilities in the statement of financial position and their associated tax bases. In addition, current and deferred taxes attributable to amounts recognised directly in equity are also recognised directly in equity.

This will result in a change to the current accounting policy, under which deferred tax balances are determined using the income statement method, items are only tax-effected if they are included in the determination of pre-tax accounting profit or loss and/or taxable income or loss and current and deferred taxes cannot be recognised directly in equity.

If the policy required by AASB 112 had been applied during the year capital raising costs would be offset against equity net of the related tax effect and a deferred tax asset of \$1,616,642 would have been recognised.

(b) Financial instruments

The group will be taking advantage of the exemption available under AASB 1 to apply AASB 132 Financial Instruments: Disclosure and Presentation and AASB 139 Financial Instruments: Recognition and Measurement only from 1 July 2005. This allows the group to apply previous Australian generally accepted accounting principles (Australian GAAP) to the comparative information of financial instruments within the scope of AASB 132 and AASB 139 for the 30 June 2006 financial report. As a result there is no impact on the results for the year ended 30 June 2005.

Notes to the Financial Statements (Continued)

30 June 2005

NOTE 29. Earnings per share

	Consolidated	
	2005	2004
	Cents	Cents
Basic earnings per share	7.33	1.38
	Consolidated	
	2005	2004
	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	32,906,317	32,353,200
	Consolidated	
	2005	2004
	\$	\$
Reconciliation of earnings used in calculating earnings per share		
Basic earnings per share		
Earnings used in calculating basic earnings per share	2,412,744	445,870

Information concerning the classification of securities

(a) Convertible notes

Convertible notes issued during the year are not considered to be potential ordinary shares at year end. The notes have not been included in the determination of basic earnings per share. Details relating to the notes are set out in note 14.

(b) Issue of shares subsequent to balance date

As detailed in note 27, shares were issued to vendors of Becton Pty Ltd on 1 July 2005.

A black and white photograph of a large, leafy tree with a stone pillar and a metal fence in the foreground. The tree's branches and leaves fill the upper two-thirds of the frame, creating a dense canopy. In the lower-left foreground, there is a stone pillar topped with a conical cap, part of a fence structure. The background is a solid black vertical bar.

Directors' Declaration

Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 21 to 38 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2005 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date;

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; and

The directors have been given the declarations by the chief executive officer and finance director required by section 295A of the Corporations Act 2001.

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

For and on behalf of the Board



Maxwell John Beck
Chairman

Melbourne

13 September 2005



Independent Audit Report

Independent Audit Report

to the Members of Becton Property Group Limited

PRICEWATERHOUSECOOPERS

Independent Audit Report to the Members of Becton Property Group Limited

Audit opinion

In our opinion, the financial report of Becton Property Group Limited:

- gives a true and fair view, as required by the Corporations Act 2001 in Australia, of the financial position of Becton Property Group Limited and the Becton Property Group Limited Group (defined below) as at 30 June 2005, 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 financial 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 Becton Property Group Limited (the company) and the Becton Property Group Limited Group (the consolidated entity), for the year ended 30 June 2005. 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.

Audit approach

We conducted an independent audit in order to express an opinion 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 judgement, 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. For further explanation of an audit, visit our website <http://www.pwc.com/au/financialstatementaudit>.

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.

PricewaterhouseCoopers
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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.

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.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

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

PricewaterhouseCoopers



Peter Fekete

Partner

Melbourne

14 September 2005

A black and white photograph of a woman sitting on a light-colored, vertically-ribbed sofa. She is looking out a large window that looks out onto a balcony with a railing. The scene is brightly lit, suggesting daytime. The image is part of a larger layout with a black vertical band on the right.

ASX Additional Information

ASX Additional Information

Additional information required by Listing Rule 4.10 of the Australian Stock Exchange Limited and not disclosed elsewhere in this report, is as follows. The information is current as at 31 August 2005.

Substantial Shareholders

Ordinary Shareholder	Number of shares	Percentage of issued capital [%]
Beck Corporation Pty Ltd	156,911,561	51.03%
Damai Beach Pty Ltd	22,564,478	7.34%

Distribution of securities

	Listed Ordinary Shares			Listed Convertible Notes 9.5% pa coupon, \$0.65/note		
	Number of holders	Number of shares	% securities held	Number of holders	Number of notes	% securities held
1 -1,000	61	59,050	0.02%	1	500	0.00%
1,001 - 5,000	176	664,231	0.22%	7	24,000	0.08%
5,001 -10,000	180	1,581,050	0.52%	106	1,049,400	3.41%
10,001 -100,000	577	21,113,983	6.87%	515	16,850,668	54.77%
100,001 - and over	117	284,046,466	92.38%	32	12,844,663	41.75%
Total	1,111	307,464,780	100.00%	661	30,769,231	100.00%

	Unsecured Notes 11.25% pa coupon, \$1.00/note		
	Number of holders	Number of notes	% securities held
1 -1,000	0	0	0.00%
1,001 - 5,000	1	4,000	0.03%
5,001 -10,000	4	34,000	0.28%
10,001 -100,000	145	4,117,675	34.01%
100,001 - and over	21	7,952,000	65.68%
Total	171	12,107,675	100.00%

The number of security investors holding less than a marketable parcel of 1,011 securities in BEC (\$0.495 on 31/08/2005) is 61 and they hold 59,050 securities.

