

The image features a dark blue background with several large, overlapping, curved shapes in a lighter blue and grey color. These shapes create a sense of motion and depth. The text is positioned in the upper right quadrant of the page.

**CPT** *Global Limited*

ABN 16 083 090 895

*Annual Report 2005*

## Corporate Information

ACN 083 090 895

ABN 16 083 090 895

### Directors

**Fred Grimwade**  
(Non-executive Chairman)

**Gerard (Gerry) Tuddenham**  
(Managing Director)

**Glenn Fielding**  
(Non-executive Director)

**Peter Wright**  
(Executive Director)

**Peter Corrigan**  
(Executive Director - retired 26/11/04)

### Company Secretary

Mark Carroll

### Principal Registered Office

Level 1, 4 Riverside Quay  
Southbank VIC 3006

Telephone: +61 (0)3 9690 3911

Facsimile: +61 (0)3 9690 3206

Internet: [www.CPTglobal.com](http://www.CPTglobal.com)

### 2005 Annual General Meeting

The Annual General Meeting of CPT Global Limited members will be held on Wednesday the 30<sup>th</sup> November 2005 at 9.30am at: Level 1, 4 Riverside Quay Southbank VIC 3006

### Auditors

**Moore Stephens**  
Level 14, 607 Bourke Street  
Melbourne VIC 3000

### Share Register

**Computershare Investor Services Pty Ltd**  
Yarra Falls, 452 Johnston Street  
Abbotsford VIC 3067  
Telephone: 1300 850 505  
Facsimile: +61 (0)3 9473 2500

### Solicitors

**Piper Alderman**

### Bankers

**ANZ Banking Group Limited**

### ASX Code

CGO

### CPT Global on the Web

For an introduction to the company and access to company announcements, descriptions of our core business, services and careers, and our corporate governance policies and procedures visit our website at [www.CPTglobal.com](http://www.CPTglobal.com)

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## Directors' Report

Your directors submit their report for the year ended 30 June 2005.

### DIRECTORS

The names and details of the company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

#### Names, qualifications, experience and special responsibilities

<b>Fred S Grimwade</b> (Non-executive Chairman)	Fred is an executive director of Fawkner Capital, a specialist corporate advisory firm which provides advice on strategy, capital raisings and merger and acquisition transactions. He is also managing director of the Colonial Agricultural Company, one of Australia's largest beef producers. Fred commenced his professional career as a commercial lawyer at Mallesons Stephen Jaques and then worked with the US investment bank Goldman, Sachs & Co. in New York and Sydney where as a vice president he directed the firm's Australasian corporate finance activities. Fred was company secretary and general manager shareholder relations at Western Mining Corporation for six years. In 1996 he joined Colonial Mutual as group company secretary and general manager legal affairs where his responsibilities included the conversion of the Group from a mutual organisation to a listed financial services company. Fred subsequently became head of private capital for Colonial First State Investments, one of Australia's largest fund managers, where he planned and managed the Group's entry into the private equity market. Fred is joint president of the Institute of Securities Finance and Banking and is also a member of the Australian Institute of Company Directors. Fred is chairman of the finance & audit committee and a member of the remuneration & nomination committee.
<b>Gerry Tuddenham</b> (Managing Director)	Gerry is the founder of the CPT business and is the major shareholder in CPT through his majority interest in the CPT Trust. He has over 30 years experience in the IT industry and a reputation for delivering practical solutions. He is a world-renowned technical specialist in the areas of performance tuning, capacity planning and testing of IBM mainframe-based systems, applications, transaction processors and middleware as well as database management systems. He has provided IT consulting services in a number of continents and across a range of industries including the financial, insurance and telecommunications sectors. Gerry has also developed the software tools EXPETUNE and EXPETEST, which are licensed to CPT. These tools automate and make repeatable intricate performance and test coverage tasks. Gerry is a member of the Australian Institute of Company Directors. Gerry is a member of the finance & audit committee.
<b>Glenn Fielding</b> (Non-executive Director)	Glenn was a founding member of SMS Consulting Group and a director of that Group from 1992 until 30 June 1999. During his 13 years at SMS he performed many senior roles including commercial management and merger and acquisition activities. Glenn was instrumental in setting up and running the national contracting arm of SMS. Prior to joining SMS, Glenn held senior management roles in the banking and finance industries. Glenn chairs the remuneration & nomination committee and is a member of the finance & audit committee.
<b>Peter Wright</b> (Executive Director)	Peter has led the CPT management consulting practice for over three years and has established CPT as a leader in providing strategic consulting services to the government sector. He was the national managing principal for Applications Outsourcing positions at IBM GSA and a consulting director and vice president at DMR responsible for establishing and managing the Systems Delivery and Maintenance Services practice. During this period he has been involved in a number of client engagements both locally and internationally in banking, transportation and government. Peter has a unique perspective and passion for making IT organisations and complex projects successful through the application of best practice principles. Peter is a member of the Australian Institute of Company Directors, member of the Australian Computer Society and a member of the Project Managers Institute.
<b>Peter Corrigan</b> (Executive Director)	Peter Corrigan retired on 26th November 2004.
<b>COMPANY SECRETARY</b> <b>Mark Carroll</b>	Mark has been company secretary and chief financial officer of CPT for three years. Mark holds a Bachelor of Commerce Degree and has been a Chartered Accountant for over 14 years and is also a member of the Australian Institute of Company Directors.

## Directors' Report continued

Interests in the shares and options of the company and related bodies corporate

As at the date of this report, the interests of the directors in the shares and options of CPT Global Limited were:

	Ordinary Shares	% Preference Shares	Options over Ordinary Shares
Fred S Grimwade	508,200	-	-
Gerry Tuddenham	11,756,135	-	250,000
Glenn Fielding	704,342	-	-
Peter Wright	83,000	-	300,000
<b>EARNINGS PER SHARE</b>			<b>Cents</b>
Basic earnings per share			5.3
Diluted earnings per share			5.3
<b>DIVIDENDS</b>		<b>Cents</b>	<b>\$'000</b>
Final dividends recommended:			
▪ Fully franked final ordinary dividend recommended by the directors and payable on 10th October 2005.		3.0	1,033,991
			<u>1,033,991</u>
Dividends paid in the year:			
<i>Interim for the year</i>			
▪ Fully franked interim ordinary dividend paid on 21st March 2005.		2.5	861,659
			<u>861,659</u>
<i>Final for 2004 shown as recommended in the 2004 report</i>			
▪ Fully franked final ordinary dividend paid on 24th September 2004.		3.0	1,033,991
			<u>1,033,991</u>

## Directors' Report continued

### CORPORATE INFORMATION

#### Nature of operations and principal activities

The principal activities of the economic entity during the financial year were the provision of specialist IT consultancy services based on the following core service offerings:

#### Technical Consulting Services

- Capacity Planning Assurance and Reviews
- Cost Reduction Programs and 'Cost of Running' Reports and Models
- Tuning Services including corporate wide approach to performance tuning
- Technical Support including database and system administration
- Technical Reviews including Environment and Application Performance
- Architecture Services including Technical Architecture and Design Reviews
- Data Warehousing Solutions
- Stress and Volume Performance Testing
- Test Facilitation and Management

#### Management of IT Consulting Services

- IT Strategic Planning
- Selective Outsourcing / Multi sourcing readiness support and transition services
- IT Outsourcing Contract Services Reviews
- IT Delivery and Support Reviews and Improvement using the Shared Services / ITIL framework
- Senior Project and System Integration Management
- IT Business Metrics Alignment leveraging Balanced Scorecard and 'Cost of Ownership' models
- Business Process Re engineering
- Business Process Improvement
- Information Management Planning
- eBusiness Planning and Implementation
- Business Requirement Definition
- Systems and Technology Integration
- Organisation Change
- Records and Document Management
- Program and Project Management

There have been no significant changes in the nature of these activities during the year.

#### Employees

The consolidated entity employed 181 employees as at 30 June 2005 (2004: 186 employees).

### OPERATING AND FINANCIAL REVIEW

The year ended 30 June 2005 for CPT Global has been one of consolidation of both its client and consultant base globally. CPT Global has strengthened its market position and committed substantial energy to the continued development of its international operations. CPT Global finished the year in a strong financial and operating position and believes it is well positioned to deliver organic revenue and profit growth in the coming year.

CPT Global's revenue for the year ended 30 June 2005 was \$29 million, in line with the previous year's result of \$28.8 million. CPT Global has continued the development of its management of IT consulting services and is becoming accepted as an industry leader in assisting clients through the process of selective sourcing and IT operational governance. Management of IT consulting services now comprises 21% of CPT Global's worldwide revenue while representing 24% of total Australian revenue. Revenue for the majority of our international operations was generated in cost reduction services which fall within technical consulting services.

General market conditions and confidence continues to improve. CPT Global has made positive inroads into its targeted international markets and is well placed in these regions to capitalise on these efforts during the coming year.

## Directors' Report continued

CPT Global's net profit after tax for the year ended 30 June 2005 was \$1.8 million, an increase of 12% on the prior year. Net profit before tax pre amortisation was \$3.3 million. CPT Global's net profit after tax pre amortisation was \$2.3 million. All costs including those associated with the expansion of international operations as well as new product development were expensed. It is also important to note that the profit in 2004 included a once off payroll tax refund of \$0.3 million. No such item is included in the 2005 profit, resulting in a 27% increase in normalised core operating net profit after tax.

A final dividend of 3.0 cents per share (fully franked) has been declared, which is payable on 10th October 2005, with a record date of 23rd September 2005. Total dividend declared and payable for the year ended 30 June 2005 was 5.5 cents per share (fully franked) an increase of 10% on the prior year. Earnings per share amounted to 5.3 cents per share whilst earnings per share (pre amortisation) amounted to 6.7 cents per share. CPT Global maintained its strong balance sheet position with net tangible assets at 30 June 2005 amounting to \$6.8 million (\$6.4 million at 30 June 2004).

### REVIEW OF OPERATIONS

#### Market Focus

- CPT Global applied the market focus model during FY2005 which has seen it consolidate its client footprint globally with engagements undertaken in fifteen countries. In 2006 repeat engagements are proposed in all fifteen localities with additional locations to include Denmark, Finland, Sweden and Luxembourg.

