

BARIBUNMA HOLDINGS LIMITED

("Baribunma" is an aboriginal word meaning "to dream")

(ACN — 095 838 056)

ANNUAL REPORT 2006-2007



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baribunma
A BUNTING GROUP COMPANY

BARIBUNMA HOLDINGS LIMITED

ACN: 095 838 056

ANNUAL REPORT - 2006-2007

1. DIRECTORS' REPORTS:

CHAIRMAN'S REPORT:

I am pleased to report to you that the past year has been a positive one in the context of the continued growth and development of the Company. As you are aware, we successfully listed the Company on the NSX in May 2006. The NSX has now expanded to become the National Stock Exchange of Australia due to an amalgamation with Bendigo and other exchanges, giving us greater facilities for the trading of our shares.

We will shortly be doing a "Road Show" which will increase the public awareness of the Company and should increase the trading of the shares and the sales of our wheelchairs. We are planning a demonstration in Canberra where we will work with Mercedes Benz in displaying a package suitable for a variety of federal government clients. In Brisbane we have a strong package to demonstrate for a Queensland government subsidised disability program, which provides a fleet of over 700 electrically-powered wheelchairs in that state.

Our C.E.O., Wally Bancroft has continued with the Research and Development of the wheelchair and associated products. We are now in a position to mass-produce the chair as we have secured the necessary components and staff to allow this to occur.

As you would be aware, our chair has been Crash Tested by the R.T.A. Crashlab in Sydney. It passed all tests with flying colours and is believed to be the only one in the world to have passed this type of test. The importance of this was brought home to me recently when I was invited with Wally to attend a symposium conducted by the Australian Institute of Engineers. It became apparent that our electric wheelchair was significantly ahead of its nearest competitor and, with proposed new legislation, likely to remain so for some time.

The fact that our chair is able to change height and rake angle, minimizing or eliminating alteration to a host vehicle, is obviously the significant factor. The lock-down device is an integral part of our design and patents and allows the chair to be secured in virtually any position in any suitable vehicle, which includes in the driver's position. We have had two "drive from your wheelchair" successes in the past year, this being the high-end application of the technology.

We have had great interest from both within Australia and New Zealand (where our patents are current). We have also been advised that our patent application in the United States has been approved and that the approval of our European Patent will be to hand shortly.

Your Board of Directors share a vision for the success of the Company and we look forward to meeting you at the Annual General Meeting latter this year.

Harold Victor Holden,
Chairman.

CHIEF EXECUTIVE OFFICER'S REPORT:

2007 reaslised the expectations and goals foreseen or foretold by the Board. Dates to achieve some of the milestones were adversely affected by the Federal Therapeutic Goods Act, which came into effect in October, 2006. This directly resulted in the, previously unforeseen, need to conduct a series of additional "field trials", thus delaying the completion of production targets and the commencement of large-scale commercial sales. Collection of data is now an ongoing exercise, with the information assisting in quality control, future design changes, changes to the manufacturing process and meeting T.G.A. requirements for the ongoing listing of our product(s).

The Baribunma Electric Wheelchair, now referred to as the H.A.W.C. (derived from Height Adjustable Wheelchair) Mark I, was officially released to the public on August 13th this year although there were some previous sales were attributable to "trials". Feedback has been positive and now we are preparing to do a series of "road shows", displaying the product and its capabilities and securing dealerships. We have established distributors in Sydney, the A.C.T. & southern N.S.W., W.A. and the N.T. and are proceeding to look at preferred businesses in Queensland, Victoria and S.A. with a view to establishing distributors there. Negotiations continue with a number of New Zealand based businesses which, it is planned, will lead to export sales commencing in the latter part of the year.

The Research & Development division of the Company has begun the development of a carer-assisted version of the electrically powered chair to prototype stage, whist the sales arm, trading as Baribunma Mobility Systems, has trained personnel to assemble chairs successfully and to our strict quality-controlled standards. A full set of engineering drawings is nearing completion with the aim being to outsource even more of the fabrication component of the production process. This will be done through competitive tendering, with tenders likely to be called early in the New Year.

The Directors present their report together with the financial report of Baribunma Holdings Limited for the year ended 30th June, 2007 and the Auditor's Report thereon.

