

Growth Equities Corporation Limited

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2 September 2005

Company Announcement Office
Australian Stock Exchange Limited
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir

GEC Eurogrowth Fund

Please find attached the Preliminary Final Report for the 12 months ended 30 June 2005, prepared in accordance with ASX appendix 4E, together with the Fund's 2005 Annual Report.

Yours faithfully



Nicholas Swan
Company Secretary

GEC Eurogrowth Fund
Results for Announcement to Market
Year ended 30 June 2005
(Previous corresponding year ended 30 June 2004)

Appendix 4E

	2004	Change on last year	Change	2005
	\$	\$	%	\$
Revenue from ordinary activities	1,512,722	(369,078)	(24.3)	1,143,644
Profit from ordinary activities after tax attributable to member	1,285,035	(375,369)	(29.2)	909,666
Net profit for the period attributable to members	1,285,035	(375,369)	(29.2)	909,666

No distribution is payable for the year as the Fund does not have any distributable income due to losses brought forward.

Explanation of Revenue

The Fund maintains its investment strategy of investing in international securities. All investments during the year were made in an international equities index hedged fund. The investment policy of the Fund continues to be in accordance with the governing documents of the Fund.

The Fund earns revenue predominantly from the following elements:

- Revaluation of the Fund's investment in the international equities index hedged fund.

Investments are initially recorded at cost and are revalued to their net market value at the reporting date. Gains and losses (realised and unrealised) are included in total investment income in the Statement of financial performance.

Material factors affecting the revenues and expenses of the economic entity for the period

The revenues are largely driven by the underlying performance of the constituent stocks of the international equities index hedged fund. The performance is determined by the market prices and the dividend yields of the investments made by this fund. Expenses are accrued in accordance with the Fund's constitution.

Reconciliation of income tax expense

Under current income tax legislation, the Fund is not subject to income tax provided the distributable income of the Fund is fully distributed to unitholders. The Fund does not have any distributable income due to losses brought forward.

NTA Backing

	2005	2004
Net tangible asset backing per ordinary unit (cents)	98.5	81.8

Commentary on results

Earnings per unit was 14.03 cents (2004: 15.87 cents) per unit

The Fund allocates earnings to unitholders on a daily basis for the purposes of determining daily unit prices. Earnings per unit is represented by the movement in the Fund's daily unit redemption price for the year plus distributions per unit.

Because earnings have been allocated to unitholders on a daily basis, the actual daily number of units on issue has been used in the calculation of earnings per unit. This approach does not require the calculation of a weighted average number of units on issue for the year.

Audit

This report is based on accounts which have been audited and are unqualified.

Approved by the Directors of Growth Equities Corporation on 1 September 2005.



Nicholas Swan
Company Secretary

GEC EUROGROWTH FUND

(ARSN 095 369 181)

**ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2005**

**Responsible Entity
Growth Equities Corporation Limited
Level 5
47 York Street
SYDNEY NSW 2000
ACN 100 570 723**

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GEC EUROGROWTH FUND

DIRECTORS' REPORT

The Directors of Growth Equities Corporation ('GEC' or the 'Company'), the Responsible Entity of GEC Eurogrowth Fund (the 'Scheme'), present their report together with the financial report of the Scheme, for the year ended 30 June 2005 and the Auditors' Report thereon.

Directors

The names of persons who were directors of Growth Equities Corporation during the financial year or since the end of the year and up to the date of this report were as follows:

Name	Date of Appointment	Date of Resignation
John Fyfe Burn		22 November 2004
Timothy David Erskine Hyde	14 July 2005	
George Antony Birch		
Charles Victor Alexander		
Alfred Chi Wai Wong		
Nicholas Gregory Basile		22 November 2004
Emmanuel Clive Pohl		16 November 2004
Peter Leodaritsis	26 July 2004	30 September 2004
William Kirkby-Jones	14 January 2005	7 July 2005
Alan Beanland	14 January 2005	7 July 2005
Edgar Hung	14 January 2005	7 July 2005
Marek Petrovs	14 January 2005	7 July 2005

Principal activity

The Scheme is a registered managed investment scheme structured as an exchange traded fund. It is domiciled in Australia and listed on the Australian Stock Exchange.

The Scheme invests in accordance with the provisions of its Constitution. All of the investments were invested during the year in an international equities index hedged fund.

There has been no significant change in the nature of the activity during the year.

Review of operations

The investment policy of the Scheme continues to be as previously advised and is in accordance with the provisions of the governing documents of the Scheme.

Results

The performance of the Scheme, as represented by the results of its operations, was as follows:

	2005 \$	2004 \$
Net operating income/(loss)	909,666	1,285,035
Distribution paid and payable	-	-

Unit price

At the beginning of the year, the unit price was 81.8 cents and the Scheme closed with a unit price of 95.8 cents at 30 June 2005.

Distribution

No distribution is payable for the year ended 30 June 2005 (2004: \$Nil).

GEC EUROGROWTH FUND

DIRECTORS' REPORT (Cont.)

Management expense ratio (MER)

	%	%
The MER of the Scheme for the past two years is as follows:	3.51	3.92

The MER calculation includes fees charged to the Scheme during the financial year, including those charged by the Responsible Entity directly for management of the assets, plus investment manager and custodian fees.

