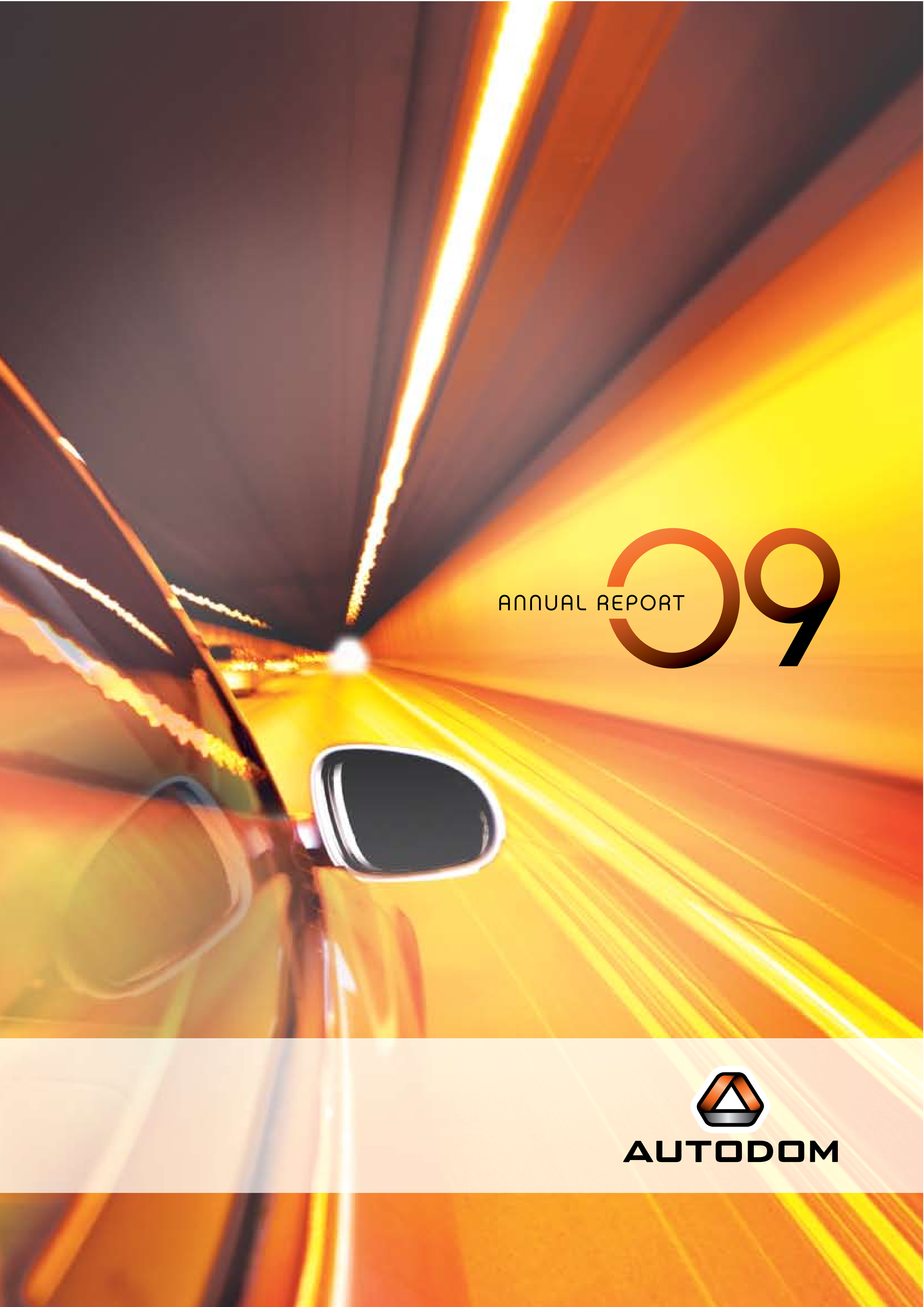


ANNUAL REPORT 09

AUTODOM

Index

09

DIRECTORS

Anthony Dale
Robert Martin
Scott Mutton
(appointed 15 September 2008)
Zelko Lendich
(resigned 15 September 2008)

SECRETARY

Peter Torre

WEB ADDRESS

www.autodom.com.au

PRINCIPAL REGISTERED OFFICE

Suite 4, Henry James Building
8 Alvan Street
SUBIACO WA 6000
T (08) 9381 8888
F (08) 9381 9888

POSTAL ADDRESS

PO Box 1808
SUBIACO WA 6904

AUDITORS

RSM Bird Cameron Partners
8 St Georges Terrace
PERTH WA 6000

BANKERS

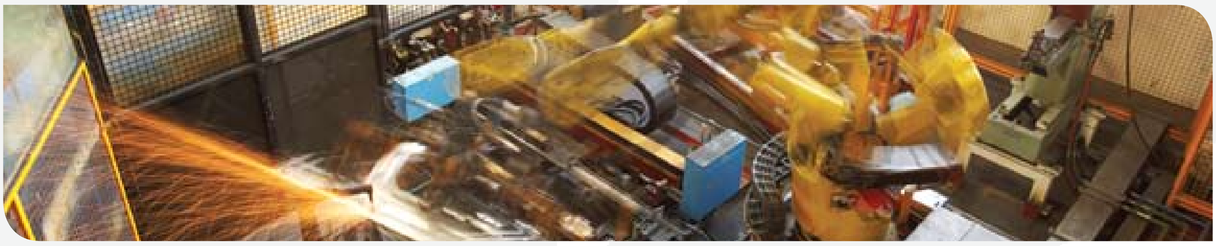
National Australia Bank Ltd
Level 1
22-28 King William Street
ADELAIDE SA 5000

STOCK EXCHANGE LISTING

Autodom Limited shares are listed on the Australian Stock Exchange. The company's listing code is AIE

A.B.N. 43 009 123 782
Autodom Limited and controlled entities

Managing Directors Report and Review of Operations



The directors of Autodom are pleased to announce a net profit after tax of $1.253m for the 2008/09 financial year.

The result was achieved on sales of $88m in a very difficult operating environment. Whilst the sales revenue compares favourably with the previous financial year ($86m) it must be remembered that the 2008 financial year included only 6 months contribution from the acquisitions of Dair SA and HPG. In the recent year these were completely integrated into the company's operations.

The media has reported extensively on the significant decline in car sales at a local and global level. Since September 2008 all the local manufacturers have cut back on production days and daily production rates to match vehicle sales. These cutbacks have seen production reduce by up to 40%. Autodom's sales have reflected these cuts and the organisation faced major challenges to adjust its cost structure and remain viable.

The restructuring of management and operations personnel and initiatives to reduce operating expenditure were the major areas of focus in the financial year. Whilst the business has traditionally operated across two and sometimes three shifts, South Australia is currently a single shift operation and Victoria is operating with a reduced second shift. The casual workforce which had grown to 230 and provided flexibility as volumes fluctuated is now around 50. As well some permanent positions were deemed surplus to requirements and total staff numbers have reduced to around 325. Project teams worked diligently on examining and ensuring all categories of non labour expenditure were kept to a minimum. The pre-tax profit of $1.7m was achieved after expensing around $1.5m in redundancy, restructuring and non-recurring costs.

As announced in February 2009 Autodom was successful in its application for funding under the Federal Government's Automotive Industry Structural Adjustment Program (AISAP). aiAutomotive was the first company to receive a grant with $3m paid during the financial year. This grant assisted in the finalisation of acquisitions and the development of a comprehensive change program based on lean manufacturing and continuous improvement principles. This has lead to a number of projects being rolled out by several teams that will deliver long term improvements to the business. The AISAP grant has been treated as income in the 2009 accounts and is included the $5.8m EBITDA result. In addition to the grant the company was also provided with a $3m interest free loan from the South Australian government.

