

Half-Year Report of *Global Properties Limited* for the Half-Year Ended 31 December 2005

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 2005

Previous Corresponding Period: Half year ended 31 December 2004

GLOBAL PROPERTIES LIMITED

Results for Announcement to the Market

Revenue and Net Profit/(Loss)

		Percentage Change %	Amount
Revenue from ordinary activities	up	1,249.8	To \$145,060
Profit/(loss) from ordinary activities after tax attributable to members	up	NA	To \$29,383
Net profit/(loss) attributable to members	up	NA	To \$29,383

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

GLOBAL PROPERTIES LIMITED

Directors Report

The directors of Global Properties Limited submit herewith the financial report for the half-year ended 31 December 2005. 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

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 2006

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

6 February 2006

Dear Sirs,

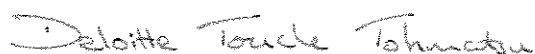
Global Properties Limited

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 financial half-year ended 31 December 2005, 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 review report to the members of Global Properties Limited

Scope

The financial report and directors' responsibility

The financial report comprises the balance sheet, income statement, cash flow statement, statement of recognised income and expense, accompanying notes to the financial statements and the directors' declaration for the company for the half-year ended 31 December 2005 as set out on pages 6 to 20.

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.

Review Approach

We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the Corporations Act 2001, Accounting Standards AASB 134 'Interim Financial Reporting' and AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' and other mandatory professional reporting requirements in Australia, so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the company to lodge the financial report with the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the entity's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

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:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the entity's financial position as at 31 December 2005 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standards AASB 134 'Interim Financial Reporting' and AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.


DELOITTE TOUCHE TOHMATSU



David Black
Partner
Chartered Accountants
Canberra, 6 February 2006

Member of
Deloitte Touche Tohmatsu

GLOBAL PROPERTIES LIMITED

Directors' Declaration

The directors declare that:

- a) in the directors opinion, there are reasonable grounds to believe that the disclosing entity 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 2006

GLOBAL PROPERTIES LIMITED

Income statement for the half-year ended 31 December 2005

	Note	Half-year ended 31 Dec 2005 \$	Half-year Ended 31 Dec 2004 \$
Revenue	2(a)	145,060	10,747
Administrative expenses		(35,181)	(46,704)
Directors fees		(15,000)	(7,500)
Finance costs		(35,812)	(13,469)
Property expenses		(16,221)	(7,014)
Other expenses		(870)	-
Profit (Loss) before income tax expense	2	41,976	(63,940)
Income tax expense/ benefit		(12,593)	19,182
Profit (Loss) for the period	4	29,383	(44,758)
Earnings per share:			
Basic (cents per share)		0.18 cents	(5.12 cents)
Diluted (cents per share)		0.18 cents	(5.12 cents)

Notes to the financial statements are included on pages 11 to 20

GLOBAL PROPERTIES LIMITED

**Balance sheet
as at 31 December 2005**

	Note	31 Dec 2005 \$	30 June 2005 \$
Current Assets			
Cash and cash equivalents		2,098,343	2,067,875
Trade and other receivables		20,385	17,061
Other financial assets		1,940	2,000
Total Current Assets		2,120,668	2,086,936
Non-Current Assets			
Investment property		1,996,737	1,996,737
Deferred tax asset		5,768	8,394
Total Non-Current Assets		2,002,505	2,005,131
Total Assets		4,123,173	4,092,067
Current Liabilities			
Trade and other payables		5,384	13,628
Current tax payables		9,967	-
Borrowings		900,000	900,000
Total Current Liabilities		915,351	913,628
Total Liabilities		915,351	913,628
Net Assets		3,207,822	3,178,439
Equity			
Issued capital		3,200,025	3,200,025
Retained earnings (Accumulated losses)	3	7,797	(21,586)
Total Equity		3,207,822	3,178,439

Notes to the financial statements are included on pages 11 to 20

GLOBAL PROPERTIES LIMITED

**Statement of recognised income and expense for the half-year
ended 31 December 2005**

Note	Half-year ended 31 Dec 2005 \$	Half-year Ended 31 Dec 2004 \$
Net income recognised directly in equity	-	-
Profit (Loss) for the period	29,383	(44,758)
Total recognised income and expense for the period	29,383	(44,758)