Expenses excluded from the MER calculation are those that would have ordinarily been incurred by an investor in the underlying assets of the Scheme, such as brokerage, transaction costs and government taxes

The average unitholders' funds used to calculate the MER is the average net assets of the Scheme, which is calculated on a monthly basis.

Auditors' independence declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 7.

Interests in the Scheme

Details of the units issued in and withdrawals from the Scheme during the financial year and the number of units on issue in the Scheme as at the end of the financial year are contained in Note 6 to the financial statements.

State of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Scheme that occurred during the financial year under review.

Environmental regulation

The operations of the Scheme are not subject to any significant environmental regulation under either Commonwealth or State legislation.

Fees paid to and interests of the Responsible Entity

Fees paid to the responsible Entity during the year are disclosed in Note 11 to the financial statements. GEC has no direct interests in the Scheme during the year.

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Scheme in regards to insurance cover provided to either officers of Growth Equities Corporation Limited or the auditors of the Scheme. As long as the officers of GEC act in accordance with the Scheme's Constitution and the Law, the officers remain indemnified out of the assets of the Scheme against losses incurred while acting on behalf of the Scheme. The auditors of the Scheme are in no way indemnified out of the assets of the Scheme.

Corporate governance

The Directors recognise the need for the highest standards of corporate behaviour and accountability and have adopted a formal set of Corporate Governance Policies and Procedures. The Company's corporate governance statement is contained in the following section of this report.

GEC EUROGROWTH FUND

DIRECTORS' REPORT (Cont.)

Likely developments and expected results

The Scheme will continue to pursue its policy of increasing returns through appropriate investment selections.

The Responsible Entity is required to adopt International Financial reporting Standards as issued by the Australian Accounting Standards Board (AIFRS) from 1 January 2005.

The Responsible Entity has a formal plan to implement the transition to AIFRS during the year ended 30 June 2006. This plan covers the key areas of the transition including:

- The impact on transactions entered into by the reporting entity on behalf of the Scheme and how these in turn affect unit pricing;
- The financial reporting accounting policy changes;
- Any related IT systems changes requirements; and
- Communication of changes to unitholders.

Currently, there are no other significant developments expected in respect of the Scheme. The performance of the Scheme in the future will be subject to any movements in the underlying investment markets over time.

Events subsequent to the balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Responsible Entity, to affect significantly the operations of the Scheme, the results of those operations, or the state of affairs of the Scheme, in future financial years.

Signed in accordance with a resolution of the Directors of Growth Equities Corporation Limited.



George Birch
Managing Director
1 September 2005

GEC EUROGROWTH FUND

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Growth Equities Corporation Limited ('GEC') is responsible for the corporate governance. This statement outlines the main corporate governance policies applied during the financial year.

Composition of the Board

The composition of the Board is determined in accordance with the following principles and guidelines:

- comprise not less than three nor more than ten directors unless otherwise determined by a general meeting;
- an independent, non-executive director as Chairman; and
- comprise directors with a broad range of qualifications and expertise.

The Board considers directors to be independent if they are not members of management and:

- are not substantial shareholders of GEC or officers/associates of any substantial shareholder of GEC;
- have not been employed within the past three years in an executive capacity by GEC;
- have not within the past three years been principals or employees of any material professional advisers to GEC;
- are not significant suppliers to GEC or associated with any significant suppliers to GEC;
- have no material contractual relationship with GEC other than as directors;
- have not served on the Board for a period which could interfere with the director's ability to act in the best interests of GEC;
- are free from any interest, business or other relationships which could materially interfere with their ability to act in the best interests of GEC.

Board Responsibilities

As the Board acts on behalf of and is accountable to the unitholders, the Board seeks to identify the expectations of the unitholders, as well as other regulatory and ethical expectations and obligations. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks. The Board seeks to discharge these responsibilities in a number of ways.

The responsibility for the operation and administration of the Responsible Entity is delegated by the Board to the chief executive officer and the executive team. The Board ensures that this team is appropriately qualified and experienced to discharge its responsibilities.

The Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the Board. The Board has a number of mechanisms in place to ensure this is achieved, including the following:

- Board consideration and input into all strategies to enhance the growth and success of the entity;
- Board approval of all new business and product initiatives taking into account the interests of all the stakeholders and the need to manage business risks;
- Review of financial plans and budgets and monitoring of performance against these, and
- Authority is granted to directors, in the furtherance of their duties, to seek professional advice at the Company's expense.

The Board meets as often as necessary, generally monthly, following meeting guidelines set down to ensure all directors are made aware of, and have available all necessary information, to participate in an informed discussion of all agenda items.

It is each director's responsibility to keep the Board advised of potential conflicts of interest. Directors must declare any interest in matters under consideration by the Board and take no part in decisions relating to those matters.

Board Committees

At this stage, the directors have decided not to appoint nomination, remuneration or audit committees due to the scale of the Company's activities.

Currently, the Board takes direct responsibility for these functions including ensuring that an effective internal control framework exists within the Responsible Entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators.

