

INDEPENDENT AUDIT REPORT 2002-2003

TO THE DIRECTORS OF TASBUILD LIMITED

SCOPE

We have audited the financial statements of TasBuild Ltd and the Construction Industry (Long Service) Fund for the period ended 30 June 2003 comprising a statement of financial position, statement of financial performance, statement of cash flows, statement by trustees and notes to the financial statements. Separate unqualified audit opinions have been issued on these two entities in accordance with the governing rules and legislation. The company's directors are responsible for the preparation and presentation of these financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the Trustee.

This audit report is a special purpose audit report as required by clause 10.3 of TasBuild Ltd's Trust Deed dated 19 June 1998, in accordance with TasBuild Ltd's:

- (a) Articles of Association, recital 25; and
- (b) Memorandum of Association, clause 5.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion, the financial statements of TasBuild Ltd and the Construction Industry (Long Service) Fund for the period ended 30 June 2003 are properly drawn up:

- (a) so as to give a fair and reasonable view of:
 - (i) the remuneration appropriated out of the Fund by the Trustee;
 - (ii) the remuneration paid by the Trustee to each member of the Board; and
 - (iii) the expenses reimbursed by the Trustee to each member of the Board; and
- (b) in accordance with TasBuild Ltd's:
 - (i) Trust Deed, clause 10.3
 - (ii) Articles of Association, recital 25; and
 - (iii) Memorandum of Association, clause 5.

D J MCCARTHY
Partner
WISE LORD & FERGUSON
Chartered Accountants
160 Collins Street
Hobart Tas 7000

28 August, 2003

INDEPENDENT AUDIT REPORT 2002 - 2003

TO THE MEMBERS OF TASBUILD LIMITED

SCOPE

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 statement of trustees for TasBuild Limited, for the year ended 30 June 2003.

The Directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company, and that complies with Accounting Standards in Australia, 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.

We conducted an independent audit of the financial report in order to express an opinion on it 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.

We perform procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

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.

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.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgment of the appropriateness or reasonableness of the business plans or strategies adopted by the Directors and management of the company.

INDEPENDENCE

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

AUDIT OPINION

In our opinion, the financial report of Tasbuild Ltd is in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of Tasbuild Ltd at 30 June 2003 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia.

D J MCCARTHY
Partner
WISE LORD & FERGUSON
Chartered Accountants
160 Collins Street
Hobart Tas 7000
28 August, 2003

INDEPENDENT AUDIT REPORT 2002-2003

TO THE TRUSTEE AND MEMBERS OF THE CONSTRUCTION INDUSTRY (LONG SERVICE) FUND

SCOPE

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 statement of trustees for the Construction Industry (Long Service) Fund, for the year ended 30 June 2003.

The fund's Trustee is responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the fund, and that complies with Accounting Standards in Australia, 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.

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the fund. 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.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the fund's financial position, and of its performance as represented by the results of its operations and cash flows.

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 Trustee.

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.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgment of the appropriateness or reasonableness of the business plans or strategies adopted by the Trustee.

INDEPENDENCE

We are independent of the fund, and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

AUDIT OPINION

In our opinion, the financial statements present fairly the financial position of the Construction Industry (Long Service) Fund as at 30 June 2003 and the result of its operations and its cash flows for the period ended on that date in accordance with the Australian Accounting Standards and other mandatory professional reporting requirements.

D J MCCARTHY
Partner
WISE LORD & FERGUSON
Chartered Accountants
160 Collins Street
Hobart Tas 7000

28 August, 2003

STATEMENT BY TRUSTEES 2002-2003

TO THE DIRECTORS OF TASBUILD LIMITED

In the opinion of the Directors of TasBuild Ltd, Trustee for the Construction Industry (Long Service) Fund:

1. The accompanying Statement of Financial Position, Statement of Performance, Statement of Cash Flows and the Notes to the Financial Statements present fairly the financial transactions for the twelve months to 30 June 2003 and the financial position of the Fund as at 30 June 2003.
2. The financial statements referred to above have been prepared in accordance with Australian Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and the *Corporations Act 2001*.
3. At the date of this statement there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Directors of the Trustee.

