

Half-Year Report of *Global Properties Limited* for the Half-Year Ended 31 December 2009

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 2009

Previous Corresponding Period: Half year ended 31 December 2008

GLOBAL PROPERTIES LIMITED

Results for Announcement to the Market

Revenue and Net Profit/(Loss)

		Percentage Change %	Amount
Revenue from ordinary activities	up	60.8	To \$297,067
Profit from ordinary activities after tax attributable to members	up	N/A	To \$46,691
Net profit attributable to members	up	N/A	To \$46,691

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

GLOBAL PROPERTIES LIMITED

Directors' Report

The directors of Global Properties Limited submit herewith the financial report for the half-year ended 31 December 2009. 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, 16 February 2010

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

16 February 2010

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 2009, 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

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 statement of financial position as at 31 December 2009, and the statement of comprehensive income, cash flow statement, statement of changes in equity 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 2009 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.

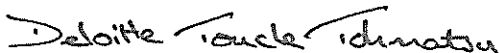
Auditor's Independence Declaration

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 2009 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, 16 February 2010

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, 16 February 2010

GLOBAL PROPERTIES LIMITED

**Condensed Statement of Comprehensive Income for the
half-year ended 31 December 2009**

	Note	Half-year ended 31 Dec 2009 \$	Half-year Ended 31 Dec 2008 \$
Revenue	2(a)	297,067	184,795
Administrative expenses		(41,947)	(37,186)
Directors fees		(15,000)	(15,000)
Finance costs		(64,333)	(60,879)
Impairment of non current assets		(49,748)	(217,054)
Property expenses		(37,756)	(18,395)
Other expenses		(261)	-
Profit/ (Loss) before income tax expense	2	88,022	(163,719)
Income tax expense		(41,331)	(16,001)
Profit/ (Loss) for the period	5	46,691	(179,720)
Other Comprehensive Income			
Gain/(Loss) on available-for-sale investments taken to equity		84,000	(173,974)
Income tax relating to components of other comprehensive income		(25,200)	52,192
Other comprehensive income for the period (net of tax)		58,800	(121,782)
Total Comprehensive Income for the period		105,491	(301,502)
Earnings/ (Loss) per share:			
Basic (cents per share)	5	0.29 cents	(1.12 cents)
Diluted (cents per share)	5	0.29 cents	(1.12 cents)

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

GLOBAL PROPERTIES LIMITED

**Condensed Statement of Financial Position
as at 31 December 2009**

	Note	31 Dec 2009 \$	30 June 2009 \$
Current Assets			
Cash and cash equivalents		1,324,671	1,195,675
Trade and other receivables		53,497	37,981
Current tax receivable		-	8,904
Total Current Assets		1,378,168	1,242,560
Non-Current Assets			
Investment property		1,830,000	1,830,000
Investments – available for sale		1,145,119	1,110,866
Total Non-Current Assets		2,975,119	2,940,866
Total Assets		4,353,287	4,183,426
Current Liabilities			
Trade and other payables		6,078	8,239
Current tax payables		2,284	-
Borrowings		900,000	900,000
Total Current Liabilities		908,362	908,239
Non Current Liabilities			
Deferred tax liabilities		116,020	51,773
Total Non Current Liabilities		116,020	51,773
Total Liabilities		1,024,382	960,012
Net Assets		3,328,905	3,223,414
Equity			
Issued capital		3,200,025	3,200,025
Reserves	8	152,880	94,080
(Accumulated losses)	3	(24,000)	(70,691)
Total Equity		3,328,905	3,223,414

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

GLOBAL PROPERTIES LIMITED

**Condensed Statement of Changes in Equity for the half-year ended
31 December 2009**

	Issued Capital \$	Available for sale Revaluation Reserve \$	Retained Earnings/ Accumulated Losses \$	Total \$
Balance at 1 July 2008	3,200,025	-	176,324	3,376,349
Gain/(loss) on available for sale investments		(173,974)		(173,974)
Income tax relating to components of other comprehensive income	-	52,192	-	52,192
Total comprehensive income for the period	-	(121,782)	-	(121,782)
(Loss)/ Profit for the period	-	-	(179,720)	(179,720)
Balance at 31 December 2008	3,200,025	(121,782)	(3,396)	(3,074,847)
Balance at 1 July 2009	3,200,025	94,080	(70,691)	3,223,414
Gain on available for sale investments	-	84,000	-	84,000
Income tax relating to components of other comprehensive income	-	(25,200)	-	(25,200)
Total comprehensive income for the period	-	58,800	-	58,800
Profit for the period	-	-	46,691	46,691
Balance at 31 December 2009	3,200,025	152,880	(24,000)	(3,328,905)

