



Half-yearly  
Financial Report

**CVC Private Equity Limited**

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*for the half-year ended 31 December 2008*

## directors' report

for the half-year ended 31 December 2008

The Directors present their report together with the financial report for CVC Private Equity Limited for the half year ended 31 December 2008.

### Principal activities

Private equity investment in Australian businesses whose value can be increased by the provision of additional capital, appropriate management or general assistance and strategic direction.

### Review and results of operations

The result of operations for the half-year ended 31 December 2008 was a loss of \$5,241,945 after tax. During the financial period, an impairment provision of \$4,702,804 was raised in relation to the Raptis Group Limited receivable, and a loss of \$1,495,170 was incurred as a result of mark-market of listed investments.

During the period the company made an investment in ASX listed fibre optic network group, Amcom Telecommunications Limited. The investment is equivalent to 2.54% of issued capital at a total cost of \$1.3 million.

### Dividends

No dividend has been declared or provided since the period ended 31 December 2008.

### Events subsequent to balance date

There are no other matters or circumstances that have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in financial periods subsequent to 31 December 2008.

Elliott Kaplan  
Director

## balance sheet (condensed)

as at 31 December 2008

	31 Dec 2008 \$	30 Jun 2008 \$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	1,103,654	1,813,459
Trade and other receivables	29,622	23,553
Loans and receivables	493,926	838,334
<b>Total current assets</b>	<b>1,627,202</b>	2,675,346
<b>NON CURRENT ASSETS</b>		
Equity investments	4,714,511	5,173,034
Loans and receivables	605,355	4,565,283
Deferred tax assets	1,735,463	1,823,011
<b>Total non current assets</b>	<b>7,055,329</b>	11,561,328
<b>TOTAL ASSETS</b>	<b>8,682,531</b>	14,236,674
<b>CURRENT LIABILITIES</b>		
Trade and other payables	70,530	29,050
<b>Total current liabilities</b>	<b>70,530</b>	29,050
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	5,100	118,774
<b>Total non-current liabilities</b>	<b>5,100</b>	118,774
<b>TOTAL LIABILITIES</b>	<b>75,630</b>	147,824
<b>NET ASSETS</b>	<b>8,606,901</b>	14,088,850
<b>EQUITY</b>		
Contributed equity	20,355,213	20,355,213
Accumulated losses	(11,624,466)	(6,382,521)
Market revaluation reserves	(123,846)	116,158
<b>TOTAL EQUITY</b>	<b>8,606,901</b>	14,088,850

## income statement (condensed)

for the half-year ended 31 December 2008

	31 Dec 2008 \$	31 Dec 2007 \$
<b>INCOME</b>		
Interest received	1,203,508	401,019
Dividend revenue	74,180	29,028
Other income	90,997	166,490
<b>Total income</b>	<b>1,368,685</b>	596,537
<b>EXPENSES</b>		
Audit, legal and accountancy	54,220	18,958
Directors fees	7,500	7,500
Net loss on sale of equity investments	-	211,322
Impairment of receivables	4,702,804	45,446
Management and consultancy	262,565	259,214
Impairment of investment	1,495,170	3,145,286
Other expenses	11,638	32,213
<b>Loss before income tax</b>	<b>(5,165,212)</b>	(3,123,402)
Income tax expense/(benefit)	76,733	(945,729)
<b>Loss after income tax</b>	<b>(5,241,945)</b>	(2,177,673)
<b>Earnings per share</b>		
Basic and diluted earnings per share (cents)	(21.90)	(9.1)

## cash flow statement (condensed)

for the half-year ended 31 December 2008

	31 Dec 2008	31 Dec 2007
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts in the course of operations	96,950	52,811
Cash payments in the course of operations	(301,241)	(319,301)
Interest received	59,910	353,627
Dividends received	-	29,028
<b>Net cash (used in)/provided by operating activities</b>	<b>(144,381)</b>	<b>116,165</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Loans provided	-	(534,800)
Receipts from loans advanced	739,906	3,038,473
Payments for equity investments	(1,305,330)	(2,601,378)
Proceeds from sale of equity investments	-	630,728
<b>Net cash (used in)/provided by investing activities</b>	<b>(565,424)</b>	<b>533,023</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from the issue of shares under the dividend reinvestment plan	-	206,228
Dividends paid	-	(473,076)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(266,848)</b>
<b>Net (decrease)/increase in cash held</b>	<b>(709,805)</b>	<b>382,340</b>
<b>Cash at the beginning of the half-year</b>	<b>1,813,459</b>	<b>5,408,555</b>
<b>CASH AT THE END OF THE HALF-YEAR</b>	<b>1,103,654</b>	<b>5,790,895</b>

## statement of recognised income and expense (condensed)

for the half-year ended 31 December 2008

	31 Dec 2008	31 Dec 2007
	\$	\$
<b>Income and expenses recognised directly in equity</b>		
Decrease in the market value of investments classified as "available-for-sale"	(342,863)	(7,451,587)
Amounts transferred from other reserves to the income statement on sale	-	3,373,642
Income tax on fair value movements taken to or from other revenues	102,859	1,223,384
<b>Total income and expense recognised directly in equity</b>	<b>(240,004)</b>	<b>(2,854,561)</b>
Loss for the half-year	(5,241,945)	(2,177,673)
<b>Total income and expense for the half-year</b>	<b>(5,481,949)</b>	<b>(5,032,234)</b>
<b>Transactions with shareholders in their capacity as shareholders</b>		
Shares issued during the period	-	206,228
Dividends paid	-	(473,076)
<b>Total transactions with shareholders in their capacity as shareholders</b>	<b>-</b>	<b>(266,848)</b>
<b>Net decrease in equity for the half-year</b>	<b>(5,481,949)</b>	<b>(5,299,082)</b>
<b>Equity at the beginning of the half-year</b>	<b>14,088,850</b>	<b>20,737,141</b>
<b>Equity at the end of the half-year</b>	<b>8,606,901</b>	<b>15,438,059</b>