### MARKET FOCUS

CPT Global provides independent consulting and technology services to the Australian and International Marketplace in a number of specific areas of focus for our customers

CUSTOMER FOCUS	CPT Global LINES OF BUSINESS	
	MANAGEMENT CONSULTING	TECHNOLOGY SERVICES
ALIGNMENT WITH THE BUSINESS	<ul style="list-style-type: none"> <li>• ICT Strategic Planning</li> <li>• ICT Enterprise Architecture</li> <li>• ICT Shared Services</li> </ul>	<ul style="list-style-type: none"> <li>• ICT Technical Architecture</li> </ul>
ICT COST REDUCTIONS	<ul style="list-style-type: none"> <li>• Sourcing Strategies</li> <li>• Market Testing</li> <li>• Market Benchmarking</li> </ul>	<ul style="list-style-type: none"> <li>• Data Centre Cost Reductions</li> <li>• Technology Consolidation</li> <li>• Performance Management</li> </ul>
ICT TRANSFORMATION	<ul style="list-style-type: none"> <li>• ITIL / CobiT Customisation</li> <li>• Program Management</li> </ul>	<ul style="list-style-type: none"> <li>• Data Centre Consolidation</li> <li>• Data Centre Automation</li> </ul>
ICT SERVICE DELIVERY	<ul style="list-style-type: none"> <li>• Project Management</li> <li>• Business Requirement Specification</li> <li>• Contract Management</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity Planning</li> <li>• Stress &amp; Volume Testing</li> <li>• Testing Services</li> <li>• Environment Management Services</li> </ul>

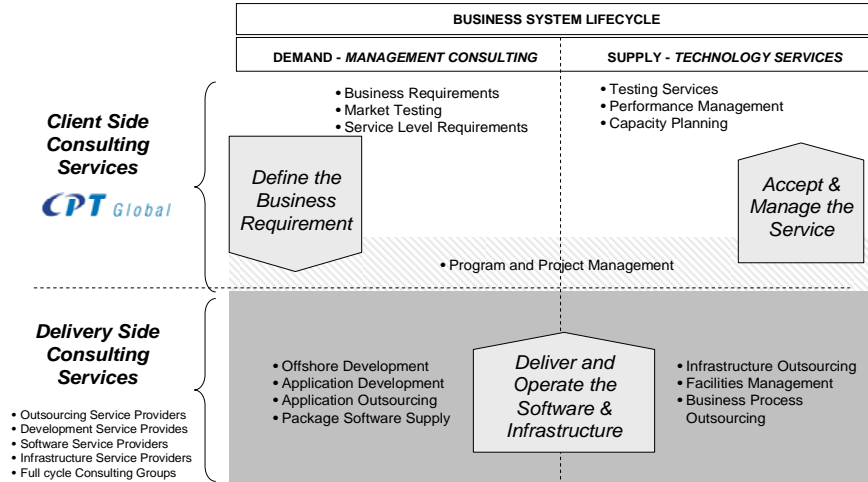
\* ICT = Information, Communications & Technology

## Directors' Report continued

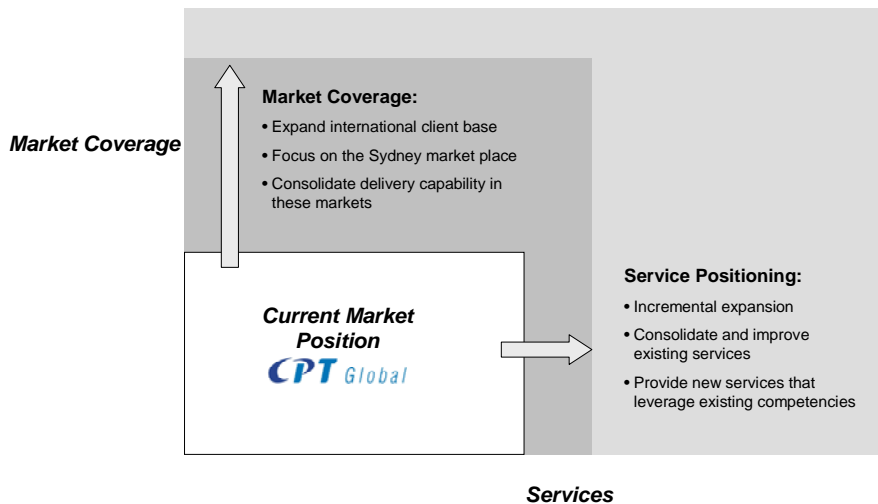
- Retention of all major clients whilst securing additional blue chip private sector and government clients.
- Growing the reputation and recognition of management of IT consulting services and the number of Tier 1 clients that have engaged CPT Global to assist in their business critical strategic planning and selective sourcing operations.
- Focused company culture of independence and client side consulting services to clients as highlighted by CPT Global's current market positioning.

### CURRENT MARKET POSITIONING

CPT Global provides independent "client-side" consulting and technology services and supports our customer in managing an increasingly complex multi-supplier delivery model.



- Success in the continued development of signature clients in the international regions. This strategy has placed CPT Global in a position of strength to further develop an already impressive client base in each international location and capitalise on the financial investment CPT Global has made in these regions over the last few years.
- Consolidation of our international clients with a number of repeat engagements undertaken and additional repeat engagements proposed in FY2006.
- Focus on expanding the current client base through increased market penetration locally and internationally leveraging its proven services and experienced consultant base as demonstrated by our future market positioning.



## Directors' Report continued

### Line of Business (LOB)

- Maintained a spread of industry exposure with a continued focus on the banking, government & telecommunications sector.
- Focus on both banking & finance and manufacturing primarily via our cost reduction line of business in our international operations.
- Continue to maintain a diversity of lines of business (LOB) in response to client requirements.
- Continue ongoing development and enhancement of services including the continued development of consultant toolkits and refinement of intellectual property.
- Maturing of quality control processes with ISO9001:2000 quality certification to worldwide operations.

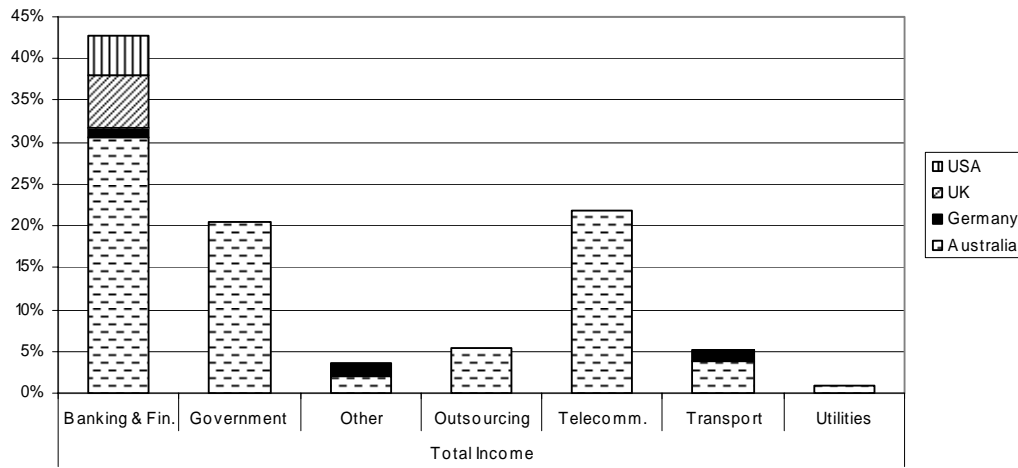


Chart 1: Revenue by Industry

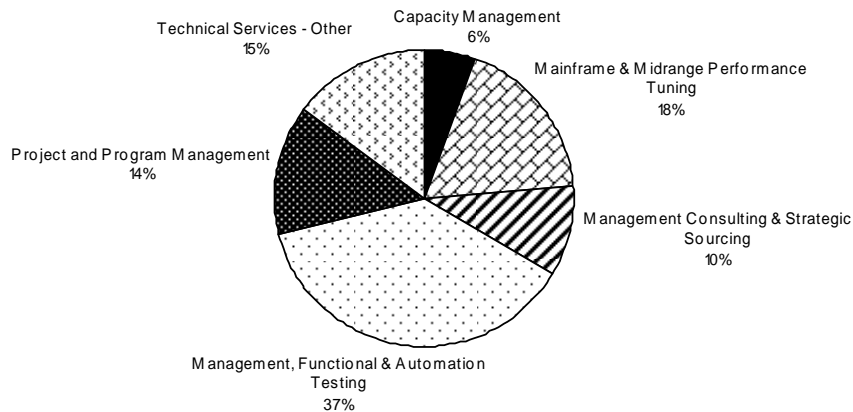


Chart 2: Revenue by Line of Business

## Directors' Report continued

### Risk/Reward

- Performed Risk/Reward assignments in Germany, United Kingdom, Switzerland, Netherlands, Spain, Belgium and USA as well as undertaking the initial investigative phase with a number of new and existing clients internationally. These assignments are expanding the breadth of overseas activities as these clients refer CPT Global to other organisations. Furthermore, successful Risk/Reward engagements act as an introduction for CPT Global and free up client IT budgets, potentially leading to the take-up of other CPT Global services.
- Whilst the impact on revenues and profits has been minimal in FY2005 and will remain so for the first half FY2006, CPT Global believes this model will significantly contribute to profits over the next two years for the following reasons:
  1. Australia utilises approximately 1.7% of the world's mainframe processing power - overseas CPT Global now works with single clients that utilise 1% of the world's mainframe processing power;
  2. the profit margin on these engagements increases as the client's savings increase (as illustrated by Chart 3 below); and
  3. introduction of Risk/Reward model to midrange cost reductions assignments.

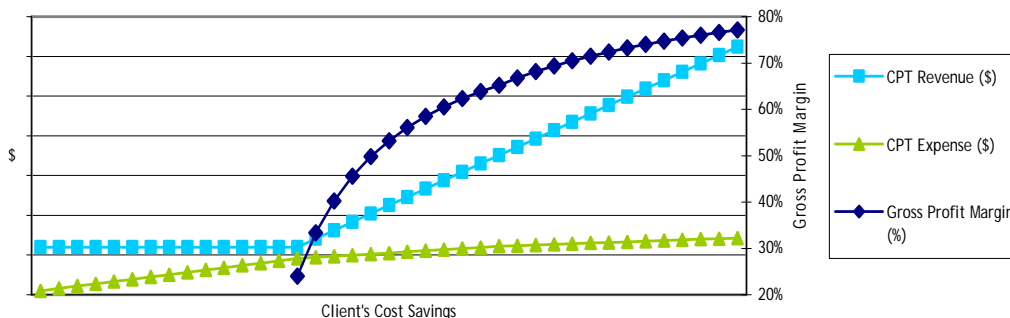


Chart 3: Example of a Risk/Reward pricing model

### Focus on Human Resources

- Recruitment of highly skilled consultants and leading industry experts.
- Repositioning of consultant engagement model with the introduction of permanent employment for selected consultants.
- Strengthening business development capability via the employment of specialised account managers with a focus on client sector and line of business.
- Focus on recruitment to facilitate growth while maintaining the quality of service delivered to clients.

At the heart of CPT Global's culture is an underlying focus on consultant care. CPT Global values the strong working relationship it enjoys with its consultants and staff.

The CPT board would like to formally recognise and thank all of its consultants, management and staff for their dedication and commitment to CPT Global over the years and is confident of being able to maintain and enhance that relationship going forward.