For and on behalf of TasBuild Limited

D H HODGMAN
Director & Chairman

M R SHEPPERD
Director

Hobart, Tasmania

28 August, 2003

STATEMENT OF FINANCIAL PERFORMANCE 2002-2003

This Statement of Financial Performance should be read in conjunction with the notes to and forming part of the financial statements

	Notes	2003 \$'000	2002 \$'000
Revenue from Ordinary Activities			
Contributions Accrued Liability	2	318	545
Monthly/Quarterly Contributions	2	1,068	865
Income From Investments	8	691	(556)
Miscellaneous Income		60	51
Profit/(Loss) on Disposal of Assets		(13)	Nil
Total Revenue from Ordinary Activities		2,124	905
Less			
Expenses from Ordinary Activities			
Long Service			
Long Service Benefits		1,143	1,159
Investments			
Investment Expenses	8	15	60
Administration			
Salaries and Associated Expenses	9	352	352
General Administration Expenses	11	224	225
Other Expenses			
Doubtful Debts	3	(29)	(52)
Depreciation	10	40	35
Provision for Loss on Construction Projects	12	35	(118)
Adjustment Liability to Beneficiaries	6	1,384	149
Total Expenses from Ordinary Activities		3,164	1,810
Net Profit Attributable to Members of TasBuild Limited			
Total Changes in Equity Attributable to Members of TasBuild Limited (Deficit)		(1,040)	(905)
Retained Earnings at the Beginning of the Period		20,199	21,104
Retained Earnings at the End of the Period		19,159	20,199

STATEMENT OF FINANCIAL POSITION 2002-2003

This Statement of Financial Position should be read in conjunction with the notes to and forming part of the financial statements

	Notes	2003 \$'000	2002 \$'000
Current Assets			
Cash		71	68
Accounts Receivable	2	822	999
Investments	5	14,297	13,741
Other Accrued Income	3	421	354
Prepaid Expenses		1	2
Total Current Assets		15,612	15,164
Non-Current Assets			
Investments	5	22,876	22,938
Fixed Assets	4	134	158
Total Non-Current Assets		23,010	23,096
Total Assets		38,622	38,260
Current Liabilities			
Accrued Long Service Leave Benefits Liability	6	1,512	1,877
Creditors		Nil	4
Accrued Charges		61	69
Provision for Staff Annual Leave		13	11
GST Payable		23	30
Total Current Liabilities		1,609	1,991
Non-Current Liabilities			
Accrued Long Service Leave Benefits Liability	6	17,679	15,930
Provision for Contingencies	12	175	140
Total Non-Current Liabilities		17,854	16,070
Total Liabilities		19,463	18,061
Net Assets		19,159	20,199
Equity			
Retained Earnings		19,159	20,199
Total Equity		19,159	20,199

STATEMENT OF CASH FLOWS 2002-2003

	Notes	2003 \$'000	2002 \$'000
Cash Flows from Operating Activities			
Receipts from Contributors		1,594	1,853
Miscellaneous Income		59	51
Payments for Operating Costs and Long Service Leave Benefits		(1,785)	(1,874)
GST Paid			
Net Cash Outflow from Operating Activities	13	(132)	30
Cash Flows from Investment Activities			
Investment Income Received		1,223	997
Payments for Plant and Equipment		(63)	(76)
Payments for Investments		(1,021)	(921)
Investment Expenses Paid		(15)	(60)
Proceeds on sale of Property, Plant & Equipment		11	-
Net Cash Inflow from Investment Activities		135	(60)
Net Increase/(Decrease) in Cash Held		3	(30)
Cash at the Beginning of the Period		68	98
Cash at the End of the Period		71	68

For the purposes of this Statement of Cash Flows, Cash includes cash on hand. Cash at the end of the period as shown in this Statement of Cash Flows is disclosed as Cash in the accompanying Statement of Financial Position. Cash Flows have been calculated after the transfer of assets and liabilities from the Long Service Leave (Construction Industry) Fund.

