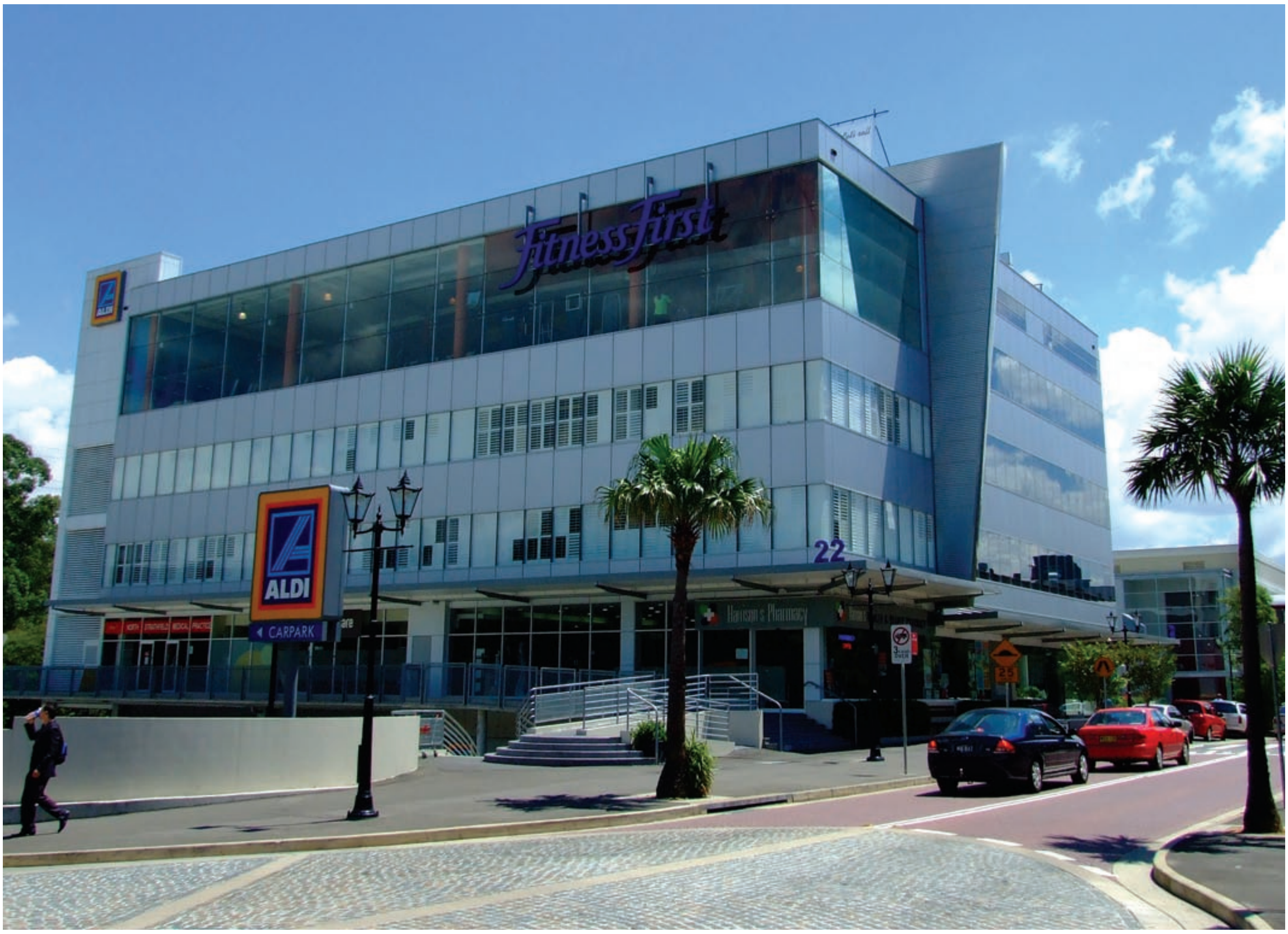
PELORUS PROPERTY GROUP

AND CONTROLLED ENTITIES

ANNUAL REPORT

Financial Year Ended 30 June 2009



Pelorus Property Group Limited

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DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

Your directors present their report for the company and controlled entities for the financial year ended 30 June 2009.

PRINCIPAL ACTIVITIES

The year ended 30 June 2009 has been one of significant change for Pelorus. With the completion of the group's restructure in December 2008 (the "Merger"), Pelorus now has a much larger balance sheet, a solid real estate portfolio and a property funds management and services business with significant capacity and prospects.

Pelorus aims to generate recurring revenue and capital growth from income producing properties. Our strategy is to hold real estate for the long term and grow income streams through active management and, where possible, ongoing development.

Our activities can be broken into three vertically integrated groups.

Property Portfolio	• Current value of $220 million - equating to NTA of 26 cents per share following over $30 million of write downs over the past 18 months. • 6 assets (5 in Australia and 1 in New Zealand). • Net lettable area of 70,000 sqm with a further 60,000 sqm of development potential. • Weighted average look through gearing of 50% with a weighted average term to maturity of 2.7 years.
Funds Management & Property Services	• Seven funds with over A$200 million in assets under management. • A rent roll of over $75 million pa from over 40 properties. • Development management, leasing and general property consultancy. • Asset management and advisory work specialising in special situations, distressed assets and property structures.
Property Operating Businesses	• **WT Serviced Offices** - A serviced office business controlling over 4,300 sqm of short-term office space. • **Pelathon Management Group Pty Ltd** (40% joint venture) – Pub operations with 4 existing pubs, a portfolio of three pubs under negotiation and a new outlet due to open in December 2009. • **WT Retail Services (India) Private Ltd** (50% India joint venture) – Retail property management and consultancy with 5 ongoing mandates in Bangalore, Hyderabad and Mangalore. • **Capital Storage Services Pty Ltd** (51% joint venture) – A self-storage management business with over 30,000 sqm of storage space under management.

FUTURE DEVELOPMENTS AND RESULTS

The deterioration of economic conditions over the past 18 months has led to highly geared property structures experiencing significant and in some cases fatal funding difficulties. We feel that, particularly in the unlisted property sector, these issues will continue for some time. Such circumstances will lead to increasing mergers and acquisition activity among property funds management businesses. Pelorus has already participated in this space with the acquisition of RFML Limited (formerly called Reed Funds Management Limited) and Tankstream Funds Management Limited. These two transactions have effectively replaced the funds under management lost with the merger of Pelorus with its largest fund, The Bakehouse Quarter Fund, in December 2008.

With the integration of Tankstream and RFML now complete, we have a solid platform from which to grow assets under management. In this regard we expect assets under management to grow to over $1 billion over the coming three years.

The trusts we now manage are not without issues; however, we feel our structure along with our approach to property and property finance should, over time, rectify problems and generate reasonable returns to investors and stable fees to Pelorus. A number of specific initiatives are under way and will be announced in the coming weeks.

Over the coming 12 months, Pelorus will aim to grow its portfolio of controlled assets by:

- merger and acquisitions of property funds management businesses;
- using its balance sheet along with the balance sheets of its managed funds to acquire income producing properties with a particular focus on distressed assets and property structures; and
- engaging its Property Services activities and that of its Property Operating Business in mandates with equity participation components.

RESULTS AND REVIEW OF OPERATIONS

Pelorus made a Pre-Tax Profit for the full year to 30 June 2009 of $9.5 million.

The revenue and earnings contributions of Pelorus' three operating platforms are summarised below; however, the Merger had a significant effect on the quantum and make up of this result. Specifically:

- the Property Investment result includes only the six months trading from December 2008; and
- Funds Management and Property Services revenue in relation to the funds and properties brought on to the Pelorus balance sheet as a result of the Merger are eliminated on consolidation for the six months from December 2008. Had the merger not occurred, the annualised result for this segment would have been approximately $2.2 million.

Segment Report 2009

	June 2009	June 2008	June 2007
Fund/Asset Management Revenue	$1,685,079	$3,793,292	$2,804,466
Property Services Revenue	$3,711,992	$4,339,604	$4,453,387
Property Investment Revenue	$6,768,875	$0	$0
Other Investment Revenue	$1,636,546	$2,365,240	$6,054,212
TOTAL	**$13,802,492**	**$10,498,136**	**$13,312,065**

Consolidated Earnings 2009

		Pre-Tax
Fund/Asset Management	$865,123	
Property Services	$847,912	
Property Investment	$1,546,178	
Other Investment Revenue	$1,088, 462	
		$4,347,675
Merger & Acquisition Gains	$13,174,849	
Asset Impairments	($8,068,781)	
		$5,106,068
Pre-Tax Profit		**$9,453,743**

SUBSEQUENT EVENTS

As discussed earlier, on 12 August 2009 Pelorus announced that it was merging its funds management business with Tankstream Funds Management Limited ("Tankstream"). Tankstream has been in business since 2004 and is the manager of two property securities funds and a pub fund. Tankstream directors David Mackey and Craig Williams have joined Pelorus, growing the funds management group as part of this transaction.

DIVIDENDS PAID

The Pelorus directors have resolved not to declare a dividend for the full year ended 30 June 2009.

INFORMATION ON DIRECTORS

The names of the directors in office at any time during or since the end of the year are set out below. Unless otherwise stated, directors have been in office since the start of the financial year to the date of this financial report.

Name	Special Experience	Position
Seph Glew	Seph has over 30 years experience in the commercial property industry in NZ, the USA and Australia. While working for the Housing Corporation and then the AMP in New Zealand Seph qualified as registered valuer and obtained a Bachelor Of Commerce with a major in economics. In the 1980's he served as an executive director with NZ based property group Chase Corporation and as a non executive director with a number of other listed companies in New Zealand and Australia. In the early 1990's Seph started the property development, investment and advisory business that has grown to be the Pelorus Property Group.	Executive Chairman
Stuart Brown	Stuart joined Pelorus in 2000. He is closely involved with all facets of the business and in particular the group's corporate transactions, funds management and structured finance operations. In 2006 he was appointed Chief Operating Officer and Chief Financial Officer and Managing Director in 2007. Prior to joining the group Stuart practiced as a solicitor in the areas of property and infrastructure acquisitions, sale and leasing, mergers and acquisitions and ASX listings with Mallesons and Gilbert & Tobin.	Managing Director
Guy Wynn	Guy has over 25 years in the property industry specialising in retail management, leasing, development and strategic planning. Guy heads the group's retail consultancy and management business. He spent eight years with Lend Lease including a position as Division Manager responsible with Paul Tresidder for General Property Trust's retail portfolio. In 1987 Guy formed a property management company with Paul that was purchased by Baillieu Knight Frank and then formed Wynn Tresidder with Paul and Seph in 1993. In late 2008 Guy returned from India where he directed the establishment of Pelorus' shopping centre management and consultancy business joint venture, WT Retail India.	Executive Director
Paul Tresidder	Paul advises the group closely in all facets of development and leasing. He has over 25 years experience in retail management, leasing, development and strategic planning. Before joining with Seph and Guy to form Wynn Tresidder in 1993 he held a number of positions at Lend Lease including National Leasing Manager and Division Manager responsible with Guy for General Property Trust's retail portfolio. In 1987 Paul formed a property management company with Guy Wynn that was purchased by Baillieu Knight Frank.	Non-Executive Director
Robin Tedder	Robin has over 30 years experience in investment and financial markets and now manages private equity interests and is the Chairman of Vintage Capital Pty Ltd. He is a former member of the ASX and has served on the boards of several merchant banks in Australia and overseas, including Rand Merchant Bank Ltd, Kleinwort Benson Australia Ltd, and Australian Gilt Securities Ltd (as CEO 1988-95). He is a director of Italtile Australia Pty Ltd (a national retailer under the CTM brand, and developer of bulky goods stores) and is also a Fellow of the Financial Services Institute of Australasia.	Independent Non-Executive Director

Richard Hill	Richard Hill has extensive investment banking and management experience. He was the founding partner of Hill Young & Associates and formerly held a number of senior executive positions in Hong Kong and New York with Wardley Holdings Limited, a wholly owned subsidiary of Hong Kong & Shanghai Banking Corporation (HSBC). He was admitted as an attorney in New York State (United States of America) and was registered by the US Securities & Exchange Commission and the Ontario Securities Commission. He is the Chairman of Sirtex Medical Limited, Insearch Limited and the Chairman of Calliden Group Limited.	Independent Non-Executive Director

Simon Hayes was the Company Secretary during the financial year. However, David Sellin was appointed as the Company Secretary in July 2009. Both Simon and David are qualified solicitors.

ESV Chartered Accountants audit the company. Amounts paid to the auditor during the year are detailed at Note 24 of the financials statements.

MEETING ATTENDANCES

Attendance at the company's board and sub-committees' meetings held during the financial year are detailed below:

Director	Board Meetings	Audit Committee	Related Party Transactions Committee	Investment Committee
Meetings Held	10	6	4	5
Seph Glew	10	-	4	5
Stuart Brown	10	-	4	-
Guy Wynn	10	-	-	-
Paul Tresidder	10	-	-	-
Robin Tedder	9	6	-	5
Richard Hill	10	6	4	-

DIRECTORS' RELEVANT INTERESTS

As at the date of this report the directors' relevant interests in shares or options in the company are:

Director	Shares	Shares (%)
Seph Glew	73,305,703	20.11%
Stuart Brown	5,138,431	1.41%
Guy Wynn	8,638,651	2.37%
Paul Tresidder	70,763,396	19.41%
Robin Tedder	17,550,689	4.81%
Richard Hill	16,266,857	4.46%

Options

Director-related entities have relevant interests in options over shares in the company as set out below.

