

ANNUAL
REPORT

1997



CANNINGTON PERTH
OPEN SEPTEMBER '97

Harvey Norman
HOLDINGS LIMITED

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THE ANNUAL GENERAL MEETING

The Annual General Meeting of the Shareholders of Harvey Norman Holdings Limited will be held in the Theatre, Australian Stock Exchange, 20 Bond Street Sydney on Tuesday, 25 November 1997 at 11.00 am.

(For full details and Proxy Form see separate document enclosed)

DIRECTORY

DIRECTORS:

G. Harvey - Chairman
M.J. Harvey
K.L. Page
R.J. Skippen
A.B. Brew
C.H. Brown
I.J. Norman

COMPANY SECRETARY

R.J. Skippen

REGISTERED OFFICE

A1 Richmond Road
Flemington NSW 2140
Telephone: (02) 9201 6111
Facsimile: (02) 9201 6250

SHARE REGISTRY

Registries Limited
Level 1
220 George Street
SYDNEY

BANKERS

Australia & New Zealand Banking Group Limited

AUDITORS

Arthur Andersen

SOLICITORS

Gillis Delaney Brown

STOCK EXCHANGE LISTING

Harvey Norman Limited shares are quoted
on the Australian Stock Exchange.

HIGHLIGHTS

Consolidated Operating Profit before tax for the 12 months to 30 June 1997 was \$57.93 million, an increase of 21.3% on the previous year. Consolidated Operating Profit after tax was \$35.98 million, an increase of 18.3%.

The recommended final dividend is increased from 5.5 cents to 7.0 cents a share, fully franked, (at 36 cents) bringing the full year dividend to 12.5 cents fully franked.

Basic earnings per share increased from 32.4 cents to 37.6 cents.

Return on shareholders' funds was 14%.

FINANCIAL SUMMARY

12 MONTHS TO 30 JUNE 1997

	1997 \$000	1996 \$000	% Change
Operating Revenue	178,612	139,006	28.5
Operating Profit Before Interest Expense and Income Tax	70,102	56,138	24.9
Interest Expense	12,170	8,381	45.2
Income Tax Expense	21,947	17,351	26.5
Operating Profit after Income Tax	35,985	30,406	18.3
Basic Earnings per share on issue at 30 June (cents)	37.6	32.4	16.0
Dividends per share (cents)	12.5	10.5	19.0
% Return on Shareholders' Funds	14	14	-
Paid up Capital at 30 June	19,153	19,153	-
Net Tangible Assets per share at 30 June (\$)	2.69	2.23	20.6

The following is part of the Chairman's Report in the Annual Report.



CHAIRMAN'S REPORT

I am delighted to announce that the company recorded an audited group consolidated operating profit before tax and abnormals of \$58.63 million for the 12 months ended June 30, 1997 compared to \$47.75 million for the prior year, an increase of 22.78%. The operating profit before tax but after abnormals, including writing off \$2.31 million in unamortised goodwill, was \$57.93 million.

After an income tax expense of \$21.94 million, the net profit after tax and abnormal items was \$35.98 million compared to \$30.41 million for the prior year, an increase of 18.3%.

Sales for the year to June 30, 1997 from the franchised "Harvey Norman" stores and from the group's own store at Lismore and other trading operations totalled \$1.216 billion compared to \$1.043 billion for the prior year, an increase of 16.7%. A better than expected sales increase in the second half significantly improved the result for the year. Sales for July and August 1997 have increased 11.5% over 1996. New franchised store openings and any further strengthening in consumer confidence should positively impact future sales growth.

Property

During the year, Directors have analysed and revalued the Group Property Portfolio resulting in an increase of \$16.1 million in the asset revaluation reserve.

The Group Property Portfolio at June 30, 1997 was valued at \$194.49 million compared to \$126.43 million at June 30, 1996.

Shareholders' Equity

Shareholders' funds at June 30, 1997 were \$257.48 million compared to \$216.50 million at June 30, 1996 - an increase of \$40.98 million (18.9%).

Dividend

The recommended final dividend has been increased from 5.5¢ to 7.0¢ a share fully franked. The total dividend for the year will be 12.5¢ fully franked compared with 10.5¢ fully franked for the previous year.

Expansion

In the 12 months to 30 June 1997, new stores have been opened as follows:

- ✦ NSW - Mildura, Balgowlah -*Sydney* (Harvey Norman development)
- ✦ QLD - Mackay, Oxley -*Brisbane* (both Harvey Norman developments)
- ✦ VIC - Preston -*Melbourne* (Harvey Norman development)

Since the end of this financial year new stores have been opened at:

- ✦ NEW ZEALAND
 - Wairau Park -*Auckland*
 - Manukau - *Auckland* (Harvey Norman development)
- ✦ WA - Cannington -*Perth* (Harvey Norman development)

New stores to be opened in the next 12 months:

- ✦ NSW - Liverpool -*Sydney*, Tweed Heads (Harvey Norman development)
- ✦ VIC - Traralgon, Warrnambool (Harvey Norman development)
- ✦ QLD - Aspley -*Brisbane*, Toowoomba (both Harvey Norman developments)
Gladstone
- ✦ WA - Osborne Park -*Perth*

The Company intends to continue to pursue a strategy of steady expansion in Australia and New Zealand.

I would like to thank my fellow Directors, Harvey Norman employees, franchisees and their staff for their continuing efforts and loyalty.

G HARVEY
CHAIRMAN

DIRECTORS' REPORT

The Board of Directors of Harvey Norman Holdings Limited has pleasure in submitting the balance sheet of the company and of the economic entity at 30 June, 1997, and related profit and loss account and statement of cashflows for the year then ended and reports as follows:

DIRECTORS

The directors of the parent company at the date of this report are:

Gerald Harvey
Chairman

Mr G. Harvey, aged 58, was the co-founder of Harvey Norman in 1982 with Mr I. Norman. Mr G. Harvey has overall executive responsibility for the relationship between the company and Harvey Norman franchisees, and the property investments of the company.

Michael John Harvey
Managing Director

Mr M. Harvey, aged 32, joined Harvey Norman in 1987, having completed a Bachelor of Commerce degree. Mr M. Harvey gained extensive experience as a Harvey Norman franchisee from 1989 to 1994. Mr M. Harvey became a director of the company in 1993 and was appointed Managing Director in July 1994. Mr M. Harvey is a member of the Audit and Finance Committee of the company.

Kay Lesley Page
Merchandising Director

Miss Katie Page, aged 40, joined Harvey Norman in 1983. Miss Page was appointed a director of Harvey Norman Holdings Limited in 1987 when the company first became a listed public company.

Miss Page's primary area of responsibility is the delivery of advisory and advertising services to Harvey Norman furniture and bedding franchisees. Miss Page is also responsible for advertising and promotional activities.

Raymond John Skippen
Finance Director and Company Secretary

Mr. Skippen, aged 49, is a chartered accountant who was a principal in a city based accounting practice for 15 years. During his career he has acquired a vast knowledge in all aspects of finance and administration, including mergers and acquisitions, business restructuring and property based transactions. Mr Skippen became a director of the company in September 1994.

Arthur Bayly Brew
Director

Mr. Brew, aged 47, joined the company in 1983 as chief accountant and is responsible for accounting and computer systems for the economic entity. Mr Brew was appointed a director in September 1994. Mr Brew is a member of the Audit and Finance Committee.

Christopher Herbert Brown
Non-Executive Director

Mr. Brown, aged 47, holds the degree of Master of Laws from Sydney University. Mr Brown is the senior partner in Gillis Delaney Brown, Lawyers. Gillis Delaney Brown has acted as lawyers for the Harvey Norman group since 1982. Mr Brown was appointed a director in 1987, when the company became a listed public company. Mr Brown is a member of the Audit and Finance Committee.

Ian John Norman
Non-Executive Director

Mr Norman, aged 58, was co-founder of Harvey Norman with Mr Gerald Harvey in 1982.

DIRECTORS' MEETINGS

During the year the company held seven (7) meetings of directors. The names of directors are outlined below. The attendances of the directors at meetings of the Board were as follows:

	Meetings of the Board of Directors	
	Attended	Number of Meetings Held
G. Harvey	6	7
M.J. Harvey	6	7
K.L. Page	6	7
R.J. Skippen	7	7
A.B. Brew	7	7
C.H. Brown	6	7
I.J. Norman	3	7

In addition, the executive directors held regular meetings for the purpose of signing various documentation. A total of forty five (45) such meetings were held during the year. As at the date of this report, the economic entity had an Audit & Finance Committee of the Board of Directors, which met five times during the year. The details of the functions and memberships of the Audit & Finance Committee of the Board of Directors are presented in the Statement of Corporate Governance Practices.

DIRECTORS' BENEFITS AND INTERESTS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the economic entity's financial statements or the fixed salary of a full-time employee of the company or a related body corporate) by reason of a contract made by the company or a related body corporate with any director or with a company in which he/she has a substantial financial interest or with a firm of which he/she is a member, except as otherwise disclosed in the financial statements.