## Directors' Report continued

### OUTLOOK

#### Market conditions

CPT Global continues to observe improvements in the general market sentiment and attitude to IT spending in each of its global markets. CPT Global is encouraged by its clients' increased focus on revenue generating IT expenditure as well as continued focus on IT and business cost reduction.

Clients are continuing the process of establishing multi-sourcing relationships with their trusted suppliers (moving away from large, single sourcing relationships) and this is presenting CPT Global with opportunities to compete directly for work within its core service lines.

Many clients in the market are facing the significant challenge to perform a company wide technology refresh of their IT operations. Arising from CPT Global's growing reputation in the provision of management of IT consulting services, its core technical consulting services as well as its independence, it is well placed to be selected to assist clients in this work.

In addition, Sarbanes Oxley and Basel II are driving information access and system compliance requirements for financial clients which should lead to new engagements across both our management of IT consulting services and core technical consulting services.

#### CPT Global Strategy

CPT Global's focus is to expand the current client base through increased market penetration locally and internationally leveraging its proven services and experienced consultants base as demonstrated by our future market positioning strategy. CPT Global's strategy continues to focus within its main core service lines, but it will also continue to develop and expand these service offerings to meet the challenges of its clients.

CPT Global will maintain its key focus of combining IT management consulting with technical consulting to create unique solutions for clients while increasing the independent client side delivery services to clients throughout all lines of business.

CPT Global's business model can continue to scale up to support additional clients and consultants globally and therefore growth in revenue and improved profitability is expected over the coming financial year from all regions with the majority of the growth expected in the second half year.

Internationally a stronger forward load and consistency of work now exists and the outlook for these regions is positive.

CPT Global is positioned with 45% of its global annual revenue budget sitting as contracted forward load which is a marked improvement on prior years contracted forward load.

CPT Global is committed to maintaining the strategies which have consolidated its FY2005 results as the key foundations for growth during the coming year. CPT Global is committed to increasing financial returns from the substantial investment it has made in the development of all markets.

## Directors' Report continued

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the state of affairs of the company occurred during the financial year.

### SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 24th August 2005 CPT Global announced its intention to extend the on market share buyback for a further twelve months until the 26th August 2006. A maximum of 3,000,000 shares may be bought back during the buyback period, which will run from 27th August 2002 until 26th August 2006.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

### LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely developments in the operations of the economic entity and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the economic entity.

### ENVIRONMENTAL REGULATION AND PERFORMANCE

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

### INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The company has paid premiums to insure the current directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director and officer of the company, other than conduct involving a willful breach of duty in relation to the company. The total premium paid was \$46,400.

### DIRECTORS' AND OTHER OFFICERS' EMOLUMENTS

#### Remuneration policy

The remuneration & nomination committee of the board of directors is responsible for determining and reviewing compensation arrangements for the directors, the managing director and the executive team. The remuneration & nomination committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. The outcomes of the remuneration structure are expected to comply with Executive Share and Option Scheme Guidelines, IFSA Guidance Note, Investment and Financial Services Association, 2003. The payment of bonuses, stock options and other incentive payments are reviewed by the remuneration & nominations committee annually as part of the review of executive remuneration and a recommendation is put to the board for approval. All bonuses, options and incentives must be linked to pre-determined performance criteria. The board can exercise its discretion in relation to approving the incentives, bonuses and options and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria. During the 2005 financial year, no such incentives or payments were recommended. Further details on the remuneration of directors and executives are also provided in Note 27 to the financial statements.

To assist in achieving these objectives, the remuneration & nomination committee links the nature and amount of executive directors' and officers' emoluments to the company's financial and operational performance.

Details of the nature and amount of each element of the emolument of each director of the company and each of the five executive officers of the company and the consolidated entity receiving the highest emolument for the financial year are as follows:

## Directors' Report continued

Emoluments\* of directors of CPT Global Limited for the year ended 30 June 2005

	Annual Emoluments				Long Term Emoluments			Super-annuation	Total
	Base Fee	Bonus	Other	Termination	Options @				
	\$	\$	\$	\$	Number Granted	Amortised Cost \$	% of Remuneration	\$	\$
Fred S Grimwade									
▪ 2005	49,835	-	-	-	-	-	-	4,485	54,320
▪ 2004	32,110	-	-	-	-	-	-	2,890	35,000
Gerry Tuddenham									
▪ 2005	211,373	-	-	-	-	16,175	5.00	95,980	323,528
▪ 2004	167,412	-	-	-	-	25,371	8.93	91,149	283,932
Glenn Fielding									
▪ 2005	32,110	-	-	-	-	-	-	2,890	35,000
▪ 2004	32,110	-	-	-	-	-	-	2,890	35,000
Peter Wright									
▪ 2005	244,884	-	-	-	-	1,070	0.03	87,861	333,815
▪ 2004	214,000	-	-	-	-	2,277	0.77	80,000	296,277
Peter Corrigan (retired 26/11/04)									
▪ 2005	115,443	-	-	-	-	-	-	19,456	134,899
▪ 2004	198,961	-	-	-	-	25,371	9.74	36,039	260,371
<b>Total Remuneration</b>									
▪ 2005	653,645					17,245		210,672	881,562
▪ 2004	644,593					53,019		212,968	910,580

Emoluments\* of the 5 most highly paid executive officers# of the company and consolidated entity

	Annual Emoluments				Long Term Emoluments			Super-annuation	Total
	Base Fee	Bonus	Other	Termination	Options @				
	\$	\$	\$	\$	Number Granted	Amortised Cost \$	% of Remuneration	\$	\$
Chris Bird (commenced 27/01/05)									
▪ 2005	62,291	-	-	-	-	-	-	5,606	67,897
Mark Carroll									
▪ 2005	137,615	-	-	-	-	-	-	12,385	150,000
▪ 2004	105,857	-	-	-	-	-	-	14,143	120,000
Lesley-Anne Farmer (commenced 15/11/04)									
▪ 2005	102,014	-	-	-	-	-	-	-	102,014
Paul Fielding									
▪ 2005	221,231	-	-	-	-	-	-	-	221,231
Alan Mackenzie									
▪ 2005	247,713	-	-	-	-	-	-	22,294	270,007
▪ 2004	272,766	-	-	-	-	-	-	18,477	291,243
<b>Total Remuneration</b>									
▪ 2005	770,864							40,285	811,149
▪ 2004	378,623							32,620	411,243

## Directors' Report continued

### Notes

The terms 'director' and 'officer' have been treated as mutually exclusive for the purposes of this disclosure.

- \* The elements of emoluments have been determined on the basis of the cost to the company and the consolidated entity.
- # Executives are those directly accountable and responsible for the operational management and strategic direction of the company and the consolidated entity.
- @ The company uses the fair value measurement provisions of AASB 1046 "Director and Executive Disclosures for Disclosing Entities" prospectively for all options granted to directors and relevant executives, which have not vested as at 1 July 2004. The fair value of such grants is being amortised and disclosed as part of director and executive emoluments on a straight-line basis over the vesting period. No adjustments have been or will be made to reverse amounts previously disclosed in relation to options that never vest (i.e. forfeitures).

From 1 July 2004, options granted as part of director and executive emoluments have been valued using the Black Scholes option pricing model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, current market price of the underlying share and the expected life of the option.

### DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Directors' Meetings	Meetings of Committees	
		Finance & Audit	Remuneration & Nomination
Number of meetings held:	14	2	2
Number of meetings attended:			
Fred S Grimwade	14	2	2
Gerry Tuddenham	14	2	
Glenn Fielding	12	2	2
Peter Wright	11		
Peter Corrigan (retired 26/11/04)	6		

### Committee membership

As at the date of this report, the company had a finance & audit committee and a remuneration & nomination committee of the board of directors.

Members acting on the committees of the board during the year were:

Finance & Audit	Remuneration & Nomination
Fred Grimwade (C)	Glenn Fielding (C)
Gerry Tuddenham	Fred Grimwade
Glenn Fielding	

### Notes

(C) Designates the chairman of the committee.

## Directors' Report continued

### OPTIONS

At the date of this report, the unissued ordinary shares of CPT Global Limited under option are as follows:

Grant date	Expiry date	Exercise price	Number of options
07/08/00	08/09/05	\$1.00	250,000
26/11/03	27/11/05	\$1.00	100,000
26/11/03	27/11/06	\$1.00	100,000
26/11/03	27/11/07	\$1.00	100,000
			550,000

During the year ended 30 June 2005, there were no ordinary shares issued on the exercise of options.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

### PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

### NON-AUDIT SERVICES

The board of directors, in accordance with advice from the finance & audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the finance & audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence as set out in the Institute of Chartered Accountants in Australia and CPA Australia's Professional Statement F1: Professional Independence.

The following fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2005:

- Taxation services \$27,000
- Other services \$23,000

### AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2005 has been received and can be found on page 15 of the directors' report.

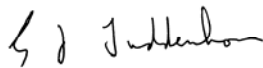
### ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

### CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of CPT Global Limited support and have adhered to the principles of corporate governance. The company's corporate governance statement is contained in the following section of this annual report.

Signed in accordance with a resolution of the directors.



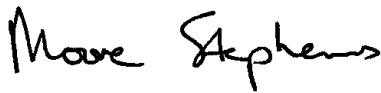
Gerry Tuddenham  
Managing Director

Melbourne, 2<sup>nd</sup> September 2005

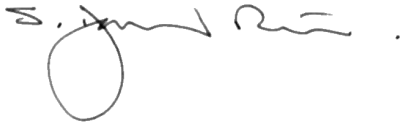
**Auditor's Independence Declaration**  
**under Section 307C of the Corporations Act 2001**  
**to the directors of CPT Global Limited**

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2005 there has been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- (ii) No contraventions of any applicable code of professional conduct in relation to the audit.



MOORE STEPHENS  
Chartered Accountants



S David Pitt  
Partner

Melbourne, 2 September 2005

*Partners*  
Stephen L. Adrian  
Steven A. Allan  
Grantham C. Beeston  
Marco S. Carlei  
Jean-Claude Cesario  
Ian K. Kearney

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*A member of the Moore Stephens International Limited Group of Independent Firms  
A separate partnership in Victoria*

Daren I. J. McDonald  
Kevin W. Neville  
Stephen J. O'Flynn  
Robin C. Pennell  
S. David Pitt  
Grant M. Sincok  
Jonathan C. Thomas

## Corporate Governance Statement

The board of directors of CPT Global is responsible for the corporate governance of the consolidated entity. The board guides and monitors the business and affairs of CPT Global on behalf of the shareholders by whom they are elected and to whom they are accountable.

