



RAPTIS GROUP LIMITED

ABN 43 010 472 858

ANNUAL REPORT 2012

CONTENTS	PAGE
Directors' Report	2
Corporate Governance Statement	6
Auditors Independence Declaration	9
Financial Statements	10
Directors' Declaration	18
Auditor's Report	19
Company Particulars	21

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Directors Report

Your directors present their report on the company for the financial year ended 30 June 2012 .

Directors

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

Mr James Raptis OBE
Mrs Helen Raptis
Mr Malcolm Cory

Mr Malcolm Cory was appointed as director on 17 March 2015.

The directors in office as at the date of this report are:

Mr James Raptis OBE
Mrs Helen Raptis
Mr Malcolm Cory

Company Secretary

The following persons held the position of company secretary at the end of the financial year:

Mr James Raptis - Chairman and Chief Executive Officer. Mr Raptis is a registered builder in Queensland and has over 35 years experience in the construction and property development industries. He was appointed company secretary on 8 October 1990.

Mr. Malcolm Cory - Bachelor of Business, Chartered Accountant. Mr. Cory commenced work for Raptis Group Limited in December 1989. He performs roles in accounting and finance as the Chief Financial Officer. He was appointed company secretary on 16 December 1993.

Principal Activities

The company's principal activity is property development and investment.

This principal activity were suspended due to the following situation arising.

On 9 September 2008 Receivers were appointed to four subsidiary companies associated with the Southport Central project which caused the company to no longer satisfy criteria to report as a going concern. The appointment of Receivers to certain controlled entities provided an effective event of default under all security documentation including a fixed and floating charge over Raptis Group Limited provided to Capital Finance Australia Limited in August 2008.

The Directors appointed an Administrator to a major Raptis Group Limited subsidiary company, Raptic Contractors Pty Limited, on 10 December 2008. On 31 January 2009 the Directors appointed Brian Sylvia and Andrew Cummins of BRI Ferrier (NSW) Pty Ltd as Joint Administrators to Raptic Group Limited

On 31 March 2009, Creditors voted to accept a proposed Deed of Company Arrangement. The effect was that Creditors agreed to accept shares in consideration for their debts and no liabilities are carried forward from prior to that date.

On 18 September 2009 the Raptic Creditors Trust Deed was approved by Creditors and the Administrators announced return of control to the Directors.

As part of the restructure on 18 September 2009, 40,000,000 shares were issued to creditors in a debt for equity swap.

Operating Results

Trading activities were suspended during the years ended to 30 June 2012 and 30 June 2011.

Review of Operations

The company did not trade during the year.

The restructure approved by Creditors on 31 March 2009 included a provision of shares to creditors as a swap for debt. The Administrator and Directors undertook to Creditors at this meeting to resolve a disputed proof of debt that arose just prior to the Creditors meeting. The resolution of the proof of debt relevant to a formerly controlled entity with the Australian Taxation Office had the potential to dilute the distribution payable to the unsecured creditors of another former controlled entity Raptic Contractors Pty Ltd. This matter was strenuously litigated in an endeavour to provide the best outcome for the creditors of Raptic Contractors Pty Ltd.

The Full Bench of the Federal Court found substantially in favour of the company on the 18 August 2012. The High Court of Australia reversed a significant proportion of this outcome leaving a net liability, and remitted the matter to the Administrative Appeals Tribunal to determine the effect of the orders. The amount of the proof has been resolved to the satisfaction of the Company.

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Financial Position

On 31 March 2009 Creditors voted to accept a proposed Deed of Company Arrangement and the effect was that the Raptis Group Creditors Trust Deed was set in place at a meeting on 18 September 2009. No debt from prior to the implementation of the Deed of Company Arrangement remains and the company has the capacity to resume trading without concern of liabilities from the past disturbing future trading. As a result of the vote the net assets position of the company is NIL. There was no profit or loss for the years ending 30 June 2012 and 30 June 2011, as the company was not trading.

Going Concern

As at 30 June 2012, the company had net assets of nil. The company is dependent on the support of its major shareholders arranging funding to continue as a going concern. At the date of signing the major shareholders have indicated their intention to continue to arrange resources to meet the needs of the company. This includes funding costs up to resumption of trading and underwriting a capital raising to allow the company to relaunch as a going concern in its own right. Should the funding not be obtained, the company will not be able to continue as a going concern.

Dividends Paid or Recommended

No Dividends were paid or declared during the year.