The relevant interest of each director and related body corporate in the share capital of the parent company as at the date of this report is:

	Number of Ordinary Shares	Number of Share Options
Gerald Harvey	31,366,669	1,000,000
Michael John Harvey	211,836	300,000
Kay Lesley Page	1,501,990	300,000
Raymond John Skippen	-	300,000
Arthur Bayly Brew	2,267	100,000
Christopher Herbert Brown	97,618	-
Ian John Norman	16,533,467	-

BENEFICIAL INTEREST

Included in the above shareholdings are as follows:

Mr. G. Harvey has a beneficial interest in 16,491,667 shares held by G Harvey Nominees Pty Limited.
Mr. I. J. Norman has a beneficial interest in 16,533,467 shares held by Dimbulu Pty Limited.
Mr. C. H. Brown has a beneficial interest in 97,618 shares held by Lisaura Pty Limited.

PRINCIPAL ACTIVITIES

The principal activities of the economic entity continue to be that of:

- ◆ Franchisor
- ◆ Provision of advisory and advertising services to Harvey Norman franchisees.
- ◆ Sale of homewares and electrical goods.
- ◆ Provision of consumer finance.
- ◆ Property investment.
- ◆ Lessor of premises to Harvey Norman franchisees and other third parties.

RESULTS

The consolidated net profit of the economic entity for the financial year ended 30 June 1997 after income tax expense was \$35.98 million - this represents an increase of 18.3% on the net profit at 30 June 1996.

PAYMENT OF RECOMMENDED DIVIDENDS

Directors recommend a fully franked dividend of 7.0 cents per share be paid on 8 December 1997 (total dividend, fully franked - \$6,703,743). Duly completed transfers received up to 5.00 pm on 23 October 1997 will be registered before dividend entitlements are determined. The following fully franked dividends of the parent entity have also been paid, declared or recommended since the end of the preceding financial year:

1996 final dividend recommended, (as disclosed in the 1996 Directors' Report) - paid 2/12/96	\$5,267,228
1997 interim dividend - paid 2/5/97	\$5,267,229

SHARE OPTIONS

Details of share options are set out in Note 19 of the financial statements and form part of this report.

REVIEW OF GROUP OPERATIONS

The net profit and reserves of the economic entity for the year ended 30 June 1997 increased over the previous financial year due to the following:

- ◆ Increased revenue from franchisees
- ◆ Increased number of franchisees and tenants
- ◆ Increased rental from tenants
- ◆ Revaluation of the group property portfolio.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the economic entity that occurred during the financial year not otherwise disclosed in this report or the consolidated financial statements.

SIGNIFICANT EVENTS AFTER BALANCE DATE

On 1 July 1997, the group commenced trading in Auckland, New Zealand. The group now has two (2) stores operating in New Zealand.

Since the end of the financial year the directors are not aware of any other matter or circumstance not otherwise dealt with in this report, the Chairman's Report or the consolidated financial statements that has significantly affected, or may significantly affect, the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in subsequent financial years.

FUTURE DEVELOPMENTS AND RESULTS

Directors consider it likely that the economic entity will continue to pursue a strategy of steady expansion in Australia and New Zealand. Further information as to likely developments in the operation of the economic entity, including the expected results of those operations in subsequent financial years, would, in our opinion, prejudice the interests of the company and has, therefore, not been included in this report.

The Directors are not prepared to speculate about the expected results of those operations.

INDEMNIFICATION OF OFFICERS

During the financial year, insurance and indemnity arrangements were entered into concerning officers of the economic entity.

An indemnity agreement was entered into between Harvey Norman Holdings Limited and each of the directors of the company named earlier in this report and with each full-time executive officer, director and secretary of all group entities. Under the agreement, the company has agreed to indemnify those officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities. There is a limit to the extent of this indemnity (\$5,000,000).

Harvey Norman Holdings Limited paid an insurance premium of \$14,774 in respect of a contract insuring each of the directors of the company named earlier in this report and each full-time executive officer, director and secretary of Australian group entities, against all liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law.

ROUNDING OF AMOUNTS

The parent entity is a company of the kind specified in Corporations Regulation 3.6.05(6). In accordance with Section 311 of the Corporations Law and Corporations Regulation 3.6.05, amounts in the financial statements and Directors' report have been rounded to the nearest thousand dollars unless specifically stated to be otherwise.

*Signed in accordance with a resolution of directors
of Harvey Norman Holdings Limited
26 September 1997*



M.J. HARVEY
Managing Director



R. J. SKIPPEN
Director



A.B. BREW
Director

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of Directors

The Board of Directors is responsible for setting the strategic direction and establishing the policies of Harvey Norman Holdings Limited, for overseeing the financial position, and for monitoring the business and affairs on behalf of the shareholders, by whom the directors are elected and to whom they are accountable. Responsibility for day to day activities is delegated to the Chief Executive by the Board.

Corporate governance is a term used to describe the way a board is structured and the way the directors act to ensure their oversight of a company is beyond reproach. The Board keeps its own processes under review.

The Board currently comprises seven directors, including five executive directors and two non-executive directors. All directors have shares or options or both in Harvey Norman Holdings Limited. Details of directors' interests are disclosed in the Directors' Report.

If a potential conflict of interest arises, involved Directors must withdraw from all deliberations concerning the matter and are not permitted to exercise any influence over other board members or receive relevant Board papers. With the approval of the Chairman, any Director or committee of the board can seek external professional advice as considered necessary, at the Company's expense. The Audit & Finance Committee is responsible for monitoring the independence and suitability of all professional advisers.

Committee of the Board

The Board has an Audit and Finance Committee which has been established to consider issues and strategies, within common areas, in order to advise and guide the Board. Ad hoc committees are also established as the need arises. These committees comprise both executive and non-executive directors. Board committees that operated through the year (unless otherwise indicated) were:

Audit & Finance Committee

Audit	<ul style="list-style-type: none">Ensures compliance with statutory responsibilities relating to accounting policy and disclosure.Liaises with, assesses the quality and reviews the scope of work and reports of the external auditors.Assesses the adequacy of accounting, financial and operating controls.
Finance	<ul style="list-style-type: none">Reviews broad financial issues and strategies and acts for the Board on financial matters as requested.Reviews specific funding proposals.

The membership and details of attendances of the Audit & Finance Committee of the Board are detailed below. The attendance of the meetings of the Board are detailed in the Directors' report, which precedes this statement.

		<i>Audit & Finance</i>	
		A	B
M.J. Harvey	Executive	2	2
R.J. Skippen	Executive	2	2
A.B. Brew	Executive	2	2
C.H. Brown	Non-Executive	2	2

- A - The number of meetings held during the period the Director was a member of the Committee.
B - The number of meetings attended by the Director.

Remuneration

Directors remuneration is determined as part of an annual review, which includes performance evaluation, regard to comparative remuneration and independent advice. Remuneration packages generally comprise both salary and other benefits.

Directors are also provided with longer term incentive through option schemes, which act to align the Directors' actions with the interests of the shareholders. The details of these schemes are provided in Note 19 of the financial statements.

Internal controls and risk management

Procedures have been established at the Board and executive management levels which are designed to safeguard the assets and interests of Harvey Norman Holdings Limited, and to ensure the integrity of reporting. These include accounting, financial reporting and internal control policies and procedures.

Ethical standards and performance

The Board acknowledges the need for and continued maintenance of the highest standards of corporate governance practice and ethical conduct by all directors and employees of Harvey Norman Holdings Limited.

The directors and management carry out their functions with a view to maximising financial performance of the economic entity. This concerns both propriety of decision making in conflict of interest situations and quality of decision making for the benefit of shareholders.

BALANCE SHEET AS AT 30 JUNE 1997

		CONSOLIDATED		PARENT ENTITY	
	NOTE	1997	1996	1997	1996
		\$000	\$000	\$000	\$000
Current Assets					
Cash		7,182	7,662	-	-
Receivables	6	217,116	207,459	127,097	150,318
Inventories	7	13,043	12,069	-	-
Other	8	4,291	1,695	-	-
Total current assets		241,632	228,885	127,097	150,318
Non-Current Assets					
Receivables	9	9,085	5,490	-	-
Investments	10	19,592	18,954	39,265	9,261
Property, plant and equipment	11	240,871	165,785	-	-
Intangibles	12	-	2,541	-	-
Other	13	3,198	2,129	262	288
Total non-current assets		272,746	194,899	39,527	9,549
Total Assets		514,378	423,784	166,624	159,867
Current Liabilities					
Accounts payable	14	127,733	125,261	88	74
Borrowings	15	10,658	9,630	-	-
Provisions	16	22,269	20,112	13,308	12,636
Total current liabilities		160,660	155,003	13,396	12,710
Non-Current Liabilities					
Borrowings	17	95,950	52,000	-	-
Provisions	18	283	280	-	-
Total non-current liabilities		96,233	52,280	-	-
Total Liabilities		256,893	207,283	13,396	12,710
NET ASSETS		257,485	216,501	153,228	147,157
Shareholders' Equity					
Share capital	19	19,153	19,153	19,153	19,153
Reserves	20	122,076	105,107	81,976	81,976
Retained profits		116,256	92,241	52,099	46,028
TOTAL SHAREHOLDERS' EQUITY		257,485	216,501	153,228	147,157

The Balance Sheet is to be read in conjunction with the attached Notes.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 1997

		CONSOLIDATED		PARENT ENTITY	
	NOTE	1997 \$000	1996 \$000	1997 \$000	1996 \$000
Operating Profit	3	57,932	47,757	28,653	37,204
Income tax attributable to Operating Profit	4	21,947	17,351	10,611	9,994
Operating Profit after Income Tax		35,985	30,406	18,042	27,210
Retained profits at the beginning of the financial year		92,241	71,891	46,028	28,874
Total Available for Appropriation		128,226	102,297	64,070	56,084
Dividends provided for or paid	21	11,970	10,056	11,971	10,056
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR		116,256	92,241	52,099	46,028
Basic earnings per share (cents per share)	5	37.57	32.36	-	-
Diluted earnings per share (cents per share)	5	37.26	32.18	-	-

The Profit and Loss Account is to be read in conjunction with the attached Notes.