Notes to the financial statements are included on pages 11 to 20

GLOBAL PROPERTIES LIMITED

**Cash flow statement
for the half-year ended 31 December 2005**

	Half-year ended 31 Dec 2005 \$	Half-year ended 31 Dec 2004 \$
<i>Cash Flows From Operating Activities</i>		
Receipts from customers	84,910	3,301
Payments to suppliers and employees	(78,268)	(64,822)
Interest and bill discounts received	59,578	7,446
Interest and other costs of finance paid	(35,812)	(5,145)
Net cash provided by/ (used in) operating activities	<u>30,408</u>	<u>(59,220)</u>
<i>Cash Flows From Investing Activities</i>		
Payment for investment properties	-	(1,996,737)
Proceeds on sale of investment securities	60	-
Net cash provided by/ (used in) investing activities	<u>60</u>	<u>(1,996,737)</u>
<i>Cash Flows From Financing Activities</i>		
Proceeds from issue of equity securities	-	3,200,000
Proceeds from borrowings	-	900,000
Repayment of borrowings	-	(2,000)
Net cash provided by financing activities	<u>-</u>	<u>4,098,000</u>
<i>Net Increase In Cash Held</i>	30,468	2,042,043
<i>Cash and cash equivalents at the beginning of the half-year</i>	<u>2,067,875</u>	<u>25</u>
<i>Cash and cash equivalents at the end of the half-year</i>	<u>2,098,343</u>	<u>2,042,068</u>

Notes to the financial statements are included on pages 11 to 20

GLOBAL PROPERTIES LIMITED

Notes to the Financial Statements for the half-year ended 31 December 2005

1. Summary of accounting policies

Basis of preparation

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.

The entity changed its accounting policies on 1 July 2005 to comply with A-IFRS. The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards, with 1 July 2004 as the date of transition. An explanation of how the transition from superseded policies to A-IFRS has affected the entity's financial position, financial performance and cash flows is discussed in Note 7.

The accounting policies set out below have been applied in preparing the financial statements for the half-year ended 31 December 2005, the comparative information presented in these financial statements, and in the preparation of the opening A-IFRS balance sheet at 1 July 2004, the entity's date of transition, except for the accounting policies in respect of financial instruments. The entity has not restated comparative information for financial instruments, including derivatives, as permitted under the first-time adoption transitional provisions. The accounting policies for financial instruments applicable to the comparative information are consistent with those adopted and disclosed in the lodged 2005 annual financial report.

Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the half-year financial report:

(a) Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method.

GLOBAL PROPERTIES LIMITED

**Notes to the Financial Statements
for the half-year ended 31 December 2005**

1. Summary of accounting policies (cont'd)

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(c) Financial assets

Other financial assets are classified into the following specified categories: held to maturity investments and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of the initial recognition.

Held to maturity investments

Bills of exchange are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Available-for-sale financial assets

Certain shares held by the entity are classified as being available-for-sale and are stated at fair values less impairment. Gains and losses arising from changes in fair value are recognised directly in the available-for-sale revaluation reserve, until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in the available-for-sale revaluation reserve is included in profit or loss for the period.

Loans and receivables

Trade receivables, loans and other receivables are recorded at amortised cost less impairment.

(d) Financial instruments issued by the company

Debts and equity instruments

Debts and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Transaction costs on the issue of equity instruments

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of

GLOBAL PROPERTIES LIMITED

**Notes to the Financial Statements
for the half-year ended 31 December 2005**

1. Summary of accounting policies (cont'd)

(d) Financial instruments issued by the company (cont'd)

those equity instruments and which would not have been incurred had those instruments not been issued.

Interest

Interest is classified as an expense consistent with the balance sheet classification of the related debt.

(e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(f) Impairment of assets

At each reporting date, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit and loss immediately.

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Notes to the Financial Statements
for the half-year ended 31 December 2005

1. Summary of accounting policies (cont'd)

(g) Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of business combination) which affects neither taxable income nor accounting profit.

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Notes to the Financial Statements
for the half-year ended 31 December 2005

1. Summary of accounting policies (cont'd)

(g) Income tax (cont'd)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the assets and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the entity expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

(h) Investment property

Investment property, which is properly held to earn rentals and/or for capital appreciation, is measured at its fair value at the reporting date. Gains or losses arising from changes in the fair value of the investment property are included in the profit and loss in the period in which they arise.

(i) Payables

Trade payable and other accounts payable are recognised when the entity becomes obliged to make future payments resulting from the purchase of goods and services.