After Balance Date Events

The review of operations above refers to resolving a proof of debt to assist the Administrator in the adjudication process. The Full Bench of the Federal Court found substantially in favour of the company on the 18 August 2012. The High Court of Australia reversed a significant proportion of this outcome leaving a net liability, and remitted the matter to the Administrative Appeals Tribunal to determine the effect of the orders. The amount of the proof has been resolved to the satisfaction of the Company. The Raptis Group Limited Australian Tax Office proof of debt of \$29,375,574 that delayed the implementation of the restructure from 31 March 2009 was resolved on 6 August 2014 to an amount of six dollars and nil cents.

The company has completed arrangements with the former security holder. This allows Raptis Group Limited to recommence its core business of property development. These arrangements allowed that on 9 July 2014 a security registered over all collateral held by Raptis Group Limited was lifted. On 3 July 2014 the appointment to control one subsidiary associated with the Hilton Surfers Paradise development retired from this limited position.

Future Developments, Prospects and Business Strategies

The effect of the restructure is that there is no debt from prior to 31 March 2009. The company has received the benefit of a legal clearing of the decks and the opportunity to resume trading without any liabilities from the past resurfacing. It has taken a long time to follow due legal process and the support of shareholders and creditors who become shareholders under the restructure and other stakeholders is appreciated.

The Directors plan is to recapitalise the company to have a minimum of one million dollars in cash. Research has provided attractive opportunities to resume the previous property development activities of the company and return value to the shareholders.

Environmental Issues

The directors are not aware of any significant breaches during the year.

Information relating to Directors at the end of financial year

No remuneration has been paid in the current and comparative financial years.

Information on Directors

Mr James Raptis, OBE

Chairman and Chief Executive Officer, Age 67

James is a registered builder in Queensland and has over 35 years experience in the construction and property development industries. He has been responsible for the completion of many distinctive buildings on the Gold Coast. His experience ranges from the design and development of residential buildings to the construction and property management of commercial and retail properties. James Raptis was appointed the Greek Consul for Queensland in 2005.

Interest in shares – 39,223,104 fully paid ordinary shares

Mrs Helen Raptis Executive Director, Age 57

Helen has worked with Raptis Group since 2002 she hold a degree in education and her experience includes property investment, marketing, and event management. She was appointed to the Board on 19 June 2009. Interest in shares – 39,233,104 fully paid ordinary shares

Mr Malcolm Cory

Executive Director Age 55

Malcolm Cory is a Chartered Accountant. He commenced working with the company in 1989 as Chief Financial Officer, and was appointed as Company Secretary in 1993. He was appointed to the Board on 17 March 2015. Interest in Shares – 4,000,000 fully paid ordinary shares

Remuneration Report

This report details the nature and amount of remuneration provided for each key management person of Raptis Group Limited including directors and for the executives receiving the highest remuneration. The company did not trade during the current or comparative period and no remuneration has been paid in these periods.

Remuneration Policy

The remuneration policy of Raptis Group Limited has been designed to align directors, secretaries, senior managers of the Company, and relevant group executives of the economic entity's objectives with shareholder and business objectives by providing a fixed base remuneration component and employer contributions to superannuation funds.

The board of Raptis Group Limited believes the remuneration policy to be appropriate, effective and competitively set in its ability to attract and retain appropriately qualified and experienced directors and senior executives to run and manage the economic entity, as well as create goal congruence between directors, executives and shareholders.

The remuneration structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the economic entity is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Board, with independent advice on the appropriateness of remuneration packages given trends in comparative companies and the objectives of the Company's remuneration strategy.
- When appointed executives receive a fixed base salary (which is based on factors such as length of service and experience), and superannuation.
- The Board reviews the remuneration of the directors and senior executives of the economic entity, taking into account their capability and experience, their ability to control the relevant segment performance and the economic entity's performance including the economic entity's earnings and the growth in share price and returns on shareholder wealth.

Remuneration levels are reviewed annually by the directors through a process that considers individual, segment and overall performance of the economic entity. In addition, external consultants provide analysis and advise to ensure directors' and senior executives' remuneration is competitive in the market place.

The executive directors and executives receive a superannuation guarantee contribution required by the government, and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

Compensation Practices

The board's policy for determining the nature and amount of compensation of key management for the group is as follows:

The compensation structure for key management personnel is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the company. The contracts for service between the company and key management personnel are on a continuing basis, the terms of which are not expected to change in the immediate future.

Upon retirement key management personnel are paid employee benefit entitlements accrued to date of retirement. Key management personnel are paid in accordance with State Legislation in the event of redundancy.

