
UNILINC LIMITED

ACN 001 643 367 ABN 41 766 556 766

Level 9, 210 Clarence St, Sydney Australia 2000
Tel: (61-2) 9283 1488 Fax: (61-2) 9267 9247

www.unilinc.edu.au

<http://www.web-ezy.com>

Office hours: 9am - 5pm Monday – Friday

MEMBERS OF UNILINC as at 31 December 2005

- Australian College of Applied Psychology
- Australian International Conservatorium of Music
- Australian Catholic University
- Avondale College
- Billy Blue Group
- Board of Studies NSW
- Champion College
- College of Law
- Charles Sturt University
- Jansen Newman Institute
- National Gallery of Australia
- NSW Dept. of Corrective Services
- NSW Police Academy
- Raffles KVB Institute Limited
- Southern Cross University
- Study Group Australia
- Shore School
- Sydney Adventist Hospital Limited
- Tabor College
- University of Sydney
- Whitehouse Institute of Design

BOARD OF DIRECTORS 2005

- Prof. I Goulter – Chairman Charles Sturt University
- Mr J Cameron Australian Catholic University
- Prof. P Drake
- Ms S Oakley Charles Sturt University
- Ms R Missingham (from May) Department of Parliamentary Services
- Mr C Sheargold Australian Catholic University
- Ms R Wade UNILINC Office

EXECUTIVE AND PLANNING COMMITTEE 2005

Prof. I Goulter – Chairman, Mr C Sheargold, Ms M Shaw and Ms R Wade

TECHNICAL COMMITTEE 2005

- Ms G Henderson - Convenor UNILINC Office
- Ms I Evans Charles Sturt University
- Ms J Frawley Australian Catholic University
- Ms L Miller NSW Police Academy

CLIENT SERVICES GROUP 2005

- Ms G Henderson - Convenor UNILINC Office
- Ms J Lloyd Avondale College
- Ms M Macaulay Charles Sturt University
- Mr S Oakshott Australian Catholic University
- Mr D Stewart Southern Cross University

UNILINC OFFICE as at 31 December 2005

- Executive Director & CEO Rona Wade
- Manager – Contract Cataloguing Glenda Henderson[p/t]
- Manager - Information Technology Services Moh'd Moh'd
- Accounts Clerk Yuli Chan
- Special Projects & Systems Administrator Bronwyn King
- Library Support Coordinator Helen Loosli (p/t)
- Library Support Coordinator Jenny Clarke (p/t)
- Library Support Coordinator Wendy Hazell (p/t)
- Library Support Consultant Annette Schryver (p/t)
- Network and System administrator Brian Kadomi
- Web-ezy Developer Clare Decena (p/t)
- Authorities Librarian Teesha Forgas [p/t]
- Contract Cataloguers Sue Baglin, Jana Huntley, Junji Chang,
Sue Butler, Adele Ganschou (p/t)

**UNILINC
27 years serving libraries**

**To provide quality products and services at a
lower cost than members can achieve
independently.**

**To stimulate and promote cooperative activities
between member libraries.**

CHAIRMAN'S STATEMENT

It gives me considerable pleasure to make my second report as Chair of UNILINC.

Amongst the highlights for 2005 are three new Members including our first hospital (the Sydney Adventist Hospital), the implementation of new campus libraries of Charles Sturt University (one of which is in Canada), presentation of a paper at an international conference on performance management, the invitation from the National library of Australia to conduct training nationwide in the use of the new Libraries Australia software and the development of a Libraries Australia module for the Web-ezy information literacy software.

FINANCES

Income for the year was \$1,710,413 (\$1,856,296 in 2004). There was a surplus after consolidation of \$8,232 (\$700 in 2004). The change in some charges from annual to biannual and bringing forward the billing resulted in increased cash reserves as at 31 December 2005 of \$1,059,714 (\$636,527 in 2004).

BOARD OF DIRECTORS

The Board met four times during 2005. The Company held its Twenty Seventh Annual General Meeting on 18 May. At that time Ms Oakley and Mr Sheargold retired in accordance with Section 28 of the Articles of Association and, having made themselves available for re election, were duly elected. Ms Missingham was elected to fill the vacancy from the retirement of Ms Shaw.

Professor Goulter was elected Chair and Mr Sheargold Deputy Chair at the following Board meeting.

