

NOTES TO THE FINANCIAL SUMMARY

for the year ended 30 June 2005

	2005	2004
	\$'000	\$'000

NOTE 3 - Payables (current) cont'd

Other creditors		
Unrealised losses on sugar futures and options contracts	-	788
Sugar futures margin calls	1,185	-
Other	21,297	22,290
	22,482	23,078

Deferred income relating to a future period:

Realised gains on foreign currency hedges and option contracts (b)	99	1,258
Unrealised gains on sugar futures and option contracts (b)	1,374	1,807
Unrealised gains on foreign currency hedges and option contracts (b)	28,367	54,554
Sales proceeds	92	394
	29,932	58,013

Total payables (current) **114,022** 194,186

NOTE 4 - Payables (non-current)

Other creditors		
Unrealised losses on foreign currency contracts	175	-
	175	-

Deferred income relating to future periods:

Unrealised gains on foreign currency hedges and option contracts (b)	-	17,660
Unrealised gains on sugar futures and option and option contracts (b)	959	1,030
	959	18,690

Total payables (non-current) **1,134** **18,690**

(a) Represents realised and unrealised losses on sugar hedges and foreign currency hedges and option contracts which will be allocated against future years' sales.

(b) Represents realised and unrealised gains on sugar hedges and foreign currency hedges and option contracts which will be allocated against future years' sales.

NOTE 5 - Equity

Queensland Sugar Limited is a public company limited by guarantee, with the members made up of mill owners, Grower Representative Members from each mill area and grower organisations. The company therefore has no share capital.

NOTES TO THE FINANCIAL SUMMARY

for the year ended 30 June 2005

	2005	2004
	\$'000	\$'000

NOTE 6 - Statement of Cash Flows

(a) Reconciliation of Cash

Cash balance comprises:

Cash on hand	91	124
Money market investments	8,642	10,031
Money market liabilities	(25,700)	-
Securities - Commercial Paper liabilities	-	(19,729)
Total cash	(16,967)	(9,574)

(b) Financing facilities available

At balance date, the following financing facilities had been negotiated and were available:

Commercial paper program

In conjunction with a number of Australian financial institutions, an Australian dollar revolving commercial paper borrowing program was entered into for the purposes of funding advance payments to mill owners and associated responsibilities under the *Sugar Industry Act 1999*.

Commercial paper program **250,000** 250,000

The program was backed by the standby facilities referred to below:

Credit standby facilities

The company at balance date had access to financing arrangements with financial institutions. All facilities were unsecured and denominated in Australian and US dollars and were not required to be drawn upon at 30 June 2005

Credit standby arrangements **US\$'000** US\$'000

The company has in place a committed US dollar standing facility which matures in November 2005. The facility is for general funding of activities including sugar price risk management operations. Prior to maturity the company will negotiate the extension of the facility to cover the balance of its requirements for 2005/06.

450,000 450,000

In addition, the company had available as at 30 June 2005 uncommitted facilities with various financial institutions.

QUEENSLAND SUGAR LIMITED

FINANCIAL SUMMARY FOR THE YEAR ENDED 30 JUNE 2005

THIS FINANCIAL SUMMARY HAS BEEN PREPARED BASED ON INFORMATION CONTAINED IN OR SUPPORTING THE COMPANY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005. ERNST & YOUNG, THE COMPANY'S AUDITORS, HAVE PROVIDED AN UNQUALIFIED AUDIT REPORT IN RESPECT TO THE COMPANY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

INCOME AND EXPENSES SUMMARY

for the year ended 30 June 2005

	2005	2004
	\$'000	\$'000
Revenues		
Sales of raw sugar	1,553,384	1,325,267
Interest	666	351
Foreign currency exchange (loss)	(2,313)	(1,235)
Other revenues from ordinary activities	261	105
	1,551,998	1,324,488
Expenses		
Direct Selling	150,806	117,227
Indirect Selling	21,426	22,773
Operating lease rental	42,970	39,718
Salaries and employee benefits	11,816	11,838
Borrowing costs	6,880	6,569
Depreciation	1,771	1,848
Advances to mill owners	1,305,942	1,116,574
Other expenses	9,898	7,785
	1,551,509	1,324,332
Operating surplus	489	156
Retained surpluses as at 1 July	4,946	4,790
Retained surpluses as at 30 June	5,435	4,946

