

# **BBX HOLDINGS LTD**

ACN 089 221 634

## **APPENDIX 4E**

### **Preliminary final report** **Financial Year Ended 30<sup>th</sup> June, 2008.**

1. This report is in respect of the financial year from 1<sup>st</sup> July, 2007 to 30<sup>th</sup> June, 2008. Previous corresponding period 1<sup>st</sup> July, 2006 to 30<sup>th</sup> June, 2007.
2. **RESULTS FOR ANNOUNCEMENT TO THE MARKET:**
  - 2.1 Revenue from ordinary activities for the period \$10,076,000.  
Percentage change from previous corresponding period -1.30%
  - 2.2 The consolidated result from ordinary activities after income tax attributable to members was a Loss of \$1,187,000. Prior year Profit was \$906,000.
  - 2.3 Net Loss after income tax attributable to members was \$1,187,000.  
Profit attributable to the prior year was \$906,000.
  - 2.4 It is not proposed to pay a final dividend .
  - 2.5 Proposed record date will not be applicable.
  - 2.6 Please see Item 14.6.
3. Income Statement for the year is attached.
4. Balance Sheet as at 30<sup>th</sup> June, 2008 is attached.
5. Statement of cash flows is attached.
6. Dividend payment details: No dividend was paid during the period. The amount of \$0.005 per share amounting to \$385,017 was paid on 30<sup>th</sup> April, 2007.
7. Dividend reinvestment plans: Not applicable at this time.
8. Statement showing movement in retained earnings is attached.
9. Net tangible assets per share as at 30<sup>th</sup> June, 2008 was \$0.0587.  
For the previous corresponding period the figure was \$0.0837.
10. Entities over which control has been gained or lost during the period: Priced2Clear Pty. Ltd. and the BBX Direct Unit Trust were disposed on 30<sup>th</sup> June, 2008. The disposal resulted in an after tax gain of approximately \$480,000.

# **BBX HOLDINGS LTD**

**ACN 089 221 634**

## **APPENDIX 4E**

### **Preliminary final report** **Financial Year Ended 30<sup>th</sup> June, 2008**

Page 2.

11. Details of associates & joint venture entities: A joint venture entity, BBX Insurance Pty. Ltd. was established prior to 30<sup>th</sup> June, 2008. No income was received prior to year end.
12. Other significant information; N/A.
13. This item is not applicable.
14. Commentary on the results for the period:
  - 14.1 Earnings per share for the financial year \$-0.015.
  - 14.2 Returns to shareholders including distributions & buybacks was \$Nil.
  - 14.3 Significant features of operating performance: See below.
  - 14.4 Segmented results: Not applicable.
  - 14.5 Other: The status that comes with being a public listed company has come at a significant financial cost during 2008.

#### **Performance for the Past 12 Months**

Some of the more significant highlights are summarised below:

- Trade volume (BBX \$ Currency) exceeded \$180 million.
- Active membership numbers grew by nearly 10% to over 5,000.
- BBX Costa Rica opened new offices in Central America.
- The payment of a fully franked dividend of \$0.005 per share in our first year as a listed company was not repeated in 2008.

# **BBX HOLDINGS LTD**

ACN 089 221 634

## **APPENDIX 4E**

### **Preliminary final report** **Financial Year Ended 30<sup>th</sup> June, 2008**

Page 3.

#### **14.5 Commentary Continued**

- **New International franchise operations are yet to add to the transaction and member volumes – and consequently revenue - but that may change in 2008/09 with master franchises in China, Costa Rica and India all expected to be operational in quarter 4 of 2008 and contributing to the company's performance.**
- **The sale of www.priced2clear.com, a clearance warehouse facility in Sydney and web based sale and auction site open to BBX members as well as the general public will stem the loss of cash and lead to an expansion of that business nationally and therefore increase spending opportunities for BBX members.**
- **Ongoing sponsorship of the South Sydney 'Rabbitohs' lifting the profile of BBX in the key Sydney marketplace.**
- **The third prospectus fundraising for the BBX Property Investment Fund Limited completed.**

#### **The Year Ahead**

**In Australia, the intention is to continue to open new offices, through franchising, in major metropolitan and regional centres to help build the membership. A number of new franchises are currently being considered. The rhetoric about an 'inflation crisis' combined with the retail 'recession we didn't have to have' due to the high interest rate policies of the Reserve Bank have certainly combined to make the trading environment domestically very challenging.**