GEC EUROGROWTH FUND

CORPORATE GOVERNANCE STATEMENT (Cont)

An audit committee will be appointed in due course to which will be delegated the responsibility for the maintenance for the internal control framework and ethical standards for the management of the Company. Membership of the committee will be comprised solely of non-executive directors.

Internal Control Framework

The Board is responsible for the overall risk management and internal control of the Scheme and has implemented the following framework to help achieve this:

- Financial reporting – the maintenance of the Fund's financial records is undertaken by the Fund's Custodian whose internal controls and systems are independently audited.
- Investment review – the performance of the Fund's investments are reviewed on a monthly basis and compared with the benchmark.
- External endorsements – calling on third parties to endorse matters including corporate and Fund financial and compliance audits.

Communication to Unitholders

The Board aims to ensure that unitholders, for whom they act, are informed of all information necessary to assess the performance of the directors. Information is communicated to unitholders through:

- release to the Australian Stock Exchange:
 - on a daily basis, the net asset value per unit;
 - on a monthly basis, a summary of the Fund Manager's investment performance; and
 - the half-yearly report summarising the financial results for the first half of the financial year.
- the annual report which is distributed to all unitholders.

Additionally, newsletters are periodically sent to unitholders describing key investment or strategic initiatives proposed by the Board.

The investment performance summary and half-yearly and annual report are also posted on the Company's website, www.gecETF.com.au.

The Company has a policy on receiving complaints from investors. The Company is a member of an independent complaint resolution scheme, Financial Industry Complaints Services (FICS).

Auditors' Independence Declaration

As lead auditor for the audit of GEC Eurogrowth Fund for the year ended 30 June 2005, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of GEC Eurogrowth Fund during the period.



Stephen R Snook
Partner
PricewaterhouseCoopers

Brisbane
1 September 2005

GEC EUROGROWTH FUND

STATEMENT OF FINANCIAL PERFORMANCE AND DISTRIBUTION FOR YEAR ENDED 30 JUNE 2005

	Notes	2005 \$	2004 \$
STATEMENT OF FINANCIAL PERFORMANCE			
Investment Income			
Dividends	3	-	43,770
Interest income	2	35,749	14,757
Changes in the net market value of investments	3	1,102,030	1,533,125
Net realised foreign exchange loss		-	(85,744)
Scheme distributions	3	812	-
Other revenue		5,053	6,814
Total investment income		<u>1,143,644</u>	<u>1,512,722</u>
Expenses			
Responsible Entity fees	11(f)	(132,898)	(200,188)
Custody fees		(47,500)	(22,728)
Auditor's remuneration	4	(39,768)	(4,771)
Other expenses		(13,812)	-
Total expenses		<u>(233,978)</u>	<u>(227,687)</u>
Net operating income		<u>909,666</u>	<u>1,285,035</u>
Earnings per unit (cents)	5	14.03	15.87
STATEMENT OF DISTRIBUTION			
Net operating income		909,666	1,285,035
Unrealised change in the net market value of investments	6	(634,640)	846,893
Other income not yet distributable	6	(275,026)	(2,131,928)
Distributions paid and payable		<u>-</u>	<u>-</u>
Distribution per unit (cents)		-	-

The above statement of financial performance and distribution should be read in conjunction with the accompanying notes.

GEC EUROGROWTH FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005

	Notes	2005 \$	2004 \$
Assets			
Investments			
Cash and cash equivalents	7(a)	109,671	6,627,841
Investments	7(b)	<u>4,083,300</u>	<u>-</u>
Total investments		<u>4,192,971</u>	<u>6,627,841</u>
Other assets			
Other assets	8	<u>14,080</u>	<u>20,284</u>
Total other assets		<u>14,080</u>	<u>20,284</u>
Total assets		<u>4,207,051</u>	<u>6,648,125</u>
Liabilities			
Accrued expenses		<u>81,750</u>	<u>33,122</u>
Total liabilities		<u>81,750</u>	<u>33,122</u>
Net assets		<u>4,125,301</u>	<u>6,615,003</u>
Unitholders' funds	6	<u>4,125,301</u>	<u>6,615,003</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

GEC EUROGROWTH FUND

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 \$	2004 \$
Cash flows from operating activities			
Dividends received		-	43,448
Interest received		35,749	14,757
Scheme distributions received		812	-
Other revenue received		5,053	6,431
RITC received/(GST paid)		22,914	(1,027)
Management fees paid		(147,256)	(220,612)
Payment of other expenses		(54,804)	(29,925)
		<hr/>	<hr/>
Net cash outflow from operating activities	9(a)	(137,532)	(186,928)
Cash flows from investing activities			
Proceeds from sale of investments		3,528,610	6,680,406
Purchase of investments		(6,505,053)	-
		<hr/>	<hr/>
Net cash (outflow)/inflow from investing activities		(2,976,443)	6,680,406
Cash flows from financing activities			
Paid on redemption of units		(3,399,368)	(10,125)
Distributions paid		-	(8,733)
		<hr/>	<hr/>
Net cash outflow from financing activities		(3,399,368)	(18,858)
Net (decrease)/increase in cash held		(6,513,343)	6,474,620
Cash at the beginning of the financial year		6,627,481	153,623
Effects of exchange rate changes on cash		(4,467)	(402)
		<hr/>	<hr/>
Cash at the end of the financial year	9(b)	109,671	6,627,841
		<hr/> <hr/>	<hr/> <hr/>
Non-cash financing and investing activities	9(c)	-	478,793

The above statement of cash flows should be read in conjunction with the accompanying notes.