CONSOLIDATED STATEMENT OF CASH FLOWS **FOR THE YEAR ENDED 30 JUNE 1997**

		CONSOLIDATED		PARENT ENTITY	
	NOTE	1997	1996	1997	1996
		\$000	\$000	\$000	\$000
Cashflows from operating activities					
Net receipts from franchisees		125,958	100,743	-	-
Receipts from customers		37,844	26,156	-	-
Payments to suppliers and employees		(90,657)	(45,890)	(27)	(98)
Interest Received		571	1,158	193	-
Interest and other costs of finance paid		(7,846)	(5,595)	-	-
Income taxes paid		(22,313)	(19,513)	(11,468)	(11,579)
Dividends received		-	-	-	10,134
Trust distributions received		-	-	21,840	27,172
		43,557	57,059	10,538	25,629
FAST Trust No. 1-related cash flows					
Customer loans granted by economic entity		(118,352)	(105,923)	-	-
Proceeds from sale of customer loans to FAST No. 1 Trust		102,298	114,355	-	-
Accommodation fees paid		(4,279)	(2,786)	-	-
Trust distribution received		3,474	3,095	-	-
Repayments received from customers on loans granted by economic entity and not sold to FAST No. 1 Trust		2,998	13,412	-	-
		(13,861)	22,153	-	-
Net Operating Cash Flows		29,696	79,212	10,538	25,629

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 1997 (continued)**

	CONSOLIDATED		PARENT ENTITY	
NOTE	1997	1996	1997	1996
	\$000	\$000	\$000	\$000
Cash Flows from Investing Activities				
Payment for purchases of property, plant and equipment	(69,083)	(63,687)	-	-
Proceeds from sale of property, plant and equipment	2,698	3,420	-	-
Payment for purchase of units in unit trusts	(6,063)	(20,938)	(4)	-
Proceeds from sale of units in unit trusts	3,022	6,537	-	-
Payment for purchases of equity investments	(9,651)	-	-	-
Proceeds from sale of equity investments	9,210	-	-	-
Proceeds from repayment of loans to other persons and corporations	6,407	-	-	-
Loans granted	-	(11,585)	-	(46,880)
Net Investing Cash Flows	(63,460)	(86,253)	(4)	(46,880)
Cash Flows from Financing Activities				
Proceeds from borrowings	43,818	-	-	-
Repayment of borrowings	-	(36,550)	-	-
Dividends paid	(10,534)	(9,278)	(10,534)	(9,278)
Repayment of loans from other persons and corporations	-	(4,600)	-	-
Proceeds from share issue	-	30,529	-	30,529
Net Financing Cash Flows	33,284	(19,899)	(10,534)	21,251
Net decrease in cash held	(480)	(26,940)	-	-
Cash at Beginning of Period	7,662	34,602	-	-
Cash at End of Period	7,182	7,662	-	-

The Statement of Cash Flows should be read in conjunction with the attached Notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1997

1. Statement of Significant Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared as a general purpose financial report in accordance with Australian Accounting Standards.

The financial statements have been prepared in accordance with the historical cost convention using the accounting policies described below. These policies are consistent with those adopted in the previous year. Further they do not take account of changes in either the general purchasing power of the dollar or in the prices of specific assets, except for land and buildings, which are stated at valuations, as described in Note 11.

(b) Principles of Consolidation

The consolidated financial statements of the economic entity include the financial statements of the parent entity, Harvey Norman Holdings Limited, and its controlled entities (refer Note 33). All intergroup transactions and balances have been eliminated. Franchisees are not controlled by the economic entity and have not been consolidated.

(c) Investments

Shares in listed and unlisted companies, and units in unit trusts are included in investments and carried at the lower of cost or recoverable amount. Dividend income is brought to account when declared. Trust income is brought to account when derived.

(d) Land and Buildings

It is the policy of the economic entity to review annually the values of land and buildings based on the use of the properties by the economic entity as a going concern. The directors are of the view that their valuations, as adopted, are not materially different from the current market values. The revaluations take no account of any potential capital gains tax as it is the intention of the economic entity to hold the properties as part of its ongoing operations.

(e) Depreciation and Amortisation of Property, Plant and Equipment

Property, plant and equipment, other than freehold land, are depreciated at rates based upon their estimated useful lives using the straight line method. Properties in the ACT which are held under a 99 year ground crown land sublease from the Commonwealth Government, are not amortised over the remaining life of the lease, as the expectation is that these leases will be renewed at minimal cost once they expire. Buildings on these sites are depreciated over their useful lives. New assets are depreciated from the time of acquisition. Profits and losses on disposal of property, plant and equipment are taken into account in determining the profit for the year.

(f) Leases

The economic entity has adopted the following accounting policies for leases:

Company as lessee

Operating leases

Operating leases are not capitalised and minimum lease payments are charged against operating profit in equal instalments over the accounting periods covered by the lease term.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1997 (continued)**

Company as lessor

Direct finance leases

The investment in the lease, comprising the present value of the minimum lease payments receivable plus the present value of any unguaranteed residual expected to accrue to the benefit of the company at the end of the lease term, is brought to account as a receivable at the beginning of the lease term. The discount rate used in determining the present value is the interest rate implicit in the lease. Lease payments are allocated between principal and interest components. Lease receivables are reduced by payments of principal whilst the interest component is credited to profit and loss account.

(g) Income Tax

Income tax has been brought to account using a method of tax effect accounting whereby income tax expense for the period is calculated on the accounting profit after adjusting for items which, as a result of their treatment under income tax legislation, create permanent differences between that profit and the taxable income. The tax effect of timing differences which arise from the recognition of revenue and expense items in the accounts in periods different from those in which they are assessable or allowable for income tax purposes, are presented in the balance sheets as a "future income tax benefit" or "deferred tax liability", at current tax rates. A future income tax benefit relating to timing differences is only carried forward as an asset where realisation of the benefit can be regarded as being assured beyond reasonable doubt.

(h) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the specific identification method.

(i) Customer Loans

Repayments of customer loans are allocated between principal and interest components. Interest on customer loans is recognised as income as each repayment instalment comes due.

(j) Intangible Assets

Goodwill represents the future benefits associated with businesses as acquired. Goodwill was being amortised over a 20 year period from the date of acquisition on a straight line basis.

The unamortised balance of goodwill was reviewed at balance date and charged to profit and loss since, in the opinion of directors, applicable future benefits are no longer certain.

(k) Income Recognition and Unearned Income

- (i) Unearned revenue on customer loans has been calculated using actuarial method so that revenue earned over the term of the contract bears a constant relationship to funds employed.
- (ii) Income is brought to account on customer loans only where it is being paid or where it is unpaid but recovery is certain.

(l) Employee Benefits

Provision has been made in the financial statements for benefits accruing to employees in relation to such matters as sick leave, annual leave, long service leave and workers' compensation in accordance with AASB1028.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1997 (continued)**

(m) Comparative Figures

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

(n) Provision for Doubtful Debts

The economic entity establishes a provision for any doubtful debts based on a review of all outstanding amounts at year end. Bad debts are written off when they are identified.

(o) Recoverable amounts of non-current assets

The carrying amounts of all non-current assets are reviewed at least annually to determine whether they exceed their recoverable amount. The recoverable amounts of all non-current assets, except the future income tax benefit, have been determined using net cash flows that have been discounted to their present value. The recoverable amount of the future income tax benefit is determined by reference to net cash flows which have not been discounted.

(p) Joint Ventures

An interest in a joint venture is brought to account by including in the respective financial statement categories:

- the economic entity's share in each of the individual assets employed in the joint venture;
- liabilities incurred by the economic entity in relation to the joint venture including the economic entity's share of any liabilities for which the economic entity is jointly and/or severally liable; and
- the economic entity's share of expenses of the joint venture.

The accounts for the joint venture are not shown as they are considered immaterial.

(q) Foreign Currency Transactions

Foreign currency items are translated to Australian currency on the following bases:

- Transactions are converted at exchange rates in effect at the date of each transaction; and
- Amounts payable and receivable are translated at the average of the buy and sell rates available on the close of business at balance date.
- The financial statements of all foreign operations are translated using the current rate method as they are considered self-sustaining.