GLOBAL PROPERTIES LIMITED

Notes to the Financial Statements
for the half-year ended 31 December 2005

1. Summary of accounting policies (cont'd)

(j) Provisions

Provisions are recognised when the entity has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is probable that recovery will be received and the amount of the receivable can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(k) Revenue recognition

Rental revenue comprises revenue earned from the rental of the investment property at Pacific Highway, Crows Nest, New South Wales. Rental revenue is recognised when the rent in respect of the premises is receivable.

Interest income is recognised as it accrues.

Revenue from the sale of goods is recognised when the entity has transferred to the buyer the significant risks and rewards of ownership of the goods.

(l) Comparative information – financial instruments

The entity has not restated comparative information for financial instruments as permitted under the first-time adoption transitional provisions. The accounting policies for financial instruments applicable to the comparative information are consistent with those adopted and disclosed in the lodged 2005 annual financial report.

GLOBAL PROPERTIES LIMITED

Notes to the Financial Statements
for the half-year ended 31 December 2005

	Half-year to 31 Dec 2005 \$	Half-year to 31 Dec 2004 \$
2. Profit (Loss) From Ordinary Activities		
Loss from ordinary activities before income tax includes the following items of revenue and expense:		
(a) Revenue		
Interest received	59,578	7,446
Dividend received	60	-
Rental income	85,422	3,301
Total revenue	145,060	10,747
(b) Expenses		
Interest paid	35,812	5,145
3. Retained Earnings		
Balance at beginning of financial period	(21,586)	-
Net profit (loss) for the period	29,383	(44,758)
Balance at end of financial period	7,797	(44,758)

GLOBAL PROPERTIES LIMITED

**Notes to the Financial Statements
for the half-year ended 31 December 2005**

4. Earnings Per Share

	2005	2004
	¢ per share	¢ per share
Basic EPS	0.18 cents	(5.12 cents)
Diluted EPS	0.18 cents	(5.12 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 2005	Half-year to 31 Dec 2004
	\$	\$
Earnings (a)	29,383	(44,758)

	2005	2004
	No.	No.
Weighted average number of ordinary shares used in the calculation of basic earnings per share	16,000,125	874,442

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

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.

5. Net tangible assets per security

	2005	2004
	¢ per share	¢ per share
Net tangible assets per security	20.01 cents	19.81 cents

GLOBAL PROPERTIES LIMITED
Notes to the Financial Statements
for the half-year ended 31 December 2005

6. Segment Information

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

7. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards

The entity changed its accounting policies on 1 July 2005 to comply with Australian equivalents to International Financial Reporting Standards (A-IFRS). The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards, with 1 July 2004 as the date of transition, except for financial instruments, including derivatives, where the date of transition is 1 July 2005.

Notes to the reconciliation of income and equity

The balance sheet at the date of transition to A-IFRS included an intangible asset of \$2,000 being capitalised formation expenses. The asset was subsequently written off during the half year ended 30 June 2005. A-IFRS does not allow such expenses to be capitalised and therefore an adjustment has been made on translation to A-IFRS.

Under superseded policies, the Company did not recognise the benefit of deferred tax assets arising from timing differences and tax losses as there was no certainty of the recovery of these tax losses. Under A-IFRS, the deferred tax is determined using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and their corresponding tax basis, and deferred tax assets are recognised when it is probable, rather than virtually certain, that the benefit of these timing differences and tax losses can be recovered.

These adjustments have the following effects on equity and income:

	As previously reported under A- GAAP	Effect of transition to A-IFRS	As restated under A- IFRS
	\$		\$
Shareholders' Equity/(Deficit)			
At 1 July 2004	25	(2,000)	(1,975)
At 31 December 2004	3,136,085	17,182	3,153,267
At 30 June 2005	3,170,045	8,394	3,178,439
Profit/(Loss) after tax			
Half-year ended 31 December 2004	(63,940)	19,182	(44,758)
Full-year ended 30 June 2005	(29,980)	10,394	(19,586)

GLOBAL PROPERTIES LIMITED
Notes to the Financial Statements
for the half-year ended 31 December 2005

7. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

These adjustments have no effect on cash-flows.

Global Properties Limited has a property qualifying as an investment property which is shown as a non current asset. Under A-IFRS the directors have elected to measure the investment property at fair value with any changes in fair value recognized in the income statement. The Directors do not believe that there have been any changes in the fair value of the property since its acquisition.

Other than as noted above there have been no adjustments on transition to A-IFRS.