One of the major improvement activities aimed at generating working capital was to focus on stock reduction. The company reduced inventories by $3.3m over the financial year. Further reductions are expected in the 2010 financial year and will further free up working capital.

aiAutomotive now operates two integrated manufacturing plants, one at Woodville in South Australia and one at Bayswater in Victoria, providing the organisation with a strong presence in the key automotive states. Administrative and Finance functions are centralised in SA. The company services all three local vehicle manufacturers and offers a broad range of metal pressing and assembly capability. It also owns the only large, modern E-Coat paint facility in the country. As such it is an important part of Australia's automotive industry infrastructure, albeit with underutilised capacity at present.

Managing Directors Report and Review of Operations

Automotive component manufacturing is a very difficult part of the economy. The last 12 months have seen a number of companies in the sector go into receivership or shut down. Industry commentators, however, are seeing signs of improvement in conditions and car sales later in the 2009 calendar year and into 2010.
The Autodom board is optimistic about improved market conditions in the 2010 financial year. It also remains committed to its stated strategy of playing a central role in industry consolidation within the car parts sector. The Federal Government has signalled its strong commitment to support a viable car industry in the country. Australia is one of only 12 countries with the capability to design and build its own cars. It is particularly strong in large and rear wheel drive vehicles and also low volume production. The industry is responding to changing consumer tastes and in particular the need to reduce vehicle emissions. A strong component manufacturing sector is essential for automotive industry success. For it to be viable, however, the component sector has to rationalise itself by merger, acquisition or exit. Autodom wants to play a central role in this consolidation.

The board would like to especially thank the executive team of Philippa Heath, Paul Jones and Calvin Stead and their respective teams for their efforts and contribution to a good result in difficult circumstances. The company is fortunate to have such a strong, committed and capable team driving it forward.

Tony Dale
Managing Director

Directors Report

Your directors present their report for the consolidated entity (referred to hereafter as the Group) consisting of Autodom Limited and the entities it controlled at the end of, or during, the year ended 30 June 2009.

Directors

The following persons were directors of Autodom Limited during the financial year and up to the date of this report.

Anthony Dale
Robert Martin
Scott Mutton (appointed 15 September 2008)
Zelko Lendich (resigned 15 September 2008)

Principal activities

During the year the principal continuing activity of the group was automotive component manufacturing and painting of automotive componentry.

Dividends - Autodom Limited

No dividends were paid during the financial year.

Review of operations

Information on the operations of the group and future strategies and prospects are set out in the managing directors review of operations on pages 2 to 4 of this annual report.

Significant changes in the state of affairs

There were no acquisitions or divestments by the company since the date of the last report.

In February 2009 the company reached an agreement between its bankers, the State of South Australia and the Commonwealth of Australia, whereby it was provided with a $3,000,000 grant and interest free loan of $3,000,000. These payments were made to provide financial assistance to the company following a severe reduction in global demand for automotive components during the year ended 30 June 2009.

Environmental Regulation

Areas of the group operations are required to operate under licences obtained from the Environmental Protection Agencies in their states. Compliance with the conditions of the licences is monitored by the Board and Management. Inspections of the sites by the respective agencies have not identified any areas of non compliance.

Other operations of the group are not subject to any particular and significant environmental regulation under a law of the Commonwealth of Australia or any state or territory.

The group from time to time may be subject to various state and local government environmental and town planning regulations incidental to the development of any of its operating sites. These regulatory requirements are addressed as and when they arise.

Matters subsequent to the end of the financial year

There are no material matters that have occurred in the period since the end of the financial year.

Directors Report

Information on directors

Anthony John Dale B.Psych MBA
Managing Director (Appointed January 2001)

Mr Dale (52) has over 30 years experience in consulting, planning, marketing and management roles over a broad industry base. He has held senior management positions in the banking and brewing sectors and worked as a management consultant with McKinsey & Company. In 1987 Mr Dale co-founded Vysarn Pty Ltd, previously a substantial shareholder in Autodom Limited.

Other current directorships:-	Nil
Former directorships in last 3 years:-	Nil
Interests in ordinary shares of Autodom Limited:-	
- at 30 June 2009	1,144,576
- at date of this report	1,144,576
Interests in options of Autodom Limited:-	
- Ordinary Share Options	666,666
- Class A Employee Options	500,000
- Class B Employee Options	500,000
Special responsibilities:-	Managing Director

Robert Paul Martin
Non-Executive Director (Appointed November 1993)

Mr Martin (66) has over 40 years business experience in Western Australia in the management and operations of airline, mining and other commercial undertakings. He has extensive knowledge of the West Australian investment community.

As at the date of this report entities controlled by Mr Martin hold 18% of the issued capital of the company.

Other current directorships:-	Nil
Former directorships in last 3 years:-	Nil
Interests in ordinary shares of Autodom Limited:-	
- at 30 June 2009	9,850,618
- at date of this report	9,850,618
Interests in options of Autodom Limited:-	Nil

Scott Mutton B. Eng (Mech) MBA
Non-Executive Director (Appointed 15 September 2008)

Mr Mutton (43) was appointed to the board in September 2008. He brings broad manufacturing experience from previously held positions in the steelmaking, foundry, machine manufacture and automotive component supply industries. He formerly worked at senior management level within the Nylex Group before leading a management buyout of one of their businesses, Henderson Components, a long established and well regarded manufacturer of pressed and welded assemblies for the automotive and whitegoods industries. Henderson Components was acquired by Autodom in August 2006.

Other current directorships:-	Nil
Former directorships in last 3 years:-	Nil
Interests in ordinary shares of Autodom Limited:-	
- at 30 June 2009	Nil
- at date of this report	Nil
Interests in options of Autodom Limited:-	Nil

Zelko Lendich B. Econ (Hons) MBA
Non-Executive Director (Resigned 15 September 2008)

Mr Lendich (53) was appointed to the board in April 2007. He brought broad industry experience from previously held senior management roles in ABB one of the world's largest electro-technical organisations working in Canada, the UK and Sweden. He was also an associate at global management consulting firm Mckinsey & Company and in recent years was responsible for the strategic development of Australian Leather Holdings and headed up the University of Western Australia's Management Development Institute. Mr Lendich operates as an independent management consultant and is also a director of Farm Pride Foods Limited, West Coast Eggs and Novo Foods.

Other current directorships:-	Farm Pride Foods Limited
	West Coast Eggs Limited
	Novo Foods Pty Ltd
Former directorships in last 3 years:-	Nil
Interests in ordinary shares of Autodom Limited:-	
- at 30 June 2008	533,333
- at date of this report	533,333
Interests in options of Autodom Limited:-	Nil

Company Secretary

The company secretary is Mr Peter Torre.

Mr Torre holds a Bachelor of Business, is a Chartered Accountant, a Chartered Secretary and a Member of the Australian Institute of Company Directors. He is the Company Secretary of several ASX Listed Companies and is also a Director of ASX listed Carbine Resources Limited and ORT Limited.

Directors Report

Meetings of directors

The numbers of meetings of the company's board of directors held during the year ended 30 June 2009, and the numbers of meetings attended by each director were:

	Full meetings	
	Held	Attended
Anthony Dale	11	11
Robert Martin	11	11
Scott Mutton (appointed 15 September 2008)	10	10
Zelko Lendich (resigned 15 September 2008)	1	1

Remuneration report

The remuneration report is set out under the following main headings:

A. Principles used to determine the nature and amount of remuneration

B. Details of remuneration

C. Service agreements

D. Share and/or Option based compensation

A. Principles used to determine the nature and amount of remuneration

The objective of the company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered.

This framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms with market best practice for delivery of reward. The board ensures that executive reward satisfies the following:-

- competitiveness and reasonableness
- acceptability to shareholders
- results achieved from performance
- transparency

The company has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation.

The remuneration framework is aligned to shareholders interests by:-

- having economic profit as a core component of the plan design
- focusing on sustained growth in shareholder wealth including dividends streams and share price growth
- attracting and retaining high calibre executives

The program is aligned to participants interests by:-

- rewarding capability and experience
- providing recognition for contribution

Directors Report

The framework provides a mix of fixed and variable pay with a blend of short and long-term incentives

(i) Non-executive directors

Fees and payments to non-executive directors reflect the demands which are made on and the responsibilities of those directors.

Non-executive directors fees and payments are reviewed periodically by the board.

(ii) Directors fees

The current base remuneration was last reviewed with effect from July 2005.

(iii) Retirement allowances for directors

There are no retirement allowances payable to directors

(iv) Executive pay

The executive pay and reward framework has four components:-

- base pay and benefits

- short term performance incentives

- medium term performance incentives incorporating the share option plan

- other remuneration such as superannuation

The combination of these comprises the executives total remuneration.

Executive pay is structured as a total employment cost package which may be delivered as a combination of cash and benefits at the executives discretion.

Executive remuneration packages are reviewed annually to ensure the executives' pay is competitive with the market. An executives pay is also reviewed on promotion.

(v) Short term incentives

Should the operating company's performance (in the view of the board) be appropriate for market conditions prevailing during the period then incentives are paid to key executives and managers. These payments are purely at the board's discretion.

B. Details of remuneration

Details of the remuneration of each director of Autodom Limited and each of the key management personnel of the group are set out in the following tables:-

(i) DIRECTORS OF AUTODOM LIMITED	SHORT TERM			POST EMPLOYMENT	SHARE-BASED PAYMENTS	TOTAL		
	Cash Salary & Fees	Cash Bonus	Non-monetary Benefits	Superannuation	Options	TOTAL	Performance Related (%)	Options Related (%)
Executive Directors								
AJ Dale								
2009	336,517	-	-	14,662	-	351,179	0.0%	0.0%
2008	313,152	50,000	1,162	12,686	17,950	394,950	12.7%	4.5%
Total Executive Directors								
2009	336,517	-	-	14,662	-	351,179	-	-
2008	313,152	50,000	1,162	12,686	17,950	394,950	12.7%	4.5%

Directors Report

B. Details of remuneration/ ...(continued)

(i) DIRECTORS OF AUTODOM LIMITED	SHORT TERM			POST EMPLOYMENT	SHARE-BASED PAYMENTS	TOTAL		
	Cash Salary & Fees	Cash Bonus	Non-monetary Benefits	Superannuation	Options	TOTAL	Performance Related (%)	Options Related (%)
Non-Executive Directors								
RP Martin								
2009	-	-	-	43,600	-	43,600	0.0%	0.0%
2008	-	-	-	43,600	-	43,600	0.0%	0.0%
Z Lendich								
2009	10,000	-	-	900	-	10,900	0.0%	0.0%
2008	40,000	-	-	3,600	-	43,600	0.0%	0.0%
S Mutton								
2009	31,667	-	-	2,850	-	34,517	0.0%	0.0%
2008	-	-	-	-	-	-	0.0%	0.0%
Total Non-Executive Directors								
2009	41,667	-	-	47,350	-	89,017	-	-
2008	40,000	-	-	47,200	-	87,200	0.0%	0.0%
Total Directors								
2009	378,184	-	-	62,012	-	440,196	-	-
2008	353,152	50,000	1,162	59,886	17,950	482,150	10.4%	3.7%
(ii) Other key management personnel (All non parent entity)								
C Stead (General Manager Finance and Commercial)								
2009	80,641	-	-	7,257	-	87,898	0.0%	0.0%
2008	-	-	-	-	-	-	0.0%	0.0%
P Jones (Chief Operating Officer Automotive)								
2009	79,340	50,000	34,966	66,494	-	230,800	21.7%	0.0%
2008	70,553	-	-	9,395	-	79,948	0.0%	0.0%
P Heath (Human Resources Manager)								
2009	127,323	-	-	11,459	-	138,782	0.0%	0.0%
2008	-	-	-	-	-	-	0.0%	0.0%
L Marshall (Company Secretary & Chief Financial Officer)								
2009	176,249	-	-	47,829	-	224,078	0.0%	0.0%
2008	84,310	25,866	-	100,416	7,500	218,092	11.9%	3.4%
C Shellis (Chief Executive Officer - Automotive)								
2009	109,238	-	-	1,720	-	110,958	0.0%	0.0%
2008	279,358	20,000	-	20,642	7,500	327,500	6.1%	2.3%
T Tabaka (Material and Logistics Manager - Automotive)								
2009	90,122	-	-	8,438	-	98,560	0.0%	0.0%
2008	126,546	5,660	-	12,516	-	144,722	3.9%	0.0%
Total other key management personnel								
2009	662,913	50,000	34,966	143,197	-	891,076	5.6%	0.0%
2008	560,767	51,526	-	142,969	15,000	770,262	21.9%	5.7%
Total directors and other key management personnel remuneration								
2009	1,041,097	50,000	34,966	205,209	-	1,331,272	3.8%	0.0%
2008	913,919	101,526	1,162	202,855	32,950	1,252,412	8.1%	2.6%

Payments to directors and officers related entities are disclosed in note 7. - 'Key Management Personnel Compensation' and note 33 - 'Related Party Transactions'.

Directors Report

C. Service agreements

There is only one service agreement in place with any of the directors, officers or key management personnel during the financial year. This agreement is with Mr Tony Dale. The service agreement sets out Mr Dale's remuneration arrangements including the performance-based bonus arrangements. The agreement also specifies that, in the event that Mr Dale is terminated without cause, he is entitled to a payment equivalent to 12 months salary.

In August 2008 a three year service contract has been entered into with Mr L Marshall. This contract was terminated in December 2008.

D. Share and/or Option based compensation

An option based incentive plan is in place for executive directors. Details of these are included in note 24 of the accounts. The managing director Mr Dale participates in the plan.

Options

At the date of this report, the unissued ordinary shares of the company under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
22/06/07	30/05/12	$0.75	1,333,332
15/12/07	30/06/12	$0.45	500,000
15/12/07	30/06/12	$0.54	500,000
			2,333,332

Option holders do not have any right to participate in any issues of shares or other interests in the company or any other entity.

There have been no unissued shares or interests under option of any controlled entity within the Group during or since reporting date.

For details of options issued to directors and executives as remuneration, refer to the Remuneration Report.

During the year ended 30 June 2009 no shares were issued on the exercise of options granted and no shares have been issued since year end.

No persons entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Insurance of officers

During the financial year the company paid a premium in respect of a contract insuring the directors, the company secretary and all executive officers of the company and its subsidiaries against a liability incurred as such a Director, Company Secretary, or Executive Officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Proceedings against the company

No person has applied to the court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

Directors Report

Non-audit services

The company may decide to employ the auditor on assignments additional to the statutory audit duties where the auditor's expertise and experience with the company and/or the group are important.

Details of the amounts paid or payable to the auditor (RSM Bird Cameron Partners) for audit and non-audit services provided during the year are set out below.

The board of directors, in accordance with the advice received from the audit committee, is satisfied that the provision of non-audit services is compatible with the general standard of independence required for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, it's related practices and non-related audit firms:

	Consolidated 2009
(a) Assurance Services	
RSM Bird Cameron Partners for audit services	
Audit and review of financial reports and other audit work under the Corporations Act 2001	**122,500**
(b) Taxation Services	**0**
(c) Other Services	**0**

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 13.