The names of Directors in office at any time during or since the end of the financial year are:

Peter John BANCROFT

Geoffrey Peter DENYER

Harold Victor HOLDEN

Donald Howell WILD (retired 30/12/2006)

Directors have been in office for the full period of this report except for Mr. D. H. Wild, who retired on 30th December, 2006.

P.J. (Wally) Bancroft,
Chief Executive Officer.

2. OPERATING RESULTS:

The Company incurred an operating loss of \$ 63,000 for the financial year. Whilst not turning a profit as hoped, this was an 80% improvement and therefore a far better result than 2006-07. Major expenses incurred involved the increased compliance costs associated with the listing of the Company's securities on the National Stock Exchange of Australia, the continued investment in the Company's extensive intellectual property (IP) and research and development costs associated with the Baribunma range of products. Government tax rebates and grants again increased.

3. REVIEW OF OPERATIONS:

A review of the operations of Baribunma Holdings Limited during the financial year found that:

During the year, Baribunma Holdings Limited continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

4. SIGNIFICANT CHANGES IN AFFAIRS:

After completion of an extended program of "field trials" required by the federal Therapeutic Goods Administration, the Company was finally able to offer its flagship product, the Baribunma Electric Wheelchair, for general public sale in the second half of the financial year.

5. PRINCIPAL ACTIVITIES:

The principal activities of Baribunma Holdings Limited during the financial year were research, development, testing, compliance and sale of the ***Baribunma*** Electric Wheelchair, (and related products), and continuing to refine the production processes and marketing of the aforementioned products.

6. AFTER BALANCE DATE EVENTS:

Particulars of matters or circumstances that have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years are as follows:

In August 2007, the Company conducted a formal public launch of its flagship product, the **Baribunma** Electric Wheelchair. This received creditable interest, with the presence of the NSW Minister for Community Services, Mr. Kevin Greene, medical practitioners and representatives of industry and disability groups in attendance. There was significant media coverage with a front-page story in one Sydney newspaper and a half-page story in the Sydney Morning Herald.

In September 2007 the Company successfully applied for a Research and Development Tax Concession, which will result in a return of around \$45,000 to the Company.

7. LIKELY DEVELOPMENTS:

Baribunma Holdings Limited, through its trading entity, Baribunma Mobility Systems is now undertaking an extensive marketing campaign. Along with the Trade Launch, mentioned above, there are additional “spin-off” functions to be held in Sydney hospitals, Queensland and in Canberra, for representatives of Federal Government departments.

8. ENVIRONMENTAL ISSUES:

The Company has complied with all environmental regulations under a law of the Commonwealth or of a State or Territory that it was subject to.

9. DIVIDENDS PAID OR RECOMMENDED:

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

10. DIRECTORS PROFILES AND MEETINGS OF DIRECTORS:

Harold Victor Holden

Harry holds a Bachelor of Engineering from Sydney University and a Diploma from the Australian Institute of Insurance and is an affiliate of the Life Underwriters Association. He has served as a Director in listed Companies such as SSH Medical Limited and in senior management with T & G Life Insurance and APA Life Insurance Ltd. He has further experience as general manager of Dennis Trading & Engineering and Managing Director of Amalgamated Mining Services totaling 14 years. Harry brings a sound management record with growing small-medium enterprises to the business.

Peter John (Wally) Bancroft

Peter (Wally) Bancroft is a leading practitioner in disabled transport in Australia. He has spent much of his working life in the research and development sector including developments for Massey Ferguson Experimental Division before entering the disabled transport industry with Paraquad Engineering in 1987. During seven years with Paraquad he became convinced that it was possible to make significant and unprecedented changes to existing mobility aids including wheelchairs that could enable far greater independence for his disabled clients. Wally was able to develop innovative modifications to electric wheelchairs to improve the quality of life of his customers. Baribunma Holdings was formed to commercialise these innovations and related concepts that Wally has developed over recent years.

Wally is an authorised signatory for the N.S.W. Roads and Traffic Authority enabling him to certify vehicle modifications for use by disabled drivers in registered motor vehicles in N.S.W. To the best of our knowledge, his designs were officially approved to enable the first person in Australia to *drive from a wheelchair*. He has served as a consultant and lecturer at the University of Western Sydney (Cumberland College of Health Sciences) and is widely sought as a consultant to other disabled support groups.