The issued options at 30 June 2008 have a five year term commencing on 20 July 2006 and are exercisable at any time prior to their expiry at a price of 67.5 cents per share. The additional options granted during the year ended 30 June 2009 (approved by shareholders on 28 November 2008) are valued at $0.0007 per option under the Black Scholes and binomial valuation methods, and have the following terms:

- Each option entitles the option holder to convert the Option into 1 fully paid Ordinary Share in the capital of the company.
- Options may be exercised at any time after the third anniversary of the date of issue of the Options, which was 28 November 2008.
- The Options expire 5 years from the date of issue.
- The exercise price will be at $0.60 on the date which is the third anniversary from the date of issue of the Options. The exercise price will increase by 0.75 of a cent each 3 monthly period thereafter until the Options expire or are exercised.
- The share price on the date of issue was $0.17.

Entity/Individual	Options ('000)
Seph Glew	7,660
Stuart Brown	5,600
Guy Wynn	3,900
Paul Tresidder	4,720
Robin Tedder	2,500
Richard Hill	500
Interests associated with Southern Cross Equities Limited*	920

** The underwriter of the initial public offer of shares in the company.*

The company has adopted an Employee Share Option Plan and an Employee Share Bonus Plan.

REMUNERATION REPORT

The Board is responsible for determining the Managing Director and senior executives' remuneration. The Executive Chairman, Managing Director and Executive Directors determine employee remuneration.

When determining the remuneration of the Managing Director, senior executives and employees the following is taken into consideration:

- Remuneration is aligned with the delivery of returns to shareholders;
- Responsibilities, results, innovation and entrepreneurial behaviour are recognised and rewarded; and
- The company's financial position and market conditions.

The Board members have service agreements with the company. The remuneration payable under each service agreement is subject to review each year by the Board. There are no performance conditions within the service agreements for board members or contracts for senior executives. Any performance payments are at the discretion of the Board.

The nature and the amount of each element of remuneration for key management personnel follows:

Remuneration for year ended 30 June 2009

	Short Term			Post Employment		Long Term		Share Based Payments	
	Consulting Fees	Directors Fees	Salary and Other	Superan-nuation	Retirement Benefits	Incentive Plans	Long Term Service	Options	Total
	$	$	$	$	$	$	$	$	$
Guy Wynn	*253,333	-	-	-	-	-	-	1,750	255,083
Stuart Brown	23,500	-	237,156	21,344	-	-	-	3,500	285,500
Robin Tedder	-	55,000	-	-	-	-	-	1,050	56,050
Richard Hill	-	55,000	-	-	-	-	-	350	55,350
Paul Tresidder	185,000	55,000	-	-	-	-	-	1,750	241,750
Seph Glew	285,000	75,000	-	-	-	-	-	3,500	363,500
TOTAL	**746,833**	**240,000**	**237,156**	**21,344**	**-**	**-**	**-**	**11,900**	**1,257,233**

*$90,000 of this Fee was paid by WT Retail Services (India) Private Limited

Remuneration for year ended 30 June 2008

	Short Term			Post Employment		Long Term		Share Based Payments	
	Consulting Fees	Directors Fees	Salary and Other	Superan-nuation	Retirement Benefits	Incentive Plans	Long Term Service	Options	Total
	$	$	$	$	$	$	$	$	$
Guy Wynn	*177,286	-	-	-	-	-	-	-	177,286
Stuart Brown	281,998	-	-	-	-	-	-	-	281,998
Robin Tedder	-	55,000	-	-	-	-	-	-	55,000
Richard Hill	-	55,000	-	-	-	-	-	-	55,000
Paul Tresidder	-	55,000	-	-	-	-	-	-	55,000
Seph Glew	-	75,000	-	-	-	-	-	-	75,000
TOTAL	**459,284**	**240,000**	**-**	**-**	**-**	**-**	**-**	**-**	**699,284**

*$113,286 of this Fee was paid by WT Retail Services (India) Private Limited

NON-AUDIT SERVICES

Amounts paid to the auditor for non-audit services during the year are detailed at Note 24 of the financial statements. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out in the financial report.

ENVIRONMENTAL REGULATION AND PERFORMANCE

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

INDEMNITIES OF OFFICERS

During the financial period the company has paid premiums to insure each of the directors named in this report along with officers of that company against all 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 or officer of the company, other than conduct involving a wilful breach of duty in relation to the Responsible Entity.

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

Signed in accordance with a resolution of Directors.

Stuart Brown
Managing Director

Dated at Sydney on the 29th day of September 2009.

CORPORATE GOVERNANCE

ASX Corporate Governance Principles and Recommendations

The Board of Directors of Pelorus Property Group is responsible for the corporate governance of the Company. Outlined below are the company's corporate governance practices for the financial year addressing the ASX Corporate Governance Council's Principles and Recommendations.

Principle 1: Lay solid foundations for management and oversight

Pelorus operates with a flat management structure. Executive directors are involved in the day-to-day operations of the business. Decisions at the Board level and the assessment of executive performance are based on reports received from executive directors and the consideration of issues by executive, non-executive and independent directors at meetings. Executive directors implement these decisions.

Principle 2: Structure the board to add value

The Directors monitor the business affairs of the company on behalf of shareholders with a specific focus on the profitability of the business activities and the efficiency of its managers. In keeping with this consideration, board positions are held by a majority of members who are significant shareholders and its Chairman is not independent. The board is structured to ensure the efficient interaction between the board and management. Specifically, the board structure is as follows:

Executive Board Members	Seph Glew (Chairman) Stuart Brown Guy Wynn
Non-Executive Board Member	Paul Tresidder
Independent and Non-Executive Board Members	Robin Tedder Richard Hill

The board's primary focus is on driving returns to shareholders by growing Net Tangible Assets and earnings per share over the long term. The board considers risk management and the ethical conduct of business. In this regard the board has established the following sub-committees:

Audit Committee	Robin Tedder (Chairman) Richard Hill
Related Party Transactions Committee	Richard Hill (Chairman) Seph Glew Stuart Brown
Investment Committee	Seph Glew Robin Tedder
Remuneration Committee	The board notes that the remuneration and recruitment of key senior executives are issues that are fundamental to the performance of the company. As a consequence the board has resolved that this issue will, when required, form part of the board meeting agenda for consideration by all board members.

The Board is structured with a combination of skills and experiences outlined in the "Information on Directors" section. The Board members' skills and experience are consistent with the business operations that Pelorus undertakes, including:

- Structured finance and fund management;
- Property management and leasing; and
- Property development.

The Board's current composition has operated since the company's listing date on 20 July 2006. Pelorus does not foresee the composition changing in the near future and therefore has not established a nomination committee. The board considers that the independence of a director is not compromised simply by the fact that the director is a significant shareholder in the company or a significant investor in the company's projects. As a consequence the board regards Robin Tedder and Richard Hill as independent directors notwithstanding that each is significantly invested in the company's projects, its shares or both.

Principle 3: Promote ethical and responsible decision making

Pelorus has a number of work groups that meet either weekly, fortnightly or monthly. Director and employee conduct and decision making is discussed at these meetings. In addition, Pelorus imposes restrictions on its directors and employees trading Pelorus securities when they are in possession of price-sensitive information that has not been published or made available to the general public. Directors and employees are encouraged to report any suspected unethical or irresponsible behaviour to the Compliance Officer.

Principle 4: Safeguard integrity in financial reporting

Financial reports are prepared through the collaboration of senior management, executive directors and the Chairman.

The Audit Committee consists of two independent non-executive directors. The committee reviews the auditing process for half-yearly and annual reports and meets prior to, during and post the audit to discuss. The committee minutes its roles and responsibilities at each meeting in relation to the audit process, removing the need for a formal charter. The committee has direct access to the auditor during the auditing period and the auditor attends the committee meetings. The committee may make recommendations to the Board.

Principle 5: Make timely and balanced disclosures

Pelorus undertakes timely market disclosures. The Executive Chairman and Managing Director manage investor relations and the release of market sensitive information. Information is not published without at least two directors reviewing the disclosure or announcement. All relevant information is published on the ASX and the company's website and any financial results released include commentary from directors. The company maintains a timetable for its compliance and periodic disclosure requirements.

Principle 6: Respect the rights of shareholders

Pelorus undertakes a number of measures to ensure its shareholders are informed of its operations, including:

- The Executive Directors are available to meet or speak to shareholders;
- The Executive Chairman and Managing Director make themselves available to independent research houses, brokers and other participants in the financial markets;
- Maintaining an "Investor Key Dates" section on its website and updating the website continually;
- Making available Pelorus' annual and half-yearly reports electronically via email and website;
- Enabling access to Pelorus' external auditor at the Annual General Meeting;
- Placing on its website all releases to the ASX and the media, and full notices of all meetings and company information on its website including access to archived information; and
- Publishing director interviews and market announcements on commercial market information services.

Principle 7: Recognise and managing risk

Pelorus identifies and manages risk through a framework managed by the executive directors. Risks are reported to the Board by management executives at each Board meeting and the Chairman may call an extraordinary meeting when circumstances require. The Board has received confirmation from the Managing Director that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control.

In its capacity as a responsible entity of managed investment schemes, the company has convened a compliance committee to report to the Board on compliance systems with respect to its registered schemes. The committee has a majority of independent members and an independent chair. The company's compliance practices and procedures with respect to its registered schemes are subject to external audit. The compliance committee is constituted as an audit committee for the purposes of the audit of the registered schemes.

Principle 8: Remunerate fairly and responsibly

The Board actively encourages and promotes efficiency, innovation and entrepreneurialism. Senior management meetings are held weekly to discuss issues and opportunities. The Managing Director and senior executives are remunerated on the basis of the Board's consideration of the employee's responsibilities and performance, the company's financial position and market conditions. The Executive Chairman, Managing Director and Executive Directors determine employee remuneration. Further details of the Board's approach to remuneration are detailed in the Remuneration Report.

SHAREHOLDERS

As at 29 September 2009 the company's top 20 shareholdings were:

	Investor	Ordinary Shares ('000)	Share %
1	VINTAGE CAPITAL PTY LTD	46,604	13.33%
2	JAGAR HOLDINGS PTY LTD	43,075	11.82%
3	HOLLIA PTY LIMITED	43,075	11.82%
4	RBC DEXIA INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED	16,724	4.59%
5	KIRELA UNITHOLDERS A/C	15,182	4.17%
6	KOONTA PTY LTD <KOONTA SUPER FUND>	11,585	3.18%
7	SENO MANAGEMENT PTY LTD	11,385	3.12%
8	LYMKEESH PTY LTD	11,286	3.10%
9	MR RICHARD HILL	8,736	2.40%
10	JAGAR PROPERTY CONSULTANTS PTY LTD	8,427	2.31%
11	PINNATUS PTY LTD	8,072	2.21%
12	GLENAHILTY PTY LIMITED	7,721	2.12%
13	TAMPOPO PTY LTD	7,531	2.07%
14	CASTLEBAY PTY LTD	7,237	1.99%
15	I P R NOMINEES PTY LTD	5,949	1.63%
16	SAO INVESTMENTS PTY LTD	5,655	1.55%
17	KOONTA PTY LIMITED	4,916	1.35%
18	METHUSELAH CAPITAL MANAGEMENT PTY LTD	4,656	1.28%
19	FROGSTORM PTY LTD	4,349	1.19%
20	TRUST COMPANY SUPERANNUATION SERVICES LIMITED	4,100	1.13%

As at 29 September 2009 the substantial shareholders, as disclosed in substantial holding notices to the company, were:

Investor	Ordinary Shares	Advised Share %
SEPH GLEW	71,816,531	19.86%
PAUL TRESIDDER	69,303,396	19.16%
VINTAGE CAPITAL PTY LTD	47,359,904	13.09%
JAGAR HOLDINGS PTY LTD	43,074,998	11.91%
HOLLIA PTY LIMITED	43,074,998	11.91%
GLENAHILTY PTY LTD*	6,720,873	7.07%

** The company's records indicate that Glenahilty Pty Ltd is no longer a substantial shareholder, but has not received such notice from the shareholder.*

As at 29 September 2009 the distribution of shareholders by size of holding was:

Category	No. of Holders
1-1,000	12
1,001-5,000	86
5,001-10,000	94
10,001-100,000	389
100,001 and over	189
Total number of shareholders	**770**

Pelorus has 38 holders of less than a marketable parcel.

The company has 364,593,893 ordinary shares on issue as at 29 September 2009. All shares carry one vote per share without restrictions. All shares are quoted on the Australian Securities Exchange (ASX Code: PPI).

PELORUS DETAILS

The company's details are as follows:

Registered Office	Level 4, 222 Clarence Street Sydney NSW 2000
Principal Place of Business	Level 3, 50 Yeo Street Neutral Bay NSW 2089
Telephone	02 9033 8611
Fax	02 9033 8600
Website	www.pelorus.com.au
Registry	Registries Limited Level 7, 207 Kent Street Sydney NSW 2000 GPO Box 3993 Sydney NSW 2001 www.registries.com.au

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Pelorus Property Group Ltd and Controlled Entities

ABN 45 091 209 639

Auditors Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2009 there have 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.

Dated at Sydney the 30th day of September 2009.