Auditor
RSM Bird Cameron Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors.

AJ Dale
Director

Perth
30 September 2009

Auditors Independence Declaration

RSM Bird Cameron Partners
Chartered Accountants

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GPO Box R1253 Perth WA 6844
T +61 8 9261 9100 **F** +61 8 9261 9101
www.rsmi.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Autodom Limited for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants

Perth, WA
Dated: 29 September 2009

J A KOMNINOS
Partner

Liability limited by a scheme approved under Professional Standards Legislation

Major Offices in:
Perth, Sydney, Melbourne, Adelaide and Canberra
ABN 36 965 185 036

RSM Bird Cameron Partners is an independent member firm of RSM International, an affiliation of independent accounting and consulting firms.

AUTODOM

Income Statement

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009	2008	2009	2008
		$	$	$	$
Revenue from continuing operations	2	87,924,597	85,794,073	-	8,507
Other income	3	5,226,154	1,461,216	27,759	5,181
Changes in inventories of finished goods and work in progress		(2,232,280)	3,940,284		-
Raw materials and consumables used		(63,671,060)	(70,493,053)		(386)
Employee benefits expense		(17,646,361)	(19,738,086)	(494,203)	(402,482)
Depreciation and amortisation expense		(3,473,023)	(3,228,649)	(13,442)	(267,256)
Finance costs		(687,990)	(689,765)	-	(1,033)
Option expense - employees		-	(32,950)	-	(32,950)
Impairment of receivables	4	-	-	-	(5,816,835)
Impairment of investments	4	-	(247,442)	-	-
Impairment of intangible assets	4	-	(300,000)	-	-
Other expenses		(3,776,320)	(6,397,238)	(930,473)	(889,899)
Share of net loss of associate accounted for using the equity method		-	(52,558)	-	-
Profit/(loss) before tax		**1,663,717**	**(9,984,168)**	(1,410,359)	**(7,397,153)**
Income tax benefit/(expense)	5	(410,015)	2,822,640	655,579	581,758
Profit/(loss) from continuing operations		**1,253,702**	**(7,161,528)**	**(754,780)**	**(6,815,395)**
Loss from discontinued operations	6	-	(159,246)	-	-
Profit/(loss) for the year		**1,253,702**	**(7,320,774)**	**(754,780)**	**(6,815,395)**
(Profit)/loss attributable to minority equity interest		8,067	4,502	-	-
Profit/(Loss) attributable to members of the parent entity		**1,261,769**	**(7,316,272)**	**(754,780)**	**(6,815,395)**
Overall Operations					
Basic earnings/(loss) per share (Cents)	10	2.32	(13.37)		
Diluted earnings/(loss) per share (Cents)	10	2.32	(13.06)		
Continuing operations					
Basic earnings/(loss) per share (Cents)	10	2.32	(13.09)		
Diluted earnings/(loss) per share (Cents)	10	2.32	(12.78)		
Discontinued/demerged operations					
Basic earnings/(loss) per share (Cents)	10	-	(0.28)		
Diluted earnings/(loss) per share (Cents)	10	-	(0.28)		

The accompanying notes form part of these financial statements

Balance Sheet

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009	2008	2009	2008
		$	$	$	$
CURRENT ASSETS					
Cash and cash equivalents	11	674,336	737,241	55,472	31,144
Trade and other receivables	12	10,179,392	12,800,055	49	8,800
Inventories	13	8,833,400	12,522,900	-	-
Other current assets	19	2,727,668	2,585,169	20,748	2,225
Total Current Assets		**22,414,796**	**28,645,365**	**76,269**	**42,169**
NON-CURRENT ASSETS					
Receivables	12	4,135,682	3,925,000	2,015,357	9,289,140
Other Financial Assets	15	-	-	3,442,534	3,442,534
Property, plant and equipment	17	12,319,798	15,441,903	64,227	67,372
Deferred tax assets	22	4,066,723	4,710,948	1,061,716	640,346
Intangibles	18	5,372,086	5,530,122	93	334
Other non-current assets	21	23,781	109,835	23,781	-
Total Non-Current Assets		**25,918,070**	**29,717,808**	**6,607,708**	**13,439,726**
Total Assets		**48,332,866**	**58,363,173**	**6,683,977**	**13,481,895**
CURRENT LIABILITIES					
Trade and other payables	20	14,171,585	27,210,420	201,970	80,732
Financial liabilities	21	12,824,300	12,100,464	-	-
Current tax liabilities	22	-	-	-	-
Provisions	23	1,468,085	1,801,427	32,956	43,575
Total Current Liabilities		**28,463,970**	**41,112,311**	**234,926**	**124,307**
NON-CURRENT LIABILITIES					
Payables	20		-	-	6,176,823
Financial liabilities	21(b)	1,500,000	-	-	-
Deferred tax liabilities	22	1,016,212	1,016,212	-	-
Provisions	23	1,518,913	1,654,530	43,061	19,995
Total Non-Current Liabilities		**4,035,125**	**2,670,742**	**43,061**	**6,196,818**
Total Liabilities		**32,499,095**	**43,783,053**	**277,987**	**6,321,125**
Net Assets		**15,833,771**	**14,580,120**	**6,405,990**	**7,160,770**
EQUITY					
Issued capital	24	17,916,201	17,916,201	17,916,201	17,916,201
Reserves		440,858	440,858	440,858	440,858
Accumulated losses		(6,658,872)	(7,920,641)	(11,951,069)	(11,196,289)
Parent Entity Interest		**11,698,187**	**10,436,418**	**6,405,990**	**7,160,770**
Minority equity interest		4,135,584	4,143,702	-	-
Total Equity		**15,833,771**	**14,580,120**	**6,405,990**	**7,160,770**

The accompanying notes form part of these financial statements

Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2009

NOTE	SHARE CAPITAL Ordinary	Option Reserve	Foreign Currency Translation Reserve	Dividend Reserve	Retained Earnings/ (Accumulated Losses)	Minority Equity Interests	Total
	$	$	$	$	$	$	$
Consolidated Group							
Balance at 1 July 2007	18,007,651	168,000	(103,241)	239,908	(604,318)	4,198,153	21,906,153
Shares bought back during the year	(91,450)	-	-	-	-	-	(91,450)
Return of capital to minority equity interests	-	-	-	-	-	(50,000)	(50,000)
Profit attributable to members of the parent entity	-	-	-	-	(7,316,272)	(4,502)	(7,320,774)
Adjustments from translation of foreign controlled entities	-	-	103,241	-	-	-	103,241
Transfers from retained earnings	-	-	-	-	(51)	51	-
Option reserve on recognition of bonus element of options	-	32,950	-	-	-	-	32,950
Balance at 30 June 2008	17,916,201	200,950	-	239,908	(7,920,641)	4,143,702	14,580,120
Profit attributable to members of the parent entity	-	-	-	-	1,261,769	(8,067)	1,253,702
Transfers from retained earnings	-	-	-	-		(51)	(51)
Sub-total	17,916,201	200,950	-	239,908	(6,658,872)	4,135,584	15,833,771
Balance at 30 June 2009	**17,916,201**	**200,950**	**-**	**239,908**	**(6,658,872)**	**4,135,584**	**15,833,771**