Geoffrey Peter Denyer

Geoff studied engineering at the University of New South Wales, a leading university for research and development. He has extensive tertiary qualifications and has worked as a consultant and in project management for many organisations including the N.S.W. Department of Education and Training and more recently, Baribunma Holdings. Geoff has extensive experience in the Information Technology sector, forming his own business to manage the computerisation of many small and medium sized companies during the recent tax system changes. He has been a Director of Baribunma Holdings since its foundation, assuming the role of Company Secretary in November 2002. Additionally, Geoff serves on the Board of Shoalhaven City Turf Club and is a Justice of the Peace. He brings valuable technical management skills to the business.

Donald Howell Wild (retired 30/12/06)

Don is an experienced advisor to start up companies. After serving in the Royal Australian Air Force, Don joined Shannon Industries and trained in Business and Business Administration. He served as manager of Beeco Pty. Ltd., an Electrical Engineering company, before joining Colonial Mutual Life as Chief Group Inspector. A career in Insurance followed, including the formation of his own, successful, Assurance and General Insurance brokering business. Don has been particularly successful, against the market trend, in obtaining significant capital gains for investors in emerging technologies. His energies have resulted in great strides being taken by the business since he joined the Board in October 2002. Don gives smaller investors a strong voice in the company's affairs.

Directors:	Meetings eligible to attend:	Meetings attended:
Peter John Bancroft	10	10
Geoffrey Peter Denyer	10	10
Harold Victor Holden	10	10
Donald Howell Wild	4	4

11. OPTIONS:

No options over issued shares or interests of the Company or a controlled entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

12. REMUNERATION REPORT:

Director, Mr. H.V. Holden was paid \$15,000 for his services as Chairman during the year. Director, Mr. G.P. Denyer was paid \$12,000 for his services as Company Secretary during the year. Bancroft Engineering, a trading entity of Mr. P.J. Bancroft, a Director of the Company,

was paid a nett total of \$83,991.97 with regard to the provision of Research & Development services to the Company. Southside Project Services, a trading entity of Mr. G.P. Denyer, a Director of the Company was paid a nett total of \$12,000 with regard to the provision of engineering consultancy services to the Company. Other than listed above, no Director received any other remuneration, either personally, or through a related party.

13. INDEMNIFICATION OF OFFICERS:

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is, or has been, an officer or auditor of the Company.

Signed in accordance with a resolution of the Directors:

Director _____

Peter John Bancroft



Director

Geoffrey Peter Denyer

Dated this 20th day of September, 2007.

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 838 056

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2007

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 838 056

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BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 838 056

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007

	Notes	2007 \$	2006 \$
CLASSIFICATION OF EXPENSES BY NATURE			
Revenues from ordinary activities	2	50,407.00	37,167.24
Changes in inventories of finished goods and work in progress	3	56,798.60	69,447.19
Raw materials and consumables used	3	(40,235.88)	(3,013.77)
Depreciation and amortisation Expenses	3	(283.00)	(323.00)
Other expenses from ordinary activities		(226,898.24)	(333,783.18)
<hr/>			
Loss from ordinary activities before income tax expense		(160,211.52)	(230,505.52)
Income Tax Expense attributable to operating activities	4	-	-
Income Tax Benefit attributable to prior years operating activities	4	96,074.83	-
<hr/>			
Net Loss from ordinary activities after income tax attributable to members of the company	5	(64,136.69)	(230,505.52)
<hr/>			
Total changes in equity other than resulting from transactions with owners as owners		(64,136.69)	(230,505.52)
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The accompanying notes form part of these financial statements