Exchange differences relating to monetary items are included in the profit and loss, as exchange gains and losses, in the period when exchange rates change except where the difference relates to hedging part of the net investment in a self-sustaining foreign operation, in which case the differences are transferred to the foreign currency translation reserve on consolidation.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1997 (continued)**

2. Segment Information

Industry Segment	Segment Revenue \$000	Segment Result \$000	Segment Assets \$000
1997			
Consolidated			
Retailing	33,076	914	10,097
Advisory & Advertising Services	89,305	25,350	254,719
Property Investments	35,059	8,383	195,475
Investments	9,424	1,030	-
Financial Services	11,748	2,848	54,087
Corporate Items	-	(2,541)	-
Total Consolidated	178,612	35,985	514,378
1996			
Consolidated			
Retailing	18,660	288	10,682
Advisory & Advertising Services	84,742	23,931	191,753
Property Investments	27,949	5,105	140,760
Investments	-	-	-
Financial Services	7,655	1,313	78,048
Corporate Items	-	(231)	2,541
Total Consolidated	139,006	30,406	423,784
Geographical Segments			
1997			
Consolidated			
Australia	178,612	35,985	495,415
New Zealand	-	-	18,963
Total Consolidated	178,612	35,985	514,378
1996			
Consolidated			
Australia	139,006	30,406	423,784
New Zealand	-	-	-
Total Consolidated	139,006	30,406	423,784

The economic entity operates predominantly in four industries:

- retailing - this represents the operations of stores owned by the economic entity
- advisory and advertising services - this represents services provided to franchisees
- property investments - this represents property investments leased to franchisees and other third parties
- financial services - this represents credit provided to consumers.

		CONSOLIDATED		PARENT ENTITY	
	NOTE	1997	1996	1997	1996
		\$000	\$000	\$000	\$000

3. Operating Profit

Operating profit is after crediting the following revenues:

Sales revenues		33,076	18,660	-	-
<hr/>					
Other operating revenue:					
Gross revenue from franchisees (excluding rent and interest received)		89,910	70,666	-	-
Rent received from franchisees		35,059	27,949	-	-
Trust distribution received from associated entities		3,474	3,095	28,619	27,172
Dividends received from wholly owned controlled entity		-	-	-	10,134
Interest received from:					
Franchisees		13,192	11,565	-	-
Other		584	1,175	-	-
Other		619	2,476	193	-
Proceeds from the disposal of non-current assets	(a)	2,698	3,420	-	-
<hr/>					
Total other operating revenues		145,536	120,346	28,812	37,306
<hr/>					
Total operating revenues		178,612	139,006	28,812	37,306
<hr/>					

Operating profit is after charging the following expenses:

Depreciation of property, plant and equipment:					
Buildings		1,734	1,128	-	-
Plant and equipment		11,951	8,862	-	-
<hr/>					
Total depreciation of property, plant and equipment		13,685	9,990	-	-
<hr/>					
Interest paid or payable to other persons		12,170	8,381	-	-
<hr/>					
Bad debts and provision for doubtful debts		660	311	-	-

3. Operating Profit (continued)

	CONSOLIDATED		PARENT ENTITY	
	1997	1996	1997	1996
	\$000	\$000	\$000	\$000
Amortisation of intangibles				
Goodwill	231	231	-	-
Operating lease rentals	19,152	16,509	-	-
Provision for employee entitlements	15	(930)	-	-
Abnormal items:				
Profit on sale of investments before tax effect of \$580,000	(1,610)	-	-	-
Write off of goodwill (\$Nil tax effect)	2,310	-	-	-
Total abnormal charge	700	-	-	-
(a) Loss on disposal of non-current assets	447	432	-	-

4. Income Tax Expense

Operating profit	57,932	47,757	28,653	37,204
Prima facie tax thereon at 36%	20,856	17,193	10,315	13,393
Tax effect on permanent differences:				
Amortisation of goodwill	911	83	-	-
Building depreciation	137	62	-	59
Legal Fees	36	9	36	9
Dividends	-	-	-	(3,648)
Sundry items	7	4	260	181
	1,091	158	296	(3,399)
Income tax attributable to operating profit.	21,947	17,351	10,611	9,994

CONSOLIDATED

1997 1996

5. Earnings per share

Basic earnings per share (cents per share)	37.57	32.36
Diluted earnings per share (cents per share)	37.26	32.18
(a) Weighted average number of ordinary shares used in calculation of basic earnings per share	97,767,754	93,970,842
(b) Potential ordinary shares not considered dilutive. All potential ordinary shares being options to acquire ordinary shares, are considered dilutive.		
(c) Conversion, call, subscription or issue after 30 June 1997. There have been no conversions to, calls of or subscriptions for ordinary shares or issues of potential ordinary shares since 30 June 1997 and before completion of these financial statements.		

CONSOLIDATED

PARENT ENTITY

1997 1996 1997 1996
\$000 \$000 \$000 \$000

6. Receivables (Current)

Trade debtors	181,138	175,418	-	-
Customer loans	28,272	18,129	-	-
Provision for doubtful debts	(697)	(733)	-	-
	27,575	17,396	-	-
Amounts receivable in respect of finance leases, net	1,601	1,436	-	-
Non-trade debts receivable from:				
Wholly owned controlled entities	-	-	127,097	150,318
Other Persons and corporations	6,802	13,209	-	-
	6,802	13,209	127,097	150,318
Total receivables (current)	217,116	207,459	127,097	150,318

CONSOLIDATED		PARENT ENTITY	
1997	1996	1997	1996
\$000	\$000	\$000	\$000

7. Inventories

Finished goods:

At cost	13,043	12,069	-	-
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8. Other Current Assets

Prepayments	4,291	1,695	-	-
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9. Receivables (Non-Current)

Customer loans	5,562	1,462	-	-
Provision for doubtful debts	(258)	(73)	-	-

	5,304	1,389	-	-
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Amounts receivable in respect of finance leases, net	3,781	4,101	-	-
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Total receivables (non-current)	9,085	5,490	-	-
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10. Investments (Non-Current)

Securities quoted on prescribed Stock Exchange - at cost	2,045	-	-	-
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Securities not quoted on prescribed Stock Exchange - at cost (in wholly owned controlled entities - Note 33)	-	-	30,504	500
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Units in unit trusts not quoted on prescribed Stock Exchange - at cost (Note 33)	17,547	14,500	8,761	8,761
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Investment in first mortgage - at cost	-	4,454	-	-
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Total investments (non-current)	19,592	18,954	39,265	9,261
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Units in Unit Trusts

Certain customer receivables and proprietor loans are sold, in accordance with an agreement, to a special purpose trust, "The Financial Assets Specialised Trust No. 1" (FAST). The economic entity may, but is not obliged to, sell receivables to FAST and FAST may, but is not obliged to, purchase some or all of customer receivables and/or proprietor loans. The receivables and proprietor loans that have been sold to FAST, and which at balance date remain outstanding, total \$85.667 million. The economic entity also holds monies on behalf of FAST relating to these receivables and proprietor loans of \$8.373 million at balance date.

In these financial statements, the economic entity's interest in FAST is 20% of all issued equity units in FAST. These units are of variable amounts and are included in the consolidated financial statements in investments - \$17.4 million. Customer receivables and proprietor loans that have not been sold pursuant to this arrangement are included in customer loans.

The economic entity, prior to selling the receivables, establishes a provision for doubtful debts, adequate to cover any bad or doubtful debts that may be sold back to the economic entity.

	CONSOLIDATED		PARENT ENTITY	
	1997	1996	1997	1996
	\$000	\$000	\$000	\$000

11. Property, Plant and Equipment

Freehold land at directors' valuation				
1997	105,751	-	-	-
1996	-	60,890	-	-
	105,751	60,890	-	-
Leasehold property at directors' valuation				
1997	6,830	-	-	-
1996	-	6,830	-	-
	6,830	6,830	-	-
Buildings at directors' valuation				
1997	89,447	-	-	-
1996	-	64,510	-	-
	89,477	64,510	-	-
Total freehold land, leasehold property and buildings	202,028	132,230	-	-
Provision for depreciation of buildings	(7,533)	(5,799)		
Total freehold land, leasehold property and buildings, net	194,495	126,431	-	-
Plant and equipment - at cost	79,778	63,371	-	-
Provision for depreciation of plant and equipment	(33,442)	(24,033)	-	-
Total plant and equipment, net	46,336	39,338	-	-
Plant and equipment - leased	41	16	-	-
Provision for amortisation of plant and equipment - leased	(1)	(1)	-	-
Total plant and equipment, net - leased	40	15		
Total property, plant and equipment	281,847	195,617	-	-
Provision for depreciation	(40,976)	(29,832)	-	-
Total property, plant and equipment, net	240,871	165,785	-	-

11. Property, Plant and Equipment (continued)

Valuations of land and buildings were made by directors of the parent entity as at 30 June 1997 on the basis of market value. The valuations used for 1996 comparatives were made by directors of the parent entity as at 30 June 1996 on the basis of market value. All properties are valued at market valuations which have been calculated using the capitalisation method of valuation. The capitalisation method involves capitalising the net income capable of being produced by the property on an existing use basis at an appropriate capitalisation rate.

The capitalisation rate is selected to reflect such factors as the quality of accommodation, age of improvements and strength of the tenure.

The valuations were performed by Gerald Harvey and Raymond John Skippen and submitted to the Board of Directors for approval. The basis of valuation was an assumed sale and leaseback by the economic entity, at market rent, for a lease term of ten (10) years.