Employment contracts of directors and senior executives

There are no current employment contracts.

Key Management Personnel Remuneration

All employees were terminated on 31 October 2008. No remuneration has been paid to key management personnel or Directors since that date.

Meetings of Directors

During the financial year, 5 meetings of directors were held. Attendances by each director during the year were as follows:-

Director	Directors' Meetings	
	Number Eligible to Attend	Number Attended
Mr James Raptis OBE	5	5
Mrs Helen Raptis	5	5

Audit Committee

Due to limitations imposed by size, the company has not constituted a separate audit committee of the Board of Directors.

Indemnifying Officers or Auditor

During the financial year the Company has no insurance premium was paid in respect of directors' and officers' liability and legal expenses insurance contracts, for current directors and officers including executive officers of the Company and directors, officers and secretaries of its controlled entities. No premium was paid nor has any indemnity been given in respect to the auditors of the Company.

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

During the year, Russell Bedford New South Wales, the company's auditors have not performed other services in addition to their duties.

There were no fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2012.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on page 9 of the directors' report.

Rounding of Amounts

The company is an entity to which ASIC Class Order 98/100 applies. Accordingly, amounts in the financial statements have been rounded to the nearest thousand dollars.

Dated this 31st day of March, 2015.

Signed in accordance with a resolution of the Board of Directors.



James Raptis, OBE
Director

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Corporate Governance Statement

Raptis Group Limited's corporate governance practices were in place throughout the year ended 30 June 2011. Where recommendations of the ASX Corporate Governance Council have not been fully complied with due to the size of the company these exceptions are included in the notes below.

Board of Directors

The board of directors guides and monitors the business affairs of Raptis Group Limited on behalf of the shareholders by whom they are elected and to whom they are accountable. The board of directors of Raptis Group Limited is responsible for the overall corporate governance of the consolidated entity including formulating its strategic direction, approving and monitoring capital expenditure, setting remuneration, appointing, removing and creating succession policies for directors and senior executives, monitoring the achievement of management's goals and ensuring the integrity of internal control and management information systems. It is also responsible for approving and monitoring financial and other reporting to the Australian Stock Exchange in terms of their requirements.

The board of Raptis Group takes independent professional advice at the expense of the company.

Board Composition

The names of directors of the company in office at the date of this report, their term of office their skills, experience and relevant expertise are detailed in the director's report. Raptis Group Limited does not currently have a majority of independent directors on the board due to the size and industry specific nature of the company.

An independent director is a director who is not a member of management and who:

- Is not a substantial shareholder of the company or an officer of, or otherwise associated directly with, a substantial shareholder of the company
- Has not within the last three years been employed in an executive capacity by the company or another group member, or been a director after ceasing to hold any such employment
- Within the last three years has not been a principal or employee of a material professional advisor or a material consultant to the company or another group member
- Is not a material supplier or customer of the company or another group member, or an officer of or otherwise associated with a material supplier or customer
- Has no material contractual relationship with the company or another group member other than as a director of the company
- Is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company

The composition of the board is reviewed on an annual basis to ensure the board has the appropriate mix of expertise and experience. Where a vacancy exists through whatever cause or where it is considered the board would benefit from the services of a new director with particular skills, the board determines the selection criteria for the position based on the skills deemed necessary for the board to best carry out its responsibilities and then appoints the most suitable candidate who must stand for election at the next general meeting of shareholders.

Nomination Committee

The board of Raptis Group has not formed a separate formal nomination committee because of the size of the company and the active involvement of all directors in nomination decisions. All directors are involved in the overseeing of the appointment and induction process for new directors and senior executives. The board in conjunction with senior executives and external consultants as most appropriate review the performance of all board members and executives.



Remuneration Committee

The board of Raptis Group has not formed a separate formal remuneration committee because of the size of the company and the active involvement of all directors in remuneration decisions. All directors in conjunction with senior executives and external consultants as most appropriate review the remuneration of all board members and executives. These reviews include incentive performance packages, compliance with superannuation requirements, termination entitlements, professional indemnity and liability insurance policies as applicable. There are no schemes for retirement benefits other than statutory superannuation.

Remuneration Policies

Remuneration levels are set to attract and retain appropriately qualified and experienced directors, senior executives and staff to run the economic entity. The board consider that the remuneration structure will be able to attract and retain the best executives with the necessary incentives to work to grow long term shareholder value.