ESV Chartered Accountants

ESV Chartered Accountants

Chris Kirkwood
Partner

chartered accountants

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Pelorus Property Group Ltd and Controlled Entities

ABN 45 091 209 639

Independent Audit Report to the members of Pelorus Property Group Ltd and Controlled Entities

Scope

We have audited the attached general purpose financial report of Pelorus Property Group Limited ("the Company") and Controlled Entities ("Group") which comprises the balance sheet as at 30 June 2009 and the income statement, statement of changes in equity, cash flow statement for the year ended on that date, accompanying notes to the financial statements and the Director's declaration for the year ended on that date.

Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001.* This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

On Note 1, the Directors also state, in accordace with Australian Accounting Standard AASB 101 Presentation of Financial Statements that the financial report of the Group and of the Company, comprising the financial statements and notes, comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with the 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 report is free from material misstatement.

An audit consists of performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal contol relevant to the entity's preparation and fair presentation of the financial report 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 control. 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 report.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional and ethical prouncements and the *Corporations Act 2001.* In addition to our audit of the financial report, we were engaged to undertake the services disclosed in the notes to the financial report. The provision of these services has not impaired our independence.

Pelorus Property Group Ltd and Controlled Entities

ABN 45 091 209 639

Independent Audit Report to the members of Pelorus Property Group Ltd and Controlled Entities

Auditor's Opinion

In our opinion, the financial report of Pelorus Property Group Limited and Controlled Entities is in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the financial position of the Company and Group for the year ended 30 June 2009 and of their performance for the year ended on that date; and

(b) complying with the Australian Accounting Standards (including the Australian Accounting Interpretations) and *Corporations Regulations 2001*.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 8 - 9 of the Directors' Report for the year ended 30 June 2009. 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

In our opinion the Remuneration Report of Pelorus Property Group Limited and Controlled Entities for the year ended 30 June 2009, complies with Section 300A of the *Corporations Act 2001*.

Dated at Sydney the 30th day of September 2009.

ESV Chartered Accountants

ESV Chartered Accountants

Christopher Kirkwood
Partner

PELORUS PROPERTY GROUP LTD
ABN 45 091 209 639

DIRECTORS' DECLARATION

In accordance with a resolution of directors of Pelorus Property Group Ltd, I state that:

In the opinion of the directors:

1. the financial statements and notes of the company and of the consolidated entities are in accordance with the Corporations Act 2001, including:

   (a) giving a true and fair view of the company's and the consolidated entities' financial position as at 30 June 2009 and of their performance for the year ended on that date;

   (b) complying with Accounting Standards and Corporations Regulations 2001; and

2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Stuart Brown
Managing Director
Pelorus Property Group Ltd

Dated at Sydney on the 29th day of September 2009.

Pelorus Property Group Ltd and Controlled Entities

ABN 45 091 209 639

Income Statement

For the Year Ended 30 June 2009

		Consolidated		Parent	
		2009	**2008**	**2009**	**2008**
	Note	**$**	**$**	**$**	**$**
Fund / Asset Management Income		1,685,079	3,793,292	1,661,927	3,793,292
Property Services Income		3,255,403	4,339,604	-	-
Direct Property Investment Income		6,768,875	-	-	-
Investment Income	3(a)	1,636,548	1,223,048	1,602,365	1,142,374
Gain / (loss) on exchange differences		11,390	(40,704)	-	-
Gain / (loss) on disposal of assets		1,118,515	262,165	(133,488)	287,341
Gain on acquisition	13	12,555,372	-	-	-
Total revenue		27,031,182	9,577,405	3,130,804	5,223,007
Business operating expenses	4(a)	(5,132,999)	(4,752,184)	(1,281,164)	(1,091,519)
Property Outgoings		(1,501,789)	-	-	-
Merger & acquisition expenses		-	(200,097)	-	(200,097)
Finance costs	5	(2,635,757)	(16,491)	(8,031)	(8,428)
Other expenses		(238,113)	(660,025)	(353,234)	(71,032)
Unrealised (loss) / gains on revaluation of assets	3(b)	(8,068,781)	880,027	(5,180,124)	880,027
Profit before income tax		9,453,743	4,828,635	(3,691,749)	4,731,958
Income tax benefit / (expense)	6(a)	1,357,089	(1,343,143)	1,360,874	(1,293,157)
Profit for the period		10,810,832	3,485,492	(2,330,875)	3,438,801
Minority interest		(17,361)	(12,014)	-	-
Profit attributable to members of the parent		10,793,471	3,473,478	(2,330,875)	3,438,801

Earnings Per Share:

Continuing operations:				
Basic earnings per share	$ 0.04	$ 0.03	$ -	$ -
Diluted earnings per share	$ 0.04	$ 0.03	$ -	$ -

The accompanying notes form part of the financial statements

Pelorus Property Group Ltd and Controlled Entities

ABN 45 091 209 639

Balance Sheet

As At 30 June 2009

	Note	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
ASSETS					
Current assets					
Cash and cash equivalents	7	3,180,771	4,561,003	2,630,799	4,005,001
Trade and other receivables	9	1,064,824	1,213,725	666,950	929,471
Other financial assets	10(a)	2,106,122	29,628,581	5,220,830	29,697,994
Current tax receivable	21	214,695	-	270,134	-
Other assets	17	339,176	20,873	-	-
Total current assets		6,905,588	35,424,182	8,788,713	34,632,466
Non-current assets					
Equity accounted investments	11	53,580	51,895	44,960	43,301
Other financial assets	10(b)	763,636	4,194,000	77,411,803	5,827,706
Property, plant and equipment	14	260,982	304,760	-	-
Investment properties	15	189,235,000	-	-	-
Deferred tax assets	21	1,819,413	-	223,381	-
Intangible assets	16	3,322,512	1,582,728	-	29,404
Total non-current assets		195,455,123	6,133,383	77,680,144	5,900,411
TOTAL ASSETS		202,360,711	41,557,565	86,468,857	40,532,877
LIABILITIES					
Current liabilities					
Trade and other payables	18	2,515,937	1,187,835	921,384	776,649
Current tax payable	21	-	302,013	-	215,067
Provisions	20	197,491	138,505	-	-
Total current liabilities		2,713,428	1,628,353	921,384	991,716
Non-current liabilities					
Property debt	15	97,415,000	-	-	-
Other financial liabilities	19	2,950,000	-	-	-
Deferred tax liabilities	21	-	1,404,323	-	1,435,686
Provisions	20	4,500	31,793	-	-
Total non-current liabilities		100,369,500	1,436,116	-	1,435,686
TOTAL LIABILITIES		103,082,928	3,064,469	921,384	2,427,402
NET ASSETS		99,277,783	38,493,096	85,547,473	38,105,475
EQUITY					
Share capital	22	84,734,575	34,961,702	84,734,575	34,961,702
Reserves		(41,008)	(58,526)	-	-
Retained earnings		14,356,226	3,562,755	812,898	3,143,773
Parent interest		99,049,793	38,465,931	85,547,473	38,105,475
Minority interest		227,990	27,165	-	-
TOTAL EQUITY		99,277,783	38,493,096	85,547,473	38,105,475

The accompanying notes form part of the financial statements

Pelorus Property Group Ltd and Controlled Entities

ABN 45 091 209 639

Statement of Changes in Equity

30 June 2009

30 June 2009		**Parent**		
		Ordinary Shares	**Retained Earnings**	**Total**
		$	**$**	**$**
Balance at 1 July 2008		34,961,702	3,143,773	38,105,475
Profit attributable to members		-	(2,330,875)	(2,330,875)
Issue of options under employee share based payment		5,717	-	5,717
Issue of shares		49,788,400	-	49,788,400
Cost of issuing equity		(21,244)	-	(21,244)
Balance at 30 June 2009		84,734,575	812,898	85,547,473

30 June 2008		**Parent**		
		Ordinary Shares	**Retained Earnings**	**Total**
		$	**$**	**$**
Balance at 1 July 2007		31,742,192	4,058,930	35,801,122
Profit attributable to members		-	3,438,801	3,438,801
Issue of shares		3,219,510	-	3,219,510
Dividends paid or provided for	23	-	(4,353,958)	(4,353,958)
Balance at 30 June 2008		34,961,702	3,143,773	38,105,475

The accompanying notes form part of the financial statements

Pelorus Property Group Ltd and Controlled Entities

ABN 45 091 209 639

Statement of Changes in Equity

30 June 2009

30 June 2009	Consolidated				
	Ordinary Shares $	Retained Earnings $	Asset Revaluation Reserve $	Foreign Currency Translation Reserve $	Total $
Balance at 1 July 2008	34,961,702	3,562,755	-	(58,526)	38,465,931
Profit attributable to members	-	10,793,471	-	-	10,793,471
Revaluation increment (decrement)	-	-	1,498	-	1,498
Issue of options under employee share based payment	5,717	-	-	-	5,717
Issue of shares	49,788,400	-	-	-	49,788,400
Cost of issuing equity	(21,244)	-	-	-	(21,244)
Difference in opening balance due to foreign exchange difference on foreign entity	-	-	-	16,020	16,020
Balance at 30 June 2009	84,734,575	14,356,226	1,498	(42,506)	99,049,793

30 June 2008		Consolidated			
	Note	Ordinary Shares $	Retained Earnings $	Foreign Currency Translation Reserve $	Total $
Balance at 1 July 2007		31,742,192	4,443,236	(58,526)	36,126,902
Profit attributable to members		-	3,473,478	-	3,473,478
Issue of shares		3,219,510	-	-	3,219,510
Dividends paid or provided for	23	-	(4,353,959)	-	(4,353,959)
Balance at 30 June 2008		34,961,702	3,562,755	(58,526)	38,465,931

The accompanying notes form part of the financial statements

Pelorus Property Group Ltd and Controlled Entities

ABN 45 091 209 639

Statement of Cash Flows

30 June 2009		**Consolidated**		**Parent**	
		2009	**2008**	**2009**	**2008**
	Note	**$**	**$**	**$**	**$**
Cash from operating activities:					
Receipts from customers		11,694,933	7,969,891	1,724,880	3,536,327
Payments to suppliers and employees		(6,913,195)	(5,112,521)	(1,624,196)	(850,541)
Dividends and distributions received		1,006,918	20,069	1,123,623	20,069
Interest received		614,309	1,202,979	146,757	1,122,305
Interest paid		(2,635,757)	(16,491)	(8,031)	(8,428)
Income tax paid		(662,175)	(1,201,776)	(711,224)	(1,177,172)
Net cash provided by (used in) operating activities	8(a)	3,105,033	2,862,151	651,809	2,642,560
Cash flows from investing activities:					
Proceeds from disposal of investments		9,329,538	2,591,501	727,534	2,591,501
Acquisition of property, plant and equipment		(24,710)	(67,900)	-	-
Acquisition of other investments		(2,278,876)	(322,849)	(387,724)	(322,849)
Acquisition of subsidiaries, net of cash acquired		(96,989)	-	(1,155,100)	
Loans to employees		(18,904)	(35,542)	-	-
Repayment from employees		38,678	157,349	-	157,349
Payment for development of investment properties		(3,243,124)	-		
Payment for research and development		-	(37,999)	-	(29,404)
Loans to related parties		(2,196,712)	(3,865,887)	14,347,597	(3,836,380)
Loans acquired and repaid		(8,742,983)	-	-	(375,818)
Repayments from related parties		548,752	2,539,041	(15,778,123)	2,539,041
Net cash provided by (used in) investing activities		(6,685,330)	957,714	(2,245,816)	723,440
Cash flows from financing activities:					
Proceeds from the issue of share capital		686,243	3,219,510	686,243	3,219,510
Merger transaction costs		(346,091)	-	(346,091)	
Proceeds from borrowings		2,000,000	-		
Dividends paid by parent entity		(120,347)	(4,353,959)	(120,347)	(4,353,959)
Net cash provided by (used in) financing activities		2,219,805	(1,134,449)	219,805	(1,134,449)
Net increase (decreases) in cash held		(1,360,492)	2,685,416	(1,374,202)	2,231,551
Cash on 1 July 2008		4,561,003	1,875,587	4,005,001	1,773,450
Effect of exchange rates on cash holdings		(19,740)			
Cash on 30 June 2009	7(b)	3,180,771	4,561,003	2,630,799	4,005,001

The accompanying notes form part of the financial statements

1 Statement of Significant Accounting Policies

General information

Introduction

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers the economic entity of Pelorus Property Group Ltd and Controlled Entities, and Pelorus Property Group Ltd as an individual parent entity. Pelorus Property Group Ltd is a listed public company, incorporated and domiciled in Australia.

The financial report for Pelorus Property Group Ltd and controlled entities for the year ended 30 June 2009 was authorised for issue in accordance with the resolution of the directors in August 2009.

The financial report of Pelorus Property Group Ltd and Controlled Entities, and Pelorus Property Group Ltd as an individual parent entity comply with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

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

Basis of Preparation

Reporting Basis and Conventions

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

Presentation of financial statements

Presentation currency

Both the functional and presentation currency of Pelorus Property Group Limited and its Australian subsidiaries is Australian dollars. The New Zealand subsidiary's functional currency is New Zealand Dollars, which is translated to presentation currency (refer to Foreign Currency Translation note below).

1 Statement of Significant Accounting Policies continued

Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Any change of presentation has been made in order to make the financial statements more relevant and useful to the user.

Principles of Consolidation

Controlled entities

The consolidated financial statements comprise the financial statements of Pelorus Property Group Limited and its subsidiaries as at 30 June 2009. A list of controlled entities is contained in Note 28 to the financial statements. All controlled entities have a June financial year-end and use consistent accounting policies.