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

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**Condensed Cash flow statement
for the half-year ended 31 December 2009**

	Half-year ended 31 Dec 2009 \$	Half-year ended 31 Dec 2008 \$
<i>Cash Flows From Operating Activities</i>		
Receipts from customers	178,176	101,080
Payments to suppliers and employees	(86,013)	(106,668)
Income tax refunded	8,904	-
Interest and bill discounts received	27,330	51,551
Interest and other costs of finance paid	(28,683)	(40,669)
Net cash provided by operating activities	<u>99,714</u>	<u>5,294</u>
<i>Cash Flows From Investing Activities</i>		
Distributions received	29,543	21,143
Payment for investment securities	(15,747)	(1,085,198)
Proceeds on sale of investment securities	15,486	-
Net cash provided/ (used in) by investing activities	<u>29,282</u>	<u>(1,064,055)</u>
<i>Cash Flows From Financing Activities</i>		
Proceeds from issue of equity securities	-	-
Repayment of loan by related entity	1,000,000	-
Loan advanced to related entity	(1,000,000)	-
Net cash provided by financing activities	<u>-</u>	<u>-</u>
<i>Net Increase/ (Decrease) In Cash Held</i>	128,996	(1,058,761)
<i>Cash and cash equivalents at the beginning of the half-year</i>	<u>1,195,675</u>	<u>2,312,311</u>
<i>Cash and cash equivalents at the end of the half-year</i>	<u>1,324,671</u>	<u>1,253,550</u>

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

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Notes to the Condensed Financial Statements for the half-year ended 31 December 2009

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 2009 annual financial report for the financial year ended 30 June 2009.

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current reporting period.

New and revised Standards and Interpretations effective for the current reporting period that are relevant to the Company include:

- AASB 8 Operating Segments
- AASB 101 Presentation of Financial Statements

The adoption of these new and revised Standards and Interpretations has resulted in no changes to the Company's accounting policies.

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**Notes to the Condensed Financial Statements
for the half-year ended 31 December 2009**

	Half-year to 31 Dec 2009 \$	Half-year to 31 Dec 2008 \$
2. Profit/(loss) for the period		
Profit/(loss) from ordinary activities before income tax includes the following items of revenue and expense:		
(a) Revenue		
Interest received	27,330	51,551
Distribution received	91,105	41,353
Loan facility fee	100,000	-
Rental income	78,632	91,891
Total revenue	297,067	184,795
(b) Expenses		
Finance costs	64,333	60,879
Impairment of non current assets		
- investment property	-	170,000
- available for sale investments	49,748	47,054
	49,748	47,054
3. (Accumulated losses)		
Balance at beginning of financial period	(70,691)	176,324
Net profit/ (loss) for the period	46,691	(179,720)
Balance at end of financial period	(24,000)	(3,396)

GLOBAL PROPERTIES LIMITED

**Notes to the Condensed Financial Statements
for the half-year ended 31 December 2009**

4. Results for the period

The result for the current period was consistent with the result for the previous corresponding period. The main difference to revenue was the loan facility fee of \$100,000 included in the current period from a loan to a related entity. The main difference to expenses was a fall in impairment charges recognised in profit and loss from \$217,054 to \$49,748 due to changed market conditions.

5. Earnings Per Share

	2009	2008
	¢ per share	¢ per share
Basic EPS	0.29 cents	(1.12 cents)
Diluted EPS	0.29 cents	(1.12 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 2009	Half-year to 31 Dec 2008
	\$	\$
(Loss)/ Earnings (a)	46,691	(179,720)

	2009	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.

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**Notes to the Condensed Financial Statements
for the half-year ended 31 December 2009**

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 2009	31 December 2008
	¢ per share	¢ per share
Net tangible assets per security	20.81 cents	19.22 cents

7. Segment information

The Company operates in the investment industry in New South Wales, Australia. The Company has investments in commercial property and securities.

8. Available for sale revaluation reserves

	Half-year to 31 Dec 2009	Half-year to 31 Dec 2008
	\$	\$
Balance at beginning of the period	94,080	-
Add		
Temporary increase (decline) in available for sale investments	58,800	(121,782)
Balance at end of financial period	<u>152,880</u>	<u>(121,782)</u>

9. Related party transactions

During the period the Company advanced an unsecured loan of \$1,000,000 to Electro Optic Systems Holdings Limited, a company of which Fred Bart and Ian Dennis are directors and shareholders of. The loan attracted a facility fee of \$100,000 together with normal commercial interest of \$9,764 which were included as income during the current period. The loan and associated charges were repaid on 23 December 2009.