GEC EUROGROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

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GEC EUROGROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of these financial statements are:

(a) Basis of preparation

This financial report covers GEC Eurogrowth Fund ('the Scheme') as an individual entity. The Responsible Entity of the Scheme is Growth Equities Corporation Limited. The Responsible Entity's registered office is Level 5, 47 York Street, Sydney NSW 2000.

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board, the Corporations Act 2001 and the Scheme Constitution.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or current valuations of assets.

The accounting policies have been consistently applied and, except where there is a change in accounting policy, are consistent with those of the previous year.

(b) Portfolio valuation

The Scheme calculates the net asset value of Scheme units on each business day. The net asset value of the Scheme is calculated by deducting from the value of the Scheme's gross assets the value of the liabilities of the Scheme.

Investments are stated at net fair value which is market value less estimated disposal costs.

The basis used to value particular classes of investments is as follows:

Unlisted units in managed investment schemes

Net fair value of units in unlisted managed investment schemes is determined at the net asset value ('NAV') per unit on the last day of the period. The NAV is calculated by deducting from the value of the managed investment scheme's gross assets the value of the liabilities of the managed investment scheme. If the NAV is used by the managed investment scheme's operator in producing exit prices, then these unit prices may be applied in order to value the investment.

Dividend income is recognised in the Statement of financial performance when receivable.

(c) Cash

For the purposes of the Statement of cash flows, cash includes deposits held at call with a bank or financial institution and highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

(d) Income and expenses

Changes in the net fair value of investments are recognised as income or expenses and are determined as the difference between the net fair value at year end or consideration received (if sold during the period) and the net fair value as at the prior year end or cost (if the investment was acquired during the period).

Gains and losses on negotiable securities sold, determined as the difference between consideration received and the amortised cost, are also recognised as interest income.

The Responsible Entity is entitled under the Scheme Constitution to be reimbursed for certain expenses incurred in administering the Scheme. The basis on which the expenses are reimbursed is defined in the Scheme Constitution. The amount reimbursed is disclosed in the Statement of financial performance and distribution and calculated in accordance with the Scheme Constitution.

GEC EUROGROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(e) Transfers to/from unitholders' funds

Non-distributable income is transferred to unitholders' funds and may consist of unrealised changes in the net market value of investments, accrued income not yet assessable, expenses provided for or accrued for which are not yet deductible, net capital losses and tax free or tax deferred income. They are included in the determination of distributable income in the same year in which they become assessable for taxation purposes. The taxable portion of realised capital gain is included in distributable income (net of any realised capital losses), by transfer from unitholders' funds.

(f) Taxation

Under current legislation, the Scheme is not subject to income tax as the taxable income (including assessable realised capital gains) is distributed in full to the unitholders.

The net asset value per unit is based upon market values of underlying assets and thus may include a share of unrealised capital gains. Should such a gain be realised, that portion of the gain that is subject to capital gains tax is distributed so that the Scheme is not subject to capital gains tax.

Realised capital losses are not distributed to unitholders but are retained in the Scheme to be offset against any realised capital gains. If realised capital gains exceed realised capital losses, the excess is distributed to unitholders.

(g) Unit application and redemption prices

Unit application and redemption prices are determined by reference to the net asset value of the Scheme less estimated transaction costs divided by the number of units on issue on the date of the application or redemption.

(h) Goods and services tax (GST)

The GST incurred on the costs of the various services provided to the Responsible Entity by third parties such as custodial services have been passed onto the Scheme. The Scheme qualifies for Reduced Income Tax Credits (RITC's) at a rate of 75% hence fees and other expenses have been recognised in the Statement of financial performance net of the amount of GST recoverable from the Australian Taxation Office (ATO).

Accounts payable are stated inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the Statement of financial position.

Cash flows relating to GST are included in the Statement of cash flows on a gross basis. The GST components of cash flows arising from investing activities which are recoverable from the ATO are classified as operating cash flows.

(i) Comparative figures

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.

NOTE 2 INTEREST REVENUE

	2005			2004		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
	\$	\$	%	\$	\$	%
Cash and deposits	721,169	35,749	4.96	304,479	14,757	4.85

This table shows the average balance of interest bearing assets, the amount of interest revenue and the average interest rate. The average balances are calculated using daily balances.