NEW MEMBERS

UNILINC welcomed three new Members - Campion College, the Adventist Hospital Sydney and the Raffles KVB Institute.

THE SHARED SYSTEM

The provision of the one shared library management system remains the core activity for UNILINC. A single bibliographic database of over 2 million items underpins the Shared System ensuring efficiencies and facilitating library resource sharing. The software used by the Shared System is Aleph. The focus for UNILINC staff through the year was implementing the libraries of the three new Members as well as the two new campuses of Charles Sturt University, one of which is in Canada and required innovative configuring of the software to enable the system to operate fully online for 24 hours and still completing the necessary overnight jobs and back ups.

UNILINC also worked with Charles Sturt University Library on implementing the consortium borrowing scheme involving four universities in New South Wales and using software in use by two of the universities, UTS and Newcastle. For UNILINC, as an Aleph site, this development required complex programming and troubleshooting to achieve the systems linking. This linking had not been achieved before therefore it was particularly pleasing that Charles Sturt University was able to participate in the project from its commencement in July 2005 along with UTS and Newcastle.

OTHER MEMBER PROJECTS

Members benefited from a range of deals on electronic access and from discounts on books and serials ordered through the Shared System.

The Reciprocal Borrowing Scheme and Interlibrary Lending Scheme continued to bring benefits to all participants.

LIBRARY PORTAL AND LINKING PROJECT (METALIB/SFX)

UNILINC supports Southern Cross University, Charles Sturt University, the Australian Catholic University and Griffith University in their shared use of the Metalib portal and SFX linking software. During 2005, major upgrades were undertaken and the MARCIT service, which provides enhanced links from the catalogue to the electronic resources within Metalib, was implemented.

WEB-EZY

The Web-ezy information literacy software enables a library to offer an all encompassing program tailored to specific needs at a far lower cost of in house development with the added advantages of it being fully interactive.

During 2005, in addition to various projects initiated by clients to enhance their use of Web-ezy, a new module for the new Libraries Australia software was made available as was a CDROM version of the software for use in by the Department of Corrective Services as part of its prisoner library program.

CONSULTANCY AND TRAINING SERVICES

UNILINC has developed a model for best practice in library operations and has been engaged to review major libraries in Australia, New Zealand and Canada. In 2005, Glenda Henderson presented a paper on the UNILINC methodology and studies at the 6th Northumbrian Conference on Performance Management.

Courses in the use of the Aleph software were conducted for Member libraries and other Aleph clients. UNILINC was invited to conduct courses for the National Library of Australia's new Libraries Australia software. These courses were conducted in Sydney, Brisbane, Canberra and Perth.

CONTRACT CATALOGUING

Ongoing clients in 2005 included three State Libraries, major book suppliers and many individual libraries. Several projects were undertaken including a major research acquisitions initiative for Charles Sturt University and work on special collections for the Australian Catholic University and Campion College.

COMMITTEES AND STAFFING

The Technical Committee met once in 2005 and developed policies and guidelines to assist with the cataloguing of electronic resources.

Staffing was stable through the year. Clare Decena joined the company to support Web-ezy after Trevor Unwin left for a full time position in law.

CONCLUSION

UNILINC has operated for twenty seven years without ongoing financial support from government or from Member subsidies; a unique achievement amongst cooperative endeavours in the education sector. There are many factors that

have contributed – a supportive membership, responsible Directors, committed and skilled staff in member libraries and the UNILINC Office, prudent financial management and a focus on service.

As I outlined last year there are significant changes taking place in higher education in Australia. With these changes come opportunities and challenges for individual Members and for UNILINC. The company has a record of success in anticipating and being responsive to changing circumstances. The past year has demonstrated this further with its work with new higher education providers and its active participation, with Member organisations, in innovative and far reaching initiatives.

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

UNILINC LIMITED
ACN 001 643 367
AND ITS CONTROLLED ENTITY

DIRECTORS' REPORT

The Directors submit the statutory report in respect of the results of the Company and its controlled entity for the financial year ended 31 December 2005 and the state of affairs of the Company and its controlled entity as at that date.