The format of the Corporate Governance Statement is based on the Australian Stock Exchange Corporate Governance Council's (the Council's) "Principles of Good Corporate Governance and Best Practice Recommendations" (the Recommendations). In accordance with the Council's recommendations, the Corporate Governance Statement must now contain certain specific information and must disclose the extent to which the company has followed the guidelines during the period. Where a recommendation has not been followed, that fact must be disclosed, together with the reasons for the departure. CPT Global's Corporate Governance Statement is structured with reference to the Corporate Governance Council's principles and recommendations, which are as follows:

- Principle 1. Lay solid foundations for management and oversight
- Principle 2. Structure the board to add value
- Principle 3. Promote ethical and responsible decision making
- Principle 4. Safeguard integrity in financial reporting
- Principle 5. Make timely and balanced disclosure
- Principle 6. Respect the rights of shareholders
- Principle 7. Recognise and manage risk
- Principle 8. Encourage enhanced performance
- Principle 9. Remunerate fairly and responsibly
- Principle 10. Recognise the legitimate interests of stakeholders

### Independence

Corporate Governance Council Recommendation 2.1 requires a majority of the board to be independent directors. In addition, recommendation 2.2 requires the chairperson of the company to be independent. The Corporate Governance Council defines independence as being free from any business or other relationship that could materially interfere with - or could reasonably be perceived to materially interfere with - the exercise of unfettered and independent judgement. In accordance with this definition, the following directors are not considered to be independent:

- Gerry Tuddenham (Managing Director)
- Peter Wright (Executive Director)

Of the four board members, the two listed above are not considered to be independent when applying the Council's definition of independence. However when considering the casting vote of the independent chairman, the majority of the board is independent. CPT Global considers industry experience and specific expertise to be important attributes of its board members.

CPT Global's corporate governance practices were in place throughout the year ended 30 June 2005. The corporate governance practises of CPT Global were compliant with the Council's best practice recommendations.

For further information on corporate governance policies adopted by CPT Global, refer to our website: [www.CPTglobal.com](http://www.CPTglobal.com)

## Corporate Governance Statement continued

### Structure of the Board

The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report is included in the directors' report on page 3. Directors of CPT Global are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with - or could reasonably be perceived to materially interfere with - the exercise of their unfettered and independent judgement.

In the context of director independence, "materiality" is considered from both the company and individual director perspective. The determination of materiality requires consideration of both quantitative and qualitative elements. An item is presumed to be quantitatively immaterial if it is equal or less than 5% of the appropriate base amount. It is presumed to be material (unless there is qualitative evidence to the contrary) if it is equal to or greater than 10% of the appropriate base amount. Qualitative factors considered include whether a relationship is strategically important, the competitive landscape, the nature of the relationship and the contractual or other arrangements governing it and other factors which point to the actual ability of the director in question to shape the direction of the company's loyalty.

In accordance with the definition of independence above, and the materiality thresholds set, the following directors of CPT Global are considered to be independent:

Name	Position
Fred Grimwade	Non-executive Chairman
Glenn Fielding	Non-executive Director

There are procedures in place, agreed by the board, to enable directors, in furtherance of their duties, to seek independent professional advice at the company's expense.

The term in office held by each director in office at the date of this report is as follows:

Name	Term in office
Fred Grimwade	3 years
Gerry Tuddenham	7 years
Glenn Fielding	5 years
Peter Wright	4 years

### Performance Evaluation

An annual performance evaluation of the board and all board members was conducted by the full board for the financial year ended 30 June 2005. The board developed a questionnaire for all board members to provide feedback on how they thought the board had performed. The results from the questionnaire were collated and discussed by the board. The board developed a series of recommendations to improve performance and an action plan to implement the recommendations and set the performance criteria and goals for the next year.

### Remuneration & Nomination Committee

The board has established a remuneration & nomination committee, which meets at least twice annually, to ensure that the board continues to operate within the established guidelines, including when necessary, selecting candidates for the position of director. The committee is also responsible for ensuring that adequate resourcing levels are maintained, setting and monitoring employment conditions, reviewing the performance of executive directors and senior management and setting the scale of their remuneration. The remuneration & nomination committee comprises all of non-executive directors. The remuneration & nomination committee comprised the following members throughout the year:

- Glenn Fielding (C)
- Fred Grimwade

For details of directors' attendance at meetings of the remuneration & nomination committee, refer to page 13 of the Directors' Report.

For additional details regarding the remuneration & nomination committee, please refer to our website.

## Corporate Governance Statement continued

### Finance & Audit Committee

The board has established a finance & audit committee, which operates under a charter approved by the board. It is the board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The board has delegated the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the consolidated entity to the finance & audit committee.

The committee also provides the board with additional assurance regarding the reliability of financial information for inclusion in the financial reports. The Corporate Governance Principles recommend that all finance & audit committee members are non-executive. CPT Global only has two non-executive directors therefore the managing director has been appointed to the finance & audit committee.

The members of the finance & audit committee during the year were:

- Fred Grimwade (C)
- Glenn Fielding
- Gerry Tuddenham

### Risk Management

CPT Global takes a proactive approach to risk management. The board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the group's objectives and activities are aligned with the risks and opportunities identified by the board.

The group believes that it is crucial for all board members to be a part of this process, and as such the board has not established a separate risk management committee. Instead sub-committees are convened as appropriate in response to issues and risks identified by the board as a whole, and the sub-committee further examines the issue and reports back to the board.

The board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the board. These include:

- Board approval of a strategic plan, which encompasses the entity's vision, mission and strategy statements, designed to meet stakeholders' needs and manage business risk.
- Implementation of board approved operating plans and budgets and board monitoring of progress against these budgets, including the establishment and monitoring of Key Performance Indicators (KPI's) of both a financial and non-financial nature.
- The establishment of committees to report on specific business risks, including for example, such matters as the financial risks and concerns and occupational health and safety.

### Trading Policy

The company's policy regarding directors and employees trading in its securities is set by the finance & audit committee. The policy restricts directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the securities price.

## Statement of Financial Performance

YEAR ENDED 30 JUNE 2005	Notes	Economic Entity		Parent Entity	
		2005	2004	2005	2004
		\$'000	\$'000	\$'000	\$'000
REVENUE FROM ORDINARY ACTIVITIES	2	28,993	28,782	26,562	26,551
Depreciation and amortisation expense	3	(614)	(593)	(580)	(560)
Salaries and employee benefits expense		(1,759)	(1,779)	(1,541)	(1,693)
Consultants benefits expense		(20,679)	(20,513)	(19,237)	(19,484)
Lease expenses		(401)	(503)	(386)	(403)
Insurance expense	3	(249)	(251)	(237)	(251)
Other expenses from ordinary activities	3, 3(c)	(2,508)	(2,425)	(1,850)	(1,824)
<b>PROFIT FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE</b>		<b>2,783</b>	<b>2,718</b>	<b>2,731</b>	<b>2,336</b>
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES	4	(958)	(1,085)	(939)	(979)
<b>PROFIT FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE</b>		<b>1,825</b>	<b>1,633</b>	<b>1,792</b>	<b>1,357</b>
<b>NET PROFIT</b>		<b>1,825</b>	<b>1,633</b>	<b>1,792</b>	<b>1,357</b>
<b>NET PROFIT ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED</b>	19	<b>1,825</b>	<b>1,633</b>	<b>1,792</b>	<b>1,357</b>
Net exchange difference on translation of financial report of foreign controlled entity	19(a)	(7)	167	-	-
<b>TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED</b>		<b>1,818</b>	<b>1,800</b>	<b>1,792</b>	<b>1,357</b>
Basic earnings per share (cents per share)	25	5.3	4.7		
Diluted earnings per share (cents per share)	25	5.3	4.7		
Franked dividends per share (cents per share)	5	5.5	5.0		

The Statement of Financial Performance is to be read in conjunction with the Notes to the Financial Statements.

## Statement of Financial Position

AT 30 JUNE 2005	Notes	Economic Entity		Parent Entity	
		2005	2004	2005	2004
		\$'000	\$'000	\$'000	\$'000
<b>CURRENT ASSETS</b>					
Cash assets		2,241	2,530	1,878	2,195
Receivables	6	6,192	6,060	6,580	5,414
Inventories	7	1,581	750	205	141
Deferred tax assets	4	111	64	111	64
Other	8	417	509	397	500
<b>TOTAL CURRENT ASSETS</b>		<b>10,542</b>	<b>9,913</b>	<b>9,171</b>	<b>8,314</b>
<b>NON-CURRENT ASSETS</b>					
Receivables	9	-	-	488	891
Other financial assets	10	-	-	730	730
Property, plant and equipment	12	350	320	347	316
Intangible assets	13	6,913	7,394	6,423	6,872
<b>TOTAL NON-CURRENT ASSETS</b>		<b>7,263</b>	<b>7,714</b>	<b>7,988</b>	<b>8,809</b>
<b>TOTAL ASSETS</b>		<b>17,805</b>	<b>17,627</b>	<b>17,159</b>	<b>17,123</b>
<b>CURRENT LIABILITIES</b>					
Payables	14	3,102	2,618	2,759	2,550
Current tax liabilities	4	453	454	446	343
Provisions	15	109	88	109	88
Other	16	420	661	343	526
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,084</b>	<b>3,821</b>	<b>3,657</b>	<b>3,507</b>
<b>NON-CURRENT LIABILITIES</b>					
Provisions	17	21	29	21	29
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>21</b>	<b>29</b>	<b>21</b>	<b>29</b>
<b>TOTAL LIABILITIES</b>		<b>4,105</b>	<b>3,851</b>	<b>3,678</b>	<b>3,536</b>
<b>NET ASSETS</b>		<b>13,700</b>	<b>13,777</b>	<b>13,481</b>	<b>13,587</b>
<b>EQUITY</b>					
Parent entity interest					
▪ Contributed equity	18	12,075	12,075	12,075	12,075
▪ Reserves	19(a)	25	32	-	-
▪ Retained profits	19(b)	1,600	1,670	1,406	1,512
Total parent entity interest in equity		<b>13,700</b>	<b>13,777</b>	<b>13,481</b>	<b>13,587</b>
<b>TOTAL EQUITY</b>		<b>13,700</b>	<b>13,777</b>	<b>13,481</b>	<b>13,587</b>

The Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements.

## Statement of Cash Flows

YEAR ENDED 30 JUNE 2005	Notes	Economic Entity		Parent Entity	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers		30,189	29,865	26,546	27,414
Payments to suppliers and employees		(27,485)	(27,566)	(24,398)	(25,078)
Interest received		75	104	72	96
Income tax paid		(1,006)	(907)	(883)	(835)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	20(a)	1,773	1,496	1,337	1,597
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sale of property, plant and equipment		8	-	8	-
Purchase of property, plant and equipment		(169)	(75)	(170)	(73)
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		(161)	(75)	(162)	(73)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Payment for share buy-back		-	(2)	-	(2)
Proceeds from borrowings - other		-	-	403	(98)
Payment of dividends on ordinary shares		(1,895)	(1,723)	(1,895)	(1,723)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		(1,895)	(1,725)	(1,492)	(1,823)
NET INCREASE/(DECREASE) IN CASH HELD		(283)	(304)	(317)	(299)
Add opening cash brought forward		2,530	2,667	2,195	2,494
Effects of exchange rate changes on cash		(6)	167	-	-
CLOSING CASH CARRIED FORWARD	20(b)	2,241	2,530	1,878	2,195

The Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements.