The board obtains independent advice as necessary on the appropriateness of remuneration packages, given trends in comparative companies both locally and Australia wide. Remuneration includes a mix of fixed remuneration and performance based remuneration.

All executives receive a base salary, superannuation and performance incentives. The board reviews executive packages on a project by project basis by reference to departmental project performance, executive performance, comparative industry information and relevant independent advice. The performance of executives is measured against project targets which are agreed on a project by project basis.

The amount of remuneration for all directors and the highest paid executives, are detailed in note 5 to the financial report. The board considers that the performance linked remuneration structure is generating the desired outcome. The evidence for this is record profits for the last two years and increase in shareholder value.

Remuneration Report

The remuneration report is set out on [page 3] and forms part of the director's report for the financial year ended 30 June 2011.

Safeguard Integrity in Financial Reporting

The board of Raptis Group has not formed a separate formal audit committee because of the size of the company and the active involvement of all directors in the final process of accepting the financial report and associated notes. The board is responsible for ensuring the financial report represents a true and fair view, in all material respects, of the company's financial condition and operational results and are in accordance with relevant accounting standards. The board further ensures that particular issues relevant to verifying and safeguarding the integrity of the company's financial report are met.

External auditors are appointed by the shareholders at the Annual General Meeting. External auditors are invited to attend the Annual General Meeting of the company in order to answer shareholder questions.

Financial Reporting

The Chief Executive Office and the Chief Financial Officer have declared, in writing to the board that the Company's financial reports are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board.

Business Risk Management

The group takes a proactive approach to risk management. The board is responsible for ensuring that risks, and 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 board believes it is crucial for all board members to be 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 specific opportunities and risks.



Trading Policy

The company's policy regarding directors and employees trading in its securities is set by the board. The board 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 security's prices.

Ethical and Responsible Decision Making

In accordance with the Constitution and the Corporations Act 2001, directors disclose to the board any material contract in which they may have an interest. In compliance with section 195 of the Corporations Act 2001, any Director with a material personal interest in a matter being considered by the Board will not be present when the matter is being considered and will not vote on the matter. All directors and employees of Raptis Group Limited adhere to a strict code of ethics and must act with the utmost integrity, honesty and objectivity, striving at all times to enhance the reputation and performance of the Company.

Shareholders

The board aims to ensure that shareholders are informed of all major developments that may affect the financial performance of the Company. The Board encourages full participation by the Shareholders at the Annual General Meeting; this is to ensure a high level of accountability relating to strategy and financial performance by the Company. The shareholders are also responsible for voting on the appointment of directors.

Interest of Stakeholders

The board of Raptis Group has not formed a separate code of conduct to guide compliance with obligations to stakeholders.

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Auditor's Independence Declaration

31 March 2015

The Board of Directors
Raptis Group Limited
Level 1
2681 Gold Coast Highway
BROAD BEACH QLD 4218

Dear Members of the Board

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor for the audit of Raptis Group Limited for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the Corporations Act 2001 in relation to this audit;
- (b) any applicable Code of Professional Conduct in relation to this audit.

RUSSELL BEDFORD NSW
Chartered Accountants



MALCOLM BEARD, M.Com., F.C.A.
Partner

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RAPTIS GROUP LIMITED ABN 43 010 472 858

Statement of Comprehensive Income For the Year ended 30 June, 2012

	Note	Raptis Group Limited	
		2012	2011
		\$000	\$000
Operations			
Revenue	2	-	-
Gross profit		<hr/>	<hr/>
		-	-
Profit (Loss) before income tax expense	3	<hr/>	<hr/>
		-	-
Income tax (expense)	4	-	-
Net profit (loss) attributable to members		<hr/>	<hr/>
		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to members		<hr/>	<hr/>
		-	-
Basic and diluted earnings per share (cents per share)	8	-	-
Dividends per share (cents)	7	-	-

The Statement of comprehensive income should be read in conjunction with the accompanying notes.

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RAPTIS GROUP LIMITED ABN 43 010 472 858

Balance Sheet as at 30 June, 2012

	Note	Raptis Group Limited	
		2012	2011
		\$000	\$000
ASSETS			
TOTAL ASSETS		<u>-</u>	<u>-</u>
LIABILITIES			
TOTAL LIABILITIES		<u>-</u>	<u>-</u>
NET ASSETS (DEFICIENCY)		<u>-</u>	<u>-</u>
EQUITY			
Issued capital	9	28,312	28,312
Retained earnings (accumulated Losses)		(28,312)	(28,312)
TOTAL EQUITY		<u>-</u>	<u>-</u>

The Balance Sheet should be read in conjunction with the accompanying notes.