The names of the Directors in office at the date of this report are:

I. Goulter	BE (Hons), MSC, PhD - Chairman
P. J. Drake AM	MCom, CPA, AIMM
S. Oakley	BA, MMgt, AALIA
R. M. Missingham	BSC, DipLib, MPA
C.W. Sheargold	BA, AALIA - Deputy Chairman
R.D Wade	BA, DipLib, MLib, AALIA - Company Secretary

The principal activities of the Company in the course of the financial year were library reference services. There was no change in the nature of these activities during the financial year.

The Company is a non-profit organisation which complies with the terms of sections 50-55 of the Income Tax Assessment Act 1997. Consequently, it is not necessary to provide for income tax or dividends. The Company has incorporated a subsidiary Web-Ezy Solutions Pty. Ltd. to market and develop products developed by the Company.

The consolidated operating result of the Company and its controlled entity for the financial year was a surplus of \$8,232 after providing \$127,779 for depreciation (2004- Surplus of \$700).

No matter or circumstance has arisen subsequent to the end of the financial year and to the date of this report that has significantly affected or may significantly affect the operations of the Company and its controlled entity, the result of those operations or the state of affairs of the Company and its controlled entity in subsequent financial years. The activities of the Company and its controlled entity in 2005 are discussed in the Chairman's Statement in the Annual Report. There are no significant developments which have been proposed for the immediate future.

During and since the end of the financial year, no Director of the Company or its controlled entity has received, or has become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors and the fixed salary of a full-time employee of the Company, because of a contract made by the Company, or a related

company with a firm of which the Director is a member, or an entity of which the Director has a substantial financial interest.

Every member of the Company undertakes to contribute to the assets of the Company in the event of the Company being wound up during the time that it is a member or within one year of ceasing to be a member, for payments of debts and liabilities contracted before the time at which it ceased to be a member to the extent of \$20. The total guarantee in favour of the Company stands at three hundred and sixty dollars (\$360).

For the year ended 31 December 2005, the number of meetings at which Directors were in attendance is as follows:

Name of Director	No. of Meetings Held while in Office	Meetings Attended
J.Cameron	4	4
P Drake	4	4
I.Goulter	4	4
R Missingham	3	1
S Oakley	4	2
A Ransome	3	3
C Sheargold	4	3
R Wade	4	4

During the financial year the Company insured all of the Directors against liabilities for costs and expenses in any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

During or since the financial year the company has not indemnified or made a relevant agreement to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor. In addition, the company has not paid, or agreed to pay, a premium in respect of a contract insuring against a liability incurred by an officer or auditor.

Signed at Sydney on 28 February 2006 for and on behalf of the Board in accordance with its Resolution.

<p>.....</p> <p>Director</p>	<p>.....</p> <p>Director</p>
<p>I. Goulter</p>	<p>R. Wade</p>

UNILINC LIMITED

ACN 001 643 367

AND ITS CONTROLLED ENTITY

STATEMENT BY MEMBERS OF THE BOARD for the year ended 31 December 2005

Pursuant to Section 41C (1B) and (1C) of the Public Finance and Audit Act 1983 and in accordance with a resolution of the Board of UNILINC Limited, we declare on behalf of the Board of the Directors that in our opinion:

- (a) The accompanying financial statements exhibit a true and fair view of the financial position of the Company and its controlled entity as at 31 December 2005 and transactions for the year then ended.
- (b) The financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act 1983 as amended, and its accompanying regulations.

Further we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or materially inaccurate.

Signed at Sydney on 28 February 2006 for and on behalf of the Board in accordance with its Resolution.

Director
Director
I. Goulter

R. Wade

DIRECTORS' DECLARATION for the year ended 31 December 2005

In the opinion of the Directors of the Company:

- 1) The financial statements and notes thereto comply with Accounting Standards.
- 2) The financial statements and notes thereto give a true and fair view of the financial position and performance of the company and the consolidated entity.
- 3) At the date of this statement there are reasonable grounds to believe the Company will be able to pay its debts as and when they become due and payable and that the controlled entity will have the continued support of the Company.
- 4) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporation Act 2001.

Signed at Sydney on 28 February 2006 for and on behalf of the Board in accordance with its Resolution.