STATEMENT OF FINANCIAL POSITION

as at 30 June 2005

		2005	2004
	Note	\$'000	\$'000
Current Assets			
Cash assets		8,733	10,155
Receivables	1	60,587	68,719
Inventories		59,622	100,844
Other	2	30,938	53,340
Total Current Assets		159,880	233,058
Non-Current Assets			
Property, plant and equipment		11,668	13,085
Other	2	835	17,660
Total Non-Current Assets		12,503	30,745
TOTAL ASSETS		172,383	263,803
Current Liabilities			
Payables	3	114,022	194,186
Interest bearing liabilities		25,700	19,729
Provisions		1,314	1,465
Total Current Liabilities		141,036	215,380
Non-Current Liabilities			
Provisions		1,536	1,545
Payables	4	1,134	18,690
Total Non-Current Liabilities		2,670	20,235
TOTAL LIABILITIES		143,706	235,615
NET ASSETS		28,677	28,188
Equity			
Reserves		23,242	23,242
Retained surpluses		5,435	4,946
TOTAL EQUITY		28,677	28,188

STATEMENT OF CASH FLOWS

for the year ended 30 June 2005

		2005	2004
	Note	\$'000	\$'000
Cash Flows from Operating Activities			
Receipts from customers		1,467,367	1,197,025
Payments to suppliers and employees		(247,494)	(189,272)
Payments to Queensland mill owners		(1,446,553)	(1,234,187)
Goods and Services Tax recovered - ATO		110,389	105,446
Interest received		666	351
Interest and other cost of finance paid		(6,881)	(6,571)
Other receipts		115,561	128,725
Net Cash Flows (used in)/from Operating Activities		(6,945)	1,517
Cash Flows from Investing Activities			
Purchase of plant and equipment		(627)	(829)
Proceeds from sale of plant and equipment		244	132
Net Cash Flows (used in) Investing Activities		(383)	(697)
Net (decrease)/increase in cash held		(7,328)	820
Opening cash brought forward		(9,574)	(10,442)
Effects of exchange rate changes on the balances of cash held in foreign currencies		(65)	48
Closing cash carried forward	6(a)	(16,967)	(9,574)

The accompanying notes form part of these accounts.

NOTES TO THE FINANCIAL SUMMARY

for the year ended 30 June 2005

	2005	2004
	\$'000	\$'000
NOTE 1 - Receivables		
Current		
Trade Debtors	30,974	41,182
Other Debtors		
Futures margins and deposits	9,421	8,190
Goods and Services Tax receivable	10,939	6,637
Other	9,253	12,710
	29,613	27,537
Total receivables (current)	60,587	68,719
NOTE 2 - Other Assets		
Current		
Unrealised gains on foreign currency contracts	28,149	47,007
Unrealised gains on sugar futures and options contracts	315	883
	28,464	47,890
Deferred expenditure and prepayments relating to a future period:		
Unrealised losses on sugar futures and option contracts (a)	-	595
Realised losses on sugar futures and option contracts (a)	1,441	828
Prepaid expenditure	1,033	1,009
	2,474	2,432
Deferred losses		
Unrealised losses on foreign currency contracts (a)	-	3,018
	-	3,018
Total other assets (current)	30,938	53,340
Non-Current		
Unrealised gains on foreign currency contracts	-	17,660
Unrealised gains on sugar futures and option contracts	660	-
Deferred Losses		
Unrealised losses on foreign currency contracts (a)	175	-
Total other assets (non current)	835	17,660
for the year ended 30 June 2005		
Creditors		
Queensland sugar mills	59,775	106,894
Trade creditors	1,833	6,201
	61,608	113,095