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RAPTIS GROUP LIMITED ABN 43 010 472 858

Statement Of Changes in Equity as at 30 June, 2012

	Ordinary Share Capital \$000	Retained Earnings (Accumulated Losses) \$000	Total \$000
Raptis Group Limited Balance as at 1st July 2010	28,312	(28,312)	-
Profit attributable to the entity	-	-	-
Balance at 30th June 2011	28,312	(28,312)	-
Balance at 1st July 2011	28,312	(28,312)	-
Profit attributable to the entity	-	-	-
Balance at 30th June 2012	28,312	(28,312)	-

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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RAPTIS GROUP LIMITED ABN 43 010 472 858

Cash Flow Statements for the Year ended 30 June, 2012

	Raptis Group Limited	
	2012	2011
	\$000	\$000
Cash Flows From Operating Activities		
Net cash provided by (used in) operating activities	-	-
Cash Flows From Investing Activities		
Net cash provided by (used in) investing activities	-	-
Cash Flow From Financing Activities		
Net cash provided by (used in) financing activities	-	-
Net increase (decrease) in cash held	-	-
Cash at the beginning of the financial year	-	-
Cash at the end of the financial year	-	-

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

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RAPTIS GROUP LIMITED ABN 43 010 472 858

Notes To The Financial Statements for the Year ended 30 June, 2012

The financial report covers Raptis Group Limited as an individual entity. Raptis Group Limited is a listed public company, incorporated and domiciled in Australia.

Note 1: Statement Of Significant Accounting Policies

Basis Of Preparation

The financial report is a general purpose financial report, prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The financial report has also been prepared on a historical cost basis. The accounting policies have been consistently applied. The financial report complies with Australian Accounting Standards, which includes the Australian Accounting Interpretations. The financial report also complies with International Financial Reporting Standards (IFRS).

Where management is required to make judgements, estimates and assumptions in relation to the carrying value of assets and liabilities that have significant risk of material adjustments in the next year, these have been disclosed in the relevant notes.

The establishment of the Raptis Group Creditors Trust Deed on 18 September 2009 returned the company to a going concern.

Going Concern

As at 30 June 2012, the company had net assets of nil. The company is dependent on the support of its major shareholders arranging funding to continue as a going concern. At the date of signing the major shareholders have indicated their intention to continue to arrange resources to meet the needs of the company. This includes funding costs up to resumption of trading and underwriting a capital raising to allow the company to relaunch as a going concern in its own right. Should this funding not be obtained the company will not be able to continue as a going concern.

The accounting policies adopted are consistent with those of the previous financial year. Any new Australian Accounting Standards first applying during the financial year have not significantly impacted on the Company's financial statements.

Accounting Policies

(a) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses. Current and deferred income tax expense (income) is charged or credited outside the profit and loss when the tax relates to items that are recognised outside the profit and loss. Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(b) Goods and Services Tax (GST)

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

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

(c) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(d) Rounding of Amounts

The parent entity has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial report and directors' report have been rounded off to the nearest \$1,000.

(e) Critical Accounting Estimates and Judgments

The preparation of the financial report requires the making of estimations and assumptions that affect the recognised amounts of assets, liabilities revenues and expenses and the disclosure of contingent liabilities. The directors evaluate estimates and judgments incorporated into the financial report based on historical experience and knowledge and best available current information reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both internally and externally within the group. Actual results may differ from these estimates.



RAPTIS GROUP LIMITED ABN 43 010 472 858

Notes To The Financial Statements for the Year ended 30 June, 2012

	Raptis Group Limited	
	2012	2011
	\$000	\$000
Note 2: Revenue		
Revenue from operating activities		
Total Revenue	-	-
Note 3: Profit for the Year		
Profit from ordinary activities before income tax has been determined after charging/(crediting) the following items:		
(a) Expenses		
Total Expenses	-	-
Note 4: Income Tax		
(a) Prima facie income tax expense calculated at 30%(2011: 30%) on the operating profit/(loss)	-	-
Income tax attributable to entity	-	-

(b) The amount of deductible temporary differences and unused tax losses for which no deferred tax assets have been brought to account:

- temporary differences \$ nil' (2011 \$ nil)
- tax losses: operating losses \$ nil' (2011: \$ nil)
- tax losses: capital losses \$ nil' (2011 \$ nil)

Refer to note below "Unrecognised Tax Losses"

The benefits of the above unused tax losses will only be realised if the conditions for deductibility set out in Note 1(a) occur. These amounts have no expiry date.