The accompanying notes form part of these financial statements

Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2009

NOTE	SHARE CAPITAL Ordinary	Option Reserve	Foreign Currency Translation Reserve	Dividend Reserve	Retained Earnings/ (Accumulated Losses)	Minority Equity Interests	Total
	$	$	$	$	$	$	$
Parent Entity							
Balance at 1 July 2007	18,007,651	168,000	-	239,908	(4,380,894)	-	14,034,665
Shares bought back during the year	(91,450)	-	-	-	-	-	(91,450)
Loss attributable to members of the parent entity	-	-	-	-	(6,815,395)	-	(6,815,395)
Option reserve on recognition of bonus element of options	-	32,950	-	-	-	-	32,950
Balance at 30 June 2008	17,916,201	200,950	-	239,908	(11,196,289)	-	7,160,770
Profit attributable to members of the parent entity	-	-	-	-	(754,780)		(754,780)
Balance at 30 June 2009	**17,916,201**	**200,950**	**-**	**239,908**	**(11,951,069)**	**-**	**6,405,990**

The accompanying notes form part of these financial statements

AUTODOM

Cash Flow Statement

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
Cash flows from operating activities					
Receipts from customers (inclusive of goods and services tax)		90,455,492	86,374,412	-	-
Payments to suppliers and employees (inclusive of goods and services tax)		(95,042,736)	(86,982,082)	(1,273,004)	(1,495,947)
Other revenue		4,492,053	1,434,109	-	-
Rent received		89,458	98,765	-	-
Interest paid		(687,990)	(689,765)	-	-
Income taxes (paid)/refunded		234,209	(182,781)	234,209	(182,781)
Reimbursements received from tax consolidated entities		-	-	-	340,661
Net cash provided by (used in) operating activities	29	**(459,514)**	**52,658**	**(1,038,795)**	**(1,338,067)**
Cash flows from investing activities					
Payments for property, plant and equipment		(340,909)	(7,383,403)	(10,056)	(322,341)
Payments for Intangible assets		-	(5,540,405)	-	-
Payment for acquisition of interest in an associate		-	(300,000)	-	-
Proceeds from deposit following settlement of acquisition of Henderson Components Pty Ltd	34	-	1,000,000	-	-
Settlement for purchase of subsidiaries net of cash acquired	34	(1,258,974)	(250,000)	-	-
Proceeds from sale of property, plant and equipment		12,000	14,450	-	9,450
Deferred expenses		(23,781)	(381,381)	(23,781)	-
Repayment of loans by related parties		-	-	1,096,960	1,504,516
Repayment of loans to related parties		(218,800)	-	-	(36,590)
Repayment of minority interest equity		-	(50,000)	-	-
Partial return of funds invested in subsidiary			-	-	207,293
Interest received		3,238	188,862		-
Net cash provided by (used in) investing activities		**(1,827,226)**	**(12,701,877)**	**1,063,123**	**1,362,328**
Cash flows from financing activities					
Share buy-back payments		-	(91,450)	-	(91,450)
Proceeds from borrowings		3,037,781	11,155,261	-	-
Repayment of borrowings		-	-	-	-
Net cash provided by (used in) financing activities		**3,037,781**	**11,063,811**	**-**	**(91,450)**
Net (decrease) in cash held and cash equivalents		**751,041**	**(1,585,408)**	**24,328**	**(67,189)**
Cash at beginning of financial year	11	(76,705)	18,776,078	31,144	98,333
Effect of exchange rates on cash holdings in foreign currency		-	(3,526)	-	-
Cash transferred on demerger		-	(5,224,697)	-	-
Cash at end of financial year	11	**674,336**	**11,962,447**	**55,472**	**31,144**

The accompanying notes form part of these financial statements

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the consolidated financial statements and notes of Autodom Limited and controlled entities ('Consolidated Group' or 'Group'), and the separate financial statements and notes of Autodom Limited as an individual parent entity ('Parent Entity').

The financial report was authorised for issue on 30 September 2009 by the board of directors.

1. Basis of Preparation and Going Concern

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

As disclosed in the 30 June 2009 financial statements, the consolidated entity recorded the following results:

- profit attributable to members of $1,261,769 inclusive of a non recurring government grant of $3,000,000 (30 June 2008: loss $7,316,272);
- net cash outflows from operations of $459,514 (30 June 2008: net cash inflows of $52,658);
- net current liabilities of $6,049,174 (30 June 2008: net current liabilities of $12,466,946) predominately due to the classification of its bank loans of $11,324,300 (30 June 2008: $12,100,464) as a current liability, because during the year, the consolidated entity did not meet the bank's loan covenants, resulting in the loan facilities being subject to review and possible repayment at the bank's discretion.

While the above factors indicate material uncertainty as to the consolidated entity's ability to continue as a going concern, the Directors are of the opinion that the consolidated entity will be able to continue as a going concern because of the following factors:

- The group has reduced the operating loss before income tax to $1,336,283 (exclusive of the $3,000,000 government grant) for the year ended 30 June 2009, compared with the operating loss before income tax of $9,984,968 (inclusive of impairment provisions and deferred expenditure write offs) for the year ended 30 June 2008. This was achieved despite a significant reduction in sales volumes in the automotive industry, associated with the global economic downturn and after paying approximately $1,000,000 in non recurring employee redundancy and restructuring costs;
- The group's banker has not exercised its review discretion referred to above and the Directors believe that a new loan facility can be successfully negotiated with its banker;
- The net cash outflows from operations during the year ended 30 June 2009, include a $6,417,772 working capital improvement and consequent reduction in the net current liabilities of the group at balance date; and
- Subject to the difficulties associated with predicting future demand from the global automotive industry, for the 12 month period from the date of this financial report, the group is budgeting to be profitable and to generate positive trading cashflows from operations in the 2010 financial year.

The financial report has also been prepared on an accruals basis and is based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

(a) Principles of Consolidation

A controlled entity is any entity over which Autodom Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 16 to the financial statements. All controlled entities have a June financial year-end.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the consolidated group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES/...(continued)

Minority interests, being that portion of the profit or loss and net assets of subsidiaries attributable to equity interests held by persons outside the group, are shown separately within the Equity section of the consolidated Balance Sheet and in the consolidated Income Statement.

Business Combinations

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted for by applying the purchase method. The purchase method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and contingent liabilities to be determined as at acquisition date, being the date that control is obtained. Cost is determined as the aggregate of fair values of assets given, equity issued and liabilities assumed in exchange for control together with costs directly attributable to the business combination. Any deferred consideration payable is discounted to present value using the entity's incremental borrowing rate.

Goodwill is recognised initially at the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in profit or loss.

(b) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax Consolidation

Autodom Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 1 July 2003. The tax consolidated group has entered a tax funding arrangement whereby each company in the Group contributes to the income tax payable by the Group in proportion to their contribution to the Group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES...(continued)

(c) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	7.5% - 40.0%
Leased Plant and Equipment	10.0% - 20.0%
Leasehold Improvements	10.0% - 15.0%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES/...(continued)

(f) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either the fair value, amortised cost using the the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market market are used to detremine fair value. In other circumstances, valuation techniques are adopted.
Amortised cost is calculated as:

a. The amount at which the financial asset or financial liability is measured at initial recognition;
b. Less principal repayments;
c. Plus or minus the cumulative amortisation of the difference, if nay, between the amount initially recognised and the maturity amount calculated using the effective interest method
d. Less any reduction for impairment

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Group does not designate any interests in subsidiaries, or associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise. The Group has no assets meeting this description.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method. The Group has no assets meeting this description.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. These are measured at fair value with changes in fair value taken directly to equity.

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES/...(continued)

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method. These liabilities include trade and other payables. These amounts represent liabilities for goods and services provided to the Group prior to the end of the year, but are unpaid. They are generally unsecured and are usually paid within 30 days of recognition.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment of financial assets

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(g) Impairment of Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Non-financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of impairment at each reporting date.

(h) Intangibles

Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Patents and licences

Patents and licences are recognised at cost of acquisition. Patents and licences have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and licences are amortised over their useful life of 10 to 20 years commencing from the time development of the patent or licence is complete. There is no amortisation in the current year as there are no projects complete.