BARIBUNMA HOLDINGS LIMITED
A.B.N. 56 095 838 056

BALANCE SHEET
AS AT 30 JUNE 2007

	Notes	2007 \$	2006 \$
CURRENT ASSETS			
Cash assets	6	56,685.69	200,729.06
Receivables	7	4,743.01	7,411.00
Inventories	8	126,245.79	69,447.19
Investments	9	277,980.64	257,888.73
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		465,655.13	535,475.98
		<hr/>	<hr/>
NON-CURRENT ASSETS			
Property, plant & equipment	10	1,711.33	1,994.33
Intangible assets	11	51,567.27	45,600.11
		<hr/>	<hr/>
TOTAL NON-CURRENT ASSETS		53,278.60	47,594.44
		<hr/>	<hr/>
TOTAL ASSETS		518,933.73	583,070.42
		<hr/>	<hr/>
TOTAL LIABILITIES		-	-
		<hr/>	<hr/>
NET ASSETS		518,933.73	583,070.42
		<hr/>	<hr/>
EQUITY			
Issued Capital	12	1,287,161.90	1,287,161.90
Accumulated losses	5	768,228.17	704,091.48
		<hr/>	<hr/>
TOTAL EQUITY		518,933.73	583,070.42
		<hr/>	<hr/>

The accompanying notes form part of these financial statements

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 838 056

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2007**

	Notes	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		25,000.00	12,500.00
Payments to suppliers and officers		(210,335.52)	(267,349.76)
Interest Received		25,407.00	15,767.24
Net Goods and Services Tax Received		2,667.99	(1,358.56)
Income Tax Benefits Received		96,074.83	-
Recoveries		-	8,900.00
Net cash provided by (used in) operating activities	13 (b)	(61,185.70)	(231,541.08)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments		(20,091.91)	(7,888.73)
Purchase of other non-current assets:			
Patents		(5,967.16)	(5,763.05)
Acquisition of Depreciable Assets		-	(480.91)
Increase of Inventory/Work in Progress		(56,798.60)	(69,447.19)
Proceeds from disposal of non-current assets:		-	-
Net Cash provided by (used in) investing activities		(82,857.67)	(83,579.88)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	403,761.90
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Net cash provided by (used in) financing activities		-	403,761.90
Net increase/(decrease) in cash held		(144,043.37)	88,640.94
Cash at beginning of year		200,729.06	112,088.12
Cash at end of year	13 (a)	56,685.69	200,729.06

The accompanying notes form part of these financial statements

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56-095 838 056

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting have been applied.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

BARIBUNMA HOLDINGS LIMITED
A.B.N. 56 095 838 056

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

(b) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of work in progress includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

(c) Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

(d) Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on either a straight line basis or diminishing value at rates approved by the Australian Taxation Office over the estimated useful lives to the company commencing from the time the asset is held ready for use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 838 056

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

(e) Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(f) Intangibles

Patents and trademarks

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their useful life ranging from 15 to 20 years.

(g) Research and Development Expenditure

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(i) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue is recognised when the right to receive the revenue has been established.

All revenue is stated net of the amount of goods and services tax (GST).

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 838 056

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

Notes	2007	2006
	\$	\$

(j) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

2. REVENUE

Operating Activities

Sale of goods	25,000.00	12,500.00
Interest	25,407.00	15,767.24
Other Revenue	-	8,900.00
	<hr/>	<hr/>
	50,407.00	37,167.24
	<hr/>	<hr/>

3. PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax expense has been determined after:

(a) Expenses:

Cost of Sales	9,017.55	3,740.90
Depreciation of Non-Current Assets:		
Office Equipment	283.00	323.00
Remuneration of auditor	20,717.50	3,375.00

BARIBUNMA HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

	Notes	2007 \$	2006 \$
<hr/>			
4. INCOME TAX EXPENSE			
<p>The Directors have determined that the Company is not liable to pay Income Tax for the financial year. This opinion is based on the Company's principal activity being research and development associated with the Baribunma Wheelchair project. As such, the Company has not traded profitably during the period and is not liable to pay Income Tax. Furthermore, the Directors intend to apply for a "Research and Development Tax Credit" as a result of these activities. In relation to prior accounting periods, the Directors have successfully applied for Research and Development Tax Credits amounting to \$96,074.83 that has been received during the financial year.</p>			
5. ACCUMULATED LOSSES			
Accumulated losses at the beginning of the financial year		(704,091.48)	(473,585.96)
Net profit attributable to members of the company		(64,136.69)	(230,505.52)
		<hr/>	<hr/>
Accumulated losses at the end of the financial year		(768,228.17)	(704,091.48)
		<hr/>	<hr/>
6. CASH ASSETS			
Cash at Bank		56,685.69	200.729.06
		<hr/>	<hr/>
7. RECEIVABLES			
CURRENT			
Other debtors		4,743.01	7,411.00
		<hr/>	<hr/>
8. INVENTORIES			
CURRENT			
Work in Progress		126,245.79	69,447.19
		<hr/>	<hr/>
9. INVESTMENTS			
CURRENT			
Term Deposits at Bank		277,980.64	257,888.73
		<hr/>	<hr/>