	CONSOLIDATED		PARENT ENTITY	
	1997	1996	1997	1996
	\$000	\$000	\$000	\$000
Goodwill - at cost	4,621	4,621	-	-
Accumulated amortisation	(4,621)	(2,080)	-	-
Total intangibles	-	2,541	-	-

13. Other Assets (Non-Current)

Future income tax benefit attributable to timing differences:

Provision for employee entitlements	417	409	373	409
Provision for doubtful debts	344	274	-	-
Unearned interest on customer loans	2,534	1,624	4	9
Prepayment	175	215	97	80
Other	(30)	75	14	53
Deferred income on lease receivables	(242)	(468)	(226)	(263)
Total other assets (non-current)	3,198	2,129	262	288

14. Accounts Payable (Current)

Unsecured trade creditors:	127,733	125,261	88	74
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15. Borrowings (Current)

Unsecured:				
Lease liabilities	33	33	-	-
Non trade amounts owing to:				
Directors	2,169	2,181	-	-
Other persons	83	203	-	-
Associated entities	8,373	7,213	-	-
Total borrowings (current)	10,658	9,630	-	-

CONSOLIDATED PARENT ENTITY

1997 1996 1997 1996
\$000 \$000 \$000 \$000

16. Provisions (Current)

Dividends	6,704	5,267	6,704	5,267
Taxation	14,689	13,987	6,604	7,369
Employee entitlements	876	858	-	-
Total provisions (current)	22,269	20,112	13,308	12,636

17. Borrowings (Non-Current)

Bills payable	95,950	52,000	-	-
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1. Bills payable are secured by a first mortgage over freehold land and buildings and by deeds of charge and mortgage debentures over inventories, trade debtors, customer loans and lease receivables.
2. Bills payable have been classified as non-current liabilities on the basis that no principal repayments are intended to be made prior to 30 June 1998. The bank reserves the right to withdraw the facilities if in the opinion of the bank there have been material adverse changes in the financial condition or operation of the business. In addition certain financial ratios are to be maintained to the satisfaction of the bank, which, in the opinion of directors, are being fully complied with.
3. These facilities are subject to annual review.

18. Provisions (Non-Current)

Employee entitlements	283	280	-	-
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19. Share Capital

Authorised 250,000,000 ordinary shares of \$0.20 each	50,000	50,000	50,000	50,000
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Issued 95,767,754 ordinary shares of \$0.20 each	19,153	19,153	19,153	19,153
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**Number of
Ordinary Shares**

	1997	1996
Opening number of shares	95,767,754	89,781,699
Issued during the prior year as a result of a one for fifteen renounceable rights issue on 20 November 1995	-	5,986,055
	95,767,754	95,767,754

19. Share Capital (continued)

Unissued shares in respect of which options are outstanding:

Options are outstanding in respect of 2,000,000 unissued ordinary shares. These options are exercisable between 1 July 1997 and 30 June 1999 at \$5.05 per share, being \$0.20 at par and a premium of \$4.85 per share. These options were granted to trusts for each of G. Harvey (1,000,000 options), K. L. Page (300,000 options), M. J. Harvey (300,000 options), R. J. Skippen (300,000 options) and A. B. Brew (100,000 options) at the Annual General Meeting held on 22 November 1994.

On 20 November 1995, a renounceable rights issue of one for fifteen was made at \$5.10 per share. The purpose of this rights issue was to raise funds for ongoing operations and further expansion.

	CONSOLIDATED		PARENT ENTITY	
	1997	1996	1997	1996
	\$000	\$000	\$000	\$000
Share premium	81,976	81,976	81,976	81,976
Asset revaluation	39,300	23,131	-	-
Foreign Currency translation	800	-	-	-
	122,076	105,107	81,976	81,976

Movement in reserves:

Asset revaluation				
Balance at beginning of year	23,131	17,320	-	-
Revaluation of land and buildings during the year	16,169	5,811	-	-
Balance at end of year	39,300	23,131	-	-
Share premium				
Balance at beginning of year	81,976	52,644	81,976	52,644
Issue of shares as described in note 19	-	29,332	-	29,332
Balance at end of year	81,976	81,976	81,976	81,976
Foreign currency translation:				
Opening balance	-	-	-	-
Exchange fluctuations arising on overseas net assets	800	-	-	-
Balance at end of year	800	-	-	-

CONSOLIDATED		PARENT ENTITY	
1997	1996	1997	1996
\$000	\$000	\$000	\$000

21. Retained Profits and Dividends

Retained Profits:

Retained profits and reserves that could be distributed as dividends and franked out of existing franking credits or out of franking credits arising from income tax payable

116,256	92,241	52,099	46,028
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Dividend franking:

All dividends paid or provided for as report in the profit and loss account were or will be fully franked at the current tax rate of 36%

22. Lease Commitments

Non-cancellable operating leases with a term of more than one year commitments not provided for.

Payable:

Not later than one year	13,588	18,506	-	-
Later than one year but not later than two years	12,646	16,365	-	-
Later than two years but not later than five years	29,905	40,110	-	-
Later than five years	26,693	46,504	-	-
	82,832	121,485	-	-

23. Commitments for Expenditure

(a) Capital expenditure contracted as at 30 June, 1997 but not provided for:

Not later than one year	50,862	63,076	-	-
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(b) Capital expenditure commitments on behalf of joint ventures as at year end are payable as follows

Not later than one year	3,280	3,000	-	-
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CONSOLIDATED		PARENT ENTITY	
1997	1996	1997	1996
\$000	\$000	\$000	\$000

24. Contingent Liabilities

Bank performance guarantees given to various councils and other third parties on behalf of economic entity.	2,098	3,268	-	-
Irrevocable letters of credit	544	1,149	-	-
The parent entity has guaranteed the performance of a number of controlled entities which have been entered into leases with other parties.	-	-	61,997	108,742
	2,642	4,417	61,997	108,742

25. Retirement Benefits

The following prescribed benefits were given to a prescribed superannuation fund in connection with the retirement of persons from prescribed offices in relation to a corporation in the economic entity during the financial year. Particulars have been summarised as the directors believe that provision of full particulars would be unreasonable given the detail required.

	24	38	-	-
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Remuneration of directors and executives and retirement benefits of prescribed officers has been determined in accordance with relief granted by ASC class order 1171.

26. Superannuation Commitments

Yoogalu Superannuation Funds:

A company within the economic entity contributes funds for certain employees. The funds are all accumulation plans. The company is obliged to contribute to the funds but such obligation is not legally enforceable. No actuarial assessments have been obtained. There being no defined benefits payable, there is no liability of the company in the event of termination of the funds or voluntary or compulsory termination of the employment of each employee.

Harvey Norman Superannuation Fund:

The economic entity contributes to an employee superannuation fund and such contributions are charged against profit. The fund is an accumulation plan. The amount of benefits vested in a member is calculated on the basis of contributions made to the fund and on the net earnings of the fund.

CONSOLIDATED		PARENT ENTITY	
1997	1996	1997	1996
\$000	\$000	\$000	\$000

27. Remuneration of Auditors

Total of remuneration received
or due and receivable by the
auditors in connection with:

Auditing the accounts	170	144	-	-
Other services	85	22	-	-
	255	166	-	-

CONSOLIDATED		PARENT ENTITY	
1997	1996	1997	1996
\$000	\$000	\$000	\$000

28. Directors' and Executives' Income

Aggregate income received, or due and receivable, by directors	1,027	931	1,027	931
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Number of directors of the parent
company whose total income falls
within the following bands:

\$10,000 - \$19,999	-	2	-	2
\$20,000 - \$29,999	2	-	2	-
\$30,000 - \$39,999	-	1	-	1
\$40,000 - \$49,999	1	-	1	-
\$50,000 - \$59,999	-	1	-	1
\$60,000 - \$69,999	1	-	1	-
\$70,000 - \$79,999	-	1	-	1
\$80,000 - \$89,999	1	-	1	-
\$90,000 - \$99,999	1	1	1	1
\$100,000 - \$109,999	1	1	1	1

The total of all remuneration received or due and receivable, directly or indirectly from the respective corporation of which they are director or any related corporate, by all the directors of each corporation in the economic entity was \$1,026,977 (1996 \$931,437).

28. Directors' and Executives' Income (continued)

	CONSOLIDATED		PARENT ENTITY	
	1997	1996	1997	1996
<p>The number of executive officers domiciled in Australia who received, or were due to receive, directly or indirectly from the company, or from any related body corporate, a total remuneration (excluding retirement benefits) in connection with the management of affairs of the company, or any related body corporate, whether as executive officers or otherwise were:</p>				
\$100,000 - \$109,999	1	1	-	-

The aggregate remuneration of the executive officer referred to above was \$101,850 (1995 \$106,334)

The following persons held the position of director of the parent entity during both financial years, unless otherwise stated:

G. Harvey
M. J. Harvey
K. L. Page
R. J. Skippen
A. B. Brew
C. H. Brown
I. J. Norman

CONSOLIDATED		PARENT ENTITY	
1997	1996	1997	1996
\$000	\$000	\$000	\$000

29. Related Party Transactions

During the year the following transactions took place with related parties.

1. Various subsidiaries borrowed money from entities associated with I. J. Norman, R. J. Skippen M. J. Harvey and G. Harvey. Interest is payable at normal commercial rates. These loans are unsecured and repayable at call.

Net amounts received from/(repaid to) entities associated with the abovementioned directors.

171	(3,526)	-	-
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Interest paid/payable

140	424	-	-
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2. Legal fees were paid to the firm of which Mr C. H. Brown is a partner for professional services rendered to the group in the normal course of business.

348	473	-	-
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3. On 25 November 1992 Edbrook Pty Limited a wholly owned subsidiary, entered into a lease of a retail showroom and office premises at Bundall, Queensland from Ruzden Pty Limited, a company in which certain directors have an interest. This transaction was approved by shareholders at an Extraordinary Meeting held 25 May 1993.