This Statement of Cash Flows should be read in conjunction with the notes to and forming part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS 2002-2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act which includes applicable accounting standards. Other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) have also been complied with.

(a) Basis of Accounting

The financial statements have been prepared under conventional historical cost principles, except for investment securities which are at net market value.

All amounts in the financial statements have been rounded to the nearest thousand dollars.

(b) Contribution Income

Employers contribute to the fund at the agreed rate.

(c) Investments

Investments are stated at the net market value at period end as provided by each Fund Manager and confirmed by the Fund's investment advisers. The gains or losses, whether realised or unrealised, are included in the operating result for the period in accordance with AAS 10 "Revaluation of Non-Current Assets".

The Trustee regards investments due to mature, expire, or are available to be traded within the next twelve months as current and accordingly have been disclosed as current assets. Investments held with Fund Managers, although available for trading, have been placed for long term investment and are therefore disclosed as non-current assets.

(d) Investment Income

Investment Income is accounted for on an accrual basis.

(e) Accrued Long Service Benefits

Liability

The liability for accrued long service benefits is determined as the present value of all expected future payments that arise from the service of eligible workers up to the balance date.

The stated amount has been calculated by the Fund's actuary using an actuarial valuation method which takes into account assumptions of the rates of departure from the industry, mortality rates, increases in wages and rates of return on investments. The liability has been recorded both as a current liability (that amount due within twelve months) and as a non-current liability.

(f) Depreciation

Depreciation is calculated using the diminishing value method designed to write off the assets over their estimated useful lives, except where otherwise stated in the accounts.

Rates of depreciation used for each class of assets are as follows:

Furniture, Fittings and Office Equipment	12-17%
Motor Vehicles	20%
Computer Equipment & Software	27%

(g) Provision for Doubtful Debts

The collectability of debts is assessed at the end of each financial period and a specific provision is made.

(h) Provisions for Employee Entitlements

Provision is made for the Trustee's liability for employee entitlements arising from services rendered by employees up to the balance date. Employee entitlements expected to be settled within 1 year together with entitlements, apart from long service leave, which will be settled after one year, have been measured at their nominal amount.

Long Service Leave entitlements payable later than 1 year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

NOTES TO THE FINANCIAL STATEMENTS 2002-2003

(i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest

Control of a right to receive consideration for the provision of, or investments in, assets has been attained.

(j) Tax

The Fund is exempt from income tax.

(k) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated inclusive of GST.

The amount of GST recoverable has been netted off against GST Payable and recorded as a current liability in the Statement of Financial Position.

(l) Recoverable Amount

Non-current assets are not carried at an amount above their recoverable amount, and where carrying values exceed this recoverable amount assets are written down.

(m) Payables

Liabilities for creditors and other amounts are carried at cost, which is the net fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Trustee. Creditors are non-interest bearing and generally on 30 day terms.

2. CONTRIBUTIONS

Contributions Payable including GST

With the enactment of the *Construction Industry (Long Service) Act 1997* employers that had elected to contribute to the former fund under the Termination Scheme had an accrued liability to the Trustee for unpaid contributions. In accordance with the Rules, payment of this liability may be postponed until the employee leaves the employer or becomes eligible for the payment of an entitlement. Contributions payable includes any accrued liability prior to registration together with monthly or quarterly contributions by registered employers. In respect of contributions payable from 1 July 2000 amounts invoiced include GST.

Contributions are carried at their nominal amount less a provision for any uncollectable debts. Contributions are non-interest bearing and generally on 30 day terms from invoice date.