## Notes

30 JUNE 2005

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001 which includes applicable Accounting Standards. Other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) have also been complied with.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report covers the economic entity of CPT Global Limited and controlled entities, and CPT Global Limited as an individual parent entity. CPT Global Limited is a listed public company, incorporated and domiciled in Australia.

#### (b) Principles of consolidation

The consolidated financial statements are those of the consolidated entity, comprising CPT Global Limited (the parent entity) and all entities which CPT Global Limited controlled from time to time during the year and at balance date.

Information from the financial statements of subsidiaries is included from the date the parent company obtains control until such time as control ceases. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the parent company has control.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All inter-company balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

#### (c) Foreign currencies

##### *Translation of foreign currency transactions*

Transactions in foreign currencies of entities within the consolidated entity are converted to local currency at the rate of exchange ruling at the date of the transaction.

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the end of the financial year.

A monetary item arising under a foreign currency contract outstanding at the reporting date where the exchange rate for the monetary item is fixed in the contract is translated at the exchange rate fixed in the contract.

##### *Translation of financial reports of overseas operations*

All overseas operations are deemed self-sustaining as each is financially and operationally independent of CPT Global Limited. The financial reports of overseas operations are translated using the current rate method and any exchange differences are taken directly to the foreign currency translation reserve.

## Notes continued

30 JUNE 2005

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (d) Cash and cash equivalents

Cash on hand and in banks and short-term deposits are stated at nominal value.

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 2 working days, net of outstanding bank overdrafts.

Bank overdrafts are carried at the principal amount. Interest is charged as an expense as it accrues.

#### (e) Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due. Interest is taken up as income on an accrual basis.

#### (f) Investments

Non current investments are carried at cost.

The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the underlying net assets of non listed investments. The expected net cash flows have not been discounted to their present value in determining recoverable amounts.

#### (g) Inventories

Work in progress is valued at cost plus profit recognised to date less any provision for anticipated future losses. Cost includes both variable and fixed costs relating to specific contracts, and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

Profits are recognised on the stage of completion basis measured using the proportion of costs incurred to date as compared to expected total costs. Where losses are anticipated they are provided for in full.

Revenue has been recognised on the basis of the terms of the contract adjusted for any variations or claims allowable under the contract.

#### (h) Property, plant and equipment

Plant and equipment is measured on the cost basis less, where applicable, any accumulated depreciation or amortisation. The carrying amount of property, 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 assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

#### *Depreciation*

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset:	Depreciation Rate
Fixtures Fittings & Equipment	22.5% to 37.5%
Leasehold improvements	20%
Plant and Machinery	11% to 60%

## Notes continued

30 JUNE 2005

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (i) Intangibles

##### *Intellectual Property*

Intellectual Property is carried at cost and amortised on a straight line basis over its useful life, being 20 years.

##### *Goodwill*

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Purchased goodwill and goodwill on consolidation are amortised on a straight-line basis over the period of 20 years. The balances are reviewed annually and any balance representing future benefits for which the realisation is considered to be no longer probable are written off.

#### (j) Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated entity.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

Deferred cash settlements are recognised at the present value of the outstanding consideration payable on the acquisition of an asset discounted at prevailing commercial borrowing rates.

#### (k) Provisions

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

#### (l) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

#### (m) 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:

##### *Sale of Goods*

Control of the goods has passed to the buyer.

##### *Rendering of Services*

Where the contract outcome can be reliably measured, control of the right to be compensated for the services and the stage of completion can be reliably measured. Stage of completion is measured by reference to the labour hours incurred to date as a percentage of total estimated labour hours for each contract.

Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent that costs have been incurred.

##### *Interest*

Control of the right to receive the interest payment.

## Notes continued

30 JUNE 2005

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (n) Taxes

Tax-effect accounting is applied using the liability method whereby income tax is regarded as an expense and is calculated on the accounting profit after allowing for permanent differences. To the extent timing differences occur between the time items are recognised in the financial statements and when items are taken into account in determining taxable income, the net related taxation benefit or liability, calculated at current rates, is disclosed as a future income tax benefit or a provision for deferred income tax. The net future income tax benefit relating to tax losses and timing differences is not carried forward as an asset unless the benefit is virtually certain of being realised.

#### *Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

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

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

#### (o) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, sick leave and long service leave.

Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

Employee benefit expenses and revenues arising in respect of the following categories:

- wages and salaries, non-monetary benefits, annual leave, long service leave, sick leave and other leave benefits; and
- other types of employee benefits

are charged against profits on a net basis in their respective categories.

In respect of the consolidated entity's contributions to superannuation plans, any contributions made to the superannuation funds by entities within the consolidated entity are charged against profits when due.

## Notes continued

30 JUNE 2005

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

#### (p) Earnings per share

Basic EPS is calculated as net profit attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net profit attributable to members, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

#### (q) Comparatives

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

## Notes continued

30 JUNE 2005

	Notes	Economic Entity		Parent Entity	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
<b>2. REVENUE FROM ORDINARY ACTIVITIES</b>					
Revenues from operating activities					
Revenue from sale of goods		153	-	-	-
Revenue from services		28,556	28,125	26,265	25,954
Total revenues from operating activities		28,709	28,125	26,265	25,954
Revenues from non-operating activities					
Rent		34	50	34	50
Interest					
▪ Other persons/corporations		75	104	72	96
Total interest		75	104	72	96
Other income		174	503	190	451
Proceeds from disposal of property, plant & equipment		1	-	1	-
Total revenues from non-operating activities		284	657	297	597
Total revenues from ordinary activities		28,993	28,782	26,562	26,551

**3. EXPENSES AND LOSSES/(GAINS)****(a) Expenses**

Depreciation of non-current assets					
▪ Plant and equipment		133	112	131	111
Total depreciation of non-current assets		133	112	131	111
Amortisation of non-current assets					
▪ Goodwill		481	481	449	449
Total amortisation of non-current assets		481	481	449	449
Total depreciation and amortisation expenses		614	593	580	560
Bad and doubtful debts - trade debtors		112	2	-	2
Operating lease rental					
▪ Rental expenses on operating leases		401	503	386	403
Total operating lease rental		401	503	386	403
Superannuation contributions		122	142	91	105

**(b) Losses/(gains)**

Net loss/(gain) on disposal of property, plant and equipment		(1)	-	(1)	-
Net foreign currency (gains)/losses		61	37	-	3

**(c) Specific items**

Profit from ordinary activities before income tax expense includes the following specific revenues and expenses whose disclosure is relevant in explaining the financial performance of the entity:

▪ Payroll Tax Refund		-	277	-	277
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## Notes continued

30 JUNE 2005

Notes	Economic Entity		Parent Entity	
	2005	2004	2005	2004
	\$'000	\$'000	\$'000	\$'000

### 4. INCOME TAX

The prima facie tax, using tax rates applicable in the country of operation, on profit and extraordinary items differs from the income tax provided in the financial statements as follows:

Prima facie tax on profit from ordinary activities	835	815	819	701
Tax effect of permanent differences				
▪ Amortisation of intangible assets	144	144	135	135
▪ Tax on overseas income at a different rate	(3)	(15)	-	-
▪ Other non-allowable items	16	18	14	9
▪ Utilisation of prior year tax losses	(34)	(11)	(29)	-
Under/(over) provision of previous year	-	134	-	134
Income tax expense attributable to ordinary activities	<u>958</u>	<u>1,085</u>	<u>939</u>	<u>979</u>

#### Deferred tax assets and liabilities

Provision for income tax - current	453	454	446	343
Future income tax benefit - current	111	64	111	64

This future income tax benefit will only be obtained if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- the conditions for deductibility imposed by tax legislation continue to be complied with; and
- no changes in tax legislation adversely affect the consolidated entity in realising the benefit.

### 5. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

#### (a) Dividends paid during the year

*Current year interim*

Franked dividends (2.5c per share) (2004: 2.0c per share)	<u>861</u>	<u>689</u>	<u>861</u>	<u>689</u>
-----------------------------------------------------------	------------	------------	------------	------------

#### (b) Dividends proposed and not recognised as a liability

Franked dividends (3.0c per share) (2004: 3.0c per share)	<u>1,034</u>	<u>1,034</u>	<u>1,034</u>	<u>1,034</u>
-----------------------------------------------------------	--------------	--------------	--------------	--------------

#### (c) Franking credit balance

The amount of franking credits available for the subsequent financial year are:

▪ franking account balance as at the end of the financial year at 30% (2004: 30%)			<u>1,313</u>	<u>1,097</u>
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The tax rate at which paid dividends have been franked is 30% (2004: 30%). Dividends proposed will be franked at the tax rate of 30% (2004: 30%).

## Notes continued

30 JUNE 2005	Notes	Economic Entity		Parent Entity	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
<b>6. RECEIVABLES (CURRENT)</b>					
Trade debtors	6(a)	6,165	6,013	4,406	4,643
Provision for doubtful debts		(108)	-	-	-
		<u>6,057</u>	<u>6,013</u>	<u>4,406</u>	<u>4,643</u>
Other receivables	6(a)	135	47	115	-
Amounts other than trade debts receivable from related parties:				<u>2,059</u>	<u>771</u>
		<u><u>6,192</u></u>	<u><u>6,060</u></u>	<u><u>6,580</u></u>	<u><u>5,414</u></u>
<b>(a) Terms and conditions</b>					
(i) Trade debtors are non-interest bearing and generally on 30 day terms.					
(ii) Sundry debtors and other receivables are non-interest bearing and have repayment terms between 30 and 90 days.					
<b>7. INVENTORIES (CURRENT)</b>					
Work-in-progress					
▪ At cost		<u>1,572</u>	<u>741</u>	<u>196</u>	<u>132</u>
Other inventory					
▪ At cost		<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
		<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
Total inventories at lower of cost and net realisable value		<u><u>1,581</u></u>	<u><u>750</u></u>	<u><u>205</u></u>	<u><u>141</u></u>
<b>8. OTHER ASSETS (CURRENT)</b>					
Prepayments		342	263	333	262
Other current assets		75	246	64	238
		<u>417</u>	<u>509</u>	<u>397</u>	<u>500</u>
<b>9. RECEIVABLES (NON-CURRENT)</b>					
Related party receivables					
Wholly-owned group					
▪ Controlled entities	28	-	-	488	891
		-	-	<u>488</u>	<u>891</u>
<b>10. OTHER FINANCIAL ASSETS (NON-CURRENT)</b>					
<i>Investments at cost comprise:</i>					
Shares					
▪ Controlled entities - unlisted	11	-	-	730	730
		-	-	<u>730</u>	<u>730</u>