Transactions in previously controlled entities occurring after the implementation of the restructure have no effect for accounting purposes due to loss of control of these entities. These transactions still give rise to a potential tax loss due to the entities continued membership of the tax consolidated group.

Unrecognised Tax Losses

At the time of signing this Annual Report the company is not able to accurately determine the quantum of its carry forward losses. This results from the restructuring of former debt where certain assets are still being held in previously controlled entities with security documentation still in effect in respect of the secured creditors or their assignors. Whilst the disposal of these assets will have no impact on the current or future accounting results due to the effect of the restructuring, the treatment of the associated debt is anticipated to have tax loss implications, which may materially affect the calculation of carry forward losses from prior years.

The interim tax loss calculation indicates a potential future income tax benefit from carry forward losses of \$46,803,026 (at the current tax rate of 30%). However, the security positions that have not yet been resolved are material and may substantially reduce this interim calculation.

Note 5: Key Management Personnel Compensation

(a) Name and position of economic and parent entity key management personnel in office at any time during the financial year are:

Key Management Person, Mr James Raptis OBE who holds the position of Managing Director.

(b) Compensation Practices

The board's policy for determining the nature and amount of compensation of key management for the group is as follows:

The compensation structure for key management personnel is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the company. The contracts of service between the company and key management personnel were on a continuing basis. Upon retirement key management personnel are paid employee benefit entitlements accrued to date of retirement. Key management personnel are paid in accordance with State Legislation in the event of redundancy.

(c) Key Management Personnel Compensation

	Short Term Benefits	Post Employment Benefits Super-annuation	Total
2012	Salary & Fees \$000	\$000	\$000
Key Management Person			
Mr James Raptis, OBE	-	-	-
Mrs Helen Raptis	-	-	-
	-	-	-
2011	Short Term Benefits	Post Employment Benefits Super-annuation	Total
Key Management Personnel	Salary & Fees \$000	\$000	\$000
Mr James Raptis, OBE	-	-	-
Mrs Helen Raptis	-	-	-
	-	-	-

(d) Shareholdings

Number of shares held by Key Management Personnel

	Balance 1/07/2011	Received as Remuneration	Net Change Other*	Balance 30/06/2012
Key Management Personnel				
Mr James Raptis	39,223,104	-	-	39,223,104
Mrs Helen Raptis (identical indirect holding to James Raptis)	39,223,104	-	-	39,223,104

Net change other refers to shares purchased or sold during the financial year.

Note 6: Auditors Remuneration

Russell Bedford New South Wales or a related entity did not provide share registry services, act as tax agent for income tax purposes, or provide auditing services in these financial years.



RAPTIS GROUP LIMITED ABN 43 010 472 858

Notes To The Financial Statements for the Year ended 30 June, 2012

Note 7: Dividends

(a) Dividends Paid

No dividends were declared or paid during or since the end of the financial year.

(b) Franking Account

The company does not have a balance available in its dividend franking account. It is not expected that franking credits will arise from the payment of income tax for the financial year due to the effect of carried forward tax losses.

Note 8: Earnings Per Share

(a) Reconciliation of earnings to profit or loss

Raptis Group Limited	
2012	2011
\$000	\$000

Profit	-	-
Earnings used to calculate basic EPS	-	-
	No. Of Shares	No. Of Shares
Weighted Average number of ordinary shares used in the calculation of earnings per share	102,842,247	102,842,247
	Cents	Cents
Basic and diluted earnings per share	-	-
	\$'000	\$'000
Operating profit after income tax used in the calculation of earnings per share	-	-

Raptis Group Limited	
2012	2011
\$000	\$000

Note 9: Issued Equity

Issued and Paid Up Capital

102,842,427 (2011:102,842,427) fully paid ordinary shares	28,312	28,312
102,842,427 (2011:102,842,427) fully paid ordinary shares carrying value at end of the year	<u>28,312</u>	<u>28,312</u>
	Number	Number
Balance of shares at the beginning of the reporting period	102,842,427	102,842,427
Shares issued during the year	-	-
Balance of shares at the end of the reporting period	<u>102,842,427</u>	<u>102,842,427</u>

Shares Issued

In 2010 year 40,000,000 shares were issued by BRI Ferrier (NSW) Pty Limited and are held by them under the provisions of the agreements with secured creditors.
35,000,000 shares were issued to benefit Raptis Group Ltd secured creditors and 5,000,000 shares were issued to benefit Rappcivic Contractors Pty Limited unsecured creditors.