Deferred Expenditure

Deferred expenses comprise expenses in relation to the investigation of a potential acquisition of, or entering into new business ventures. These expenses are capitalised as part of the cost of acquisition when the investment is settled. Deferred expenses are written-off when a decision is made not to proceed with a particular investment opportunity.

Intellectual property

The external cost of developing intellectual property developed by the group is capitalised and subject to annual impairment testing.

Computer software

The cost of computer software is capitalised and amortised over its useful life, which is no longer than 4 years, subject to annual impairment testing.

(i) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES/...(continued)

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

(j) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Equity-settled compensation

The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using the binomial option pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(k) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(l) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES/...(continued)

(m) Interest-Bearing Loans and Borrowings

All loans and borrowings are initially recorded at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Fees paid on the establishment of the loan facilities that are yield related are included in the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(n) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(p) Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

(q) Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative income statement is restated as if the operation had been discontinued from the start of the comparative period.

(r) Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(s) Significant Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

(i) Significant Accounting Judgements

Recovery Of Deferred Tax Assets

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES/...(continued)

Impairment of Non-Financial Assets other than Goodwill

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. These include product and manufacturing performance, technology, economic and political environments and future product expectations. If an impairment trigger exists the recoverable amount of the asset is determined. Management considers that the triggers for impairment testing have been significant enough and as such all assets have been tested for impairment in this financial period. No impairment charge has been recognised in respect of non-financial assets other than goodwill for the year ended 30 June 2009 (2008: Nil).

Classification of Assets and Liabilities as Held for Sale

The Group classifies assets and liabilities as held for sale when its carrying amount will be recovered through a sale transaction. The assets and liabilities must be available for immediate sale and the Group must be committed to selling the asset either through the entering into a contractual sale agreement or the activation and commitment to a program to locate a buyer and dispose of the assets and liabilities.

Taxation

The Group's accounting policy for taxation requires management's judgement as to types of arrangements considered to be a tax on income in contrast to an operating cost. Judgement is also required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the balance sheet. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only when it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Deferred tax liabilities arising from temporary differences in investments, caused principally by retained earnings held in foreign tax jurisdictions, are recognised unless repatriation of retained earnings can be controlled and are not expected to occur in the foreseeable future.

Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, operating costs, restoration costs, capital expenditure, dividends and other capital management transactions. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the balance sheet and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the income statement.

(ii) Significant Accounting Estimates and Assumptions

Impairment of Goodwill and Intangibles with Indefinite Useful Lives

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating units, using a value in use discounted cash flow methodology, to which the goodwill and intangibles with indefinite useful lives are allocated. No impairment has been recognised in respect of goodwill for the year ended 30 June 2009 (2008: Nil).

The assessment of impairment of assets was determined on a business cash generating unit basis. The cash generating units included all respective plant and equipment together with any associated intangible assets.

The group operates in only one segment, automotive, and trades under the name "aiAutomotive" from operations in Victoria and South Australia. The following cash generating units were tested for impairment using a value in use calculation using cash flow projections as at 30 June based on financial projections approved by senior management covering no more than a five-year period.

aiAutomotive - South Australia
aiAutomotive - Victoria

Key assumptions used in value in use calculations:-

(a) Sales volumes were projected at levels forecast for the year ending 30 June 2010, which are approximately the same as the level achieved for the year ended 30 June 2009.

(b) Sales revenue has been estimated using current unit selling prices.

(c) Costs have been projected to decline in real terms over the five-year period.

(d) Estimates of residual asset values were made allowing for the type of equipment and historical experience in relation to values. An allowance was made for "make good" of facilities at the end of the expected useful life but no longer than 5 years.

(e) The cash flows resulting from the assessment were then discounted to current values using a discount rate of 14.23%. This discount rate was determined using information on the global automotive industry included in a report prepared by the parent company of group's major customer; "General Motors Corporation, 2009 to 2014 Restructuring Plan" dated 17 February 2009.

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES...(continued)

Sensitivity to changes in assumptions

There are reasonably possible changes in key assumptions that could cause the carrying value of the unit to exceed its recoverable amount.

The key sensitivity revolves around the volumes the automotive manufacturers produce dependent on demand for their locally produced product.

The implication of the key volume assumption on the recoverable amount is that:-

A fall in volume of 2% would result in the aiAutomotive-South Australia business unit's carrying value of $15,329,091 to exceed it's value in use calculated amount of $15,271,549.

A fall in volume of 10% would result in the aiAutomotive-Victoria business unit's carrying value of $2,365,465 to exceed it's value in use calculated amount of $2,028,600.

Share-Based Payment Transactions

The Group measures the cost of cash-settled share-based payments at fair value at the grant date using the Binomial formula taking into account the terms and conditions upon which the instruments were granted. See note 30.

Estimation of Useful Llives of Assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment), lease terms (for leased equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Government Grants

The automotive group derives a portion of its income from government grants via the Automotive Competitive Investment Scheme ("ACIS"). Judgemental estimates are made to assess the recognition of income to be received in the future and relates to the modulation factor determined by AusIndustry in managing the scheme.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
2. REVENUE					
From continuing operations					
Sales revenue					
Sale of goods		86,884,145	83,253,564	-	-
Services		1,037,214	2,369,279	-	-
		87,921,359	**85,622,843**	-	-
Other revenue					
Interest received from other persons		3,238	171,230	-	8,507
		3,238	**171,230**	**-**	**8,507**
		87,924,597	**85,794,073**	**-**	**8,507**
Sales directly to General Motors Holden Australia were 60% and indirectly a further 10% of group revenue from continuing operations.					
From discontinued operations					
Other revenue					
Rents and sub-lease rentals		-	98,765	-	-
Interest	2(a)	-	17,632	-	-
		-	**116,397**	**-**	**-**
		-	**116,397**	**-**	**-**
(a) Interest revenue from:					
- Other persons		-	17,632	-	-
		-	17,632	-	-
The amounts for discontinued operations for the year ended 30 June 2008 represent residual amounts aring from operations that were discontinued during the year ended 30 June 2007					

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
3. OTHER INCOME (from continuing operations)					
Net gain on disposal of plant and equipment		-	5,000	-	-
Government grants		4,737,421	1,014,263	-	-
Discounts received		-	6,724	-	
Other Income		488,733	435,229	27,759	5,181
		5,226,154	**1,461,216**	**27,759**	**5,181**

Government grants include $3,000,000 received from the Commonwealth of Australia in February 2009 pursuant to the Automotive Industry Structural Assistance Program. The balance of the Government grants relates to grants received under the Automotive Competition and Investment Scheme.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
4. PROFIT FOR THE YEAR (from continuing operations)					
(a) Expenses					
Cost of sales		80,382,918	66,552,769	-	386
Finance costs - External		687,990	689,765	-	1,033
Depreciation of plant and equipment and amortisation of intangibles		3,473,023	3,228,649	13,442	267,256
Net loss on disposal of plant and equipment		-	26,276	-	12,699
Rental expense on operating leases - Minimum lease payments		2,906,902	2,815,817	63,245	85,804
Foreign currency translation losses		-	25,390	-	-

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
(b) Significant Revenue and Expenses					
The following significant revenue and expense items are relevant in explaining the financial performance:					
Grant received from the Commonwealth under the Automotive Industry Structural Assistance Program	3	3,000,000	-	-	-
Impairment of non-current receivables - Wholly owned subsidiaries		-	-	-	(5,816,835)
Share of net loss of associate accounted for using the equity method	14	-	(52,558)	-	-
Impairment of non-current investments - Investments accounted for using the equity method	14	-	(247,442)	-	-
Impairment of intangible assets - Intellectual property	14		(300,000)	-	-