A controlled entity is an entity Pelorus Property Group Ltd and Controlled Entities has the power to control the financial and operating policies of so as to obtain benefits from its activities.

Investments in subsidiaries held by Pelorus Property Group Limited are accounted for at cost in the separate financial statements of the parent entity less any impairment charges.

The acquisition of subsidiaries is accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition (refer to Business Combination note below).

Inter-company balances

All inter-company balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the economic entity during the year, its operating results have been included from the date control was obtained or until the date control ceased.

Minority interests

Minority interests not held by the Group are allocated their share of net profit after tax in the income statement and are presented within equity in the consolidated balance sheet, separately from parent shareholders' equity.

1 Statement of Significant Accounting Policies continued

Business combinations

The purchase method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the combination. Where equity instruments are issued in a business combination, the fair value of the instruments is their published market price as at the date of exchange. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Except for non-current assets or disposal groups classified as held for sale (which are measured at fair value less costs to sell), all identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of the business combination over the net fair value of the Group's share of the identifiable net assets acquired is recognised as goodwill. If the cost of acquisition is less than the Group's share of the net fair value of the identifiable net assets of the subsidiary, the difference is recognised as a gain in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Critical accounting estimates and judgments

General

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key estimates - Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. The directors believed it is appropriate to raise impairment provisions against investment property assets as well as against loans and receivables in the year ended 30 June 2009. The provisions have been raised in reference to the economic conditions.

Foreign currency translation

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group’s presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;

- income and expenses are translated at average exchange rates for the period; and

1 Statement of Significant Accounting Policies continued

Foreign currency translation continued

Group companies continued

- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

Property, Plant and Equipment

General Information

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

Plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit and loss as incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over their useful lives to the Group commencing from the time the asset is held ready for use.

Useful life

The estimated useful lives used for each class of depreciable assets are:

Furniture, Fixtures and Fittings	over 2 to 5 years
Office Equipment	over 2 to 5 years

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

1 Statement of Significant Accounting Policies continued

Property, Plant and Equipment continued

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included within "other income" in profit and loss in the year the asset is derecognised.

Investment Properties

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which is based on active market prices, adjusted if necessary, for any difference in the nature, location or condition of the specific asset at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

Impairment of Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired.

If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, either the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the income of the asset is capitalised at its relevant capitalisation rate.

An impairment loss is recognised if the carrying value of an asset exceeds its recoverable amount. Impairment losses are expensed to the income statement.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

Research and development

Research costs are expensed when incurred. Development costs are capitalised to the extent that recovery of these costs is assured, and are amortised over the life of the property services agreement.

1 Statement of Significant Accounting Policies continued

Financial Instruments

Borrowing Costs

Borrowing costs directly attributable to the to the acquisition and construction of a qualifying asset are capitalised as part of the cost of the asset.

Derivative instruments

The Group uses derivative financial instruments (interest rate swaps) to hedge its risks associated with interest rate fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss for the year.

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

Recognition

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flow from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Held-for trading financial assets

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Financial Instruments: Recognition and Measurement. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

1 Statement of Significant Accounting Policies continued

Financial Instruments continued

Loans and receivables

Loans and receivables including loans to related entities and to key management personnel are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Available-for-sale financial assets

The Group's investments in equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity until the financial assets are derecognised or determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit and loss.

Non-current assets held-for-sale

Non-current assets held-for-sale comprise of assets that are to be disposed of within 12 months of balance date. Upon initial classification as held-for-sale, non-current assets are recognised at lower of carrying amount and fair value less cost to sell.

Revaluations on initial classification as held-for-sale are included in the Income Statement.

Net gains from disposal of non-current assets sales are recognised in the Income Statement at the date the control of the asset passes to the buyer.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Derivative financial liabilities are measured at fair value. Revaluations are included in the income statement where hedge accounting is not applied.

Fair value

The fair values of investments that are actively traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the balance date. For investments in related party unlisted unit trusts, fair values are determined by reference to independent valuations of the underlying properties offered as security.

1 Statement of Significant Accounting Policies continued

Financial Instruments continued

Impairment

At each reporting date, the Group assess whether there is objective evidence that a financial instrument has been impaired. A financial instrument is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

An impairment loss in respect of a financial instrument measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value.

Individually significant financial instruments are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

Impairment losses are recognised in the income statement.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial instruments measured at amortised cost, the reversal is recognised in profit and loss. For available-for-sale financial instruments that are equity securities, the reversal is recognised directly in equity.

Intangibles

Goodwill

Goodwill on consolidation is 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. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units. Each unit to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and

- is not larger than a segment based on either the Group's primary or secondary reporting format determined in accordance with AASB 114 *Segment Reporting*.

1 Statement of Significant Accounting Policies continued

Intangibles continued

Goodwill continued

Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. When the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a cash-generating unit and that unit is disposed of, the goodwill associated with the unit disposed of is included in the carrying amount of the unit when determining the gain or loss on disposal of the unit. Impairment losses recognised for goodwill are not subsequently reversed.

As at 30 June 2009, there is no indication that impairment exists.

Investments in Associates

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting where significant influence is exercised over an investee. Significant influence exists where the investor has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies. The Group generally deems they have significant influence if they have between 20% to 50% of the voting rights.

Under the equity method of accounting, investments in the associates are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of the interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Interests in joint ventures

The Group has an interest in a joint venture that is a jointly controlled operation. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A jointly controlled operation involves use of assets and other resources of the venturers rather than establishment of a separate entity. The Group recognises its interest in the jointly controlled operation by recognising its interest in the assets and the liabilities of the joint venture. The Group also recognises the expenses that it incurs and its share of the income that it earns from the sale of services by the jointly controlled operation.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

1 Statement of Significant Accounting Policies continued

Trade and other 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 there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor and default payments are considered objective evidence of impairment. Bad debts are written off when identified as uncollectible.

The cost of mining stocks includes direct materials, direct labour, transportation costs and variable and fixed overhead costs relating to mining activities.

Trade and other payables

Liabilities for trade creditors are carried at cost which is the fair value of the consideration to be paid in the future for goods or services received, whether or not billed to the company at balance date. The amounts are unsecured and are usually paid within 30 days of recognition.

Interest-bearing borrowings

Interest-bearing borrowings are initially recognised at fair value less any related transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost.

Employee Benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contribution to defined contribution plans are recognised as a personnel expense in profit and loss when they are due.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs. These employee benefits have not been discounted to the present value of the estimated future cash outflows to be made for those benefits.

Short-term benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave represent present obligations resulting from employee's services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs.

1 Statement of Significant Accounting Policies continued

Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Revenue

Income from management fees in relation to managed investment schemes is recognised when it becomes legally due and payable to the Company.

Revenue from property services contracts is recognised monthly in arrears.

Finance income

Finance income comprises interest on funds invested, dividend income, gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit and loss.

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

Dividend revenue is recognised when the right to receive a dividend has been established, which in the case of quoted securities is the ex-dividend date.

Foreign currency gains or losses are reported on a net basis.

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

Property income

Property income comprises rental and recovery of outgoings from property tenants. It is recognised when it becomes legally due and payable to the Property Owner.

Trust distribution income

Trust distributions are recognised when they are declared by the Trustee or responsible entity.

1 Statement of Significant Accounting Policies continued

Income Tax

Current Income Tax expense

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

Accounting for deferred tax

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

Deferred tax calculation

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred income tax assets

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

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Benefit brought to account

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

1 Statement of Significant Accounting Policies continued

Tax consolidations

Pelorus Property Group Limited has elected to form a tax consolidated group with its wholly owned entities for income tax purposes under the tax consolidation regime with effect from 1 July 2005. As a consequence, all members of the tax-consolidated group are taxed as a single entity from that date. The head entity within the tax-consolidated group is Pelorus Property Group Limited.

In addition to its own current and deferred tax amounts, Pelorus Property Group Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

The Company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

Goods and Services Tax (GST)

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

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

Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

1 Statement of Significant Accounting Policies continued

New standards and interpretations not yet adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2009, but have not been applied in preparing this financial report.

* Revised AASB 3 *Business Combinations* changes the application of acquisition accounting for business combinations and the accounting for non-controlling (minority) interest. Key changes include: the immediate expensing of all transactions costs; measurement of contingent consideration at acquisition date with subsequent changes through the income statement; measurement of non-controlling (minority) interests at full fair value or the proportionate share of the fair value of the underlying net assets; guidance on issues such as reacquired rights and vendor indemnities; and the inclusion of combinations by contract alone and those involving mutuals. The revised standard becomes mandatory for the Group's 30 June 2010 financial statements.

* AASB 8 *Operating Segments* introduces the "management approach" to segment reporting. AASB 8, which becomes mandatory for the Group's 30 June 2010 financial statements, will require the disclosure of segment information based on the internal reports regularly reviewed by the Group's Chief Executive Officer in order to assess each segment's performance and to allocate resources to them. Currently the Group presents segment information in respect of its business segments. Application of this standard will not affect any of the amounts in the financial statements, but may impact the type of information disclosed in relation to the Group's segment reporting.

* Revised AASB 101 *Presentation of Financial Statements* introduces as a financial statement (formerly "primary" statement) the "statement of comprehensive income". The revised standard does not change the recognition, measurement or disclosure of transactions and events that are required by other AASBs. The revised AASB 101 will become mandatory for the Group's 30 June 2010 financial statements. Application of this standard will not affect any of the amounts in the financial statements, but may result in changes in terminology used in the financial statements.

* Revised AASB 127 *Consolidated and Separate Financial Statements* changes the accounting for investments in subsidiaries. Key changes include: the remeasurement to fair value of any previous/ retained investment when control is obtained/ lost, with any resulting gain or loss being recognised in profit or loss; and the treatment of increases in ownership interest after control is obtained as transactions with equity holders in their capacity as equity holders. The revised standard will become mandatory for the Group's 30 June 2010 financial statements. The Group has not yet determined the potential effect of the revised standard on the Group's financial report.

2 Segment Reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments. Segment information is presented in respect of the Group's business and geographical segments. The Group's primary format for segment reporting is based on business segments. The business segments are determined based on the Group management and internal reporting structure. There is only one geographical segment being Australasia.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly of income tax assets and liabilities.

The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Fund / Asset management segment engages in property structured finance and funds management.

The Property Services segment engages in integrated property services including property management, leasing and general property consultancy. It contains a serviced office business branded as WTSO.

The Direct Property Investment segment owns direct interests in property assets. It receives rental income and incurs property outgoings and property owning finance costs.

The Other Investment segment includes all other investments such as listed security investments, property securities, loans and cash. It generates income from dividends, distributions, and interest.

Transfer prices between business segments are set at an arms length basis in a manner similar to transactions with third parties.

The Direct Property Investment segment has been created as a result of the merger transaction that occurred during the year ended 30 June 2009. There are therefore no comparative numbers for this segment. For further details on the merger see note 3 (b).

Pelorus Property Group Ltd and Controlled Entities

ABN 45 091 209 639

Notes to the Financial Statements

30 June 2009

2 Segment Reporting continued

	Fund / Asset Management	Property Services	Direct Property Investments	Other Investments	Total	Unallocated income and expenses		Consolidated total
						Merger and Acquisition Gains	Asset Impairments	
	$	$	$	$	$	$	$	$
Year ended 30 June 2009								
Revenue								
Sales to external customers	1,685,079	3,255,403	6,768,875	1,636,546	13,345,903			13,345,903
Inter-segment sales	-	456,589	-	-	456,589			456,589
Total segment revenue	1,685,079	3,711,992	6,768,875	1,636,546	13,802,492			13,802,492
Inter-segment eliminations					(456,589)			(456,589)
Unallocated revenue						13,685,279		13,685,279
Total consolidated revenue					**13,345,903**	**13,685,279**	**-**	**27,031,182**
Results								
Profit before income tax	**865,123**	**847,912**	**1,546,178**	**1,088,462**	**4,347,675**	**13,174,849**	**(8,068,781)**	**9,453,743**
Assets								
Segment assets	3,393,566	3,358,014	193,345,974	2,263,157	202,360,711			
Total Assets					**202,360,711**			
Liabilities								
Segment liabilities	1,106,872	211,108	101,764,948	-	103,082,928			
Total liabilities					**103,082,928**			

2 Segment Reporting continued

	Fund / Asset Management	Property Services	Direct Property Investments	Other Investments	Consolidated total
	$	$	$	$	$
Year ended 30 June 2008					
Revenue					
Sales to external customers	3,793,292	4,339,604	-	2,365,240	10,498,136
Inter-segment sales	-	-	-	-	-
Total segment revenue	3,793,292	4,339,604	-	2,365,240	10,498,136
Total consolidated revenue					**10,498,136**
Results					
Profit before income tax	**2,456,851**	**2,334,943**	**-**	**36,841**	**4,828,635**
Assets					
Segment assets	1,265,067	2,406,891	-	37,886,309	41,558,267
Unallocated assets					31,363
Total Assets					**41,589,630**
Liabilities					
Segment liabilities	607,566	630,921	-	-	1,238,487
Unallocated liabilities					1,858,046
Total liabilities					**3,096,533**

Pelorus Property Group Ltd and Controlled Entities

ABN 45 091 209 639

Notes to the Financial Statements

30 June 2009

3 Revenue

(a) Investment income

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Dividends and distributions	1,006,918	20,069	1,123,623	20,069
Finance income	629,630	1,202,979	478,742	1,122,305
Total investment income	1,636,548	1,223,048	1,602,365	1,142,374

(b) Unrealised (loss)/ gains on revaluation of assets

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Revaluation of interest rate hedges	1,400,000	-	-	-
Provision for loans impairment	(46,185)	-	-	-
Unrealised gain / (loss) on revaluation of listed securities	(24,860)	-	(24,860)	-
Unrealised loss on revaluation of Mulgoa Rd, Penrith	(3,036,550)	-	-	-
Unrealised loss on revaluation of The Bakehouse Quarter	(6,361,186)	880,027	(5,155,264)	880,027
Unrealised (loss)/ gains on revaluation of assets	(8,068,781)	880,027	(5,180,124)	880,027

On 28 November 2008 the shareholders approved a transaction to merge the group with a number of its funds and related bodies corporate.