Director

Director

I. Goulter

R. Wade

UNILINC LIMITED

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AND ITS CONTROLLED ENTITY

BALANCE SHEET

as at 31 December 2005

	Note	Consolidated		Parent Entity	
		2005	2004	2005	2004
		\$	\$	\$	\$
CURRENT ASSETS					
Cash assets		359,497	284,080	359,497	284,080
Receivables	5	93,118	102,317	213,624	221,651
Other financial assets	6	700,217	352,447	700,217	352,447
Other	7	<u>269,313</u>	<u>212,884</u>	<u>269,313</u>	<u>212,884</u>
TOTAL CURRENT ASSETS		<u>1,422,145</u>	<u>951,728</u>	<u>1,542,651</u>	<u>1,071,062</u>
NON-CURRENT ASSETS					
Property, plant and equipment	8	675,413	798,564	675,413	798,564
Other financial assets	9	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
TOTAL NON-CURRENT ASSETS		<u>675,413</u>	<u>798,564</u>	<u>675,414</u>	<u>798,565</u>
TOTAL ASSETS		<u>2,097,558</u>	<u>1,750,292</u>	<u>2,218,065</u>	<u>1,869,627</u>
CURRENT LIABILITIES					
Payables		323,338	199,931	323,338	199,931
Other		888,891	672,220	881,029	663,496
Provisions	10	<u>25,034</u>	<u>31,452</u>	<u>25,034</u>	<u>31,452</u>
TOTAL CURRENT LIABILITIES		<u>1,237,263</u>	<u>903,603</u>	<u>1,229,401</u>	<u>894,879</u>
NON-CURRENT LIABILITIES					
Provisions	10	<u>93,353</u>	<u>87,979</u>	<u>93,353</u>	<u>87,979</u>
TOTAL NON-CURRENT LIABILITIES		<u>93,353</u>	<u>87,979</u>	<u>93,353</u>	<u>87,979</u>
TOTAL LIABILITIES		<u>1,330,616</u>	<u>991,582</u>	<u>1,322,754</u>	<u>982,858</u>
NET ASSETS		<u>766,942</u>	<u>758,710</u>	<u>895,311</u>	<u>886,769</u>
EQUITY					
Retained earnings	11	<u>766,942</u>	<u>758,710</u>	<u>895,311</u>	<u>886,769</u>
TOTAL EQUITY		<u>766,942</u>	<u>758,710</u>	<u>895,311</u>	<u>886,769</u>

The attached notes form an integral part of these accounts.

UNILINC LIMITED

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AND ITS CONTROLLED ENTITY

STATEMENT OF FINANCIAL PERFORMANCE for the year ended 31 December 2005

	Note	Consolidated		Parent Entity	
		2005	2004	2005	2004
		\$	\$	\$	\$
Revenues from ordinary activities	4	1,710,413	1,856,296	1,710,724	1,871,008
Strategic purchasing costs		(325,809)	(372,322)	(325,809)	(372,322)
Employee benefit expenses		(830,361)	(923,468)	(830,362)	(923,468)
Depreciation and amortisation expense		(127,779)	(130,652)	(127,779)	(130,652)
Other expenses from ordinary activities		(418,232)	(429,154)	(418,232)	(429,155)
Operating profit/(loss) from ordinary activities		8,232	700	8,542	15,411
Total change in equity other than those resulting from transactions with owners as owners.		8,232	700	8,542	15,411

STATEMENT OF CASHFLOWS for the year ended 31 December 2005

	Note	Consolidated		Parent Entity	
		2005	2004	2005	2004
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		2,078,567	2,002,791	2,021,643	1,963,837
Interest received		27,386	18,176	27,386	18,176
Payments to suppliers and employees		(1,675,882)	(1,892,167)	(1,675,981)	(1,892,811)
Net Cash Used Operating Activities	19(b)	430,017	128,800	373,048	89,202
CASH FLOW FROM INVESTING ACTIVITIES					
Proceeds from sale of plant		-	-	-	-
Payment for purchase of plant and Equipment		(6,884)	(22,139)	(6,884)	(22,139)
Net cash used in Investing Activities		(6,884)	(22,139)	(6,884)	(22,139)
CASH FLOWS FROM FINANCING ACTIVITIES					
Advance to subsidiary		-	-	57,023	39,598
Net Cash used in Financing Activities				57,023	39,598
Net increase/(decrease) in cash held		423,187	106,661	423,187	106,661
Cash at the beginning of the financial year		636,527	529,866	636,527	529,866
Cash at the End of the Financial Year	19a	1,059,714	636,527	1,059,714	636,527