The lease is subject to normal commercial terms and conditions. Rent paid.

1,314	1,314	-	-
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4. Certain franchises are operated by entities owned or controlled by relatives of directors under normal franchisees terms and conditions. Total gross income received by entities owned or controlled by relatives of directors.

1,550	1,123	-	-
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5. The economic entity entered into an agreement, as lessor, with Noble House Retail Pty Limited, in which the economic entity has a minority interest holding, on 1 June 1994. The value of the lease has been included in current receivables

116	152	-	-
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29. Related Party Transactions (continued)

	CONSOLIDATED		PARENT ENTITY	
	1997	1996	1997	1996
	\$000	\$000	\$000	\$000
6. Director's shareholdings				
Shares and share options acquired during the year:				
Ordinary shares	-	3,141	-	3,141
Ordinary share options	-	-	-	-
Shares and share options disposed of during the year:				
Ordinary shares	37	2,879	37	2,879
Shares and share options held at the end of the year:				
Ordinary shares	49,714	49,751	49,714	49,751
Ordinary share options	2,000	2,000	2,000	2,000

30. Notes to the Statement of Cash Flows

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and deposits at call, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash	7,182	7,662	-	-
Bank overdraft	-	-	-	-
	7,182	7,662	-	-

(b) Reconciliation of net cash provided by operating activities to operating profit after income tax:

Operating profit after income tax	35,985	30,406	18,042	27,210
Adjustments for non-cash income and expense items:				
Bad and doubtful debts	660	311	-	-
Depreciation of property, plant and equipment	13,685	9,990	-	-

30. Notes to the Statement of Cash Flows (continued)

	CONSOLIDATED		PARENT ENTITY	
	1997	1996	1997	1996
	\$000	\$000	\$000	\$000
Amortisation of goodwill	2,542	231	-	-
Transfers of provisions:				
Employee entitlements	21	(816)	-	-
(Profit)/loss on disposal of:				
Property, plant and equipment	447	432	-	-
Investments	(1,610)	-	-	-
Increase in provision for:				
Income tax payable	702	(1,696)	(765)	(2,245)
Adjustment for non-operating cashflows:				
Conversion of non-trade amounts receivable from wholly owned controlled entities as consideration for purchase of investments ^(a)	-	-	(30,000)	-
Changes in assets and liabilities net of effects from purchase and sale of controlled entities:				
(Increase)/decrease in assets:				
Accounts receivable	(16,785)	2,207	23,221	-
Inventory	(974)	(2,212)	-	-
Other current assets	(2,596)	4,113	-	-
Other non-current assets	(1,069)	(466)	26	658
Increase/(decrease) in liabilities:				
Accounts payable	(2,472)	29,499	14	6
Increase in non trade amounts owing to FAST No. 1 Trust	1,160	7,213	-	-
Net cash from operating activities	29,696	79,212	10,538	25,629

^(a)During the financial year the parent entity acquired share capital in a controlled entity, Harvey Norman Financial Services Pty Limited, to the value of \$30 million by means of a conversion of a loan receivable from Harvey Norman Financial Services Pty Limited. This transaction has not been reflected in the Statement of Cash Flows.

31. Financing Arrangements

Corporations in the economic entity had access to the following financing facilities with a financial institution:

1997 CONSOLIDATED			
	Accessible \$000	Drawndown \$000	Unused \$000
Bank Bill standby arrangements (a)	201,950	95,950	106,000
Bank Overdraft (a)	900	-	900
Total financing facilities	202,850	95,950	106,900

1996 CONSOLIDATED			
	Accessible \$000	Drawndown \$000	Unused \$000
Bank Bill standby arrangements (a)	96,000	52,000	44,000
Bank Overdraft (a)	650	-	650
Total financing facilities	96,650	52,000	44,650

(a) No specific expiry date

All of the economic entity's facilities are subject to annual review and subject to cancellation at either party's election at each review date upon expiry of each arrangement.

32. Foreign Currency Exposure

The Australian dollar equivalents of foreign currency monetary items included in the balance sheet headings to the extent that they were not effectively hedged, are as follows:

	CONSOLIDATED		PARENT ENTITY	
	1997 \$000	1996 \$000	1997 \$000	1996 \$000
Current Assets				
Net amounts receivable in foreign currency which are not effectively hedged:				
- New Zealand Dollars	1,499	6,760	-	-

33. Controlled Entities and Unit Trusts

Shares held by Harvey Norman Holdings Limited

The following companies are 100% owned by Harvey Norman Holdings Limited and incorporated in Australia unless marked otherwise:

Name	Name
Aldrum Pty Limited ⁶	Harvey Norman Limited ¹
Aloku Pty Limited	Harvey Norman Net Works Pty Limited
Anwarah Pty Limited	Harvey Norman (N.S.W.) Pty Limited ^{1,6}
Arlenu Pty Limited	Harvey Norman Properties (N.Z.) Pty Limited ¹
Arpayo Pty Limited	Harvey Norman (QLD) Pty Limited
Artza Pty Limited ⁶	(formerly Onza Pty Limited) ⁵
Bagron Pty Limited ⁶	Harvey Norman Retailing Pty Limited
Balwondy Pty Limited	Harvey Norman Shopfitting Pty Limited ¹
Bathurst Services (NSW) Pty Limited ^{1,6}	Harvey Norman Stores Pty Limited
Bestest Pty Limited	Harvey Norman Stores (N.Z.) Pty Limited ¹
Bogardo Pty Limited ⁷	Harvey Norman Stores (W.A.) Pty Limited ^{1,6}
Bossee Pty Limited ^{1,2}	Harvey Norman Victoria Pty Limited
Bradiz Pty Limited	Havoscu Pty Limited ⁶
Braxpine Pty Limited	Havrex Pty Limited ⁵
Calardu Pty Limited	Hodberg Pty Limited ⁴
Calardu Cannington Pty Limited	Hodvale Pty Limited ⁴
Calardu Edwardstown Pty Limited	Hoxco Pty Limited ⁵
Calardu Maribyrnong Pty Limited	Jamacar Pty Limited ⁶
Calardu Penrith Pty Limited	Jartoso Pty Limited
Calardu Port Macquarie Pty Limited	Jondarlo Pty Limited
Calardu Preston Pty Limited	Kambaldu Pty Limited
Calardu Queensland Pty Limited	Keyko Pty Limited ⁶
Calardu South Australia Pty Limited	Keybare Pty Limited ⁷
Calardu Vicfurn Pty Limited ¹	Kita Pty Limited ¹
Calardu Victoria Pty Limited	Koodero Pty Limited
Calardu Warrnambool Pty Limited ^{1,6}	Korinti Pty Limited
Carlando Pty Limited	Kroomba Pty Limited ⁷
Charmela Pty Limited	Lamino Pty Limited
Clambruno Pty Limited	Lesandu Pty Limited
Daldere Pty Limited	Lesandu S.A. Pty Limited ^{1,6}
Dandolena Pty Limited	Lesandu W.A. Pty Limited
Derni Pty Limited	Lexeri Pty Limited
Divonda Pty Limited	Lodare Pty Limited
Durslee Pty Limited	Loreste Pty Limited
Edbrook Pty Limited ⁵	Makdon Pty Limited ⁶
Farane Pty Limited	Makfindi Pty Limited ⁶
Flormonda Pty Limited	Malvis Pty Limited
Ganoru Pty Limited	Manutu Pty Limited
Geevarne Pty Limited ⁷	Maradoni Pty Limited
Gestco Pty Limited	Marinski Pty Limited
Glaydon Pty Limited ⁷	Millintar Pty Limited ⁶
Gordinia Pty Limited ⁷	Misstar Pty Limited ^{1,2}
Hangova Pty Limited ⁶	Nedcroft Pty Limited
Hardly Normal Discounts Pty Limited	Nomadale Pty Limited ⁵
Hardly Normal Pty Limited	Norman Ross Pty Limited
Harvey Norman (ACT) Pty Limited	Oldmist Pty Limited
(Formerly Torcarsa Pty Ltd)	Osraidi Pty Limited
Harvey Norman Commercial Your Solution Provider Pty Limited ^{1,6}	Plezero Pty Limited
Harvey Norman Export Pty Limited ^{1,6}	Pulpy Pty Limited ⁶
Harvey Norman Financial Services Pty Limited	Quandallo Pty Limited ⁶
Harvey Norman Gamezone Pty Limited ^{1,6}	Quinlea Pty Limited ⁷
Harvey Norman Leasing (N.Z) Limited ¹	Ranano Pty Limited ⁷

33. Controlled Entities and Unit Trusts (continued)

Shares held by Harvey Norman Holdings Limited (continued)

Name

Resum Pty Limited⁷
 Roowin Pty Limited⁷
 Rosieway Pty Limited
 Rudari Pty Limited⁷
 Sarsha Pty Limited
 Solaro Pty Limited
 Space Furniture Pty Limited^{1,2}
 Strathloro Pty Limited
 Stupendous Pty Limited
 Sungo Pty Limited⁶
 Swaneto Pty Limited
 Swanpark Pty Limited⁵
 Swedon Pty Limited⁶
 Tampar Pty Limited⁷
 Tarshellu Pty Limited⁷
 Tatroko Pty Limited
 Trivea Pty Limited⁶
 Ventama Pty Limited³
 Venusway Pty Limited⁶
 Wadins Pty Limited
 Wanalti Pty Limited
 Warungi Pty Limited
 Waytango Pty Limited
 Webzone Pty Limited^{1,6}
 Wemeni Pty Limited
 Wytharra Pty Limited
 Yoogalu Pty Limited
 Yoogalu Warehouse Pty Limited
 Zabella Pty Limited
 Zavarte Pty Limited
 Zirdano Pty Limited
 Zirdanu Pty Limited
 Zoderme Pty Limited⁷