At the full year ended 30 June 2008 the units in the Bakehouse Quarter Fund held by the Group (approximately 25% of the Fund) were classified as a Held-For-Sale asset to reflect management's intention to establish a new property investment fund to be seeded by this investment.

As part of the merger, Pelorus acquired all of the units in the Bakehouse Quarter Fund giving the Group control of the Bakehouse Quarter property. As a consequence, this asset is carried as an Investment Property in the consolidated balance sheet. Accordingly the interests held in the Fund prior to the merger have been reclassified from Held-For-Sale to Investment Property.

In recognising the interests acquired in properties as part of the merger, the directors resolved to write down the value of the portfolio by $29.67 million to reflect the deteriorating economic conditions and sentiment with respect to commercial properties. As a consequence, the carrying value of the units in the Fund held prior to the merger have been impaired by $6.3m as shown above. See notes 13 and 15 for the treatment of the investment properties acquired in merger.

4 Included in income statement under expenses by function

(a) Business operating expenses

		Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Employee & Consultants costs	4(b)	3,937,539	3,426,932	923,459	586,284
Occupancy costs		207,360	199,472	-	-
Depreciation expenses		75,488	76,626	-	-
Administration expenses		912,612	1,049,154	357,705	505,235
Total business operating expenses		5,132,999	4,752,184	1,281,164	1,091,519

(b) Employee costs

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Salaries & wages	2,471,990	2,391,039	-	-
Directors' Fees	240,000	240,000	240,000	240,000
(Decrease) / increase in liability for annual leave	(17,105)	19,800	-	-
(Decrease) / increase in liability for long service leave	(27,293)	(2,814)	-	-
Contributions to defined contribution superannuation funds	177,012	186,023	-	-
Consultancy fees	931,134	346,284	677,742	346,284
Employee share option scheme	5,717	-	5,717	-
Other associated personnel expenses	156,084	246,600	-	-
Total employee costs	3,937,539	3,426,932	923,459	586,284

5 Finance income and expense

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Finance income				
Interest income on bank deposits	208,326	287,631	151,912	206,957
Interest income on loans and receivables	421,304	915,348	326,750	915,348
Total finance income	629,630	1,202,979	478,662	1,122,305
Finance expense:				
Interest expense on financial liabilities measured at amortised cost	(2,635,757)	(16,491)	(8,031)	(8,428)
Total finance expense	(2,635,757)	(16,491)	(8,031)	(8,428)
Net finance income and expense	(2,006,127)	1,186,488	470,631	1,113,877

6 Income Tax Expense

(a) The components of tax expense comprise:

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Current tax	187,048	1,069,533	302,017	1,034,353
Relating to origination and reversal of temporary differences	(1,544,035)	266,206	(1,526,247)	264,009
Over/ (under) provision in prior year	(102)	7,404	(136,644)	(5,205)
Total income tax expense / (benefit)	(1,357,089)	1,343,143	(1,360,874)	1,293,157

6 Income Tax Expense continued

(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2008: 30%)				
- Consolidated entity	2,836,123	1,448,591	(1,107,619)	1,419,588
Add:				
Tax effect of:				
- Entertainment	4,345	3,380	-	-
- Options expenditure	1,715	-	1,715	-
- Gross up imputation credits	1,364	2,580	1,364	2,580
- Penalties	198	429	67	99
- Under provision in prior year	-	7,404	-	-
- Tax rate differential of foreign subsidiary	19,596	4,664	-	-
Less:				
Tax effect of:				
- Costs of issuing equity	115,304	115,304	115,304	115,304
- Investment allowance	919		-	
- Imputation credits offset	4,546	8,601	4,546	8,601
- Discount on acquisition (consolidation adj)	3,903,353	-	-	-
- Losses recouped	59,663	-	-	-
- Over provision in prior year	3,825	-	3,731	5,205
- Correction of prior year Deferred Tax Assets	132,820	-	132,820	-
Income tax attributable to entity	(1,357,089)	1,343,143	(1,360,874)	1,293,157

7 Cash and Cash Equivalents

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Cash on hand	500	500	-	-
Cash at bank	3,180,271	4,560,503	2,630,799	4,005,001
Total cash and cash equivalents	3,180,771	4,561,003	2,630,799	4,005,001

(a) Effective Interest Rate

Cash at bank earns interest at floating rates based on daily bank deposit rates.

7 Cash and Cash Equivalents continued

(b) Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Cash and cash equivalents	3,180,771	4,561,003	2,630,799	4,005,001
Bank overdraft	-	-	-	-
Net cash	3,180,771	4,561,003	2,630,799	4,005,001

8 Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Net income for the period	10,810,832	3,485,492	(2,330,875)	3,438,801
Non-cash flows in profit				
Depreciation	75,488	76,626	-	-
Net (gain)/loss on disposal of investments	(1,118,515)	(262,165)	133,488	(287,341)
Unrealised (gains)/losses on investments	(12,555,372)	(880,027)	-	(880,027)
Impairment of assets	8,068,781	-	5,180,124	
Unrealised (gains)/losses in foreign exchange	(11,392)	-		
Bad debts expenses	117,605	-		
Cost associated with share issuance recognised in equity	(15,527)	-	330,563	
Amortisation of borrowing costs	(21,405)	-		
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries				
(Increase)/decrease in trade and term receivables	(551,820)	101,100	(73,721)	(243,228)
(Increase)/decrease in other receivables	(11,226)	(264,105)	54,476	(13,707)
(Increase)/decrease in loan receivables	(51,211)	-	(358,582)	
(Increase)/decrease in prepayments	(252,414)	(12,728)	-	-
(Increase)/decrease in unearned revenue	31,693	-		
Increase/(decrease) in trade payables and accruals	573,222	426,358	(211,566)	548,677
Increase/(decrease) in income taxes payable	(516,708)	(114,311)	(413,031)	(195,026)
Increase/(decrease) in deferred tax balances	(1,502,556)	289,247	(1,659,067)	274,411
Increase/(decrease) in provisions	35,558	16,664	-	-
Cashflow from operations	3,105,033	2,862,151	651,809	2,642,560

9 Trade and Other Receivables

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
CURRENT				
Trade receivables	634,953	472,159	241,500	243,228
Cash held on trust	350,000	-	350,000	-
Deposits	4,421	1,480	-	-
Distributions receivable	75,450	-	75,450	-
Equity subscriptions receivable	-	686,243	-	686,243
Sundry receivables	-	53,843	-	-
Total trade and other receivables	1,064,824	1,213,725	666,950	929,471

On 4 June 2009 Pelorus acquired all of the issued shares in RFML Limited, a small funds management company. The Cash held on trust is a conditional retention sum and forms part of the consideration for the acquisition of RFML. A liability for the same amount is disclosed in note 18.

10 Financial Assets

(a) Current financial assets

		Consolidated		Parent	
		2009	2008	2009	2008
	Note	$	$	$	$
Listed shares	10(c)	296,800	401,251	292,800	401,252
Non-current asset held-for-sale financial assets	10(d)	-	23,566,920	-	23,566,920
Loans and receivables	10(e)	1,809,322	5,660,410	4,928,030	5,729,822
Total current financial assets		2,106,122	29,628,581	5,220,830	29,697,994

(b) Non-current financial assets

Other financial assets	10(f)	763,636	4,194,000	763,636	4,194,000
Investment in controlled entities		-	-	76,648,167	1,633,706
Total non-current financial assets		763,636	4,194,000	77,411,803	5,827,706

Investment in controlled entities is recorded at cost.

(c) Held-for-trading Financial Assets Comprise:

Listed securities	296,800	401,252	292,800	401,252
Total held-for-trading financial assets	296,800	401,252	292,800	401,252

Held-for-trading financial assets are comprised of investments in listed securities. The fair value of the listed financial assets are based on closing bid prices on 30 June 2009 for quoted investments.

10 Financial Assets continued

(d) Non-Current Assets Held-For-Sale Comprise:

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Units in unlisted unit trusts	-	23,566,920	-	23,566,920
Total non-current assets held-for-sale	-	23,566,920	-	23,566,920

At the year ended 30 June 2008 the units in the Bakehouse Quarter Fund were classified as Non Current Assets Held-For-Sale. As part of the merger, Pelorus acquired all of the units in the Bakehouse Quarter Fund giving the Group control of the Bakehouse Quarter property. As a consequence, this asset is carried as an Investment Property in the consolidated balance sheet and the interests held prior to the merger have been reclassified from Held-For-Sale to Investment Property (see note 15).

(e) Loans and Receivables Comprise:

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Loans and receivables to related parties	1,080,809	4,957,306	475,476	4,947,421
Loans and receivables to non-related party	728,513	473,844	-	406,583
Loans and receivables to controlled entities	-	-	4,452,554	375,818
Security deposit against contingent interest payable	-	229,259	-	-
Total loans and receivables	1,809,322	5,660,409	4,928,030	5,729,822

(f) Other financial assets

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Units in related party unlisted unit trusts	660,000	4,094,000	660,000	4,094,000
Other financial assets	103,636	100,000	103,636	100,000
Total other financial assets	763,636	4,194,000	763,636	4,194,000

The units held at 30 June 2009 on the consolidated balance sheet are in the Pelorus Storage Fund.

11 Investments Accounted for Using the Equity Method

		Consolidated		Parent	
		2009	2008	2009	2008
	Note	$	$	$	$
Interest in joint venture entity	12	34,960	33,301	34,960	33,301
Associated companies	12	18,620	18,594	10,000	10,000
Total investments		53,580	51,895	44,960	43,301

12 Associated Companies

Interests are held in the following associated companies:

Name	Principal Activities	Country of Incorporation	Ownership Interest		Carrying Amount of Investment	
			2009	2008	2009	2008
			%	%	$	$
Unlisted:						
Pelorus Storage Advantage Pty Limited	Financial services and management company	Australia	33	33	10,000	10,000
WT Retail Services (India) Private Limited	Property management company	India	50	50	34,960	33,301
Trentham City Investments Limited	Shopping centre	New Zealand	40	40	8,620	8,594
					53,580	51,895

13 Acquisition of subsidiaries

(a) Bakehouse Quarter Fund / Planloc Pty Ltd / RASP Investments Pty Ltd and RASP Investments No. 2 Pty Ltd

The Merger acquisition completed in November / December 2008 had the following effect on the Group's assets and liabilities on acquisition date:

	Recognised values on acquisition $
Cash and cash equivalents	115,161
Trade and other receivables	22,751
Other financial assets	758,375
Loans and receivables	(2,377,066)
Investment properties	156,910,482
Intangible assets	620
Deferred tax assets	1,728,029
Trade and other payables	(357,322)
Income in advance	(121,440)
Property debt	(87,415,000)
Other financial liabilities	(9,986,000)
Net identifiable assets and liabilities.	59,278,590

			Consideration $
Planloc Pty Ltd	64,075,758 PPI shares	at $0.20	12,815,152
RASP Investments Pty Ltd			2,500
RASP Investments No.2 Pty Ltd			2,500
Bakehouse Quarter Fund	168,016,242 PPI shares	at $0.20	33,603,248
Total consideration			46,423,400
Less transaction expenses			(299,818)
Gain on acquisition			**12,555,372**

Net cash inflow:	**Cash inflow / outflow**
Cash acquired	115,161
Less: payment for share capital	(5,000)
Net cash acquired	110,161

13 Acquisition of subsidiaries continued

As part of the merger, Pelorus Property Group Ltd acquired all of the interests it did not already own in the Bakehouse Quarter Fund, all of the issued shares of Planloc Pty Limited and a 50% interest in RASP Investments Pty Ltd and RASP Investments No. 2 Pty Ltd. This gave the consolidated entity control of the Bakehouse Quarter property, a bulky goods retail centre known as 120 Mulgoa Road Penrith and two residential properties providing furnished short-term accommodation to working tourists. These assets are classified as Investment Properties in the consolidated balance sheet.

At 31 December 2008 the gain on acquisition was included in the parent entity accounts. At 30 June 2009 it is shown only in the consolidated accounts.

In recognising the interests acquired in these properties, the directors resolved to write down the value of the portfolio by $29.7 million to reflect the deteriorating economic conditions and sentiment with respect to commercial real estate. The fair value of all properties is shown in Note 15.