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2005

	Note	Share Capital		Retained Earning	
		2005	2004	2005	2004
		\$	\$	\$	
Balance at 1 January		-	-	758,710	758,010
Shared issued during the year		-	-	-	-
Profit attributable to members		-	-	8,232	700
Sub-total		-	-	766,942	758,710
Dividends paid or provided for		-	-	-	-
Balance at 31 December		-	-	766,942	758,710

UNILINC LIMITED

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AND ITS CONTROLLED ENTITY

NOTES TO THE FINANCIAL REPORT
for the year ended 31 December 2005

1. Statement of Significant Accounting Policies

- (a) The financial report has been prepared on an accrual basis and in accordance with historical cost principles. The financial report has been prepared in accordance with the Corporations Act 2001 and Section 41 (B) of the Public Finance and Audit Act 1983 and Regulations for a reporting entity and is a general purpose financial report. Applicable Accounting Standards, other mandatory professional reporting requirements (Urgent Issues Group Consensus views) and other authoritative pronouncements of the Australian Accounting Standard Board have been adhered to in preparing the financial report.

First time adoption of Australian Equivalents to International Financial Reporting Standards

UNILINC Limited and controlled entities, and UNILINC Limited as an individual parent entity have prepared financial statements in accordance with the Australian equivalents to International Financial reporting Standards (IFRS) from 1 January 2005.

In accordance with requirements of AASB 1: First time adoption of Australian Equivalents to International Financial Reporting Standards, any adjustments to the parent entity and consolidated entity accounts resulting from the introduction of IFRS have been applied retrospectively to 2004 comparative figures. These consolidated accounts are the first financial statements of UNILINC Limited to be prepared in accordance with Australian equivalents to IFRS.

- (b) The consolidated financial report has been prepared by combining the accounts of all the entities that comprise the economic entity, being UNILINC Limited and its controlled entity, Web-Ezy Solutions Pty Ltd as defined in Accounting Standard AASB 1024 Consolidated Accounts. All inter-entity balances and transactions are eliminated in full.
- (c) The prime cost method of depreciation has been used based on the anticipated useful life of assets owned. Property, plant and equipment are shown in the accounts at cost less provision for depreciation. This resulted in a depreciation expense of \$127,779. The expected useful lives are as follow:

Class of Fixed Asset	Depreciation Rate
Furniture and fittings	20%
Office equipment and software	10-33%
Leasehold improvements	10%
Major system hardware and software	10-12.5%
Buildings	1%

- (d) UNILINC Limited is exempt from paying income tax under the provisions of sections 50-55 of the Income Tax Assessment Act 1997.
- (e) UNILINC Limited is exempt from paying payroll tax under the provisions of section 10 (1)(k) of the Payroll Tax Act 1971.

- (f) No provision of doubtful debts was made as all debts are considered collectable.
- (g) The economic entity recognises income from computer services when invoices are raised. Income from outside operating activities includes interest, strategic purchasing, subscriptions and equipment sales to members. Interest income is recognised as it accrues.
- (h) Where necessary, comparative figures have been adjusted to conform with changes in presentation to the current year. The reclassifications have no effect on the operating result (or the financial position) of the parent entity.
- (i) Provision is made for the liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amount expected to be paid when the liability is settled, plus on-costs. A provision is made in the balance sheet for accruing long service leave under the heading "non-current liabilities" notwithstanding that a proportion may be payable in the coming year.

Contributions made to employee defined contribution superannuation fund are expensed when incurred.

- (j) Financial instruments give rise to positions that are a financial asset of either the economic entity or its counterparty and a financial liability (or equity instrument) of the other party. For the economic entity these include cash at bank, receivable and creditors. In accordance with AASB1033 "Presentation and Disclosure of Financial Instruments" information is disclosed in Note 22 in respect of the credit risk and interest rate risk of financial instruments. All such amounts are carried in the accounts at net fair value unless otherwise stated. The specific accounting policy in respect of each class of such financial instrument is stated hereunder.

Classes of instruments recorded at cost comprise: cash, receivables, finance lease and creditors.