**Internationally the goal is to make the franchise businesses in China, India & Costa Rica fully operational, continue to build market share in NZ and further develop the BBX Global Barter Alliance around the world. A number of overseas franchise opportunities continue to be discussed with interested parties.**

**15. This report is based on accounts which are in the process of being audited.**

**BBX HOLDINGS LIMITED ABN 82 089 221 634****AND CONTROLLED ENTITIES****INCOME STATEMENT FOR YEAR ENDED 30 JUNE 2008**

	Consolidated Group		Parent Entity	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
Revenue from ordinary activities	10,076	10,211	40	473
Other income	107	-	-	-
Cost of sales	(1,320)	(589)	-	-
Employee benefits expense	(2,617)	(2,443)	(95)	-
Depreciation and amortisation expense	(292)	(204)	-	-
Borrowing costs expenses	(178)	(158)	-	-
Accounting fees	(138)	(109)	(79)	-
Advertising and sponsorship	(1,290)	(1,025)	-	-
Auditors remuneration	(66)	(148)	(19)	-
Bad and doubtful debts	(1,410)	(352)	-	-
Commission paid	(1,517)	(1,895)	-	(23)
Consultancy fees	(198)	(394)	-	-
Debts collection expenses	(4)	-	-	-
Legal and professional fees	(186)	(154)	(35)	(12)
Office expenses	(47)	(18)	-	-
Printing and stationery	(243)	(217)	(2)	-
Provision for annual and long service leave	9	(7)	-	-
Rent	(477)	(498)	-	-
Telephone	(176)	(161)	-	-
Travelling and trade promotion expenses	(312)	(122)	-	-
Other expenses from ordinary activity	(1,055)	(991)	(179)	(74)
Profit/(Loss) before income tax	(1,331)	726	(368)	364
Income tax expense relating to ordinary activities	(104)	164	(75)	(19)
Profit/(loss) for the year	(1,227)	890	(293)	345
(Profit)/loss attributable to minority equity interest	40	-	-	-
Profit attributable to members of the parent entity	(1,187)	890	(293)	345
<b>Overall Operations</b>				
Basic earnings per share (cents per share)	(0.11)	1.15		
Diluted earnings per share (cents per share)	(0.11)	1.15		

**BBX HOLDINGS LIMITED ABN 82 089 221 634****AND CONTROLLED ENTITIES****BALANCE SHEET AS AT 30 JUNE 2008**

	Consolidated Group		Parent Entity	
	2008 \$000	2007 \$000	2008 \$000	2007 \$000
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	16	106	-	5
Trade and other receivables	1,734	3,287	2,086	-
Investment Stock	403	-	-	-
Inventories	80	2,864	-	-
Financial assets	-	531	-	508
Other current assets	100	715	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>2,333</b>	<b>7,503</b>	<b>2,086</b>	<b>513</b>
<b>NON-CURRENT ASSETS</b>				
Trade and other receivables	840	23	1,405	703
Land held-for-sale	183	80	-	-
Financial assets	3,025	928	9,961	10,190
Property, plant and equipment	1,079	702	-	-
Deferred tax assets	690	801	402	302
Intangible assets	5,191	4,234	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>11,008</b>	<b>6,768</b>	<b>11,769</b>	<b>11,195</b>
<b>TOTAL ASSETS</b>	<b>13,341</b>	<b>14,271</b>	<b>13,855</b>	<b>11,708</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	1,905	1,358	49	172
Financial liabilities	619	281	-	-
Current tax liabilities	14	-	-	-
Short-term provisions	177	202	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,715</b>	<b>1,841</b>	<b>49</b>	<b>172</b>
<b>NON-CURRENT LIABILITIES</b>				
Trade and other payables	597	237	2,922	37
Financial liabilities	157	487	-	-
Other financial liabilities	-	256	-	-
Long-term provisions	95	81	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>849</b>	<b>1,061</b>	<b>2,922</b>	<b>37</b>
<b>TOTAL LIABILITIES</b>	<b>3,564</b>	<b>2,902</b>	<b>2,971</b>	<b>209</b>
<b>NET ASSETS</b>	<b>9,776</b>	<b>11,369</b>	<b>10,884</b>	<b>11,499</b>
<b>EQUITY</b>				
Issued capital	11,183	11,530	11,183	11,530
Reserves	286	200	83	83
Accumulated losses	(1,694)	(361)	(383)	(114)
Parent interest	9,776	11,369	10,884	11,499
Minority equity interest	-	-	-	-
<b>TOTAL EQUITY</b>	<b>9,776</b>	<b>11,369</b>	<b>10,884</b>	<b>11,499</b>