(b) Acquisition of Reed Funds Management Limited

On 4 June 2009 Pelorus acquired all of the share capital in a funds management business – Reed Funds Management Limited (now known as RFML Limited). Prior to completion RFML paid Pelorus a commitment fee of $200,000 as part of the share sale arrangement. The acquisition had the following effect on the Group's assets and liabilities on acquisition date;

	Recognised values on acquisition
	$
Cash and cash equivalents	939,502
Trade and other receivables	120,250
Property Plant and Equipment	7,000
Trade and other payables	(273,629)
Net identifiable assets and liabilities.	793,123
Consideration	1,150,000
Goodwill	356,877
Net cash outflow:	**Cash inflow / (outflow)**
Cash acquired	939,502
Less: payment for share capital	(1,150,000)
Net cash outflow	(210,498)

RFML is the manager of the RP Trust. Prior to the acquisition, contractual arrangements between RFML and a unit holder in the RP Trust were disclosed to Pelorus. These arrangements could give rise to significant contingent liabilities within RFML. Pelorus did not agree to undertakings in relation to any of RFML's prior obligations and does not regard them as a risk to the group.

Pelorus Property Group Ltd and Controlled Entities

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30 June 2009

13 Acquisition of subsidiaries continued

(c) Acquisition of WRV Unit Trust

On 30 June 2009 Pelorus PIPES Trust No.5 acquired 68% of the units of WRV Unit Trust which has as its major asset a mixed use entertainment precinct property on Woodville Rd, Villawood known as The Woods at Villawood. The acquisition had the following effect on the Group's assets and liabilities on acquisition date.

	Recognised values on acquisition **$**
Cash and cash equivalents	3,347
Investment Property	15,000,000
Capitalised Borrowing Costs	37,441
Trade and other payables	(97,765)
Property debt	(8,000,000)
Intercompany Payables	(6,175,000)
Interest Rate Hedge Liability	(215,000)
Net identifiable assets and liabilities.	553,023
Value of % acquired	376,056
Consideration	1,700,000
Goodwill	1,323,944

Net cash inflow:	**Cash inflow / (outflow)**
Cash acquired	3,347
Less: Cash payment for issued units	-
Net cash inflow	3,347

(d) Acquisition of Pelorus Pipes Trust No. 5

On 4 June 2009 Pelorus acquired 100% of the units of Pelorus PIPES Trust No. 5 (formerly known as Reed Metro Trust No.2). At acquisition it had net assets of $100 and $100 was paid as consideration.

14 Property Plant and Equipment

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
PLANT AND EQUIPMENT				
Furniture, fixtures and fittings				
At cost	263,030	280,911	-	-
Less accumulated depreciation	(104,118)	(81,538)	-	-
Total furniture, fixtures and fittings	158,912	199,373	-	-
Office equipment				
At cost	232,145	278,236	-	-
Less accumulated depreciation	(130,075)	(172,849)	-	-
Total office equipment	102,070	105,387	-	-
Total property, plant and equipment	260,982	304,760	-	-

(a) Movements in Carrying Amounts

	Consolidated		
	Furniture, Fixtures and Fittings $	Office Equipment $	Total $
Current Period			
Balance at the beginning of year	199,373	105,387	304,760
Additions	1,600	32,141	33,741
Disposals	(6,187)	(7,347)	(13,534)
Depreciation expense	(35,874)	(28,111)	(63,985)
Carrying amount as at 30 June 2009	158,912	102,070	260,982
30 June 2008			
Balance at the beginning of year	187,327	126,159	313,486
Additions	56,007	40,311	96,318
Disposals	(5,455)	(22,961)	(28,416)
Depreciation expense	(38,506)	(38,122)	(76,628)
Carrying amount as at 30 June 2008	199,373	105,387	304,760

15 Investment Properties and Property Debt

	Bakehouse Quarter $ '000	Penrith $ '000	The Woods at Villawood $ '000	Bondi $ '000	Surry Hills $ '000	Total $ '000
Value at 30 June 2008	177,250	20,670	16,900	975	1,245	217,040
Capital Improvements	1,865					1,865
Market deterioration impairments	(23,600)	(4,170)	(1,900)	-	-	(29,670)
Investment property fair value	155,515	16,500	15,000	975	1,245	189,235
Property debt	(77,500)	(10,500)	(8,000)	(610)	(805)	(97,415)
Net property equity	78,015	6,000	7,000	365	440	91,820
Loan to value ratio	50%	64%	53%	63%	65%	52%

As part of the merger, Pelorus acquired all of the units in the Bakehouse Quarter Fund giving the Group control of the Bakehouse Quarter property. It also acquired all of the shares in a company known as Planloc Pty Ltd, which along with some other financial assets, owns the Penrith property.

As a consequence of the merger the Bakehouse Quarter is carried as an Investment Property in the consolidated balance sheet. The Bakehouse Quarter is a significant development site located in North Strathfield Sydney. The project involves the conversion of the old Arnott's biscuit factory into an urban business precinct with over 35,000 sqm of commercial, retail, restaurant and entertainment space completed and trading. The site is expected to grow roughly 100,000 sqm over the next five to ten years. A $37.5m debt facility secured against the property was refinanced in June 2009 and now has an expiry date of August 2011, the remaining debt expires in September 2012. The current fair value is a combination of development land value, cost of building under construction and a yield of 8% on completed elements.

The Penrith property is a bulky goods retail centre known as 120 Mulgoa Road, Penrith. Pelorus is working up a proposal to expand the properties largest tenant by up to 500 sqm. An independent valuation of the property was undertaken in May 2009 in connection with the refinancing of the debt facility for a further 2 years. The debt now expires in May 2011 reflects a current yield of 9.14%.

The Woods at Villawood is a partially completed conversion of a 9,000 sqm failed bulky goods retail site into a mixed-use entertainment precinct situated on Woodville Road, Villawood. To date the property has 5,000 sqm converted and occupied with negotiations on another 4,000 sqm (including some extensions) expected to be finalised in the coming weeks. The debt secured against the property is due to expire in September 2012. The current fair value reflects a capitalisation rate of 9.25%.

Bondi and Surry Hills are two residential properties providing furnished short-term accommodation to working tourists. The debt facilities secured against the properties are due to expire in July and August 2012 respectively.

The debt secured against Investment Properties is held in six separate facilities with Australian financial institutions. The weighted average term to maturity of the debt is 2.7 years.

16 Intangible Assets

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Goodwill				
Goodwill on consolidation	3,254,451	1,544,729	-	-
Net carrying value	3,254,451	1,544,729	-	-
Development costs				
At cost	620	37,999	-	29,404
Net carrying value	620	37,999	-	29,404
Capitalised borrowing costs				
Cost	67,441	-	-	-
Net carrying value	67,441	-	-	-
Total Intangibles	3,322,512	1,582,728	-	29,404

Goodwill as at 30 June 2008	1,544,729
Adjustment to 2008 goodwill	28,901
Opening goodwill July 2008	1,573,630
Goodwill recognised on acquisition of RFML Limited	356,877
Goodwill recognised on acquisition of WRV Unit Trust	1,323,944
Goodwill as at 30 June 2009	3,254,451

Goodwill was acquired through the acquisition of 100% of the issued capital of Wynn Tresidder Management Pty Ltd and DDT Projects Pty Ltd on 1 July 2005, 100% of RFML Limited on 4 June 2009, and 68% of WRV Unit Trust on 30 June 2009. Details of the acquisitions that occurred in the current financial year are contained in Note 13. The goodwill has been allocated to the property services and fund asset management segments respectively. The calculation of value in use has been based on known continuing contracted property management and fund asset management services. The goodwill is fully recoverable within 12 months on an undiscounted basis.

17 Other Assets

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
CURRENT				
Prepayments	23,606	20,873	-	-
Other assets	315,570	-	-	-
Total other assets	339,176	20,873	-	-

18 Trade and Other Payables

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
CURRENT				
Unsecured liabilities				
Trade payables	1,823,321	1,008,920	401,276	612,843
Consideration payable re RFML	350,000		350,000	
Intercompany tax payable	-	-	114,970	42,800
Deposits Payable	89,893	-	-	-
GST payable/ (receivable)	152,719	(701)	55,137	659
Sundry payables and accrued expenses	64,446	59,269	-	-
Rental income in advance	35,558	-	-	-
Dividends payable	-	120,347	-	120,347
Total trade and other payables	2,515,937	1,187,835	921,384	776,649

19 Financial Liabilities

Other liabilities

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
NON-CURRENT				
Unsecured liabilities				
Interest rate hedge	2,715,000	-	-	-
Outside minority interest in Pelorus Penrith Fund No.2	235,000	-	-	-
Total other liabilities	2,950,000	-	-	-

The interest rate hedge liabilities represent the mark to market valuations of hedges in place at 30 June 2009 with respect to property debt held over the Penrith, Bakehouse Quarter and The Woods properties.

20 Provisions

	Legal proceedings	Employee entitlements	Total
	$	$	$
Opening balance at 1 July 2008	-	170,298	170,298
Additional provisions	50,000	151,870	201,870
Amounts used	-	(170,177)	(170,177)
Balance at 30 June 2009	50,000	151,991	201,991

(a) Analysis of Total Provisions

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Current	197,491	138,505	-	-
Non current	4,500	31,793	-	-
Total provisions	201,991	170,298	-	-

The number of employees for the Group as at 30 June 2009 is 22 (30 June 2008: 28).

The provision for legal proceedings has been raised in relation to a claim against Wynn Tresidder Management Pty Ltd (WTM) in its capacity as manager of Neeta City shopping centre. A slip and fall case has resulted in a judgement against WTM. WTM is indemnified by its client under the relevant property agreement; however, the directors resolved to provide for less than a full recovery and any recoverable costs.

21 Tax

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
CURRENT				
Income tax receivable / (payable)	214,695	(302,013)	270,134	(215,067)
Total current tax liabilities	214,695	(302,013)	270,134	(215,067)
NON-CURRENT				
Deferred tax balance comprises:				
Fair value adjustments	223,381	(1,435,686)	223,381	(1,435,686)
Employee entitlements	55,028	31,363	-	-
Interest rate swaps	750,000	-	-	-
Asset impairment	872,991	-	-	-
Prepayments	(81,987)	-	-	-
Total deferred tax assets / (liabilities)	1,819,413	(1,404,323)	223,381	(1,435,686)

22 Issued Capital

(a) Summary Table

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
364,593,893 (30 June 2008: 113,649,724) Ordinary	84,734,575	34,961,702	84,734,575	34,961,702
Total issued capital	84,734,575	34,961,702	84,734,575	34,961,702

22 Issued Capital continued

(b) Movement in shares on issue

	Consolidated		Parent	
	2009	2008	2009	2008
	No.	No.	No.	No.
At the beginning of reporting period	113,649,724	107,650,320	113,649,724	107,650,320
Shares issued during the year:				
Employee Share Scheme	195,729	-	195,729	-
Dividend Reinvestment Plan	-	1,668,143	-	1,668,143
Issued for acquisition of Bakehouse Quarter Fund units	168,016,256	364,590	168,016,256	364,590
Issued for acquisition of Planloc Pty Ltd shares	64,075,758	-	64,075,758	-
Issued for acquisition of Pelorus Storage Fund units	11,550,000	-	11,550,000	-
Issued for acquisition of Pelorus Penrith Fund No. 2 units	5,300,000	-	5,300,000	-
Pro-rata issue for Directors and Shareholders shortfall shares	1,806,426	3,966,671	1,806,426	3,966,671
At reporting date	364,593,893	113,649,724	364,593,893	113,649,724

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At the 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.

23 Dividends

(a) Dividends and distributions paid table

Distributions paid

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Payment of final fully franked ordinary dividend of 2 cents per share	-	2,160,297	-	2,160,297
Payment of interim fully franked ordinary dividend of 2 cents per share	-	2,193,661	-	2,193,661
Total distributions	-	4,353,958	-	4,353,958

23 Dividends continued

(b) Balance of franking account

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
The amount of franking credits available for the subsequent financial year are:				
- franking account balance as at the end of the period at 30% (2008: 30%)	175,435	(544,426)	117,692	(544,426)
- franking credits that will arise from the payment of income tax	-	242,857	-	242,857
Total franking account balance	175,435	(301,569)	117,692	(301,569)

24 Auditors' Remuneration

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Remuneration of the auditor of the parent entity for:				
- Auditing or reviewing the financial report	103,549	75,000	103,549	75,000
- Auditing or reviewing the financial report of the Managed Investment Schemes for whom Pelorus acts as Responsible Entity	23,400	21,590	23,400	21,590
- Taxation services	14,820	13,450	14,820	13,450
- Other services	6,600	6,685	6,600	6,685
Total auditors' remuneration	148,369	116,725	148,369	116,725

25 Capital and Leasing Commitments

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

	Consolidated		Parent	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Payable - minimum lease payments				
- not later than 12 months	186,960	186,960	-	-
Total operating lease commitments	186,960	186,960	-	-

Capital Commitments

There are no capital commitments as at 30 June 2009 (30 June 2008: Nil).

26 Contingent Liabilities and Contingent Assets

The cash deposit in relation to the Trentham City, Wellington New Zealand shopping centre for which Pelorus Management (NZ) Limited has an equity interest has now been repaid and as such is no longer a contingent asset.

There are no other contingent assets or liabilities as at 30 June 2009

27 Events After the Balance Sheet Date

Please refer to the Directors' Report for detailed information on events subsequent to balance date.