	2003	2002
	\$'000	\$'000
Accounts Receivable 30 June 2002	999	1,275
Contributions payable including GST	1,489	1,525
Less Payments Made	1,547	1,652
Accounts Receivable before provision for Doubtful Debts	941	1,148
Less Provision for Doubtful Debts	120	149
Accounts Receivable 30 June 2003	821	999

NOTES TO THE FINANCIAL STATEMENTS 2002-2003

	2003	2002
	\$'000	\$'000
3. DEBTORS and ACCRUED INCOME		
Accounts Receivable	821	999
Sundry Debtors	1	
Accrued Income		
Accrued Investment Income	206	210
Contributions accrued	<u>215</u>	<u>144</u>
Total Accrued Income	421	354
The debtors amount due and unpaid at 30 June includes a Provision for Doubtful Debts as follows:		
(i) Accounts Receivable	941	1,148
Less Provision for Doubtful Debts	<u>120</u>	<u>149</u>
Accounts Receivable	821	999
(ii) Provision for Doubtful Debts		
Opening Balance	149	201
Less Bad Debts written off against provision	<u>Nil</u>	<u>Nil</u>
	149	201
Increase/(Decrease) in Provision for Doubtful Debts	<u>(29)</u>	<u>(52)</u>
Closing Balance	120	149
4. ASSETS		
Office Equipment at cost (see note)	28	22
Less Accumulated Depreciation	<u>14</u>	<u>10</u>
	14	12
Motor Vehicles at cost	75	98
Less Accumulated Depreciation	<u>15</u>	<u>11</u>
	60	87
Computer Software at cost (see note)	34	43
Less Accumulated Depreciation	<u>27</u>	<u>27</u>
	7	16
Computer Equipment at cost (see note)	118	90
Less Accumulated Depreciation	<u>67</u>	<u>50</u>
	51	40
Furniture and Fixtures at cost	5	6
Less Accumulated Depreciation	<u>3</u>	<u>3</u>
	2	3
Total Fixed Assets	134	158
Reconciliation		
<i>Office Equipment</i> (see note)		
Carrying amount at beginning	16	11
Additions	1	2
Depreciation expense	<u>(3)</u>	<u>(1)</u>
Carrying amount at end	14	12

NOTES TO THE FINANCIAL STATEMENTS 2002-2003

	2003 \$'000	2002 \$'000
<i>Motor Vehicles</i>		
Carrying amount at beginning	87	41
Additions	25	75
Disposals	(48)	(17)
Depreciation Expense	(4)	(12)
Carrying amount at end	60	87
<i>Computer Software (see note)</i>		
Carrying amount at beginning	9	14
Additions	Nil	9
Amortisation	(2)	(7)
Carrying amount at end	7	16
<i>Computer Equipment (see note)</i>		
Carrying amount at beginning	44	49
Additions	29	7
Disposals	(5)	(1)
Depreciation expense	(17)	(15)
Carrying amount at end	51	40
<i>Furniture and Fittings</i>		
Carrying amount at beginning	3	2
Additions	Nil	1
Depreciation Expense	(1)	Nil
Carrying amount at end	2	3

Note: Minor adjustments were made between asset categories during the year

5. INVESTMENTS

Current Investments

Funds Directly Managed by the Trustee

Domestic Liquid Investments	2,793	2,958
Direct Property	<u>11,504</u>	<u>10,783</u>
Total Current Investments	14,297	13,741

Funds Managed by Funds Managers

Domestic Liquid Investments	3,335	4,047
Property and Property Trusts	1,626	1,358
Domestic Equities	8,070	8,323
Overseas Investments	5,598	5,283

Funds Directly Managed by the Trustee

Venture Capital Fund	447	427
Direct Property	<u>3,800</u>	<u>3,500</u>
Non-Current Investments	22,876	22,938

Total Investments	37,173	36,679
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6. ACCRUED LONG SERVICE LEAVE BENEFITS LIABILITY

Current	1,512	1,877
Non-Current	<u>17,679</u>	<u>15,930</u>
Total	19,191	17,807

NOTES TO THE FINANCIAL STATEMENTS 2002-2003

An increase in the total number of service days, employees registered and wage rates has resulted in an increase in the liability to beneficiaries of \$1.384 million when compared with the assessment at 30 June 2002.