BARIBUNMA HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$	2006 \$
10. PROPERTY, PLANT AND EQUIPMENT		
The Company has the use of the premises provided by Bancroft Engineering as part of the Research and Development Agreement which exists between the entity and the Company. As such, all costs associated with property, plant and equipment are borne by Bancroft Engineering.		
Office Furniture & Equipment at cost	3,062.33	3,062.33
Less: Accumulated Depreciation	1,351.00	1,068.00
	<hr/>	<hr/>
	1,711.33	1,994.33
	<hr/>	<hr/>
Total Property, Plant & Equipment	1,711.33	1,994.33
	<hr/>	<hr/>
Movements in Carrying Amounts		
Balance at the beginning of the year	1,994.33	
Additions	-	
Depreciation expense	(283.00)	
	<hr/>	
Carrying amount at the end of year	1,711.33	
	<hr/>	
11. INTANGIBLES		
Patents and Trademarks	51,567.27	45,600.11
	<hr/>	<hr/>
12. CONTRIBUTED EQUITY		
Paid Up Capital:		
19,360,076 (2006: 19,360,076)		
Fully Paid Ordinary Shares	1,287,161.90	1,287,161.90
	<hr/>	<hr/>

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 838 056

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$	2006 \$
13. CASH FLOW INFORMATION		
(a) Reconciliation of cash:		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash at bank	56,685.69	200,729.06
	<hr/>	<hr/>
	56,685.69	200,729.06
	<hr/>	<hr/>
(b) Reconciliation of Cash Flow from Operations with Operating Profit from Ordinary activities after income tax		
Operating loss after income tax	(64,136.69)	(230,505.52)
Non-cash flows in operating profit		
Depreciation	283.00	323.00
Profit on Disposal of Non-Current assets	-	-
Hire Purchase Charges	-	-
Decrease/(Increase) in GST receivable	2,667.99	(1,358.56)
	<hr/>	<hr/>
Cash Flows from operations	(61,185.70)	(231,541.08)
	<hr/>	<hr/>

14. RELATED PARTY TRANSACTIONS

No Directors were paid for their services during the financial year.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Bancroft Engineering, a trading entity of Mr P J Bancroft received a total of \$83,991.97 with regard to provision of Research and Development services to the Company.

Southside Project Services, a trading entity of Mr G P Denyer received a total of \$12,000.00 for provision of engineering consultancy services to the Company.

Mr H.V Holden received \$15,000.00 in allowance of director's expenses reimbursed.

Mr G.P Denyer received \$12,000.00 in allowance of director's expenses reimbursed.

BARIBUNMA HOLDINGS LIMITED
A.B.N. 56 095 838 056

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

2007	2006
\$	\$

15. COMPANY DETAILS

The registered office and principal place
of business of the company is:

Unit 3, 16 Stanley Street
Peakhurst NSW 2210

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 538 056

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes, are in accordance with the Corporations Act 2001 and:

a) comply with Accounting Standards and the Corporations Regulations 2001; and

b) give a true and fair view of the financial position as at 30 June 2007 and of the performance for the year ended on that date of the company;

2. Chief Executive Officer have declared that:

a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

b) the financial statements and notes for the financial year comply with the Accounting Standards; and

c) the financial statements and notes for the financial year give a true and fair view;

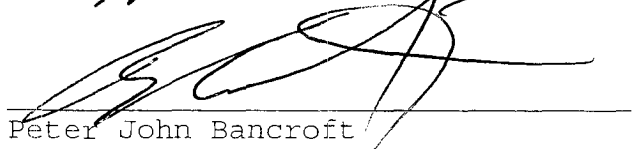
3. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:

Director


GEOFFREY DENYER

Director


Peter John Bancroft

Dated this 25th day of September 2007

BAMFIELD & COMPANY

CHARTERED ACCOUNTANTS

ABN 47 549 052 337

INCIPAL
to Raciti ACA

4/123 CLARENCE STREET, SYDNEY 2000

Telephone: (02) 9262-1222

Facsimile: (02) 9262-2012

Email: admin@bamfield.com.au

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 838 056

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF BARIBUNMA HOLDINGS LIMITED

SCOPE

We have audited the attached financial report, being a general purpose financial report of Baribunma Holdings Limited for the year ended 30th June, 2007. The company's directors are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of the company's constitution and are appropriate to meet the needs of the members. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of Baribunma Holdings Limited. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting requirements under the company's constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any other purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with accounting policies described in Note 1, Accounting Standards, and other mandatory professional reporting requirements and statutory requirements, 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.

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

BAMFIELD & COMPANY

CHARTERED ACCOUNTANTS

ABN 47 549 052 337

INCIPAL
rio Raciti ACA

4/123 CLARENCE STREET, SYDNEY 2000

Telephone: (02) 9262-1222

Facsimile: (02) 9262-2012

Email: admin@bamfield.com.au

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 838 056

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF BARIBUNMA HOLDINGS LIMITED

Audit Opinion

In our opinion, the financial report of Baribunma Holdings Limited is in accordance with:

(a) the Corporations Act 2001 including:

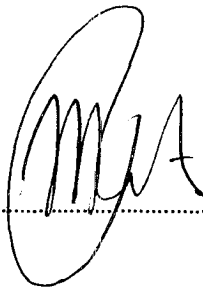
i) giving a true and fair view of the company's financial position as at 30th June, 2007 and its performance for the year ended on that date and its cash flows during the year ended same date; and

ii) complying with Accounting Standards and the Corporations Regulations; and

(b) other mandatory professional reporting requirements.

BAMFIELD & COMPANY
Chartered Accountants

MARIO RACITI
Partner



Signed at Sydney this 25th day of September 2007

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 838 056

TRADING ACCOUNT
FOR THE YEAR ENDED 30TH JUNE, 2007

	2007 \$	2006 \$
SALES		
Wheelchairs	25,000.00	12,500.00
	<hr/>	<hr/>
Less Cost of Sales		
Opening Work in Progress	69,447.19	-
Purchases	<u>65,816.15</u>	<u>73,188.09</u>
	135,263.34	73,188.09
	<hr/>	<hr/>
Less Closing Work in Progress	126,245.79	69,447.19
	<hr/>	<hr/>
TOTAL COST OF SALES	9,017.55	3,740.90
	<hr/>	<hr/>
GROSS PROFIT FROM TRADING	<u>15,982.45</u>	<u>8,759.10</u>

BARIBUNMA HOLDINGS LIMITED

A.B.N. 56 095 838 056

ITEMISED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007

	2007 \$	2006 \$
INCOME		
Interest received	25,407.00	15,767.24
Profit on Disposal of Non-current Assets	-	5,579.78
Recoveries	-	8,900.00
Gross Profit from Trading	15,982.45	8,759.10
	<hr/>	<hr/>
	41,389.45	33,426.34
EXPENDITURE		
Accountancy Fees	2,807.75	1,863.55
Advertising	-	1,169.00
Audit Fees	20,717.50	3,348.00
Bank Charges	86.15	156.25
Consultancy Fees	95,991.97	126,628.75
Computer Expenses	1,400.15	1,131.80
Depreciation	283.00	323.00
Directors' Expenses Reimbursed	27,000.00	12,198.74
Directors' Fees	-	3,750.00
Entertainment Expenses	61.70	430.01
Filing Fees	8,032.40	13,377.26
Fines and Penalties	-	65.00
Insurance	11,818.18	-
Legal Costs	8,477.19	40,693.14
Tool Replacements	2,034.19	3,013.77
Electricity & Gas	130.91	-
Printing, Postage and Stationary	1,078.58	2,714.23
Rent	14,218.71	33,731.87
Seminar Expenses, Dues & Subscriptions	220.00	-
Hire of Venues	130.00	-
Telephone & Facsimile	3,373.09	3,644.72
Travelling Expenses	3,739.50	15,665.77
	<hr/>	<hr/>
	201,600.97	263,931.86
	<hr/>	<hr/>
NET LOSS	160,211.52	230,505.52
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