28 Controlled Entities

Name	Country of incorporation	Percentage Owned 30 June 2009	Percentage Owned 30 June 2008
Parent Entity:			
Pelorus Property Group Ltd	Australia		
Subsidiaries of parent entity:			
Wynn Tresidder Management Pty Limited	Australia	100	100
DDT Projects Pty Limited	Australia	100	100
Capital Storage Services Pty Ltd	Australia	51	51
Pelorus Management (NZ) Limited	New Zealand	100	100
WRV Pty Limited *	Australia	100	100
Planloc Pty Ltd	Australia	100	-
RASP Investments Pty Ltd	Australia	50	-
RASP Investments No. 2 Pty Ltd	Australia	50	-
Bakehouse Quarter Fund	Australia	100	25
RFML Limited	Australia	100	-
Bakehouse Cellars Pty Ltd*	Australia	100	-
Pelorus PIPES Trust No. 5	Australia	100	-
WRV Unit Trust	Australia	68	-
RFM Nominees Pty Ltd*	Australia	100	-

* The results and net assets of these entities have not been consolidated on the basis they have not traded during the period and their net assets are immaterial to the Group.

Pelorus Property Group Ltd and Controlled Entities

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29 Related party transactions

	Note	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Fees received					
Kirela Pty Ltd (Bakehouse Quarter Fund)		1,177,316	2,558,768	436,010	927,437
JPS Properties Pty Ltd		58,809	27,642	-	-
Mosman Branch Pty Ltd		16,127	15,443	-	-
Alerik Pty Ltd		235,661	211,221	71,500	74,500
Claremont Street Pty Ltd		-	258,238	-	-
Planloc Pty Ltd (Pelorus Penrith Fund No 2)		59,999	478,859	44,749	403,400
Trentham City Investments Limited		521,889	364,558	-	-
Pelorus Storage Advantage Pty Ltd		3,253	4,698	-	-
WRV Pty Limited (WRV Unit Trust)		107,387	2,313,469	48,750	2,078,380
Seph Glew		7,332	-	-	-
Paul Tresidder		1,731	-	-	-
Robin Tedder		538	-	-	-
Total		2,190,042	6,232,896	601,009	3,483,717
Rent paid					
JPS Properties Pty Ltd	29(e)	463,909	199,472	-	-
Total		463,909	199,472	-	-
Consultancy fees paid					
Frogstorm Pty Ltd		23,500	281,998	23,500	281,998
Castle Bay Pty Ltd		184,242	64,286	184,242	64,286
Seno Management Pty Ltd		285,000	-	285,000	-
Lymkeesh Pty Ltd		185,000	-	185,000	-
Kokoda Pty Ltd **		90,000	-	-	-
Total		767,742	346,284	677,742	346,284
Directors fees paid					
Seno Management Pty Ltd		75,000	-	75,000	-
Lymkeesh Pty Ltd		55,000	-	55,000	-
Hillandip Pty Ltd		55,000	-	55,000	-
Koonta Pty Ltd		55,000	-	55,000	-
Total		240,000	-	240,000	-

** Consultancy fees were paid by WT Retail Services (India) Private Ltd.

29 Related party transactions continued

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Interest received				
Frogstorm Pty Ltd	21,325	19,750	-	19,750
Alerik Pty Limited	-	565	-	565
Planloc Pty Ltd	38,665	24,480	21,705	24,480
Old Bear Pty Ltd	18,294	15,418	-	15,418
Kirela Pty Ltd	-	40,472	-	40,472
Pelorus Storage Fund	-	97,590	-	97,590
WRV Unit Trust	298,739	334,023	298,739	334,023
Pelorus Penrith Fund No.2	-	376,761	-	376,761
JPS Properties Pty Ltd	-	6,289	-	6,289
Trentham City Investments Limited	434	-	-	-
Total	377,457	915,348	320,444	915,348
Loans to related parties:				
Trentham City Investments Limited	86,614	-	-	-
Old Bear Pty Ltd	232,753	-	-	-
Frogstorm Pty Ltd	271,325	-	-	-
WRV Unit Trust	-	4,650,000	-	4,650,000
WT Retail Services (India) Private Ltd	475,476	307,306	475,476	297,421
Bin 24 Restaurants Pty Ltd	14,641	-	-	-
Pelorus Management (NZ) Limited	-	-	-	-
Total	1,080,809	4,957,306	475,476	4,947,421
Distributions received				
Bakehouse Quarter Fund	735,000	-	608,455	-
Pelorus Storage Fund	183,940	-	176,718	-
Pelorus Penrith Fund No.2	317,800	-	317,800	-
Total	1,236,740	-	1,102,973	-
Interest paid				
Pelorus Penrith Fund No.2	20,147	-	-	-
Total	20,147	-	-	-

29 Related party transactions continued

(a) Identification of Related Parties continued

Name	Entity Type	Directors	Legal/ Beneficial Interest Before Merger	Legal/ Beneficial Interest as at 30 June 2009
Alerik Pty Ltd	Company	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder,	Seph Glew, Paul Tresidder
Alerik Unit Trust	Trust	-	Seph Glew, Paul Tresidder, Robin Tedder, Richard Hill	Seph Glew, Paul Tresidder, Robin Tedder, Richard Hill
Bakehouse Cellars Pty Ltd	Company	Seph Glew, Paul Tresidder, Robin Tedder, Stuart Brown, Guy Wynn	Seph Glew, Paul Tresidder, Robin Tedder	Pelorus Property Group Limited
Bakehouse Quarter Fund	Trust	-	Seph Glew, Paul Tresidder, Robin Tedder, Richard Hill, Stuart Brown	Pelorus Property Group Limited
Bin24 Restaurants Pty Ltd	Company	Seph Glew, Robin Tedder, Paul Tresidder	Seph Glew, Robin Tedder, Paul Tresidder	Seph Glew, Robin Tedder, Paul Tresidder
Capital Storage Services Pty Ltd	Company	Stuart Brown	Pelorus Property Group Limited	Pelorus Property Group Limited
Castle Bay Pty Ltd	Company	Guy Wynn	Guy Wynn	Guy Wynn
Claremont Street Pty Ltd	Company	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder
Frogstorm Pty Ltd	Company	Stuart Brown	Stuart Brown	Stuart Brown

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29 Related party transactions continued

(a) Identification of Related Parties continued

Name	Entity Type	Directors	Legal/ Beneficial Interest Before Merger	Legal/ Beneficial Interest as at 30 June 2009
Hillandip Pty Ltd	Company	Richard Hill	Richard Hill	Richard Hill
Hollia Pty Ltd	Company	Paul Tresidder, Seph Glew	Paul Tresidder, Seph Glew	Seph Glew, Paul Tresidder
Jagar Holdings Pty Ltd	Company	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder
Jagar Property Consultants Pty Ltd	Company	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder
JPS Properties Pty Ltd	Company	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder
Kirela Development Unit Trust	Trust	-	Seph Glew, Paul Tresidder, Robin Tedder, Richard Hill, Guy Wynn, Stuart Brown	Seph Glew, Paul Tresidder
Kirela Pty Ltd	Company	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder
Kokoda Pty Ld	Company	Guy Wynn	Guy Wynn	Guy Wynn
Koonta Pty Ltd	Company	Robin Tedder	Robin Tedder	Robin Tedder

Pelorus Property Group Ltd and Controlled Entities

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29 Related party transactions continued

(a) Identification of Related Parties continued

Name	Entity Type	Directors	Legal/ Beneficial Interest Before Merger	Legal/ Beneficial Interest as at 30 June 2009
Lymkeesh Pty Ltd	Company	Paul Tresidder	Paul Tresidder	Paul Tresidder
Mosman Branch Pty Ltd	Company	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder
Old Bear Pty Ltd	Company	David Tresidder	David Tresidder	David Tresidder
Pelorus Penrith Fund No. 2	Trust	-	Seph Glew, Stuart Brown	-
Pelorus Storage Advantage Pty Ltd	Company	Stuart Brown	Pelorus Property Group Limited	Pelorus Property Group Limited
Pelorus Storage Fund	Trust	-	Seph Glew, Stuart Brown, Guy Wynn, Paul Tresidder	Seph Glew, Stuart Brown, Guy Wynn, Paul Tresidder
Penrith Unit Trust	Trust	-	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder
Planloc Pty Ltd	Company	Seph Glew, Paul Tresidder, Stuart Brown, Guy Wynn	Seph Glew, Paul Tresidder	Pelorus Property Group Limited
PRSC Pty Ltd	Company	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder	Seph Glew, Paul Tresidder

Pelorus Property Group Ltd and Controlled Entities

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29 Related party transactions continued

(a) Identification of Related Parties continued

Name	Entity Type	Directors	Legal/ Beneficial Interest Before Merger	Legal/ Beneficial Interest as at 30 June 2009
RASP Investments No2 Pty Ltd	Company	Seph Glew, Paul Tresidder, Stuart Brown	Seph Glew, Paul Tresidder	Pelorus Property Group Limited
RASP Investments Pty Ltd	Company	Seph Glew, Paul Tresidder, Stuart Brown	Seph Glew, Paul Tresidder	Pelorus Property Group Limited
Seno Management Pty Ltd	Company	Seph Glew	Seph Glew	Seph Glew
Trentham City Investments Limited	NZ Company	Seph Glew, Stuart Brown	Pelorus Management (NZ) Limited	Pelorus Management (NZ) Limited
WRV Pty Ltd	Company	Seph Glew, Paul Tresidder, Guy Wynn, Stuart Brown	Pelorus Property Group Limited	Pelorus Property Group Limited
WRV Unit Trust	Trust	-	Seph Glew, Paul Tresidder, Stuart Brown, Robin Tedder	Seph Glew, Paul Tresidder, Stuart Brown, Robin Tedder
WT Retail Services (India) Private Ltd	Indian Company	Guy Wynn, Paul Tresidder	Pelorus Property Group Limited	Pelorus Property Group Limited

Pelorus Property Group Ltd and Controlled Entities

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Notes to the Financial Statements

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29 Related party transactions continued

(a) Identification of Related Parties continued

Individual Related Parties

Name	Type	Related Directors
Ms JA Glew	Individual	Seph Glew
Ms SM Glew	Individual	Seph Glew

29 Related party transactions continued

(b) Beneficial Holdings

The direct, indirect and beneficial holding of directors and their director-related entities in the share and share options of the Company as at 30 June 2009 is:

Shares: 191,663,727 (30 June 2008: 52,472,991) Ordinary shares

Options: 24,880,000 (30 June 2008: 7,880,000)

Refer Note 32(a) for further details.

(c) Property management and leasing fees received

The consolidated entity receives property management and leasing fees from various related parties. These fees are paid under a property management agreement and the fees charged are determined with reference to arm's length commercial rates.

(d) Funds management fees

Funds management fees are provided for in the fund constituent documents and fees charged are determined with reference to arm's length commercial rates.

(e) Rental expenses

Rent is paid to JPS Properties Pty Ltd for use of the Group's Neutral Bay head office premises. The rent paid is subject to a lease, which is determined with reference to arm's length commercial rates.

Wynn Tresidder Serviced Offices paid rental expenses of $256,549 to JPS Properties Pty Ltd during the period. This rental expense is fully recovered from unrelated tenants and as such does not form part of occupancy costs.

(f) Consultancy fees

The Group has entered into consultancy arrangements with entities associated with Stuart Brown, Seph Glew, Paul Tresidder, Richard Hill, Robin Tedder and Guy Wynn. The fees charged are subject to consultancy agreements and rates charged are determined with reference to arm's length commercial rates.

(g) Loans to / from related parties

WRV Pty Ltd ATF WRV Unit Trust

$6,125,000 is loaned to WRV Pty Ltd ATF WRV Unit Trust by Pelorus PIPES Trust No.5. The loan is secured by a registered caveat over real property and the Company has an irrevocable right to increase the senior debt in order to recover the loan. Interest is charged at the rate of the Bank Bill Swap Rate plus a margin of 0.63% per annum.

29 Related party transactions continued

Old Bear Pty Ltd and Frogstorm Pty Ltd

These loans are secured by shares in Pelorus Property Group Ltd and interest is currently charged at 9% per annum.

Planloc Pty Ltd

Pelorus Penrith Fund No 2 holds a PIPES mortgage secured over 120 Mulgoa Rd, Penrith. 235,000 of the units are held by investors other than Pelorus Property Group Limited. They are disclosed as minority interests in PPF2 on the balance sheet of the Group. Interest is payable under the mortgage at a rate of 8.75% per annum.

(h) Other related party transactions

- Mosman Branch Pty Ltd purchased PRSC Pty Ltd from Planloc Pty Ltd for consideration of $2,581,059.20.
- Kirela Pty Ltd purchased Jagar Property Consultants Pty Ltd from Planloc Pty Ltd for consideration of $6,020,945.20.
- Pelorus Property Group Ltd purchased Planloc Pty Ltd from Hollia Pty Ltd and Jagar Holdings Pty Ltd for the issue of 64,075,758 Pelorus Property Group Pty Ltd shares.
- Pelorus Property Group Ltd purchased 50% of RASP Investments Pty Ltd & RASP Investments No 2 Pty Ltd for $2,500 each from PRSC Pty Ltd.
- Pelorus Property Group Ltd purchased 11,587,327 units in the Bakehouse Quarter Fund for the issue of 168,016,256 Pelorus Property Group Ltd shares.
- Pelorus Property Group Ltd purchased 1,060,000 units in the Pelorus Penrith Fund No. 2 for the issue of 5,300,000 Pelorus Property Group Ltd shares.
- Pelorus Property Group Ltd purchased 2,310,000 units in the Pelorus Storage Fund for the issue of 11,550,000 Pelorus Property Group Ltd shares.
- Pelorus Property Group Ltd purchased 321,000 units in the Pelorus Storage Fund from Planloc Pty Ltd for $321,000.
- The Bakehouse Quarter Fund purchased Bakehouse Cellars Pty Ltd for $15,000.
- Pelorus Property Group Ltd purchased 100 shares in RFML Limited for $1,150,000.
- Seno Management Pty Ltd sold 200,000 units in Pelorus Penrith Fund No.2 to Pelorus PIPES Trust No.5 for $200,000.
- Seno Management Pty Ltd purchased 200,000 units in Pelorus Storage Fund from Pelorus Property Group Ltd for $200,000.
- Frogstorm Pty Ltd sold 5,000 units in Pelorus Penrith Fund No.2 to Pelorus PIPES Trust No.5 for $5,000.
- Frogstorm Pty Ltd purchased 5,000 units in Pelorus Storage Fund from Pelorus Property Group Ltd for $5,000.