Actuarial Statement

I have carried out an investigation of the fund as at 30 June 2003 and have calculated the actuarial liability for accrued long service leave benefits to be \$19.191 million.

Brian Bendzulla B.Sc. UED FIAA
Bendzulla Tasmania Pty Ltd
July 2003

7. ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURES

The investments of the Fund (cash, fixed interest securities and real estate) are managed by the trustee and on behalf of the trustee by ING, Credit Suisse, Perpetual Investments and Zurich Investment Management Limited. Each Investment Manager is required to invest the assets managed by it in accordance with the terms of a written investment mandate.

The trustee has determined that appointment of these managers is appropriate for the Fund and is in accordance with the Fund's investment strategy.

The trustee obtains monthly reports from each Investment Manager on the nature of the investments made. Annual reports include Risk Management Statements.

Use of derivative financial instruments

The Fund's Investment Managers may use derivative financial instruments to reduce risks in the share, bond and currency markets and to increase or decrease the Fund's exposure to particular investment classes or markets. Derivative financial instruments are included in the relevant asset category in Note 5.

At 30 June 2003 the Fund held no derivatives.

Credit Risk

The net market value of financial assets, with the exception of the derivatives position, included in the Balance Sheet, represents the Fund's exposure to credit risk in relation to those assets.

The Fund does not have any significant exposure to any individual counter party or industry. Its assets are invested by individual Investment Managers.

Interest Rate Risk

The Fund invests in financial assets for the primary purpose of obtaining a return on investment on behalf of its members. The Fund's investments are subject to interest rate risks and returns on investments will fluctuate in accordance with movements in market interest rates.

The Fund's exposure to interest rate movement on those investments as at 30 June 2003 was as follows:

	Fix Interest - Time to Maturity				Total	
	3-12 Months \$'000		Non-Int Bearing \$'000		(per Bal Sheet) \$'000	
	2003	2002	2003	2002	2003	2002
Financial Assets						
Cash	2,863	2,958			2,863	2,958
Equity Investments			22,876	22,938	22,876	22,938
Short term investments	11,504	10,783			11,504	10,783
Receivables			822	999	822	999
Total	14,367	13,741	23,698	23,937	38,065	37,678

Weighted average interest rate (%) +2.0

NOTES TO THE FINANCIAL STATEMENTS 2002-2003

Net Fair Values of Financial Assets and Liabilities

The Fund's financial assets, liabilities and derivative instruments are included in the Statement of Financial Position at amounts that approximate net fair value.

	2003 \$'000	2002 \$'000
8. NET INCOME FROM INVESTMENTS		
(a) Domestic Market		
Fixed Interest, Liquid and Property Investments		
Realised Income	1,218	1,015
(b) Funds Held by Funds Managers		
Unrealised Gain (Loss)	(527)	(1,571)
Total Income from Investments	691	(556)
Investment Expenses		
Fees paid to Financial Advisers	15	15
Other Expenses	<u>Nil</u>	<u>45</u>
Total Investment Expenses	15	60
Net Income from Investments	676	(616)
9. SALARIES AND ASSOCIATED EXPENSES		
Salaries including oncosts (Superannuation and Annual Leave)		
Total	352	352
10. DEPRECIATION		
Office Equipment	3	1
Motor Vehicles	14	12
Computer Equipment	20	15
Other Assets	2	7
Furniture and Fixtures	<u>1</u>	<u>Nil</u>
Total	40	35
11. GENERAL ADMINISTRATION EXPENSES		
Postage and Telephone	20	12
Printing and Stationery	12	11
Travelling Expenses	14	13
General Expenses	91	79
Consultancies	0	8
IT Expenses (excluding depreciation)	9	13
Board Members' Allowances	43	38
Audit Fees	6	7
Vehicle Expenses (excluding depreciation)	11	9
Legal Expenses	9	7
Actuarial Services	5	7
Advertising and Promotion	<u>4</u>	<u>21</u>
Total	224	225