GEC EUROGROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 3 NON-INTEREST REVENUE

	2005 \$	2004 \$
Dividends	-	43,770
Scheme distribution income		
Non-related managed investment scheme distributions	812	-
	812	43,770
Changes in the net fair value of investments		
Unrealised changes in the net fair value of investments:		
Equities	-	(846,893)
Unlisted units in managed investment schemes	639,467	-
Other investment securities	(4,827)	-
	634,640	(846,893)
Realised gains) on disposal of:		
Equities	-	2,380,018
Unlisted units in managed investment schemes	467,390	-
	467,390	2,380,018
Total gains	1,102,030	1,533,125

NOTE 4 AUDITORS' REMUNERATION

Audit Services		
Fees paid to PricewaterhouseCoopers Australian firm:		
- audit of financial reports	9,372	-
Fees paid to non-PricewaterhouseCoopers audit firms for the audit and review of financial reports	16,775	12,870
Total remuneration for audit services	26,147	12,870
Other assurance services		
Fees paid to PricewaterhouseCoopers Australian firm:		
- audit of compliance plan	13,621	8,967
- taxation services	5,015	5,426
Total remuneration for other assurance services	18,636	14,393
Total remuneration for assurance services	44,783	27,263

GEC EUROGROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 5 EARNINGS PER UNIT

	2005 Cents per unit	2004 Cents per unit
Change in unit redemption price	14.03	15.87
Distribution per unit	-	-
	14.03	15.87

The Scheme allocates earnings to unitholders on a daily basis for the purpose of determining daily unit prices. Earnings per unit is represented by the movement in the Scheme's daily unit redemption price for the period plus distributions per unit.

Because earnings have been allocated to unitholders on a daily basis, the actual daily number of units on issue have been used in the calculation of earnings per unit. This approach does not require the calculation of a weighted average number of units on issue for the year.

NOTE 6 UNITHOLDERS' FUNDS

Movements in number of units and unitholders' funds during the year were as follows:

	2005 No.	2005 \$	2004 No.	2004 \$
Opening Balance	8,088,077	6,615,003	7,364,813	4,861,299
Redemptions	(3,782,640)	(3,399,368)	(9,951)	(10,124)
Units issued upon reinvestment of distributions	-	-	733,215	478,793
Unrealised changes in the net market value of investments	-	634,640	-	(846,893)
Other income not yet distributable	-	275,026	-	2,131,928
Total unitholders' funds	4,305,437	4,125,301	8,088,077	6,615,003

NOTE 7 INVESTMENTS

	2005 \$	2004 \$
(a) Cash and liquid assets		
Cash at bank	109,671	6,627,841
(b) Investment securities		
Equities		
Unlisted equities	4,083,300	-
Total investments	4,192,971	6,627,841

Material investments

Investments which constitute 5% or more by value of the total value of investments of the Scheme are disclosed below:

GEC EUROGROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

<u>Security Description</u>	<u>Principal Activities</u>	<u>Total Market Value</u>		<u>% of Total Scheme Investments</u>	
		<u>2005</u> \$	<u>2004</u> \$	<u>2005</u> %	<u>2004</u> %
SSgA International Equities Index Hedged Fund	Invests in equities and equity derivatives	4,083,300	-	97.4	-

NOTE 8 OTHER ASSETS

	<u>2005</u> \$	<u>2004</u> \$
GST claimable	14,080	20,284

NOTE 9 NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of net operating income to net cash outflow from operating activities

	<u>2005</u> \$	<u>2004</u> \$
Net operating income	909,666	1,285,035
Add / (less) non-cash items		
- Changes in net fair value of investments	(634,640)	846,893
- Other investing activities included in net operating (loss)/income	(467,390)	(2,294,277)
- Decrease / (increase) in receivables in relation to operating activities	6,204	(17,338)
- Increase / (decrease) in payables in relation to operating activities	48,628	(7,241)
Net cash outflow from operating activities	(137,532)	(186,928)

(b) Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of cash flows is reconciled to the related items in the Statement of financial position as follows:

Cash and deposits	109,671	6,627,841
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(c) Non-cash financing and investing activities

During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan

-	478,793
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GEC EUROGROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 10 FINANCIAL INSTRUMENTS

(a) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Scheme's exposure to interest rate risk and the weighted average effective interest rate is set out in the following table:

30 June 2005	Weighted average interest effective rate (% pa)	Fixed Interest maturing in or priced at:					Non-interest bearing \$	Total \$
		Floating interest rate \$	1 year or less \$	Over 1 to 5 years \$	More than 5 years \$			
Financial Assets								
Cash and cash equivalent	5.20	109,671	-	-	-	-	109,671	
Investments:								
Units in managed investment schemes	-	-	-	-	-	4,083,300	4,083,300	
GST claimable	-	-	-	-	-	14,080	14,080	
Total financial assets		109,671	-	-	-	4,097,380	4,207,051	
Financial liabilities								
Accounts payable	-	-	-	-	-	81,750	81,750	
30 June 2004								
Financial Assets								
Cash and cash equivalent	4.95	6,627,841	-	-	-	-	6,627,841	
GST claimable	-	-	-	-	-	20,284	20,284	
Total financial assets		6,627,841	-	-	-	20,284	6,648,125	
Financial liabilities								
Accounts payable	-	-	-	-	-	33,122	33,122	

The above interest rate risk disclosures have been prepared on the basis of the Scheme's direct investments and not on a look through basis for investments held indirectly through managed investment schemes. Consequently, the disclosure of interest rate risk may not represent the true interest rate risk profile of the Scheme where the Scheme has significant investments in managed investment schemes which also have exposure to the interest rate markets.

(b) Market risk

Market risk is the risk that the value of the Scheme's investment portfolio will fluctuate as a result of changes in market prices. This risk is managed by investing in a managed investment scheme with a diversified portfolio of underlying investments.