29 Related party transactions continued

- Kirela Development Unit Trust exchanged 1,360,000 units in WRV Unit Trust for 1,360,000 shares in Pelorus Property Group Ltd and 1,088,000 units in Pelorus Storage Fund.
- Koonta Pty Ltd exchanged 300,000 units in WRV Unit Trust for 300,000 shares in Pelorus Property Group Ltd and 240,000 units in Pelorus Storage Fund.
- Frogstorm Pty Ltd exchanged 40,000 units in WRV Unit Trust for 40,000 shares in Pelorus Property Group Limited and 32,000 units in Pelorus Storage Fund.
- Pelorus Property Group Ltd assigned its loan of $45,000 to Old Bear Pty Ltd to Kirela Development Unit Trust.
- Jagar Property Consultants Pty Ltd sold 1,420,000 shares in Pelorus Property Group to Planloc Pty Ltd for $284,000.

30 Directors' options

Directors related entities have relevant interests in options over shares in the Company as set out below. The options that existed at 30 June 2008 have a five year term commencing on 20 July 2006 and are exercisable at any time prior to their expiry at a price of 67.5 cents per share. The additional options granted during the year ended 30 June 2009 have the following terms:

- Each option entitles the option holder to convert the Option into 1 fully paid Ordinary Share in the capital of the Company.

- Options may be exercised at any time after the third anniversary of the date of issue of the Options which was 28 November 2008.

- The Options expire 5 years from the date of issue.

- The exercise price will be at $0.60 on the date which is the third anniversary from the date of issue of the Options. The exercise price will increase by 0.75 of a cent each 3 monthly period thereafter until the Options expire or are exercised.

- The share price on the date of issue was $0.17.

	Balance 1/07/2008	Net change **	Balance 30/06/2009
	No.	No.	No.
Seph Glew	2,660,000	5,000,000	7,660,000
Guy Wynn	1,400,000	2,500,000	3,900,000
Stuart Brown	600,000	5,000,000	5,600,000
Paul Tresidder	2,220,000	2,500,000	4,720,000
Robin Tedder	1,000,000	1,500,000	2,500,000
Richard Hill	-	500,000	500,000
Total	7,880,000	17,000,000	24,880,000

** Additional options were issued to the directors in accordance with approval of shareholders at the Annual General Meeting on 28 November 2008.

31 Issue of shortfall shares

The Group issued shortfall shares under 4 June 2008 pro rata offer to the following related parties:

	No. of shares
Frogstorm Pty Ltd	8,929
Ms J A Glew	8,929
Ms S M Glew	8,929
Jagar Property Consultants Pty Ltd	210,817
Koonta Pty Ltd	369,656
Seno Management Pty Ltd	438,139
Total	1,045,399

32 Directors and Key Management Personnel

(a) Directors' relevant interests

The directors have relevant interests in shares of the Company as set out in the following table.

	Balance 1/07/2008	Options Exercised	Net Change Other *	Balance 30/06/2009
Seph Glew	16,997,009	-	56,308,694	73,305,703
Guy Wynn	8,566,201	-	72,450	8,638,651
Stuart Brown	3,915,286	-	1,223,145	5,138,431
Paul Tresidder	16,637,804	-	54,125,592	70,763,396
Robin Tedder	6,356,691	-	11,193,998	17,550,689
Richard Hill	-	-	16,266,857	16,266,857
Total shareholding	52,472,991	-	139,190,736	191,663,727

* Net Change Other refers to changes in relevant interests in shares during the financial year including changes as a result of the merger.

(b) Key Management Personnel Compensation

30 June 2009	Short-term benefits			Post employment benefits		Total
	Consultancy fees	Directors Fees	Salary and Other	Superannuation	Options	
	$	$	$	$	$	$
Guy Wynn	253,333	-	-	-	1,750	255,083
Stuart Brown	23,500	-	237,156	21,344	3,500	285,500
Robin Tedder	-	55,000	-	-	1,050	56,050
Richard Hill	-	55,000	-	-	350	55,350
Paul Tresidder	185,000	55,000	-	-	1,750	241,750
Seph Glew	285,000	75,000	-	-	3,500	363,500
	746,833	240,000	237,156	21,344	11,900	1,257,233

32 Directors and Key Management Personnel continued

$90,000 of Guy Wynn's fees paid in India by WT Services (India) Private Limited.

Options valued at $0.0007 per option under the Black Scholes and binomial valuation methods.

Material terms of the options:

- Each option entitles the option holder to convert the Option into 1 fully paid Ordinary Share in the capital of the company.
- Options may be exercised at any time after the third anniversary of the date of issue of the Options which was 28 November 2008.
- The Options expire 5 years from the date of issue.
- The exercise price will be at $0.60 on the date which is the third anniversary from the date of issue of the Options. The exercise price will increase by 0.75 of a cent each 3 monthly period thereafter until the Options expire or are exercised.
- The share price on the date of issue was $0.17.

30 June 2008	Short-term benefits			Post employment benefits		Total
	Consultancy fees	Directors Fees	Salary and Other	Superannuation	Options	
	$	$	$	$	$	$
Guy Wynn	177,286	-	-	-	-	177,286
Stuart Brown	281,998	-	-	-	-	281,998
Robin Tedder	-	55,000	-	-	-	55,000
Richard Hill	-	55,000	-	-	-	55,000
Paul Tresidder	-	55,000	-	-	-	55,000
Seph Glew	-	75,000	-	-	-	75,000
	459,284	240,000	-	-	-	699,284

$113,286 of Guy Wynn's fees paid in India By WT Services (India) Private Limited.

33 Financial Instruments

(a) Financial Risk Management

The main risks the Group is exposed to through its financial instruments are interest rate risk, price risk and credit risk.

The Group's principal financial instruments are cash, loan receivables, investments in listed securities and investments in related and unrelated property structures. Additionally, the Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

This note presents information about the Company's and Group's exposure to each of the above risks, their objectives, policies, and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board of Directors and senior management set appropriate risk limits and controls, and monitor risks and adherence to limits. Changes in market conditions and the Company's and Group's activities are monitored with respect to the Group's risk profile. The Company and Group, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(b) Interest rate risk

The Group has exposure to market risk for changes in interest rates on long-term borrowings. Borrowings at variable rate expose the Group to cash flow interest rate risk.

The Group undertakes hedging strategies to mitigate the risk on its Property Debt. The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate derivatives. Such interest rate derivatives have the economic effect of converting borrowings from floating rates to fixed or capped rates. Generally, the Group raises long term borrowings at floating rates and hedges them into fixed rates that are lower than those available if the group borrowed at fixed rates directly. Under the interest rate derivatives, the Group agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rates interest amounts calculated by reference to the agreed notional principal amounts.

Refer to note 33(g) for financial instruments subject to interest rate risk.

(c) Price Risk

The Group is exposed to price risk through the fluctuation of share prices for listed securities held by the Group and fluctuations in the underlying value of properties used as security for investments in related and unrelated property structures.

33 Financial Instruments

(d) Credit Risk

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, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

Credit risk for financial instruments arises from the potential failure by counter-parties to the contract to meet their obligations.

The Group has credit risk exposure to related parties loan receivables and investments in related and unrelated property structures under financial instruments and contractual arrangements entered into by the Group.

The Group limits its exposure to credit risk by obtaining equitable mortgage over real property for related unrelated party loan receivables and investment in related and unrelated property structures.

(e) Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Consolidated		Parent	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Other financial assets	763,636	4,194,000	76,947,852	4,194,000
Loans and receivables	1,809,322	5,660,409	4,928,030	5,729,822
Held-for-trading financial assets	296,800	401,252	292,800	401,252
Non-current assets held-for-sale	-	23,566,920	-	-
Cash and cash equivalents	3,180,771	4,561,003	2,630,799	4,005,001
Trade receivables	634,953	472,159	241,500	243,228
Cash held on trust	350,000	-	350,000	-
	7,035,482	38,855,743	85,390,981	14,573,303

Pelorus Property Group Ltd and Controlled Entities

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Notes to the Financial Statements

30 June 2009

33 Financial Instruments continued

(f) Fair values

The fair values of the following financial instruments differ from their carrying amounts shown in the balance sheet:

	Consolidated				Parent			
	2009		2008		2009		2008	
	Carrying amount $	Fair value $	Carrying amount $	Fair value $	Carrying amount $	Fair value $	Carrying amount $	Fair value $
Financial assets								
Cash	3,180,771	3,180,771	4,561,003	4,561,003	2,630,799	2,630,799	4,005,001	4,005,001
Trade receivables	634,953	634,953	472,159	472,159	241,500	241,500	243,228	243,228
Loans receivables	1,809,322	1,809,322	5,660,409	5,660,409	4,928,030	4,928,030	5,729,822	5,729,822
Held for trading financial assets	296,800	296,800	401,252	401,252	292,800	292,800	401,252	401,252
Non-current assets held-for-sale	-	-	23,566,920	23,566,920	-	-	23,566,920	23,566,920
Other financial assets	763,636	763,636	4,194,000	4,194,000	76,947,852	76,947,852	4,194,000	4,194,000
Cash held on trust	350,000	350,000	-	-	350,000	350,000	-	-
Financial liabilities								
Trade payables	1,823,321	1,823,321	1,008,920	1,008,920	401,276	401,276	612,843	612,843
Consideration payable re RFML	350,000	350,000			350,000	350,000		
Secured bank loans								
Total	9,208,803	9,208,803	39,864,663	39,864,663	86,142,237	86,142,237	38,753,066	38,753,066

33 Financial Instruments continued

(g) Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Hedged Interest Rate		Non-interest Bearing		Total	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
	%	**%**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Financial Assets:										
Cash and cash equivalents	2.25	5.50	3,180,771	4,561,003	-	-	-	-	3,180,771	4,561,003
Trade & other receivables	-	-	-	-	-	-	1,064,824	1,213,725	1,064,825	1,213,725
Loan and receivables	8.00	8.10	1,809,322	5,431,150	-	-	-	-	1,809,322	5,431,150
Total Financial Assets			4,990,093	9,992,153	-	-	1,064,824	1,213,725	6,054,918	11,205,878
Financial Liabilities:										
Property debt	7.00	-	9,915,000	-	87,500,000	-	-	-	97,415,000	-
Trade & other payables	-	-	-	-	-	-	2,515,937	1,187,835	2,515,937	1,187,835
Hedge Liabilities	-	-	-	-	-	-	2,715,000	-	2,715,000	-
Outside interest in Penrith fund No.2	8.75	-	-	-	235,000	-	-	-	235,000	-
Total Financial Liabilities		-	9,915,000	-	87,735,000	-	5,230,937	1,187,835	102,880,937	1,187,835

Pelorus Property Group Ltd and Controlled Entities

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Notes to the Financial Statements

30 June 2009

33 Financial Instruments continued

(g) Interest Rate Risk Continued

	Maturing within 1 year		Maturing within 1-5 years		Total	
	2009	2008	2009	2008	2009	2008
	$	$	$	$	$	$
Financial Assets:						
Cash and cash equivalents	3,180,771	4,561,003	-	-	3,180,771	4,561,003
Trade receivables	1,064,824	1,213,725	-	-	1,064,824	1,213,725
Loan and receivables	1,809,322	5,431,150	-	-	1,809,322	5,431,150
Total Financial Assets	6,054,917	11,205,878	-	-	6,054,917	11,205,878
Financial Liabilities:						
Property debt	-	-	97,415,000	-	97,415,000	-
Trade & other payables	2,515,937	1,187,835	-	-	2,515,937	1,187,835
Hedge liabilities	110,000	-	2,605,000	-	2,715,000	-
Outside interest in Penrith Fund No.2	-	-	235,000	-	235,000	-
Total Financial Liabilities	2,625,937	1,187,835	100,255,000	-	102,880,937	1,187,835

Pelorus has an active hedging policy over its debt and uses a combination of interest rate hedging derivatives.

Pelorus Property Group Ltd and Controlled Entities

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Notes to the Financial Statements

30 June 2009

33 Financial Instruments continued

(g) Interest Rate Risk Continued

The following sensitivity analysis is based on the interest rate risk exposures in existence at the balance sheet date:

At 30 June 2009, if interest rates had moved, as illustrated in the table below, with all other variables held constant, pre tax profit would have been affected as follows:

	Pre tax profit higher/(lower)	
	2009	2008
	$	$
Consolidated		
+1.0% (100 basis points)	(49,249)	99,922
-0.5% (50 basis points)	24,625	(49,961)
Parent		
+1.0% (100 basis points)	75,588	97,348
-0.5% (50 basis points)	(37,794)	(48,674)

34 Company Details

Principal place of business

The principal place of business of the company is:

Pelorus Property Group Ltd and Controlled Entities
Level 3, 50 Yeo Street
Neutral Bay NSW 2089

Pelorus Property Group Limited

ABN 45 091 209 639

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