Terms and Conditions

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.



RAPTIS GROUP LIMITED ABN 43 010 472 858

Notes To The Financial Statements for the Year ended 30 June, 2012

Note 10: Events Subsequent To Balance Date

The following context is provided to provide the background for the events subsequent to balance date.

The Raptis Creditors Trust Deed was approved and the Administrators announced return of control of Raptis Group Limited to the Directors on 18 September 2009. Implementing of the arrangements has involved recourse to the legal proceedings to adjudicate a proof of debt lodged by the Australian Taxation Office (ATO), prior to giving effect to the restructure.

The Raptis Group Limited Creditors Trust Deed includes provision to issue 35 million shares to Creditors of Raptis Group Limited. The Deed of Company Arrangement for Raptis Contractors Pty Ltd includes the issue of five million shares to the subcontractors and suppliers of the formerly controlled building company. Just prior to the 31 March 2009 meeting of Creditors to vote on the Deed of Company Arrangement for both companies the ATO lodged proofs of debt. The directors and certain major shareholders arranged funding to contest these proofs of debt. Satisfactory resolution of the proofs of debt has enabled the distribution to subcontractors and creditors of the formerly controlled construction company to proceed.

The ATO claim against Building Services (QLD) Pty Ltd amount owing of \$11.6 million was reduced to a refund of \$452,975. This was achieved in October 2012 and April 2014.

The Unit Trend Services Pty Ltd dispute was in respect of primary tax of \$21 million. Fifty percent of this amount was paid prior to any ATO assessment being issued. The ATO proof of debt amount was subject to objection promptly in 2009. In April 2010 the objection was the subject of a four day hearing before the Administrative Appeals Tribunal (AAT). The partially successful AAT hearing went on appeal to the Full Federal Court where Unit Trend Services Pty Ltd achieved a resoundingly positive result on 5 October 2012. The High Court of Australia reversed a significant portion of the Full Federal Court decision on 1 May 2013 referring matters back to the AAT for determination. The amount of the proof has been resolved to the satisfaction of the company. The Raptis Group Limited Australian Tax Office proof of debt of \$29,375,574 that delayed implementation of the restructure from 31 March 2009 was resolved on 6 August 2014 to an amount of six dollars and nil cents. The Directors appreciate the support of Shareholders in funding this process and the patience of stakeholders in awaiting an outcome.

The company completed arrangements with the former security holder. This allows Raptis Group Limited to recommence its core business of property development. These arrangements allowed that on 9 July 2014 a security registered over all collateral held by Raptis Group Limited was lifted. On 3 July 2014 the appointment to control one subsidiary associated with the Hilton Hotel development in Surfers Paradise retired from this limited position.

Note 11: Related Parties

There were no transactions with related parties.

For personal use



Directors' Declaration

for the year ended 30 June 2012

In the opinion of the Directors of Raptis Group Limited

(a) The financial statements and notes are in accordance with *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
- (ii) complying with Accounting Standards and *Corporations Regulations 2001*.

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1.

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(d) the audited remuneration disclosures set out on page 4 of the Directors' Report comply with Accounting Standards AASB 124 *Related Party Disclosures* and the *Corporations Regulations 2001*.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with s. 295A of the *Corporations Act 2001* for the financial period ending 30 June 2012.

Dated this 31st day of March 2015.

Signed in accordance with a resolution of the Board of Directors.

James Raptis, OBE
Director

Independent Auditor's Report

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF RAPTIS GROUP LIMITED

Report on the financial statements

We have audited the accompanying financial statements of Raptis Group Limited which comprises the balance sheet as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes to the financial statements and the directors' declaration of the company.

Directors' responsibility for the financial statements

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements. Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Matters Relating to Electronic Publication of the Audited Financial Report

This audit report relates to the financial report of Raptis Group Limited for the year ended 30 June 2012 included on the website of Raptis Group Limited. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on this integrity. This review report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of the financial report are concerned with the inherent risk arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF RAPTIS GROUP LIMITED (Cont'd)**

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report. We were not engaged to undertake any other services, as disclosed in the notes to the financial statements.

Auditors' opinion

In our opinion:

1. the financial statements of Raptis Group Limited are in accordance with the *Corporations Act* 2001, including:
 - (i) giving a true and fair view of the entity's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
2. the financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of Matters

Without qualifying our opinion, we draw attention to the following matters disclosed in the financial report:

Going Concern

Note 1 to the financial report discloses the company is dependent on the support of its major shareholders to arrange funding to enable it to continue as a going concern. Our conclusion is not modified in respect of this matter.

