

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000.

Name of entity

SCARBOROUGH EQUITIES LIMITED (formerly Rivkin Financial Services Limited)

ACN or ARBN

58 061 287 045

Quarter ended ("current quarter")

30 June 2005

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	493	5,786
1.2 Payments for		
(a) staff costs	(293)	(2,426)
(b) advertising and marketing	(14)	(156)
(c) research and development	-	-
(d) leased assets	-	-
(e) other, incl. working capital	(2,760)	(4,277)
1.3 Dividends received	-	31
1.4 Interest and other items of a similar nature received	45	493
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	(714)
1.7 Other (provide details if material)		
(a) <i>Share investment activities</i>	2,958	7,062
(b) <i>Professional Fees</i>	(31)	(2,104)
Net operating cash flows	398	3,695

"Share investment activities" represents net cash movements on the sale/purchase of listed share investments during the quarter/year:

Payments for acquisition of share investments	-	(2,694)
Adjustment to previous quarters:		
(i) Reversal for non-cash acquisitions (also reversed in item 1.15) ¹	1,835	-
(ii) Reclassification as "investing activities" (reclassified to item 1.9 (b)) ²	1,075	-
(iii) other adjustments	41	-
Proceeds from sale of investments	7	9,756
Net Receipts/(Payments) on Share investment activities	2,958	7,062

¹ The issue of 8.34m shares at a deemed price of 21 cents per share on 2 July 2004 (as part consideration for the acquisition of 13.5m Network Limited shares) were previously treated as a cash item

² Cash cost of acquisition of Network Limited shares from Network Limited (on 2 July 2004) and on market (in October 2004)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities admitted on the basis of commitments

	Current quarter \$A'000	Year to date (..12... months) \$A'000
1.8 Net operating cash flows (carried forward)	398	3,695
Cash flows related to investing activities		
1.9 Payment for acquisition of: (a) businesses (item 5)	-	-
(b) equity investments ³	(1,075)	(1,075)
(c) intellectual property	-	-
(d) physical non-current assets	(14)	(119)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of: (a) businesses (item 5)	3,613	3,623
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	(1,000)
1.12 Loans repaid by other entities	1,000	1,000
1.13 Other – <i>investment in FSP Equities Leaders' Fund</i>	(7,647)	(13,647)
Net investing cash flows	(4,123)	(11,218)
1.14 Total operating and investing cash flows	(3,725)	(7,523)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	(1,835) ⁴	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	(2,424)
1.20 Other (provide details if material)	-	-
Net financing cash flows	(1,835)	(2,424)
Net increase (decrease) in cash held	(5,560)	(9,947)
1.21 Cash at beginning of quarter/year to date	6,466	10,853
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	906	906

³ Reclassified from item 1.7(a) – *Share investment activities*

⁴ Reversal of non-cash item recognised in a prior quarter; see item 1.7(a) above; refer footnote 1.

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	36
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

1.24 Directors' fees paid during the quarter ended 30 June 2005.
 1.25 The loan to Network Limited of \$1 million was repaid (with accrued interest) in full during the quarter ended 30 June 2005.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the quarter:

- (1) The Company disposed of its stockbroking subsidiary, Avcol Stockbroking Pty Ltd. Part of the consideration received was the selective buy-back and cancellation of 12,539,314 shares in the Company held by Pinnacle Asset Management Pty Limited (at a deemed price of 22 cents per share).
- (2) The Company disposed of 10,001,557 Network Limited shares to Network Limited, in consideration for the selective buy-back and cancellation of 9,000,000 shares in the Company held by Network Limited (at a deemed price of 22 cents per share)..
- (3) The Company disposed of 3,845,043 Network Limited shares to Cole Kablo Superannuation Pty Ltd, in consideration for the selective buy-back and cancellation of 3,460,000 shares in the Company held Cole Kablo Superannuation Pty Ltd (at a deemed price of 22 cents per share).

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	426	3,633
4.2 Deposits at call	480	2,833
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	906	6,466

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	-	Avcol Stockbroking Pty Ltd
5.2 Place of incorporation or registration	-	NSW, Australia
5.3 Consideration for acquisition or disposal	-	\$10.153 million
5.4 Total net assets	-	\$7.110 million
5.5 Nature of business	-	Stockbroking

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 31 July 2005

(Company Secretary)

Print name: Victor Ho.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.