1. Company is not part of the class order described in Note 34
2. Harvey Norman Holdings Limited owns 50% of shares in Misstar Pty Limited and Bossee Pty Limited, and 51% of the shares in Space Furniture Pty Limited
3. Shares held by Sarsha Pty Limited
4. Shares held by Harvey Norman Retailing Pty Limited
5. Shares held by Harvey Norman Stores Pty Limited
6. These companies/trusts were acquired during the year
7. These companies were disposed of during the year

Units in Unit Trusts held by Harvey Norman Holdings Limited

Name

Aldrum No. 2 Trust⁶
 Anwarah No. 2 Trust
 Artza No. 2 Trust
 Avocoe No. 2 Trust
 Bagron No. 2 Trust⁶
 Bena No. 2 Trust
 Big Apple Trust
 Bogardo No.2 Trust
 Bradiz No. 2 Trust
 Calardu ACT Trust
 Calardu Aspley Trust
 Calardu Bennetts Green Trust⁶
 Calardu Brookvale Trust
 Calardu Bundaberg Trust
 Calardu Cannington Trust
 Calardu Maribyrnong Trust
 Calardu Maribyrnong 1995 Trust
 Calardu North Ryde Trust⁶
 Calardu No. 1 Trust
 Calardu No. 2 Trust
 Calardu No. 3 Trust
 Calardu Oxley Trust
 Calardu Penrith Trust
 Calardu Port Macquarie Trust
 Calardu Preston Trust
 Calardu Rockhampton Trust
 Calardu Rosebery Trust
 Calardu Toowoomba Trust⁶
 Calardu Vicfurn Trust
 Calardu Warrawong Trust
 Calardu Warrnambool Trust⁶
 Charmela No. 2 Trust
 Fillinde No. 2 Trust
 Furnchat No. 2 Trust⁶
 Geevarne No. 2 Trust
 Glaydon No. 2 Trust
 Gordinia No. 2 Trust
 Hangova No. 2 Trust⁶
 Happee No. 2 Trust
 Harvey Norman Discounts No. 1 Trust
 Harvey Norman Lighting Asset Trust
 Harvey Norman Lighting No. 1 Trust
 Harvey Norman No. 1 Trust
 Havoscu No. 2 Trust⁶
 Hoxgold No. 2 Trust

33. Controlled Entities and Unit Trusts (continued)

Units in Unit Trusts held by Harvey Norman Holdings Limited (continued)

Name	Name
Jamacar No. 2 Trust ⁶	Resum No. 2 Trust
Kaboola No. 2 Trust	Roowin No. 2 Trust
Kanfare No. 2 Trust	Rozborn No. 2 Trust
Kazron No. 2 Trust ⁶	Rudari No. 2 Trust
Keybare No. 2 Trust	Sardonnu No. 2 Trust
Keyko No. 2 Trust ⁶	Saywarre No. 2 Trust
Kilcarva No. 2 Trust	Sungu No. 2 Trust ⁶
Krimshaw No. 2 Trust	Swedon No. 2 Trust ⁶
Kroomba No. 2 Trust	Sydney No. 1 Trust
Lamino Investments No. 1 Trust	Tampar No. 2 Trust
Lamino Investments No. 2 Trust	Tarshellu No. 2 Trust
Lamino Investments No. 3 Trust	Torcarsa No. 2 Trust
Lamino Investments No. 4 Trust	Tortah No. 2 Trust
Lamino Investments No. 5 Trust	The Calardu Trust
Lamino Investments No. 6 Trust	Trialli No. 2 Trust
Lesandu Albury Trust	Trivea No. 2 Trust ⁶
Lesandu Campbelltown Trust	Truen No. 2 Trust
Lesandu Fairfield Trust	Uconu No. 1 Trust
Lesandu Gordon Trust	Valerinar No. 2 Trust
Lesandu Gosford Trust	Venusway No. 2 Trust ⁶
Lesandu Miranda Trust	Vidara No. 2 Trust
Lesandu Newcastle Trust	Wartonu No. 2 Trust
Lesandu No. 1 Trust	Yoogalu Albury Trust
Lesandu Penrith Trust	Yoogalu Campbelltown Trust
Lesandu Rockdale Trust	Yoogalu Fairfield Trust
Lesandu Warrawong Trust	Yoogalu Gordon Trust
Lesandu Warringah Mall Trust	Yoogalu Gosford Trust*
Lodare No. 2 Trust	Yoogalu Lismore Trust*
Makdon No. 2 Trust ⁶	Yoogalu Miranda Trust
Makfindi No. 2 Trust ⁶	Yoogalu Newcastle Trust
Malvis No. 2 Trust	Yoogalu Warrawong Trust
Marouli No. 2 Trust	Yoogalu Warringah Mall Trust
Millintar No. 2 Trust ⁶	Zoderme No. 2 Trust
Moracroft No. 2 Trust ⁶	
Mozzpex No. 2 Trust	
Nargista No. 2 Trust	
Natley No. 2 Trust ⁶	
Osraidi No. 2 Trust	
Piatan No. 2 Trust	
Posharnu No. 2 Trust	
Pulpy No. 2 Trust ⁶	
Quandallo No. 2 Trust ⁶	
Quinlea No. 2 Trust	
Rajola No. 2 Trust ⁶	
Ranano No. 2 Trust	

*All the units in the Unit Trusts are held by Harvey Norman Holdings Limited except units that exist in Yoogalu Gosford Trust and Yoogalu Lismore Trust. Minority unit holders hold units entitling them to a share of profits but they have no rights to receive more than the par value of those units on winding up.

34. Deed of Cross Guarantee

A majority of controlled entities (refer Note 33) have entered into a deed of cross guarantee dated 21 September 1992 with Harvey Norman Holdings Limited which provides that all parties to the deed will guarantee to each creditor payment in full of any debt of each company participating in the deed on winding-up of that company. In addition, as a result of the Class Order issued by the Australian Securities Commission these companies are relieved from the requirement to prepare financial statements.

Controlled Entities (Refer Note 33) marked ¹ are not part of the Class Order.

The aggregate assets, liabilities and net profit after tax of the companies which are parties to the deed of cross guarantee are as follows:

	1997 \$000	1996 \$000
Assets	347,754	263,917
Liabilities	243,497	194,573
Net profit after tax	17,943	3,196

35. Subsequent Events

On 1 July, 1997 the economic entity commenced trading in New Zealand.

DIRECTORS' STATEMENT

In the opinion of the directors:

- (a) the profit and loss account is drawn up so as to give a true and fair view of the profit of the company for the year ended 30 June 1997;
- (b) the balance sheet is drawn up so as to give a true and fair view of the state of affairs of the company at 30 June 1997;
- (c) the statement of cash flows is drawn up so as to give a true and fair view of the cash flows of the company for the year ended 30 June 1997; and
- (d) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due, and the companies and parent entity who are a party to the deed described in Note 34, will as an economic entity be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee dated 21 September 1992.

It is also the opinion of the directors that the consolidated financial statements have been made out in accordance with Divisions 4A and 4B of Part 3.6 of the Corporations Law, and so as to give a true and fair view of the matters with which they deal.

This statement has been made in accordance with a resolution of directors.



M.J. HARVEY
Managing Director



R. J. SKIPPEN
Director



A.B. BREW
Director

26 September 1997

INDEPENDENT AUDIT REPORT

To The Members of Harvey Norman Holdings Limited

Scope

We have audited the financial statements of HARVEY NORMAN HOLDINGS LIMITED and of the economic entity for the year ended 30 June 1997, as set out on pages 10 to 38. The company's directors are responsible for the preparation and presentation of the financial statements and of the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members.

Our audit has been conducted in accordance with Australian auditing standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian accounting standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) and statutory requirements so as to present a view of the company and of the economic entity which is consistent with our understanding of their financial position, the results of their operations and their cashflows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial statements of Harvey Norman Holdings Limited and of the economic entity are properly drawn up:

- (a) so as to give a true and fair view of:
 - (i) the state of affairs of the company and of the economic entity as at 30 June 1996 and of the profit and cashflows of the company and of the economic entity for the year ended on that date; and
 - (ii) the other matters required by Divisions 4, 4A and 4B of Part 3.6 of the Corporations Law to be dealt with in the financial statements;
- (b) in accordance with the provisions of the Corporations Law; and
- (c) in accordance with applicable accounting standards and other mandatory professional reporting requirements.

Arthur Andersen
Chartered Accountants

G. C. PATON
Partner

Sydney
26 September 1997

SHAREHOLDER INFORMATION

Distribution of Shareholdings as at 20 September 1997

Size of Holding	Ordinary Shareholders
1 - 1,000	357
1,001 - 5,000	648
5,001 - 10,000	299
10,001 - 100,000	152
100,001 and over	50
	<hr/> 1,506 <hr/>
Number Shareholders with less than a marketable parcel	23

Voting Rights

All ordinary shares issued by Harvey Norman Holdings Limited carry one vote per share restriction.