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
5. INCOME TAX EXPENSE					
(a) The components of tax expense/(credit) comprise:					
Current tax		-	(423,039)	-	(21,504)
Deferred tax	22	644,224	(2,507,301)	(421,370)	441,364
Under/(over) provision in prior years		(234,209)	109,452	(234,209)	(118,890)
		410,015	**(2,820,888)**	**(655,579)**	**300,970**
Income tax expense is attributable to:					
Profit/(Loss) from continuing operations		410,015	(2,822,640)	(655,579)	(581,758)
Profit from discontinuing operations		-	1,752	-	-
Aggregate income tax expense/(benefit)		**410,015**	**(2,820,888)**	**(655,579)**	**(581,758)**
(b) The prima facie tax on operating profit from ordinary activities before income tax is reconciled to the income tax as follows:					
Profit/(Loss) from continuing operations before income tax expense		1,663,717	(9,984,168)	(1,410,359)	(7,397,153)
Profit/(Loss) from discontinuing operations before income tax expense		-	(157,494)		-
Total profit before income tax expense		**1,663,717**	**(10,141,662)**	**(1,410,359)**	**(7,397,153)**
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2008 - 30%)					
- consolidated group		499,115	(3,042,499)	-	-
- parent entity			-	(423,108)	(2,219,146)
Tax effects of amounts which are not deductible (taxable) in calculating taxable income					
Depreciation and amortisation		44,872	45,005		-
Impairment of investments			-		47,188
Impairment of receivables			-		1,697,863
Share options expensed during the year			9,885		9,885
Tax losses not tax-effected		-	39,943		-
Other non-allowable items		100,237	17,326	1,738	1,343
		644,224	**(2,930,340)**	**(421,370)**	**(462,867)**
Under/(over) provision in prior years		(234,209)	109,452	(234,209)	(118,891)
Income tax attributable to entity		**410,015**	**(2,820,888)**	**(655,579)**	**(581,758)**
The applicable weighted average effective tax rates are as follows:		24.64%	27.81%	46.48%	7.86%

The increase in the weighted average effective tax rate for the parent company for 2009 compared with 2008 is a result of impairment provisions raised in 2008 which are not deductible.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

6. DISCONTINUED AND DEMERGED OPERATIONS

During the year ended 30 June 2008 certain residual costs associated with the demerger of the Construction Division during the year ended 30 June 2007 were incurred.

7. KEY MANAGEMENT PERSONNEL COMPENSATION

(a) Names and positions held of consolidated and parent entity key management personnel in office at any time during the financial year are:

Key Management Person	Position
AJ Dale	Managing Director
RP Martin	Non-executive Director
S Mutton (appointed 15 September 2008)	Non-executive Director
Z Lendich (resigned 15 September 2008)	Non-executive Director
C Stead (appointed 12 January 2009)	General Manager Commercial and Finance
P Jones (appointed 1 July 2008)	Chief Operating Officer Automotove
P Heath (appointed 1 July 2008)	Human Resources and Organisational Development Manager
L Marshall (resigned December 2008)	Chief Financial Officer & Company Secretary Autodom Limited
T Tabaka (resigned 31 December 2008)	Materials and Logistics Manager, aiAutomotive Pty Ltd
C Shellis (resigned July 2008)	Chief Executive Officer, aiAutomotive Pty Ltd

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	PARENT 2009 $	PARENT 2008 $
(b) Remuneration				
Short-term	1,126,063	1,016,607	378,184	404,314
Post-employment	205,209	202,855	62,012	59,886
Share-based payments	-	32,950	-	17,950
	1,331,272	1,252,412	440,196	482,150

Detailed information on key management personnel remuneration has been included in the Remuneration Report section of the Director's Report.

(c) Options Holdings **Number of Options held by Key Management Personnel**	Balance 1 July 2007	Granted as Compensation	Options Exercised	Net Change Other*
AJ Dale	2,000,000	1,000,000	-	(1,333,334)
L Marshall (Resigned December 2008)	-	1,000,000	-	-
C Shellis (Resigned July 2008)	-	1,000,000	-	-
Total	**2,000,000**	**3,000,000**	**-**	**(1,333,334)**

	Balance 30 June 2008	Total Vested 30 June 2008	Total Exercisable 30 June 2008	Total Unvested 30 June 2008
AJ Dale	1,666,666	1,666,666	1,666,666	-
L Marshall (Resigned December 2008)	1,000,000	1,000,000	1,000,000	-
C Shellis (Resigned July 2008)	1,000,000	1,000,000	1,000,000	-
Total	**3,666,666**	**3,666,666**	**3,666,666**	**-**

Number of Options held by Key Management Personnel	Balance 1 July 2008	Granted as Compensation	Options Exercised	Net Change Other*
AJ Dale	1,666,666	-	-	-
L Marshall (Resigned December 2008)	1,000,000	-	-	(1,000,000)
C Shellis (Resigned July 2008)	1,000,000	-	-	(1,000,000)
Total	**3,666,666**	**-**	**-**	**(2,000,000)**

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

7. KEY MANAGEMENT PERSONNEL COMPENSATION/...(CONTINUED)

	Balance 30 June 2009	Total Vested 30 June 2009	Total Exercisable 30 June 2009	Total Unvested 30 June 2009
AJ Dale	1,666,666	1,666,666	1,666,666	-
L Marshall (Resigned December 2008)	-	-	-	-
C Shellis (Resigned July 2008)	-	-	-	-
Total	**1,666,666**	**1,666,666**	**1,666,666**	**-**

* For AJ Dale the Net Change Other in 2008 reflected above refers to the reduction of options resulting from the share consolidation. For L Marshall and C Shellis, the Net Change Other reflects the lapsing of the options consequent upon their resignations from the Company.

(d) Shareholdings

Number of Shares held by Key Management Personnel	Balance 1 July 2007	Received as Compensation	Net Change Other*	Balance 30 June 2008
AJ Dale	2,933,734	-	(1,789,158)	1,144,576
RP Martin	28,766,861	-	(18,916,243)	9,850,618
Z Lendich	700,000	-	(1,666,667)	533,333
L Marshall (resigned December 2008)	150,000	-	(100,000)	50,000
C Shellis (resigned July 2008)	-	-	-	-
C Stead (appointed 12 January 2009)	-	-	-	-
P Jones (appointed 1 July 2008)	-	-	-	-
P Heath (appointed 1 July 2008)	-	-	-	-
	32,550,595	**-**	**(20,972,068)**	**11,578,527**

Number of Shares held by Key Management Personnel	Balance 1 July 2008	Received as Compensation	Net Change Other*	Balance 30 June 2009
AJ Dale	1,144,576	-	-	1,144,576
RP Martin	9,850,618	-	-	9,850,618
S Mutton (appointed 15 September 2008)	-	-	-	-
C Stead (appointed 12 January 2009)	-	-	-	-
P Jones (appointed 1 July 2008)	-	-	-	-
P Heath (appointed 1 July 2008)	-	-	-	-
	10,995,194	**-**	**-**	**10,995,194**

* The Net Change Other reflected above refers to shares purchased or sold and the share consolidation associated with the demerger of the Construction division. No options were exercised during the year.