## Notes continued

30 JUNE 2005

### 11. INTERESTS IN SUBSIDIARIES

Name	Country of incorporation	Percentage of equity interest held by the consolidated entity	
		2005 %	2004 %
CPT Global Ltd	United Kingdom	100	100
CPT Global GmbH	Germany	100	100
CPT Global Inc	USA	100	100
Deakin Consulting Pty Ltd	Australia	100	100
CPT Global Consulting Pty Ltd	Australia	100	100

### 12. PROPERTY, PLANT AND EQUIPMENT

	Notes	Economic Entity		Parent Entity	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
<i>Office equipment</i>					
At cost		620	559	620	559
Accumulated depreciation		(474)	(403)	(474)	(403)
	12(a)	<u>146</u>	<u>156</u>	<u>146</u>	<u>156</u>
<i>Furniture, fixtures and fittings</i>					
At cost		179	177	172	170
Accumulated depreciation		(124)	(114)	(118)	(109)
	12(a)	<u>55</u>	<u>63</u>	<u>54</u>	<u>61</u>
<i>Improvements</i>					
At cost		89	88	89	88
Accumulated depreciation		(52)	(43)	(52)	(43)
	12(a)	<u>37</u>	<u>45</u>	<u>37</u>	<u>45</u>
<i>Software</i>					
At cost		203	108	200	106
Accumulated depreciation		(91)	(52)	(90)	(52)
	12(a)	<u>112</u>	<u>56</u>	<u>110</u>	<u>54</u>
Total plant and equipment		<u>350</u>	<u>320</u>	<u>347</u>	<u>316</u>
Total property, plant and equipment					
Cost		1,091	932	1,081	923
		<u>1,091</u>	<u>932</u>	<u>1,081</u>	<u>923</u>
Accumulated depreciation and amortisation		(741)	(612)	(734)	(607)
Total written down amount		<u>350</u>	<u>320</u>	<u>347</u>	<u>316</u>

## Notes continued

30 JUNE 2005	Notes	Economic Entity 2005 \$'000	Parent Entity 2005 \$'000
<b>12. PROPERTY, PLANT AND EQUIPMENT (cont'd)</b>			
<b>(a) Reconciliations</b>			
Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year.			
<i>Office equipment</i>			
Carrying amount at beginning		154	154
Additions		72	72
Disposals		(8)	(8)
Depreciation expense		(72)	(72)
		146	146
<i>Furniture, fixtures and fittings</i>			
Carrying amount at beginning		63	61
Depreciation expense		(8)	(7)
		55	54
<i>Improvements</i>			
Carrying amount at beginning		45	45
Additions		1	1
Depreciation expense		(9)	(9)
		37	37
<i>Software</i>			
Carrying amount at beginning		56	54
Additions		93	93
Depreciation expense		(37)	(37)
		112	110

## Notes continued

30 JUNE 2005

	Notes	Economic Entity		Parent Entity	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
<b>13. INTANGIBLES</b>					
Goodwill - cost		9,659	9,659	9,030	9,030
Accumulated amortisation		(2,810)	(2,333)	(2,671)	(2,226)
		<u>6,849</u>	<u>7,326</u>	<u>6,359</u>	<u>6,804</u>
Intellectual Property		75	75	75	75
Accumulated amortisation		(11)	(7)	(11)	(7)
		<u>64</u>	<u>68</u>	<u>64</u>	<u>68</u>
		<u>6,913</u>	<u>7,394</u>	<u>6,423</u>	<u>6,872</u>
<b>14. PAYABLES (CURRENT)</b>					
Trade creditors		2,850	2,342	2,506	2,270
Other creditors		252	276	253	280
		<u>3,102</u>	<u>2,618</u>	<u>2,759</u>	<u>2,550</u>
<b>15. PROVISIONS (CURRENT)</b>					
Employee entitlements	22	<u>109</u>	<u>88</u>	<u>109</u>	<u>88</u>
<b>16. OTHER CURRENT LIABILITIES</b>					
Accrued expenses		163	233	113	179
Deferred expenses		150	328	150	241
Other current liabilities		107	100	80	106
		<u>420</u>	<u>661</u>	<u>343</u>	<u>526</u>
<b>17. PROVISIONS (NON-CURRENT)</b>					
Employee entitlements	22	<u>21</u>	<u>29</u>	<u>21</u>	<u>29</u>
<b>18. CONTRIBUTED EQUITY</b>					
<b>(a) Issued and paid up capital</b>					
Ordinary shares fully paid		<u>12,075</u>	<u>12,075</u>	<u>12,075</u>	<u>12,075</u>
<b>(b) Movements in shares on issue</b>					
		2005		2004	
		Number of shares	\$'000	Number of shares	\$'000
Beginning of the financial year		34,466	12,075	34,471	12,077
Bought back during the year		-	-	(5)	(2)
End of the financial year		<u>34,466</u>	<u>12,075</u>	<u>34,466</u>	<u>12,075</u>

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The on market buyback commenced on the 27th August 2002 with 3,000,000 shares being the maximum to be bought back of which 2,413,905 were outstanding as at year end.

During the year ended 30th June 2005 no ordinary shares were bought back under the on market buyback.

## Notes continued

30 JUNE 2005

Notes	Economic Entity		Parent Entity	
	2005	2004	2005	2004
	\$'000	\$'000	\$'000	\$'000

**19. RESERVES AND RETAINED PROFITS****(a) Reserves**

Foreign currency translation	25	32	-	-
------------------------------	----	----	---	---

**Movements during the year**

Balance at beginning of year	32	(135)	-	-
Adjustment arising from the translation of foreign controlled entities' financial statements	(7)	167	-	-
Balance at end of year	25	32	-	-

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary.

**(b) Retained profits**

Balance at the beginning of year	1,670	1,760	1,512	1,878
Net profit attributable to members of CPT Global Limited	1,825	1,633	1,789	1,357
Total available for appropriation	3,495	3,393	3,301	3,235
Dividends provided for or paid	(1,895)	(1,723)	(1,895)	(1,723)
Balance at end of year	1,600	1,670	1,406	1,512

**20. STATEMENT OF CASH FLOWS****(a) Reconciliation of the net profit after tax to the net cash flows from operations**

Net profit	1,825	1,633	1,792	1,357
<b>Non-Cash Items</b>				
Depreciation of non-current assets	133	112	131	111
Amortisation of non-current assets	481	481	449	449
Net (profit)/loss on disposal of property, plant and equipment	(1)	-	(1)	-
Net foreign currency (gains)/losses	-	-	-	-
<b>Changes in assets and liabilities</b>				
(Increase)/decrease in trade and other receivables	39	(595)	(993)	(795)
(Increase)/decrease in inventory	(832)	(467)	(65)	33
(Increase)/decrease in prepayments	(79)	(192)	(71)	(192)
(Decrease)/increase in trade and other creditors	241	320	25	464
(Decrease)/increase in tax provision	(1)	219	103	185
(Decrease)/increase in deferred income tax liability	(47)	(41)	(47)	(41)
(Decrease)/increase in employee entitlements	14	26	14	26
Net cash flow from operating activities	1,773	1,496	1,337	1,597

## Notes continued

30 JUNE 2005

### 22. EMPLOYEE BENEFITS AND SUPERANNUATION COMMITMENTS (cont'd)

#### (b) Reconciliation of cash

Cash balance comprises:

▪ cash on hand	2,241	2,530	1,878	2,195
Closing cash balance	<u>2,241</u>	<u>2,530</u>	<u>1,878</u>	<u>2,195</u>

#### (c) Disposal of Controlled Entity

There were no acquisitions or disposals in the 2005 financial year.

### 21. EXPENDITURE COMMITMENTS

#### (a) Lease expenditure commitments

(i) *Operating leases (non-cancellable):*

Minimum lease payments

▪ not later than one year	283	198	283	198
▪ later than one year and not later than five years	323	409	323	409
▪ aggregate lease expenditure contracted for at reporting date	<u>606</u>	<u>607</u>	<u>606</u>	<u>607</u>

Aggregate expenditure commitments comprise:

Aggregate lease expenditure contracted for at reporting date	<u>606</u>	<u>607</u>	<u>606</u>	<u>607</u>
--------------------------------------------------------------	------------	------------	------------	------------

#### Notes

The property leases are non-cancellable with terms ranging from 2 to 3 years. Rent is payable monthly in advance and the amounts disclosed do not include GST. Contingent rental provisions within the leases require the minimum lease payments to be increased by CPI on the anniversary of the lease agreement. No options exist to renew the leases.

### 22. EMPLOYEE BENEFITS AND SUPERANNUATION COMMITMENTS

#### Employee Benefits

The aggregate employee benefit liability is comprised of:

Accrued wages, salaries and on costs	2	1	-	-
Provisions (current)	109	88	109	88
Provisions (non-current)	21	29	21	29
	<u>132</u>	<u>118</u>	<u>130</u>	<u>117</u>

#### Employee Share Scheme

Information with respect to the number of options granted under the employee share incentive scheme is as follows:

		2005		2004	
		Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	22(a)	1,100,000	1.00	1,100,000	1.00
▪ granted		-	-	300,000	1.00
▪ expired		(550,000)	1.00	(300,000)	1.00
Balance at end of year	22(c)	<u>550,000</u>	<u>1.00</u>	<u>1,100,000</u>	<u>1.00</u>

## Notes continued

30 JUNE 2005

### 22. EMPLOYEE BENEFITS AND SUPERANNUATION COMMITMENTS (cont'd)

#### (a) Options held at the beginning of the reporting period

The following table summarises information about options held by employees as at 1 July 2004:

Number of options	Grant date	Vesting date	Expiry date	Weighted average exercise price
500,000	07/08/00	08/09/01	08/09/05	\$1.00
300,000	07/08/00	08/09/02	08/09/04	\$1.00
100,000	26/11/03	26/11/03	27/11/05	\$1.00
100,000	26/11/03	26/11/03	27/11/06	\$1.00
100,000	26/11/03	26/11/03	27/11/07	\$1.00

#### (b) Options granted during the reporting period

There were no options granted to employees during the year ended 30 June 2005.

#### (c) Options held as at the end of the reporting period

The following table summarises information about options held by employees as at 30 June 2005:

Number of options	Grant date	Vesting date	Expiry date	Weighted average exercise price
250,000	07/08/00	08/09/01	08/09/05	\$1.00
100,000	26/11/03	26/11/03	27/11/05	\$1.00
100,000	26/11/03	26/11/03	27/11/06	\$1.00
100,000	26/11/03	26/11/03	27/11/07	\$1.00

There were no other options granted by CPT Global to any other party. Options do not confer on the holder any right to vote or participate on the dividends of the economic entity and are not transferable.