(c) Liquidity and cash flow risk

Liquidity risk is the risk that the Scheme will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments. Cash flow risk is the risk that the future cash flow derived from holding investments will fluctuate. These risks are managed by investing in a managed investment scheme with a portfolio of liquid investments.

GEC EUROGROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 10 FINANCIAL INSTRUMENTS (CONT)

(d) Credit Risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. Market prices generally incorporate credit assessments into valuations and risk of loss is implicitly provided for in the carrying value of recognised Statement of financial position financial assets and liabilities as they are marked to market. The total credit risk for recognised Statement of financial position items including securities is therefore limited to the amount carried on the Statement of financial position.

(e) Net fair values

The net fair value of financial assets and financial liabilities included in the Statement of financial position approximates their carrying amounts.

NOTE 11. RELATED PARTY DISCLOSURE

(a) Responsible Entity

The Responsible Entity of the Scheme is Growth Equities Corporation Limited and was appointed to this role on 11 August 2003. The Responsible Entity held no units in the Scheme during the financial year. The previous responsible entity was WHTM Capital Management Limited.

(b) Details of Specified Directors and Specified Executives

(1) Specified Directors

The names of each person holding the position of Director of the Responsible Entity at any time during the year or since the end of the year and until the date of this report are as follows:

Name	Date of Appointment	Date of Resignation
John Fyfe Burn		22 November 2004
Timothy David Erskine Hyde	14 July 2005	
George Antony Birch		
Charles Victor Alexander		
Alfred Chi Wai Wong		
Nicholas Gregory Basile		22 November 2004
Emmanuel Clive Pohl		16 November 2004
Peter Leodaritsis	26 July 2004	30 September 2004
William Kirkby-Jones	14 January 2005	7 July 2005
Alan Beanland	14 January 2005	7 July 2005
Edgar Hung	14 January 2005	7 July 2005
Marek Petrovs	14 January 2005	7 July 2005

(2) Specified Executives

Growth Equities Corporation does not employ persons deemed to be specified executives of the Scheme.

(c) Remuneration of Specified Directors

Details of the remuneration of each director of the Responsible Entity are set out below. The amounts disclosed are paid by the Responsible Entity and are not charged to the Scheme. The amounts have been recognised as an expense of the Responsible Entity. They have been determined by estimating the time spent during the year by each of the directors working on matters relevant to the Scheme. Information for the year ended 30 June 2004 has not been included as this is the first financial report prepared since the issue of AASB 1046 Director and Executive Disclosures by Disclosing Entities.

	Cash Salary (including Superannuation) \$	Total \$
John Burn	8,000	8,000
George Birch	24,000	24,000
William Kirkby-Jones	6,080	6,080

GEC EUROGROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 11 RELATED PARTY DISCLOSURE (CONT)

No other director received any remuneration from the Responsible Entity or from the Scheme. Directors are reimbursed by the Responsible Entity for travelling, accommodation and other expenses properly incurred by them in attending and returning from meetings of the Responsible Entity in the execution of their duties as Directors. Amounts disclosed exclude insurance premiums of \$9,584 (2004:\$28,500) paid by the Responsible Entity in respect of directors' and officers' liability insurance contracts as they do not specify premiums paid in respect of individual directors and officers.

(d) Directors' holdings of units

No director of the Responsible Entity held any units in the Scheme during the year.

(e) Transactions with the Responsible Entity

All related party transactions are conducted on normal commercial terms and conditions.

(f) Responsible Entity's fees and other transactions

In accordance with the Scheme Constitution, the Responsible Entity is entitled to receive fees for the provision of services to the Scheme and to be reimbursed for certain expenditure incurred in the administration of the Scheme.

	2005 \$	2004 \$
Management Fees paid to the responsible entity during the year		
- Growth Equities Corporation Limited	132,898	148,553
- WHTM Capital Management Limited	-	51,635
	<u>132,898</u>	<u>200,188</u>
Expense incurred on behalf of and recharged to the Scheme	92,870	-
Aggregate amount payable to the Responsible Entity at reporting date	55,340	-

NOTE 12 SEGMENT INFORMATION

Business segments

The Scheme operates solely in the investment industry within Australia.

Geographical segments

The Scheme operates from and is domiciled in Australia. It holds investments in a managed investment scheme which invests in a global portfolio of investments.

NOTE 13 COMMITMENTS AND CONTINGENCIES

The Scheme had no commitments or contingencies at 30 June 2005 (2004: Nil).

NOTE 14 EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Responsible Entity, to affect significantly the operations of the Scheme, the results of those operations, or the state of affairs of the Scheme, in future financial years.

GEC EUROGROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 15 IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

For reporting periods beginning on or after 1 January 2005, the Scheme must comply with Australian equivalents to International Financial Reporting Standards ("AIFRS") as issued by the Australian Accounting Standards Board. This financial report has been prepared in accordance with Australian accounting standards and Australian Generally Accepted Accounting Principles (Australian GAAP) applicable for reporting periods ended 30 June 2005.