Twenty Largest Shareholders as at 20 September 1997

Number of Ordinary Shares	Shareholder
16,491,667	G. Harvey Nominees Pty. Limited
15,500,125	Dimbulu Pty Limited
14,341,667	Mr. Gerald Harvey
5,548,526	Permanent Trustee Company Limited
5,276,667	Mrs. Margaret Lynette Harvey
3,360,150	Pendal Nominees Pty Limited
2,456,459	Permanent Trustee Australia Limited
2,298,465	Westpac Custodian Nominees
2,072,280	National Nominees Limited
2,032,468	Permanent Trustee Australia Limited
1,742,134	Enbear Pty Limited
1,556,293	Permanent Trustee Australia Limited
1,480,139	Ms Kay Lesley Page
1,423,495	Commonwealth Custodial Services Limited
1,033,342	Dimbulu Pty Limited
732,862	Permanent Trustee Australia Limited
698,093	Chase Manhattan Nominees Limited
666,715	Norwich Union Life Australia Limited
643,962	Commonwealth Life Limited
581,170	Perpetual Trustee Company Limited
<hr/> 79,936,679 <hr/>	

Total held by twenty largest shareholders as a percentage 83.469%.

DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES

SYDNEY SUBURBAN

AUBURN

233-239 Parramatta Road
Auburn 2144
Phone (02) 9202 4888

250 Parramatta Road
Auburn 2144
Phone (02) 9202 4888

BALGOWLAH

176-180 Condamine Street
Balgowlah 2093
Phone (02) 9948 4511

BLACKTOWN

Unit C5
Cnr Blacktown
& Bungaribee Roads
Blacktown 2148
Phone (02) 9831 2155

CAMPBELLTOWN

4 Blaxland Road
Campbelltown 2560
Phone (02) 4628 4088

CARINGBAH

Level 1
Caringbah SupaCenta
220 Taren Point Road
Caringbah 2229
Phone: (02) 9542 7088

CHATSWOOD

Wallaceway Shopping Centre
Cnr Endeavour Street
& Orchard Street
Chatswood 2067
Phone (02) 9419 6133

FAIRFIELD

Shop 4, The Gateway
46-52 Court Road
Fairfield 2165
Phone (02) 9727 8777

GORDON

1st Floor
802-808 Pacific Highway
Gordon 2072
Phone (02) 9498 1499

MOORE PARK

Level 2, North SupaCenta
Cnr South Dowling Street
& Dacey Avenue
Moore Park 2021
Phone (02) 9313 6500

PENRITH

Shop 2
61-79 Henry Street
Penrith 2750
Phone (02) 4732 1566

WILEY PARK

1018 Canterbury Road
Wiley Park 2195
Phone (02) 9740 6055

NEW SOUTH WALES COUNTRY

ALBURY

430 Wilson Street
Albury 2640
Phone (02) 6041 1944

ARMIDALE

Shop 8
Girraween Shopping Centre
Armidale 2350
(02) 6771 3788

BATHURST

Sydney Road
Kelso 2795
Phone (02) 6332 3399

BENNETTS GREEN (NEWCASTLE)

7 Abdon Close
Bennetts Green 2290
Phone (02) 4948 4555

COFFS HARBOUR

Park Beach Plaza
Cnr Park Beach Road
& Arthur Street
Coffs Harbour 2450
Phone (02) 6651 9011

DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES

DENILIKUIN

Cnr. Hardinge &
Harfleur Streets
Deniliquin 2710
Phone (03) 5881 5499

DUBBO

195 Cobra Street
Dubbo 2830
Phone (02) 6884 4977

ERINA (GOSFORD)

Harvey Norman Shopping Complex
Karatla Lane
Erina 2250
Phone (02) 4367 6444

GRAFTON

76 Fitzroy Street
Grafton 2460
Phone (066) 43 3266

INVERELL

Cnr Vivian &
Evans Streets
Inverell 2360
Phone (02) 6721 0811

LISMORE

17 Zadoc Street
Lismore 2480
Phone (02) 6621 8888

MAITLAND

The Maitland Cinema Centre
Ken Tubman Drive
Maitland 2320
Phone (02) 4934 2423

MOREE

321 Frome Street
Moree 2400
Phone (02) 6752 7531

MUDGEES

Cnr Oporto &
Lisbon Roads
South Mudgee 2850
Phone (063) 72 6514

NOWRA

1 O'Keefe Avenue
Nowra 2541
Phone (044) 21 5755

ORANGE

70 Endsleigh Avenue
Orange 2800
Phone (02) 6361 4111

PARKES

Shop 1, Saleyards Road
Parkes 2870
Phone (02) 6862 2800

PORT MACQUARIE

140 Lake Road
Port Macquarie 2444
Phone (02) 6581 0088

TAMWORTH

174-176 Peel Street
Tamworth 2340
Phone (02) 6766 3999

TAREE

Shop 1
Cnr Mill Close & Whitbread Street
Taree 2430
Phone (02) 6551 3699

WAGGA

75 Morgan Street
Wagga 2650
Phone (02) 6921 7100

WARRAWONG

Cnr King Street &
Shellharbour Road
Warrawong 2502
Phone (02) 4275 2722

YOUNG

326 Boorowa Street
Young 2594
Phone (063) 82 5744

DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES

QUEENSLAND

BRISBANE SUBURBAN

ASPLEY

1411-1419 Gympie Road
Aspley 4034
Phone (07) 3834 1100

CARINDALE

Homemaker Centre
Cnr Carindale Street and
Old Cleveland Road
Carindale 4152
Phone (07) 3843 1700

MT GRAVATT

Big Top Showrooms
1290 Logan Road
Mt Gravatt 4122
Phone (07) 3849 4299

OXLEY

74 Factory Road Loop
Oxley 4075
Phone (07) 3332 1100

WINDSOR

Unit C1-3
Windsor Centre
Cnr Lutwyche & Newmarket Roads
Windsor 4030
Phone (07) 3357 7777

QUEENSLAND COUNTRY

BUNDABERG

125 Takalvan Street
Bundaberg 4670
Phone (071) 511 570

BUNDALL (GOLD COAST QLD)

29-45 Ashmore Road
Bundall 4217
Phone (07) 5538 3155

CAIRNS

101 Spence Street
Portsmith 4870
Phone (070) 51 8499

GLADSTONE

32 Tank Street
Gladstone 4680
Phone (079) 729 900

KAWANA WATERS (SUNSHINE COAST QLD)

Lot 28 Nicklin Way
Minyama Gardens
Kawana Waters 4575
Phone (074) 44 8277

MACKAY

Lot 3 Heath's Road
Glenella 4740
Phone (079) 422 688

ROCKHAMPTON

407 Yaamba Road
North Rockhampton 4701
Phone (079) 262 755

TOWNSVILLE

238-262 Woolcock Street
Townsville 4810
Phone (077) 25 5561

AUSTRALIAN CAPITAL TERRITORY

FYSHWICK

Cnr Barrier & Ipswich Streets
Fyshwick 2609
Phone (06) 280 4140

WODEN

Shop 5
Mezzanine Level
Woden Plaza
Woden 2606
Phone (06) 282 2511

VICTORIA

BALLARAT

13 Grenville Street North
Ballarat 3350
Phone (03) 5332 9344

BENDIGO

Cnr. High & Furness Streets
Kangaroo Flat 3555
Phone (03) 5447 2333

DANDENONG

Cnr Frankston-Dandenong & Greens Roads
Dandenong 3175
Phone (03) 9706 9992

DIRECTORY OF "HARVEY NORMAN" SHOPPING COMPLEXES

GEELONG

420 Princes Highway
Corio 3214
Phone (03) 5274 1077

MARIBYRNONG

169 Rosamond Road
Maribyrnong 3032
Phone (03) 9318 2700

MILDURA

Cnr Fifteenth Street
& Etiwanda Avenue
Mildura 3500
Phone (03) 5021 0166

MOORABBIN

420 South Road
Moorabbin 3189
Phone (03) 9555 1222

NUNAWADING

396-408 Whitehorse Road
Nunawading 3131
Phone (03) 9872 6366

PRESTON

Cnr Victoria and Bell Roads
Preston 3072
Phone (03) 9629 3300

SHEPPARTON

Cnr Melbourne Road
& Goulburn Valley Highway
KIALLA 3631
Phone: (03) 5823 2530

WESTERN AUSTRALIA

CANNINGTON

Cnr Greenfield Road & Albany Highway
Cannington 6107
Phone: (03) 9311 1100

OSBORNE PARK

469-475 Scarborough Beach Road
Osborne Park 6017
Phone: (08) 9441 1100

LIGHTING SHOWROOMS

AUBURN

241 Parramatta Road
Auburn 2144
Phone (02) 9202 4888

ERINA (GOSFORD)

168-170 The Entrance Road
Erina 2250
Phone (02) 4367 6444

CROWS NEST

220 Pacific Highway
Crows Nest 2065
Phone (02) 9929 3833

NEW ZEALAND

MANUKAU

Manukau Supacentra
Cnr Ronwood & Lambie Drives
Manukau City
Auckland
Phone 64 9 262 7050

WAIRAU PARK

10 Croftfield Lane
Glenfield
Auckland
Phone 64 9 441 9750