The number of security investors holding less than a marketable parcel of 715 securities in BECG (\$0.70 on 31/08/2005) is 1 and they hold 500 securities.

Voting Rights

On a show of hands every shareholder present in person or by proxy holding ordinary shares and every noteholder holding convertible notes present in person or by proxy holding in Becton Property Group Limited shall have one vote and upon a poll each share shall have one vote.

ASX Additional Information (Continued)

Audit & Risk Management Committee

As at the date of the Directors' Report, the Becton Property Group had established an Audit and Risk Management Committee of the Board of Directors (refer Corporate Governance Statement).

Top 20 Ordinary Shareholders

Ordinary Shareholder	Number of shares	Percentage of issued capital (%)
Beck Corporation Pty Ltd	156,911,561	51.03%
Damai Beach Pty Ltd	22,564,478	7.34%
Eighth Spirit Pty Ltd	15,079,403	4.90%
Archby Pty Ltd	11,549,516	3.76%
Clevedon Pty Ltd	11,421,053	3.71%
Dryvale Pty Ltd	10,947,373	3.56%
Roseshep Pty Ltd	8,320,000	2.71%
JP Morgan Nominees Australia Limited	6,831,579	2.22%
Cogent Nominees Pty Ltd	3,271,158	1.06%
DEG Holdings Pty Ltd	3,000,000	0.98%
National Australia Trustees Limited	2,758,400	0.90%
Manhattan Estate Pty Ltd	2,273,050	0.74%
Classicist Pty Ltd	2,263,158	0.74%
Anbaume Pty Ltd	2,100,000	0.68%
Austock Brokers Pty Ltd	1,800,000	0.59%
Mr Hamish Eoin Macdonald	1,227,143	0.40%
Ms Rosie Shepherd	807,279	0.26%
Alpha Securities Pte Limited	750,000	0.24%
Sandhurst Trustees Pty Ltd	720,000	0.23%
Monartyk Pty Ltd	571,053	0.19%
Total Ordinary Shareholders	265,166,204	56.24%

Top 20 Convertible Noteholders (9.5% pa coupon rate, \$0.65 conversion, maturing 30/06/2010)

Convertible Noteholders	Number of notes	Percentage of issued note capital (%)
ANZ Nominees Limited	3,300,000	10.72%
GAM Fund Management Limited	1,535,000	4.99%
Tricom Nominees Pty Ltd	1,500,000	4.87%
Cogent Nominees Pty Ltd	886,953	2.88%
Sandhurst Trustees Limited (PAMHYF a/c)	560,235	1.82%
Tansville Pty Ltd	460,000	1.49%
Sandhurst Trustees Limited (SAIHYF a/c)	364,000	1.18%
Kaylee Nominees Pty Ltd	307,692	1.00%
Eighth Spirit Pty Ltd	300,000	0.97%
Sandhurst Trustees Limited (PCYEF a/c)	287,000	0.93%
Katdan Investments Pty Ltd	250,000	0.81%
Remon Investments Pty Ltd	230,000	0.75%
Sandhurst Trustees Limited (PCSHYF a/c)	223,100	0.73%
G&J Poole Pty Ltd	210,000	0.68%
Serlett Pty Ltd	192,071	0.62%
Craigievar Consulting Pty Ltd	160,000	0.52%
Mr Christopher Biggins	154,000	0.50%
Sunmos Pty Ltd	154,000	0.50%
Mrs Susanne Margaret Macdonald	153,846	0.50%
Cosmotec Australia Pty Ltd	150,000	0.49%
Total Convertible Noteholders	11,377,897	36.98%

Number Of Restricted Securities

As at the date of the Directors' Report, there were 208,000,000 shares held in Escrow for voluntary founding shareholders. The Escrow period ends for 103,999,998 shares on the date on which the preliminary statement of the annual results of the company for the year ended 30 June 2006 is released to the ASX, and for 104,000,002 shares, on the date on which the preliminary statement of the annual results of the company for the year ended 30 June 2007 is released to the ASX.

Business activities

From the date of listing on the Australian Stock Exchange, 8 July 2005, Becton Property Group Limited has used its cash and assets in a form readily convertible to cash that it had at the time of admission in a manner consistent with its business activities.

Corporate Directory

Directors

Max Beck
Brian Potlock
Hamish Macdonald
Mark Taylor
William Conn
Michael Naphtali
Robert Critchley

Secretary

Mark Taylor
Andrew Metcalfe

Registered Office & Head Office

Level 7
470 St Kilda Road
Melbourne Vic 3004
Telephone: + (61 3) 9832 9000
Facsimile: + (61 3) 9832 9090
Website: www.becton.com.au

Share Registry

ASX Perpetual Registrars Limited
Level 4
333 Collins Street
Melbourne Victoria 3000
Telephone: + (61 3) 9615 9999
Investor Queries: 1300 554 474
Website: www.asxperpetual.com.au

Auditor

PricewaterhouseCoopers
2 Southbank Boulevard
Southbank Vic 3006

Stock Exchange

ASX, Melbourne
BEC (fully paid ordinary shares)
BECG (30/06/2010 convertible notes)