

Half-Year Report of *Global Properties Limited* for the Half-Year Ended 31 December 2008

ACN 094 384 273

This Half-Year Report is provided to the Australian Stock Exchange (ASX) under ASX Listing Rule 4.2A.3.

Current Reporting Period: Half year ended 31 December 2008

Previous Corresponding Period: Half year ended 31 December 2007

GLOBAL PROPERTIES LIMITED

Results for Announcement to the Market

Revenue and Net Profit/(Loss)

		Percentage Change %	Amount
Revenue from ordinary activities	up	9.2	To \$184,795
(Loss)/ Profit from ordinary activities after tax attributable to members	up	N/A	To \$(179,720)
Net (loss)/ profit attributable to members	up	N/A	To \$(179,720)

Dividends (Distributions)

	Amount per security	Franked amount per security
Final dividend	Nil¢	Nil¢
Interim dividend	Nil¢	Nil¢
Record date for determining entitlements to the dividend:		
• final dividend		N/A
• interim dividend		N/A

Brief Explanation of Revenue, Net Profit/(Loss) and Dividends (Distributions)

Refer to Directors' Report and Note 4 to the accounts

For personal use only

GLOBAL PROPERTIES LIMITED

Directors' Report

The directors of Global Properties Limited submit herewith the financial report for the half-year ended 31 December 2008. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the company during or since the end of the half year are:

Mr Fred Bart (Chairman)
Mr Ian Dennis
Ms Cheryl Bart AO

Review of Operations

The entity continues to operate in the property investment sector and seek out new investment opportunities.

Further information concerning the operations and financial condition of the entity can be found in the financial report and in releases made to the Australian Stock Exchange (ASX) during the half year.

Auditor's independence declaration

The auditor's independence declaration is included on page 4 of the half-year financial report.

Signed in accordance with a resolution of the directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the Directors



I.A Dennis
Director
Sydney, 6 February 2009

For personal use only

The Board of Directors
Global Properties Limited
Level 12
75 Elizabeth Street
SYDNEY NSW 2000

6 February 2009

Dear Board Members

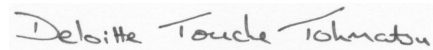
Global Properties Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Global Properties Limited.

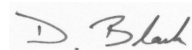
As lead audit partner for the review of the financial statements of Global Properties Limited for the half year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



David Black
Partner
Chartered Accountants

For personal use only

Independent Auditor's Review Report to the members of Global Properties Limited

We have reviewed the accompanying half-year financial report of Global Properties Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, cash flow statement, statement of recognised income and expense for the half-year ended on that date, selected explanatory notes and the directors' declaration as set out on pages 6 to 14.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Global Properties Limited's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Global Properties Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

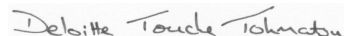
Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

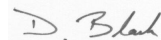
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Global Properties Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



DELOITTE TOUCHE TOHMATSU



David Black
Partner
Chartered Accountants
Canberra, 6 February 2009

GLOBAL PROPERTIES LIMITED

Directors' Declaration

The directors declare that:

- a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



I A Dennis
Director
Sydney, 6 February 2009

For personal use only

GLOBAL PROPERTIES LIMITED

**Condensed Income statement for the
half-year ended 31 December 2008**

	Note	Half-year ended 31 Dec 2008 \$	Half-year Ended 31 Dec 2007 \$
Revenue	2(a)	184,795	169,268
Administrative expenses		(37,186)	(42,072)
Directors fees		(15,000)	(15,000)
Finance costs		(60,879)	(42,273)
Impairment of non current assets		(217,054)	-
Property expenses		(18,395)	(17,533)
Other expenses		-	-
(Loss)/ Profit before income tax expense	2	(163,719)	52,390
Income tax expense		(16,001)	(15,717)
(Loss)/ Profit for the period	5	(179,720)	36,673
(Loss)/ Earnings per share:			
Basic (cents per share)	5	(1.12 cents)	0.23 cents
Diluted (cents per share)	5	(1.12 cents)	0.23 cents

Notes to the financial statements are included on pages 11 to 14

GLOBAL PROPERTIES LIMITED

**Condensed Balance sheet
as at 31 December 2008**

	Note	31 Dec 2008 \$	30 June 2008 \$
Current Assets			
Cash and cash equivalents		1,253,550	2,312,311
Trade and other receivables		-	3,752
Current tax receivable		1,824	-
Total Current Assets		1,255,374	2,316,063
Non-Current Assets			
Investment property		1,830,000	2,000,000
Investments – available for sale		916,362	-
Total Non-Current Assets		2,746,362	2,000,000
Total Assets		4,001,736	4,316,063
Current Liabilities			
Trade and other payables		7,251	8,355
Current tax payables		-	20,642
Borrowings		900,000	900,000
Total Current Liabilities		907,251	928,997
Non Current Liabilities			
Deferred tax liabilities		19,638	10,717
Total Non Current Liabilities		19,638	10,717
Total Liabilities		926,889	939,714
Net Assets		3,074,847	3,376,349
Equity			
Issued capital		3,200,025	3,200,025
Reserves	8	(121,782)	-
(Accumulated losses)/ Retained earnings	3	(3,396)	176,324
Total Equity		3,074,847	3,376,349