### 23. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

#### (a) Contingent liabilities

##### Guarantees

CPT Global has provided guarantees of \$149,152 to third parties in relation to its performance and obligations in respect of property lease rentals and lease finance facilities. The guarantees are for the term of the facilities and leases. The guarantee for lease covers the period one to three years.

##### Employee disputes

The economic entity is currently defending an outstanding litigation claim brought against the economic entity by a former employee in relation to their past employment. The claim is expected to settle within the next 12 months. A contingent liability of \$37,922 is disclosed and is based on legal advice. This amount represents the potential financial amount that the economic entity may be liable for.

### 24. SUBSEQUENT EVENTS

(a) On 24th August 2005 CPT Global announced its intention to extend the on-market share buy back for a further twelve months until 27th August 2006. A maximum of 3,000,000 shares may be bought back during the buy back period, which will run from 27<sup>th</sup> August 2002 until 27<sup>th</sup> August 2006.

The financial effect of each of the above events has not been recognised.

## Notes continued

30 JUNE 2005	Notes	Economic Entity		Parent Entity	
		2005	2004	2005	2004
		\$'000	\$'000	\$'000	\$'000

### 25. EARNINGS PER SHARE

(a) The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

Net profit	1,825	1,633		
<b>Adjustments:</b>				
Earnings used in calculating basic and diluted earnings per share	1,825	1,633		
	<b>Number of shares</b>	<b>Number of shares</b>		
Weighted average number of ordinary shares used in calculating basic earnings per share	34,466,569	34,466,569		
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	34,466,569	34,466,569		

#### (b) Classification of securities

There are no potential ordinary shares outstanding at 30 June 2005 that are dilutive as the exercise price on the 550,000 options outstanding is greater than the market price of the shares.

### 26. AUDITORS' REMUNERATION

Amounts received or due and receivable by Moore Stephens for:

▪ an audit or review of the financial report of the entity and any other entity in the consolidated entity	99	66	87	66
▪ other services in relation to the entity and any other entity in the consolidated entity				
o tax compliance	27	-	9	-
o other services	23	2	4	2
	50	2	13	2
	149	68	100	68

### 27. DIRECTOR AND EXECUTIVE DISCLOSURES

#### (a) Details of Specified Directors and Specified Executives

##### (i) Specified directors

Fred S Grimwade	Non-executive Chairman
Gerry Tuddenham	Managing Director
Glenn Fielding	Non-executive Director
Peter Wright	Executive Director
Peter Corrigan (retired 26/11/04)	Executive Director

##### (ii) Specified executives

Chris Bird (commenced 27/01/05)	Regional Manager Northern Region
Mark Carroll	Company Secretary / Chief Financial Officer
Lesley-Anne Farmer (commenced 15/11/04)	Regional Manager Federal Region
Paul Fielding	Regional Manager Southern Region
Alan Mackenzie	Technical Director CPT Global Ltd (UK)

## Notes continued

30 JUNE 2005

## 27. DIRECTOR AND EXECUTIVE DISCLOSURES (cont'd)

## (b) Remuneration of Specified Directors and Specified Executives

*(i) Remuneration Policy*

The remuneration & nomination committee of the board of directors is responsible for determining and reviewing compensation arrangements for the directors, the managing director and the executive team. The remuneration & nomination committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. Further details of the Remuneration Policy are included in the directors' report on page 11.

*(ii) Remuneration of Specified Directors and Specified Executives*

	Primary			Post Employment		Equity Options	Other Bonuses	Total
	Salary & Fees	Cash Bonus	Non Monetary benefits	Super-annuation	Retirement benefits			
<b>Specified directors</b>								
Fred S Grimwade								
▪ 2005	49,835	-	-	4,485	-	-	-	54,320
▪ 2004	32,110	-	-	2,890	-	-	-	35,000
Gerry Tuddenham								
▪ 2005	211,373	-	-	95,980	-	16,175	-	323,528
▪ 2004	167,412	-	-	91,149	-	25,371	-	283,932
Glenn Fielding								
▪ 2005	32,110	-	-	2,890	-	-	-	35,000
▪ 2004	32,110	-	-	2,890	-	-	-	35,000
Peter Wright								
▪ 2005	244,884	-	-	87,861	-	1,070	-	333,815
▪ 2004	214,000	-	-	80,000	-	2,277	-	296,277
Peter Corrigan (retired 26/11/04)								
▪ 2005	115,443	-	-	19,456	-	-	-	134,899
▪ 2004	198,961	-	-	36,039	-	25,371	-	260,371
<b>Total Remuneration: Specified Directors</b>								
▪ 2005	653,645	-	-	210,672	-	17,245	-	881,562
▪ 2004	644,593	-	-	212,968	-	53,019	-	910,580

## Notes continued

30 JUNE 2005

### 27. DIRECTOR AND EXECUTIVE DISCLOSURES (cont'd)

(ii) Remuneration of Specified Directors and Specified Executives continued

	Primary		Post Employment		Equity Options	Other Bonuses	Total
	Salary & Fees	Cash Bonus	Non Monetary benefits	Super-annuation Retirement benefits			
<b>Specified Executives</b>							
Chris Bird (commenced 27/01/05)							
▪ 2005	62,291	-	-	5,606	-	-	67,897
Mark Carroll							
▪ 2005	137,615	-	-	12,385	-	-	150,000
▪ 2004	105,857	-	-	14,143	-	-	120,000
Lesley-Anne Farmer (commenced 15/11/04)							
▪ 2005	102,014	-	-	-	-	-	102,014
Paul Fielding							
▪ 2005	221,231	-	-	-	-	-	221,231
Alan Mackenzie							
▪ 2005	247,713	-	-	22,294	-	-	270,007
▪ 2004	272,766	-	-	18,477	-	-	291,243
<b>Total Remuneration: Specified Executives</b>							
▪ 2005	770,864	-	-	40,285	-	-	811,149
▪ 2004*	378,623	-	-	32,620	-	-	411,243

\* Group totals in respect of the financial year ended 2004 do not necessarily equal the sums of amounts disclosed for 2004 for individuals specified in 2005, as different individuals were specified in 2004.

### (c) Option holdings of specified directors and specified executives

	Balance at beginning of period 1 July 2004	Granted as Remuneration	Options Exercised	Net Change Other	Balance at end of period 30 June 2005
<b>Specified Directors</b>					
Gerry Tuddenham	400,000	-	-	(150,000)	250,000
Peter Wright	300,000	-	-	-	300,000
Peter Corrigan (retired 26/11/04)	400,000	-	-	(400,000)	-
<b>Total</b>	<b>1,100,000</b>	<b>-</b>	<b>-</b>	<b>(550,000)</b>	<b>550,000</b>

## Notes continued

30 JUNE 2005

### 27. DIRECTOR AND EXECUTIVE DISCLOSURES (cont'd)

#### (d) Shareholdings of Specified Directors and Specified Executives

Shares held in CPT Global Limited	Balance 1 July 2004	Granted as Remuneration	On Exercise of Options	Net Change Other	Balance 30 June 2005
	Ord	Ord	Ord	Ord	Ord
<b>Specified Directors</b>					
Fred S Grimwade	518,200	-	-	-	518,200
Gerry Tuddenham*	12,499,537	-	-	93,000	12,592,537
Glenn Fielding**	1,278,398	-	-	(89,056)	1,189,342
Peter Wright	83,000	-	-	-	83,000
Peter Corrigan (retired 26/11/04)	4,930,812	-	-	-	4,930,812
<b>Specified Executives</b>					
Chris Bird (commenced 27/01/05)	-	-	-	10,000	10,000
Mark Carroll*	54,714	-	-	35,167	89,881
Lesley-Anne Farmer (commenced 15/11/04)	-	-	-	45,000	45,000
Paul Fielding**	1,589,653	-	-	(32,181)	1,557,472
Alan Mackenzie	127,812	-	-	18,811	146,623
<b>Total</b>	<b>21,082,126</b>	<b>-</b>	<b>-</b>	<b>80,741</b>	<b>21,162,867</b>

\* As a result of shared related parties, included in the shareholdings disclosure of Gerry Tuddenham and Mark Carroll is a common 9,500 ordinary shares.

\*\* As Glenn Fielding and Paul Fielding are brothers, they have shared related parties resulting in a common 1,189,342 ordinary shares included in the shareholdings disclosure.

#### (e) Other transactions and balances with Specified Directors and Specified Executives

	Notes	Economic Entity		Parent Entity	
		2005	2004	2005	2004
		\$'000	\$'000	\$'000	\$'000
Director related entities of Gerard Tuddenham were paid fees during the year for the provision of software licenses (Expetest and Expetune licence agreement dated 20 June 2000 and subsequent variations) on normal commercial term and conditions.		58	38	41	38
		<b>58</b>	<b>38</b>	<b>41</b>	<b>38</b>

### 28. RELATED PARTY DISCLOSURES

#### Ultimate Parent

The parent entity is ultimately controlled by GNP Nominees Pty Ltd, a director related entity. GNP Nominees Pty Ltd is incorporated in Australia.

## Notes continued

30 JUNE 2005

### 29. SEGMENT INFORMATION

#### PRIMARY SEGMENT

CPT Global operates predominantly in one business segment being the provision of information technology consulting services.

#### SECONDARY SEGMENT

Geographic segments	Australia		United Kingdom		Germany		United States		Consolidated	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Segment revenue	24,289	25,333	1,994	1,881	1,219	818	1,464	757	28,966	28,789
Effects of foreign exchange	10	(12)	61	35	4	(19)	13	(11)	87	(7)
Total Segment revenue	24,299	25,321	2,055	1,916	1,223	799	1,477	746	29,054	28,782
Segment assets	14,373	15,253	1,452	997	1,190	651	838	726	17,853	17,627
Other segment information:										
Acquisition of property, plant and equipment, intangible assets and other non-current assets	159	73	-	1	-	-	-	-	159	74

### 30. FINANCIAL INSTRUMENTS

#### 30(a) Interest rate risk

The consolidated entity's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

Financial Instruments	Floating interest rate		Fixed interest rate maturing in 1 year or less		Non-interest bearing		Total carrying amount as per the statement of financial position		Weighted average effective interest rate	
	2005 %	2004 %	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 %	2004 %
<i>(i) Financial assets</i>										
Cash	5.21	4.98	2,241	2,530	-	-	2,241	2,530	-	-
Trade and other receivables	-	-	-	-	6,192	6,060	6,192	6,060	-	-
Total financial assets	5.21	4.98	2,241	2,530	6,192	6,060	8,433	8,590		

Financial Instruments	Floating interest rate		Fixed interest rate maturing in 1 year or less		Non-interest bearing		Total carrying amount as per the statement of financial position		Weighted average effective interest rate	
	2005 %	2004 %	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 %	2004 %
<i>(ii) Financial liabilities</i>										
Trade creditors	-	-	-	-	2,850	2,342	2,850	2,342	-	-
Other creditors	-	-	-	-	252	277	252	277	-	-
Total financial liabilities	-	-	-	-	3,102	2,619	3,102	2,619		

## Notes continued

30 JUNE 2005

### 30. FINANCIAL INSTRUMENTS (cont'd)

#### 30(b) Credit risk exposures

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial report.

The economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity.

#### 30(c) Net Fair Values

Assets and liabilities net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in a standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the company intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial statements.

## Notes continued

30 JUNE 2005

### 31. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS

CPT Global is preparing and managing the transition to Australian equivalents to International Financial Reporting Standards (AIFRS) effective for the financial years commencing from 1 January 2005. The adoption of AIFRS will be reflected in the economic entity's and the parent entity's financial statements for the year ending 30 June 2006. On first time adoption of AIFRS, comparatives for the financial year ended 30 June 2005 are required to be restated. The majority of the AIFRS transitional adjustments will be made retrospectively against retained earnings at 1 July 2004.

The economic entity's management, with the assistance of external consultants, has assessed the significance of the expected changes and is preparing for their implementation. An AIFRS committee is overseeing and managing the economic entity's transition to AIFRS. The impact of the alternative treatments and elections under AASB 1: First Time Adoption of Australian Equivalents to International Financial Reporting Standards has been considered where applicable.

The directors are of the opinion that the key material differences in the economic entity's accounting policies on conversion to AIFRS and the financial effect of these differences, where known, are as follows. Users of the financial statements should note, however, that the amounts disclosed could change if there are any amendments by standard-setters to the current AIFRS or interpretation of the AIFRS requirements changes from the continuing work of the economic entity's AIFRS committee.

#### *Impairment of Assets*

Under AASB 136: Impairment of Assets, the recoverable amount of an asset is determined as the higher of fair value less costs to sell, and value in use. In determining value in use, projected future cash flows are discounted using a risk adjusted pre-tax discount rate and impairment is assessed for the individual asset or at the 'cash generating unit' level. A 'cash generating unit' is determined as the smallest group of assets that generates cash flows that are largely independent of the cash inflows from other assets or groups of assets. The current policy is to determine the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the asset's use and subsequent disposal.

CPT Global does not anticipate any additional write-down for impairment of non-current assets on first-time adoption of AIFRS.

#### *Goodwill on Consolidation*

Under AASB 3: Business Combinations, goodwill is capitalised to the statement of financial position and subjected to an annual impairment test. Amortisation of goodwill is prohibited. Current accounting policy of the entity is to amortise goodwill on a straight-line basis over a period of 20 years.

Impairment testing as at 1 July 2005 confirmed no impairment of the \$9,659,000 goodwill less accumulated amortisation of \$2,810,000 as disclosed in the economic entity's financial statements at 30 June 2005. The previously amortised goodwill of \$2,333,000 will, therefore, be reversed resulting in a corresponding increase of \$2,333,000 in retained earnings at 1 July 2004 and an increase in profit amounting to \$477,000 for the year ended 30 June 2005.

Impairment testing as at 1 July 2005 confirmed no impairment of the \$75,000 intellectual property less accumulated amortisation of \$11,000 as disclosed in the economic entity's financial statements at 30 June 2005. The previously amortised intellectual property of \$7,000 will, therefore, be reversed resulting in a corresponding increase of \$7,000 in retained earnings at 1 July 2004 and an increase in profit amounting to \$4,000 for the year ended 30 June 2005.

#### *Share based payments*

Under AASB 2 Share based payments, the company will be required to determine the fair value of options issued to employees as remuneration and recognise an expense in the Statement of Financial Performance. This standard is not limited to options and also extends to other forms of equity based remuneration. It applies to all share based payments issued after 7 November 2002 which have not vested as at 1 January 2005. Options currently on issue are determined not to have a material effect on the first time adoption of IFRS. Reliable estimation of the future financial effects of this change in accounting policy is impracticable as the details of future equity based remuneration plans are unknown. At this stage, future share based payments have not been determined.

## Notes continued

30 JUNE 2005

### 31. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS

#### *Income Tax*

Currently, the economic entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the accounting profit adjusted for any permanent differences. Timing differences are currently brought to account as either a provision for deferred income tax or future income tax benefit. Under AASB 112: Income Taxes, the entity will be required to adopt a balance sheet approach under which temporary differences are identified for each asset and liability rather than the effects of the timing and permanent differences between taxable income and accounting profit.

The figures disclosed are management's best estimates of the quantitative impact of the changes as at the date of preparing the 30 June 2005 financial report. The actual effects of transition to AIFRS may differ from the estimates disclosed due to (a) ongoing work being undertaken by the AIFRS project teams; (b) potential amendments to AIFRSs and interpretations thereof being issued by the standard-setters and IFRIC; and (c) emerging accepted practice in the interpretation and application of AIFRS and UIG Interpretations.

#### (a) Reconciliation of net profit under AGAAP to that under AIFRS

YEAR ENDED 30 JUNE 2005	Economic Entity	Parent Entity
	2005 \$'000	2005 \$'000
Net profit as reported under AGAAP	1,825	1,792
Key transitional adjustments:		
▪ Reversal of amortisation of goodwill	477	445
▪ Reversal of amortisation of IP	4	4
Total transitional adjustments	481	449
Net profit under AIFRS	2,306	2,241

#### (b) Reconciliation of equity as presented under AGAAP to that under AIFRS

Total equity reported under AGAAP	13,700	13,481
Retrospective adjustments to equity at 1 July 2004:		
▪ Reversal of amortisation of goodwill	2,333	2,226
▪ Reversal of amortisation of IP	7	7
	2,340	2,233
Increase in current year profit resulting from transition to AIFRS	481	449
Total equity under AIFRS	16,521	16,163

## Directors' Declaration

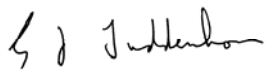
In accordance with a resolution of the directors of CPT Global Limited, I state that:

- (1) The financial statements and notes, as set out on pages 19 to 43, 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 2005 and of the performance for the year ended on that date of the company and economic entity.
- (2) The Chief Executive Officer and Chief Financial Officer has each 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.

The company and all wholly owned subsidiaries have entered into a deed of cross guarantee under which the company and its subsidiaries guarantee the debts of each other.

At the date of this declaration, there are reasonable grounds to believe that the companies which are party to this deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become subject to, by virtue of the deed.

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



Gerry Tuddenham  
Managing Director

Melbourne, 2 September 2005

## INDEPENDENT AUDIT REPORT TO MEMBERS OF CPT GLOBAL LIMITED

### Scope

The financial report and directors' responsibility

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 directors' declaration for both CPT Global Limited (the company) and CPT Global Limited (the consolidated entity), for the year ended 30 June 2005. The consolidated entity comprises both the company and the entities it controlled during that year.

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.

### Audit approach

We conducted an independent audit in order to express an opinion 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 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 and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their 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.


### Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

### Audit Opinion

In our opinion, the financial report of CPT Global Limited is in accordance with:

- (a) the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2005 and of their 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.



MOORE STEPHENS  
Chartered Accountants



S David Pitt  
Partner  
Melbourne, 2 September 2005

*Partners*  
Stephen L. Adrian  
Steven A. Allan  
Grantham C. Beeston  
Marco S. Carlei  
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A separate partnership in Victoria*

Daren I. J. McDonald  
Kevin W. Neville  
Stephen J. O'Flynn  
Robin C. Pennell  
S. David Pitt  
Grant M. Sincok  
Jonathan C. Thomas

## ASX Additional Information

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 12<sup>th</sup> August 2005.

### (a) Distribution of equity securities

The number of shareholders, by size of holding, in each class of share are:

	Ordinary shares		Preference shares	
	Number of holders	Number of shares	Number of holders	Number of shares
1 - 1,000	55	46,225	-	-
1,001 - 5,000	355	913,104	-	-
5,001 - 10,000	93	739,882	-	-
10,001 - 100,000	178	5,752,405	-	-
100,001 and over	35	27,014,748	-	-
	<b>716</b>	<b>34,466,364</b>	-	-
The number of shareholders holding less than a marketable parcel of shares are:	12	4,366	-	-

### (b) Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

	Listed ordinary shares	
	Number of shares	Percentage of ordinary shares
1 GNP NOMINEES PTY LTD	13,776,690	38.57
2 TUDDY SUPER PTY LTD	2,135,983	6.20
3 ANZ NOMINEES LIMITED	1,794,693	5.02
4 CITYCORP NOMINEES PTY LIMITED	1,697,750	4.75
5 MIRRABOOKA INVESTMENTS LIMITED	1,250,000	3.50
6 COGENT NOMINEES PTY LIMITED	1,047,500	2.93
7 MR BEN TUDDENHAM	420,152	1.22
8 MR LUKE TUDDENHAM	369,250	1.07
9 KELFIELD INVESTMENTS PTY LTD	368,130	1.03
10 MARIE SCODELLA AND ASSOCIATES	329,212	0.92
11 CAREY ENTERPRISES PTY LTD	316,000	0.88
12 MR FREDERICK SHEPPARD GRIMWADE	300,000	0.84
13 MR THOMAS MICHAEL SLATTERY	300,000	0.84
14 KPM FIELD PTY LTD	265,250	0.74
15 EQUITY TRUSTEES LIMITED	250,000	0.70
16 MR PAUL FIELDING	230,000	0.64
17 MRS BETTINA SCHELLENBERG-HARLEY	204,000	0.57
18 MR MICHAEL LAZORIK	200,000	0.56
19 MR STEPHEN LEN MILLAR	200,000	0.56
20 MIOTECH CONSULTING PTY LTD	194,500	0.54
	<b>25,649,110</b>	<b>72.08</b>

## ASX Additional Information continued

### (c) Twenty largest option holders

The names of the twenty largest holders of quoted options are:

		Listed options	
		Number of options	Percentage of total options
1	MR GERARD (GERRY) TUDDENHAM	250,000	45.0
2	MR PETER WRIGHT	300,000	55.0
		550,000	100.0

### (d) Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of Shares
GNP NOMINEES PTY LTD AS TRUSTEE FOR THE CPT TRUST	13,776,690
MR GERARD (GERRY) TUDDENHAM AND HIS ASSOCIATES (EXCLUDING HIS 69.79% BENEFICIAL INTEREST IN THE CPT TRUST	2,141,983
ANZ NOMINEES LIMITED <ADAM SMITH ASSET MANAGEMENT PTY LTD>	1,794,693
CITICORP NOMINEES PTY LIMITED	1,697,750

### (e) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction. Options do not carry voting rights.



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