Benefit of Income Tax Losses

Note 4 to the financial report indicates that at the time of signing this Annual Report the company is not able to accurately determine the quantum of its unrecognised carry forward losses due to the matters set out therein. Our conclusion is not modified in respect of this matter.

Report on The Remuneration Report

We have audited the Remuneration Report included on pages 3 to 4 of the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion on The Remuneration Report

In our opinion the Remuneration Report of Raptis Group Limited for the year ended 30 June 2012, complies with section 300A of the Corporations Act 2001.

RUSSELL BEDFORD NSW
Chartered Accountants



MALCOLM BEARD, M.COM., FCA
Partner

Sydney, 31 March, 2015

**RAPTIS GROUP LIMITED**

ABN 43 010 472 858

The registered office of the company is:

Raptis Group Limited
Level 29
Suncorp Place
259 George Street
Sydney NSW 2000

The principal place of business of Raptis Group Limited is:

Level 1
2681 Gold Coast Highway
Broadbeach QLD 4218

Auditors

Russell Bedford New South Wales
Chartered Accountants
Level 29 Suncorp Place
259 George Street
SYDNEY NSW 2000

Solicitors

Short Punch and Greatorix
Cnr Bundall Road and Crombie Avenue
Bundall QLD

Company Particulars

Share Registry
C/- Gould Ralph Pty Ltd
(Share Registry Division)
Level 29
Suncorp Place
259 George Street
Sydney NSW 2000

Directors

James Raptis OBE
Helen Raptis
Malcolm Cory

Secretaries

James Raptis OBE
Malcolm Cory

Shareholder Information

(a) Distribution of Shareholders at 18 March 2015 Category (size of holdings)

	Number of Ordinary Shareholders
1 - 1,000	86
1,001 - 5,000	162
5,001 - 10,000	61
10,001 - 100,000	75
100,001 - and over	26
Total holders for classes selected	<u>410</u>

(b) There are 223 holders with less than a marketable parcel of 5,264 units.

(c) The number of shares held by substantial shareholders as at 18 March 2015 are:

	Number of Ordinary Fully Paid Shares Held	% Held to Issued Fully Paid Ordinary Capital
BRIAN SILVIA & ANDREW CUMMINS		
RAPTIS GROUP CREDITORS TRUST A/C	35,000,000	34.03
HANSLOW HOLDINGS PTY LIMITED	32,274,599	31.38
BICENT PTY LIMITED	6,900,000	6.71

(d) 20 Largest Shareholders

BRIAN SILVIA & ANDREW CUMMINS	35,000,000	34.0%
RAPTIS GROUP CREDITORS TRUST A/C		
HANSLOW HOLDINGS PTY LIMITED	32,274,599	31.4%
BICENT PTY LIMITED	6,900,000	6.7%
BRIAN SILVIA & ANDREW CUMMINS	5,000,000	4.9%
RAPVIC CONTRACTORS DOCA A/C		
SEVINHAND COMPANY LIMITED	4,000,000	3.9%
NORMANDY FINANCE INVEST LTD	3,400,000	3.3%
DR JOE ROSS	3,020,000	2.9%
LIPPO SECURITIES NOMINEES (BVI) LTD	2,320,000	2.3%
PHILLIPS RIVER PTY LIMITED	2,054,799	2.0%
HACHMA INTERNATIONAL SA	1,065,400	1.0%
J C CRITCOS PTY LTD	683,998	0.7%
BELLRYDE PTY LIMITED,	654,615	0.6%
NORMANDY FINANCE & INVESTMENT LIMITED	650,000	0.6%
LJK NOMINEES PTY LIMITED	534,300	0.5%
MR JAMES PANTOS & MRS HELEN PANTOS	529,000	0.5%
COPULOS SUPERANNUATION PTY LTD	275,244	0.3%
SPACETIME PTY LTD	267,599	0.3%
MR JOHN POLETTTO	208,956	0.2%
COUNTRYWIDE DEVELOPMENTS (AUST) PTY LTD	200,000	0.2%
NORMANDY FINANCE AND INVESTMENT	160,000	0.2%
	<u>99,198,510</u>	<u>96.5%</u>

(e) Shares held by Brian Silvia and Andrew Cummins are held in Trust for creditors. Allocation of these shares have not been advised to the share registry and not all are adjudicated at 18 March 2015.

(f) There is no current on market buy back.