Transition management

The Responsible Entity has undertaken a study to manage the transition to AIFRS, including training of staff and system and internal control changes necessary to gather all the required financial information. The exercise is achieving its scheduled milestones and the Scheme is expected to be in a position to fully comply with the requirements of AIFRS in the Scheme's financial statements for the half year ending 31 December 2005 and the financial year ending 30 June 2006.

To date, the Responsible Entity has analysed the Australian equivalents to IFRS and has identified accounting policy changes that will be required.

The rules for first time adoption of AIFRS are set out in AASB 1 First Time Adoption of Australian Equivalents to International Financial Reporting Standards. In general, AIFRS accounting policies are required to be applied retrospectively to determine the opening balance sheet under AIFRS. In some cases choices of accounting policies are available, including elective exemptions from this general principle to assist in the transition to reporting under AIFRS. These choices have been analysed to determine the most appropriate accounting policy for the Scheme.

Schemes complying with AIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AIFRS to that comparative period. With the exception of certain elections in AASB 1, most adjustments required on transition to AIFRS will be made, retrospectively, against opening net assets attributable to unitholders as at 1 July 2004. AASB 1 provides an election whereby the requirements of AASB 132 Financial Instruments: Disclosure and Presentation and AASB 139 Financial Instruments: Recognition and Measurement are not required to be applied in the first comparative year under AIFRS. Under this election, first time adoption of these standards can be delayed until 1 July 2005.

Impact of transition to AIFRS

The impact of transition to AIFRS disclosed below, including the selection and application to AIFRS accounting policies, is based on AIFRS standards that management expects to be in place when preparing the first AIFRS compliant financial report. The disclosures below assume that the Scheme will elect not to apply the requirements of AASB 132 and AASB 139 in the first comparative year under AIFRS.

Although the impacts disclosed in this note are based on management's best knowledge of expected standards and interpretations, and current facts and circumstances, these may change.

Revisions to the selection and application of the AIFRS accounting policies may be required as a result of:

- changes in financial reporting requirements that are relevant to the Scheme's first compliant AIFRS financial report arising from new or revised accounting standards or interpretations issued by the Australian Accounting Standards Board subsequent to the preparation of the 30 June 2005 financial report;
- additional guidance on the application of AIFRS in a particular industry or to a particular transaction; or
- changes to the Scheme's operations.

Therefore, until the Scheme prepares its first AIFRS financial statements, the possibility cannot be excluded that the accompanying disclosures may have to be adjusted.

GEC EUROGROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

NOTE 15 IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONT.)

The significant changes in accounting policies and the associated transitional arrangements and elections expected to be made under AASB 1 are set out below.

(a) Financial assets

Investments in financial assets such as interest bearing securities, equities and units in unlisted schemes will be classified as "held for trading" and are recognised in the Statement of financial position at fair value, with changes in fair value during the period recognised in the Statement of financial performance and distribution.

AASB 139 states that the current bid price is usually the appropriate price to be used in measuring the fair value of actively traded financial assets. Financial assets should be valued at their fair values without any deduction for transaction costs that may be incurred on sale or other disposal. This differs from the current treatment, in which the Scheme measures financial assets at "net market value" using the last sale price net of disposal costs.

(b) Financial liabilities

In accordance with AASB 132, unitholders' funds are defined as "puttable instruments" and no longer classified as equity but rather as debt. Therefore, a liability must be recognised for the fair value which is redeemable as at reporting date and the changes in value recognised in the statement of financial performance and distribution. Unitholders' funds are classified as debt and disclosed in "net assets attributable to Unitholders".

(c) Change in the fair value of investments

Trading securities, equities and units in unlisted schemes will be classified as "fair value through profit and loss" for the purposes of AASB 139 and will be measured at fair value with changes in value recognised in the Statement of financial performance and distribution.

(d) Transaction costs

AASB 139 states that the initial measurement (cost) on acquisition of trading securities shall not include directly attributable transaction costs such as fees and commissions paid to agents. Incremental transaction costs should be expensed as incurred in the Statement of financial performance and distribution. This differs from the current treatment where incremental transaction costs on acquisition of trading securities are included within initial measurement cost.

On transition to AIFRS this change will not impact net assets attributable to unitholders, however, the classification of gains and losses between realised and unrealised in the Statement of financial performance and distribution may differ.

(e) Financing costs

As unitholders' funds will be classed as debt under AIFRS, it will be necessary to recognise "distribution expense to unitholders" and "change in net asset value attributable to unitholders" in the statement of financial performance and distribution as a financing cost. In future periods, the statement of financial performance and distribution of the Scheme will disclose a nil profit or loss.

This differs from the current treatment where the net profit for the year is disclosed as available for distribution to unitholders. However, there will be no impact to net assets attributable to unitholders.

(f) Cash flow statement

On transition to AIFRS realised gains and losses on securities held for dealing or trading purposes will be required to be disclosed as operating cash flows as they arise predominantly from activities comprising the main revenue producing activity of the scheme/fund/trust. This differs from the existing policy of the scheme/trust which was to disclose these cash flows as investing in line with industry practice under AGAAP

Impact on 30 June 2005 Reported Results

The changes in accounting policies described above are not expected to have a material impact on the Scheme's net asset position at 30 June 2005 and the net profit for the year ended 30 June 2005 given that the Scheme will not apply the requirements of AASB 132 and AASB 139 until 1 July 2005. No material impacts are expected in respect to the Statement of cash flows upon application of AIFRS.