Notes to the financial statements are included on pages 11 to 14

For personal use only

GLOBAL PROPERTIES LIMITED

**Condensed Statement of recognised income and expense for the
half-year ended 31 December 2008**

Note	Half-year ended 31 Dec 2008 \$	Half-year Ended 31 Dec 2007 \$
Loss on available for sale investments taken to equity	(121,782)	-
Net expense recognised directly in equity	(121,782)	-
Transfer to profit and loss on sale of available-for-sale investments	-	(580)
(Loss)/ Profit for the period	(179,720)	36,673
Total recognised income and expense for the period	(301,502)	36,093

Notes to the financial statements are included on pages 11 to 14

For personal use only

GLOBAL PROPERTIES LIMITED

**Condensed Cash flow statement
for the half-year ended 31 December 2008**

	Half-year ended 31 Dec 2008	Half-year ended 31 Dec 2007
	\$	\$
<i>Cash Flows From Operating Activities</i>		
Receipts from customers	101,080	107,587
Payments to suppliers and employees	(106,668)	(71,424)
Interest and bill discounts received	51,551	86,149
Interest and other costs of finance paid	(40,669)	(42,273)
Net cash provided by operating activities	5,294	80,039
<i>Cash Flows From Investing Activities</i>		
Distributions received	21,143	-
Payment for investment securities	(1,085,198)	-
Proceeds on sale of investment securities	-	2,520
Net cash (used in) / provided by investing activities	(1,064,055)	2,520
<i>Cash Flows From Financing Activities</i>		
Proceeds from issue of equity securities	-	-
Proceeds from borrowings	-	-
Repayment of borrowings	-	-
Net cash provided by financing activities	-	-
<i>Net (Decrease)/Increase In Cash Held</i>	(1,058,761)	82,559
<i>Cash and cash equivalents at the beginning of the half-year</i>	2,312,311	2,192,743
<i>Cash and cash equivalents at the end of the half-year</i>	1,253,550	2,275,302

Notes to the financial statements are included on pages 11 to 14

GLOBAL PROPERTIES LIMITED

**Notes to the Condensed Financial Statements
for the half-year ended 31 December 2008**

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS34 "Interim Financial Reporting". The half-year financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are expressed in Australian dollars, unless otherwise stated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2008 annual financial report for the financial year ended 30 June 2008.

For personal use only

GLOBAL PROPERTIES LIMITED

**Notes to the Condensed Financial Statements
for the half-year ended 31 December 2008**

	Half-year to 31 Dec 2008 \$	Half-year to 31 Dec 2007 \$
2. Profit for the period		
Profit from ordinary activities before income tax includes the following items of revenue and expense:		
(a) Revenue		
Interest received	51,551	86,149
Distribution received	41,353	-
Reversal of gain from equity on disposal of investments classified as available-for-sale investments	-	580
Rental income	91,891	82,539
Total revenue	<u>184,795</u>	<u>169,268</u>
(b) Expenses		
Finance costs	60,879	42,273
Impairment of non current assets		
- investment property	170,000	-
- available for sale investments	47,054	-
	<u>267,933</u>	<u>42,273</u>
(Accumulated losses)/ Retained		
3. Earnings		
Balance at beginning of financial period	176,324	85,949
Net (loss)/ profit for the period	<u>(179,720)</u>	<u>36,673</u>
Balance at end of financial period	<u>(3,396)</u>	<u>122,622</u>

GLOBAL PROPERTIES LIMITED

**Notes to the Condensed Financial Statements
for the half-year ended 31 December 2008**

4. Results for the period

The result for the current period was consistent with the result for the previous corresponding period with no material differences apart from an impairment charge of \$217,054 on non current assets. The carrying value of the Crows Nest property was reduced by \$170,000 based on an independent valuation from Landmark White and listed investments were reduced by \$47,054.

During the half-year ended 31 December 2008, the company purchased listed shares and units in property owning entities at a cost of \$1,085,198. The market value of these available for sale investments at 31 December 2008 was \$916,362. The decline in market value of \$121,782 is considered to be of a temporary nature and the amount has been charged to the available for sale revaluation reserve. The remaining difference of \$47,054 was charged to as an impairment charge in the profit and loss for the period.

5. Earnings Per Share

	2008	2007
	¢ per share	¢ per share
Basic EPS	(1.12 cents)	0.23 cents
Diluted EPS	(1.12 cents)	0.23 cents

Basic Earnings per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	Half-year to 31 Dec 2008	Half-year to 31 Dec 2007
	\$	\$
(Loss)/ Earnings (a)	(179,720)	36,673

	2008	2008
	No.	No.
Weighted average number of ordinary shares used in the calculation of basic earnings per share	16,000,125	16,000,125

(a) Earnings used in the calculation of basic earnings per share is the same as net (loss) profit in the income statement.

GLOBAL PROPERTIES LIMITED

**Notes to the Condensed Financial Statements
for the half-year ended 31 December 2008**

5. Earnings Per Share (cont)

Diluted Earnings per Share

There are no options or other securities currently issued which would result in the dilution of the share capital. Accordingly the basic earnings per share is the same as diluted earnings per share.

6. Net tangible assets per security

	31 December 2008	31 December 2007
	¢ per share	¢ per share
Net tangible assets per security	19.22 cents	20.28 cents

7. Segment information

The Company operates in the one segment being the property investment industry in New South Wales, Australia.

8. Available for sale revaluation reserves

	Half-year to 31 Dec 2008	Half-year to 31 Dec 2007
	\$	\$
Balance at beginning of the period	-	-
Add		
Temporary decline in available for sale investments	(121,782)	-
Balance at end of financial period	<u>(121,782)</u>	<u>-</u>