NOTES TO THE FINANCIAL STATEMENTS 2002-2003

12. PROVISION FOR LOSS ON CONSTRUCTION PROJECTS

The Trustee's investment strategy includes an allocation of \$9 million to construction projects. Project evaluation focuses on employment opportunities for the beneficiaries and potential beneficiaries of the fund. In all cases the financial support provided by the Trustee has enabled the developer to raise the balance of funding required. All projects are secured by mortgage, with a defined exit strategy for the return of capital within a short time frame after completion of the project. However, during the development phase the Trustee has a small risk exposure and a provision has been made to cover any loss that may arise. The provision of \$175,000 represents 5% of the investment in construction projects at 30 June 2003.

13. RECONCILIATION OF OPERATING SURPLUS (DEFICIT) TO NET CASH INFLOWS (OUTFLOWS) FROM OPERATING ACTIVITIES

	2003	2002
	\$'000	\$'000
Operating Surplus (Deficit)	(1,041)	(905)
<i>Add/(Deduct) items classified as Investing Activities</i>		
(Profit)/Loss on Sale of Plant and Equipment	14	Nil
Unrealised (Gains)/Losses on Investments	527	1,571
Investment Income	(1,218)	(1,015)
Investment Expenses	15	60
<i>Add/(Deduct) Non Cash items</i>		
Depreciation - Plant and Equipment	39	35
Increase/(Decrease) in Provision for Doubtful Debts	(29)	(52)
Net Cash Used in Operating Activities Before Change in Assets and Liabilities	(1,693)	(306)
Increase/(Decrease) in Creditors and Other Liabilities	(12)	(9)
Increase/(Decrease) in Provisions	1,421	16
Increase/(Decrease) in Fixed Assets	25	-
(Increase)/Decrease in Receivables	127	329
Net Cash Increase/(Outflow) From Operating Activities	(132)	(30)

Cash Flows have been calculated after the transfer of Assets and Liabilities from the Long Service (Construction Industry) Fund.

14. REMUNERATION OF DIRECTORS

Income paid or payable, or otherwise made available, in respect of the financial year, to all directors of the entity, directly or indirectly, by the entity of which they are directors.

	2003	2002
	\$34,800	\$29,700

The number of directors of TasBuild Limited whose income (including superannuation contributions) fall within the following bands:

	2003	2002
\$0 - \$9,999	6	6
\$10,000 - \$19,999	1	1

For all Directors of TasBuild, excluding the Chairman, Directors' fees are paid directly to the body which nominates the Director.

NOTES TO THE FINANCIAL STATEMENTS 2002-2003

15. REMUNERATION OF EXECUTIVES

Remuneration received or due and receivable by executive officers of the company whose remuneration is \$100,000 or more in connection with the management of the affairs of the company, whether as an executive officer or otherwise fall within the following band.

	2003	2002
\$100,000 - \$119,000	1	1

16. AUDITORS REMUNERATION

Amounts received or due and receivable by Wise Lord and Ferguson for an audit and review of the financial report of TasBuild Limited.

	2003	2002
	6,000	\$6,600

17. RELATED PARTY DISCLOSURES

Directors

The Directors who held office during the reporting period were:

Des Hodgman	Appointed 9 May 2001
Mark Watson	Appointed 8 November 2001
Tony Benson	Appointed 12 April 2001
Chris Atkins	Appointed 13 July 2000
Michael Shepperd	Appointed 21 April 1998
Kevin Harkins	Appointed 8 March 2001
Greg Cooper	Resigned 12 September 2002
Finbarr Dowling	Appointed 12 September 2002 - Resigned 13 February 2003
Philip Baker	Appointed 13 February 2003