GEC EUROGROWTH FUND

Directors' declaration

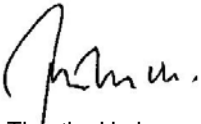
The Directors of the Responsible Entity declare that the financial statements and notes of the Scheme set out on pages 8 to 21:

- (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- (b) are in accordance with the provisions of the Scheme Constitution (as amended); and
- (c) give a true and fair view of the Scheme's financial position as at 30 June 2005 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

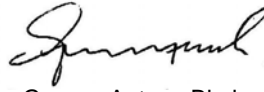
In the Directors' opinion:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001, and
- (b) there are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a Resolution of the Directors.



Timothy Hyde
Chairman



George Antony Birch
Director

Sydney
1 September 2005

Independent Audit Report to the Unitholders of GEC Eurogrowth Fund

Audit opinion

In our opinion, the financial report of GEC Eurogrowth Fund:

- gives a true and fair view, as required by the Corporations Act 2001 in Australia, of the financial position of GEC Eurogrowth Fund as at 30 June 2005, and of its performance for the year ended on that date, and
- is presented in accordance with the Corporations Act 2001, Accounting Standards and other mandatory financial reporting requirements in Australia, and the Corporations Regulations 2001.

This opinion must be read in conjunction with the rest of our audit report.

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for GEC Eurogrowth Fund, for the year ended 30 June 2005.

The directors of Growth Equities Corporation Limited (the responsible entity) are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the registered scheme. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. . For further explanation of an audit, visit our website <http://www.pwc.com/au/financialstatementaudit>.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the registered scheme's financial position, and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

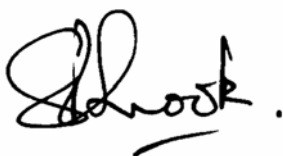
Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.



PricewaterhouseCoopers



Stephen R Snook
Partner

Brisbane
1 September 2005

GEC EUROGROWTH FUND

UNITHOLDER INFORMATION FOR THE YEAR ENDED 30 JUNE 2005

The unitholder information set out below was applicable as at 31 August 2005.

There is only one class of units, being ordinary units

(a) Distribution of holdings

Range of number of units held	No. of Unitholders
1 to 1,000	1
1,001 to 5,000	5
5,001 to 10,000	6
10,001 to 100,000	4
100,001 and over	1
Total	17

(b) Top 20 unitholders

	Units held	%
National Nominees Limited	4,151,534	96.55
Robert Vernon Lawson & Bruce Vernon Lawson	31,855	0.74
Malcolm Ronald Condon	21,538	0.51
Patricia Maragret Fairley (P Fairley Super Fund A/c)	16,184	0.38
David Palmer	16,143	0.38
Balmoral Network Services Pty Ltd	10,000	0.23
Kym Richard Saville (Saville Super Fund Pen assets A/c)	8,464	0.20
Callim Pty Ltd	8,177	0.19
Patricia Robyna Giudice	5,771	0.13
John C Peterson (Peterson Super Fund A/c)	5,751	0.13
William Coote & Valerie Coote	5,254	0.12
Beata Teresa Smietanski	4,000	0.09
Chris Grieve (The Groovey Super Fund A/c)	3,701	0.09
Phillip Herbert Roy	3,570	0.08
Ian Wallis	3,500	0.08
Roland Barry Brogan	3,325	0.08
Richard Ellis Steele	1,000	0.02
Total	4,299,767	100.0
Total units issued	4,299,767	

(c) Substantial unitholders

	Units held	%
National Nominees Limited	4,151,534	96.55

(d) Voting rights

On a show of hands, every unitholder present in person or by proxy shall have one vote and upon a poll each share shall have one vote.

GEC EUROGROWTH FUND

CORPORATE DIRECTORY

Responsible Entity

Growth Equities Corporation Limited.
ACN 100 570 723
Australian Financial Services License 224505

Registered Office and Principal Place of Business

Level 5
47 York Street
SYDNEY NSW 2000
Tel 02 9290 3635
Fax 02 9290 3662

Directors of the Responsible Entity

Timothy David Erskine Hyde	Non-executive Chairman
George Antony Birch	Managing Director
Victor Charles Alexander	Non-executive Director
Alfred Chi Wai Wong	Non-executive Director

Secretary

Nicholas John William Swan MA, ACA, ASIA, MBA

Solicitors to the Responsible Entity

Home Wilkinson Lowry
Level 9
55 Hunter Street
SYDNEY NSW 2000
Tel 02 8270 8600
Fax 1300 369 656

Auditors of the Scheme

PricewaterhouseCoopers
1 Eagle Street
BRISBANE QLD 4000
Tel 07 3257 5000
Fax 07 3257 8009

Unit Registry

ASX Perpetual
Level 22
300 Queen Street
BRISBANE QLD 4000
Tel 07 3228 4000
Fax 07 3221 3149

Australian Stock Exchange Quotation

The Scheme is listed on the Australian Stock Exchange under the listing code GCE.

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