Classes of instruments recorded at market value comprise: Nil

Classes of instruments recorded at other than cost or market valuation comprise: Nil

All financial instruments including revenue, expenses or other cash flows arising from instruments are recognised on an accrual basis. Trade accounts receivables are carried at amount due. Bad debts are written off in the period in which they are identified. Trade accounts payable are recognised when the economic entity becomes obliged to make future payments as a result of purchases. Trade accounts are usually settled within 30 days.

- (k) All foreign currency transactions during the year are bought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at that date. Exchange differences are recognised in the Statement of Financial Performance in the period in which they arise.
- (l) Goods and Services Tax. Amounts relating to the Goods and services tax have been recognised in accordance with the requirements of UIG 31.
- (m) International Financial Reporting Standards (IFRS). The adoption of Australian equivalents to IFRS will be first reflected in the consolidated entity's financial statements from the year ending 31 December 2006. Any adjustments required on transition to IFRS will be made, retrospectively, against retained earnings as at 1 January 2005.

2. **Member's Guarantee.** UNILINC Limited is limited by guarantee. Each member undertakes to contribute to the assets of the Company in the event of the same being wound up during the time it is a member or within one year afterwards, for payment of the debts and liabilities of the Company contracted before the time at which it ceases to be a member and of the costs, charges and expenses of winding up the same and for adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding twenty dollars (\$20). The total guarantee in favour of the Company stands at three hundred and sixty dollars (\$360) as at 31 December 2005 (2004 - \$360).

3. **Revenue Recognition**

Subscriptions. These comprise annual UNILINC member subscriptions. Eighteen (18) subscriptions were received in the period.

Charges in Advance. UNILINC provides a library system to members on a fee for service basis. Some fees are invoiced 12 months in advance and income is brought to account on a progressive basis.

Strategic Purchasing. UNILINC acts as an intermediary in the purchase of database products to achieve economies of scale and recovers costs from respective members.

4. Revenue

	Consolidated		Parent Entity	
	2005	2004	2005	2004
	\$	\$	\$	\$
Computer services	1,257,179	1,373,835	1,199,393	1,332,521
Subscriptions	19,000	18,500	19,000	18,500
Strategic purchasing	407,203	446,140	407,203	446,140
Interest received	27,031	17,821	27,031	17,821
Management fee – related party	-	-	58,097	56,026
	1,710,413	1,856,296	1,710,724	1,871,008

5. Receivables

Debtors	80,021	98,136	80,021	98,136
Other debtors	265	363	-	-
Loan to subsidiary			120,771	119,697
Accrued income	12,832	3,818	12,832	3,818
	93,118	102,317	213,624	221,651

6. Other Financial Assets

Negotiable certificates of deposit – at cost	700,217	352,447	700,217	352,447
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7. Other Assets

Prepayments	67,172	35,953	67,172	35,953
Strategic purchasing	202,141	176,931	202,141	176,931
	269,313	212,884	269,313	212,884

8. Property Plant and Equipment

Buildings - at cost	69,494	69,494	69,494	69,494
Accumulated depreciation	(4,170)	(3,475)	(4,170)	(3,475)
	65,324	66,019	65,324	66,019
Office furniture & equipment – at cost	427,253	745,790	427,253	745,790
Accumulated depreciation	(399,264)	(699,320)	(399,264)	(699,320)
	27,989	46,470	27,989	46,470
Computer equipment - at cost	1,175,037	3,570,683	1,175,037	3,570,683
Accumulated depreciation	(593,020)	(2,884,795)	(593,020)	(2,884,795)
	582,017	685,888	582,017	685,888
Software – at cost	8,155	121,801	8,155	121,801
Accumulated depreciation	(8,072)	(121,614)	(8,072)	(121,614)
	83	187	83	187
Leasehold improvements - at cost	50,684	53,684	50,684	53,684
Accumulated depreciation	(50,684)	(53,684)	(50,684)	(53,684)
	-	-	-	-
Total Property Plant and Equipment	675,413	798,564	675,413	798,564

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of 2004 for the economic entity and parent entity.

	Building	Office Furniture Equipment	Computer Equipment	Software	Leasehold Improve- Ments	TOTAL
	\$	\$	\$	\$	\$	\$
Carrying amount – at 1 January	66,019	46,470	685,888	187	-	798,564
Additions	-	1,084	5,800	-	-	6,884
Disposals	-	(2,256)	-	-	-	(2,256)
Depreciation expense	(695)	(17,309)	(109,671)	(104)	-	(127,779)
Carrying Amount – End Of Financial Year	65,324	27,989	582,017	83	-	675,413

9. Other Financial Assets Entity	Consolidated		Parent	
	2005	2004	2005	2004
	\$	\$	\$	\$
Shares in subsidiary – at cost (Web-ezy Solutions Pty Ltd-100% Australian)	-	-	1	1
10. Provisions				
Current Liabilities				
Annual leave	<u>25,034</u>	<u>31,452</u>	<u>25,034</u>	<u>31,452</u>
Non-Current Liabilities				
Long service leave	<u>93,353</u>	<u>87,979</u>	<u>93,353</u>	<u>87,979</u>
11. Changes in Equity				
Balance at beginning of financial year	758,709	758,010	886,768	871,358
Net profit/(loss) after income tax	<u>8,234</u>	<u>700</u>	<u>8,545</u>	<u>15,411</u>
Balance at end of the financial year	<u>766,943</u>	<u>758,710</u>	<u>895,313</u>	<u>886,769</u>

12. Audit Fee. The fee for audit of the consolidated financial report is \$12,300 GST exclusive (2004 - \$12,100).

13. Remuneration of Directors. The number of parent entity Directors whose income including superannuation received or receivable from the parent entity and any related parties was within the specified bands 0 to \$9,999 - 2 (2004 - 2), \$100,000 to \$127,000 - 1 (2004 -1). The total income including superannuation received or receivable by all Directors from the parent entity and its related parties was \$120,988 (2004 - \$115,307).

14. Superannuation. The economic entity paid \$104,719 in 2005 (2004 - \$88,062) to private insurance companies for its contribution for superannuation. There was no unfunded liability for employer contributions at 31 December 2005.

15. Payments to Consultants. There were no payments to consultants during 2005 (2004 - \$Nil).

16. Related Party Transactions. UNILINC Limited incurred certain expenses in relation to the operations of Web-Ezy Solutions Pty. Ltd. UNILINC Limited recovered these costs by way of a management fee for the year of \$58,097 (2004 - \$56,026).

UNILINC Limited has a 100% share holding in Web-Ezy Solutions Pty Ltd which is incorporated in Australia. As at 31 December 2004, the loan provided by UNILINC Limited to Web-Ezy Solutions Pty Ltd was \$120,771 (2004 - \$119,697).

17. Commitments

Rental Lease. Commitments (GST inclusive) for leased office accommodation not otherwise provided for in the accounts are:

	Consolidated		Parent Entity	
	2005	2004	2005	2004
	\$	\$	\$	\$
Not later than 1 year	143,438	143,438	143,438	143,438
Later than 1 and not later than 5 years	370,547	513,985	370,547	513,985
	513,985	657,423	513,985	657,423

The above commitment includes GST of \$46,726 recoverable from Australian Taxation Office (2004 - \$59,766).

18. Contingent Liabilities. There were no contingent liabilities as at 31 December 2005 (2004 - \$nil).

19. Note to Cash Flow Statement

(a) Reconciliation of Cash

Cash on hand	500	500	500	500
Cash at bank	358,997	283,580	358,997	283,580
Cash on deposit	700,217	352,447	700,217	352,447
	1,059,714	636,527	1,059,714	636,527

(b) Reconciliation of Net Cash Provided / (used in) Operating Activities

Operating result	8,232	700	8,542	15,411
Depreciation	127,779	130,652	130,035	130,652
Loss on disposal of non-current assets	2,256	-	-	-
Bad debts written off	7,497	-	7,497	-
Management fee recovery	-	-	(58,097)	(56,026)
Increase/(decrease) in payables	123,407	(14,544)	123,407	(14,544)
Increase/(decrease) in fees in advance	216,671	(20,373)	217,533	(18,013)
Increase/(decrease) in provisions	(1,044)	5,810	(1,044)	5,810
Decrease/(increase) in receivable	1,702	8,422	1,604	7,779
Decrease/(increase) in prepayments	(56,429)	18,133	(56,429)	18,133
Net Cash Provided by / (used in) Operating Activities	430,071	128,800	373,048	89,202

20. Segment Reporting. The economic entity operates predominantly in one geographic segment being Australia.

21. Environmental issues. The economic entity's operations are not regulated by any significant environment regularities.