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
8. REMUNERATION OF AUDITORS					
(a) Remuneration of the auditor of the parent entity for:					
Auditing or reviewing the financial report		122,500	76,574	54,000	39,510
(b) Taxation Services					
RSM Bird Cameron Partners for tax compliance services, including review of company income tax returns		-	-	-	-
Grant Thornton (WA) Pty Ltd for tax compliance services, including review of company income tax returns		-	27,585	-	24,000
(c) Other Services					
RSM Bird Cameron Partners for tax compliance services, including review of company income tax returns		-	-	-	-
Grant Thornton (WA) Pty Ltd for sundry accounting services		-	4,000	-	-
During the 2009 year RSM Bird Cameron Partners replaced Grant Thornton (WA) Pty Ltd as the auditors. In October 2007 Bentley's MRI Perth Partnership joined the Grant Thornton network and changed its name to Grant Thornton (WA) Partnership. On or about 26 May 2008 William Buck Melbourne joined the Grant Thornton network.					
William Buck Melbourne provided consulting services to the automotive group in relation to it's entitlements under the Federal Governments ACIS programme.					
William Buck Melbourne also provided consulting services in relation to acquisition targets during the year and previous years.					
Amounts paid to William Buck Melbourne prior to their merger with Grant Thornton:-					
- ACIS consulting services		-	402,407	-	-
- Acquisitive services		-	634,365	-	-
			1,036,772	-	-
Amounts payable to William Buck Melbourne in connection with the Federal Government ACIS programme subsequent to joining the Grant Thornton network		-	86,371	-	-
9. DIVIDENDS					
Distributions paid:-		-	-	-	-
(a) Balance of franking account at year end adjusted for franking credits arising from: - payment of provision for income tax		(1,322,002)	(1,322,002)	(1,322,002)	(1,322,002)

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $
10. EARNINGS PER SHARE			
(a) Basic earnings per share:			
Profit/(Loss) from continuing operations attributable to the ordinary equity holders of the company		2.32	(13.09)
Profit/(Loss) from discontinued operations		-	(0.28)
Profit/(Loss) attributable to the ordinary equity holders of the company		2.32	(13.37)
(b) Dilutive earnings per share:			
Profit/(Loss) from continuing operations attributable to the ordinary equity holders of the company		2.32	(12.78)
Profit/(Loss) from discontinued operations		-	(0.28)
Profit/(Loss) attributable to the ordinary equity holders of the company		2.32	(13.06)
(c) Reconciliation of earnings used in calculating earnings per share			
Profit/(Loss) from continuing operations		1,253,702	(7,161,528)
Profit/(Loss) from continuing operations attributable to minority equity interest		8,067	4,502
Profit/(Loss) from continuing operations attributable to the ordinary equity holders of the company used in calculating basic earnings per share		1,261,769	(7,157,026)
Profit/(Loss) from discontinued operations		-	(159,246)
Profit/(Loss) attributable to the ordinary equity holders of the company used in calculating basic earnings per share		**1,261,769**	**(7,316,272)**
(d) Weighted number of ordinary shares outstanding during the year used in calculating basic EPS (denominator)			
Number of shares at beginning of year		54,346,301	164,475,594
Issued during the year		-	-
Effect of share consolidation		-	(109,651,304)
Shares bought back during the year		-	(477,989)
Number of shares at end of year		**54,346,301**	**54,346,301**
Weighted number of shares on issue		**54,346,301**	**54,703,382**
(e) Weighted number of ordinary shares outstanding during the year used in calculating dilutive EPS (denominator)			
Weighted number of shares on issue		54,346,301	54,703,382
Weighted number of options outstanding for calculating diluted EPS		-	1,333,332
Weighted number of ordinary shares outstanding during the year in calculating dilutive EPS. The weighted number of options outstanding at 30 June 2009 of 2,864,839 are excluded from the calculation of diluted EPS as they are not dilutive in nature.		**54,346,301**	**56,036,714**

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
11. CASH AND CASH EQUIVALENTS					
Cash at bank and on hand		674,336	279,196	28,472	4,144
Deposits at call		-	458,045	27,000	27,000
		674,336	**737,241**	**55,472**	**31,144**
Reconciliation to cash at the end of the year The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:					
Balances as above		674,336	737,241	55,472	31,144
Bank overdrafts		-	(813,946)	-	-
Balance per statement of cash flows		**674,336**	**(76,705)**	**55,472**	**31,144**
(b) Cash at bank and on hand					
These are at call and bear interest at:		3.12%	3.51%	0.00%	0.00%
(c) Deposits at call					
The effective rate on short-term bank deposits was:		3.70%	6.13%	3.70%	5.93%
12. TRADE AND OTHER RECEIVABLES					
CURRENT					
Trade receivables		10,403,607	12,937,740	49	8,800
Provision for impairment of receivables		(224,215)	(137,685)	-	-
		10,179,392	**12,800,055**	**49**	**8,800**
NON-CURRENT					
Amounts advanced to shareholders by Kai Limited		4,135,682	3,925,000	-	-
Amounts receivable from wholly owned subsidiaries		-	-	8,240,399	15,508,682
Provision for doubtful receivables - related parties		-	-	(6,225,042)	(6,219,542)
		4,135,682	**3,925,000**	**2,015,357**	**9,289,140**

As the amount has not been repaid within the financial year nor is it certain to be repaid within current year, the amount has been classified as a non-current receivable.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
12. TRADE AND OTHER RECEIVABLES/...(CONTINUED)					
(a) Provision for Impairment of Receivables					
Current trade and term receivables are non-interest bearing and generally on 30 day terms. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. These amounts have been included in the other expenses item.					
Movement in the provision for impairment of receivables is as follows:					
(i) Current trade receivables					
Opening Balance		137,685	-	-	-
Charge for the Year		86,530	137,685	-	-
Amounts Written-Off		-	-	-	-
Closing Balance		**224,215**	**137,685**	**-**	**-**

Balances within trade and other receivables that contain assets that are not impaired and are past due are shown below. It is expected these balances will be received when due. Impaired assets are provided for in full. Refer to note 34 for further information.

(ii) Ageing analysis of trade receivables	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
0 - 30 days	5,607,411	8,588,598	49	8,800
31 - 60 days	1,499,385	3,229,082	-	-
61 - 90 days past due not impaired	341,937	236,475	-	-
61 - 90 days considered impaired	-	-	-	-
91+ days past due not impaired	2,730,659	745,900	-	-
91+ days past considered impaired	224,215	137,685	-	-
	10,403,607	12,937,740	49	8,800

(b) Non-current receivables - Parent

Non-Current receivables in the parent entity consist of amounts owing from wholly-owned entities. There are no repayment plans but repayments are made out of surplus profits retained in the subsidiary for these receivables. Hence, the directors consider these receivables to be an investment.

(c) Non-current receivables - Consolidated Group

Non-Current receivables in the consolidated group consist of amounts advanced by the liquidator of Kai Limited to shareholders pending final distributions on liquidation. In August 2008 Kai Limited was withdrawn from voluntary liquidation delayed due to a claim being made against Kai Limited by a former employee. This claim is being managed and is not expected to give rise to any impairment of the receivable.

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
13. INVENTORIES					
Raw materials and stores - at cost		4,847,164	7,615,403	-	-
Work in progress - at cost		3,731,556	4,825,860	-	-
Finished goods - at cost		2,172,843	1,489,006	-	-
		10,751,563	13,930,269	-	-
Provision for impairment losses		(2,127,317)	(1,976,474)	-	-
		8,624,246	**11,953,795**	**-**	**-**
Projects in progress - at cost		209,154	1,177,552	-	-
Provision for impairment		-	(608,447)	-	-
		209,154	**569,105**	**-**	**-**
Total Inventories		**8,833,400**	**12,522,900**	**-**	**-**
(a) Impairment of inventories					
Re-assessment of obsolescence of inventories and project impairment recognised as an expense during the year amounted to:		150,843	232,650	-	-
These expenses have been included as 'raw materials and consumables used' in the income statement.					

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
14. ASSOCIATED COMPANIES					
Interests are held in the following associated companies					
Micro Wind Turbines Australia Pty Ltd					
(a) Carrying amounts					
Unlisted investment - 50% of Micro Wind Turbines Australia Pty Ltd incorporated in Australia acquired 12 January 2008 for cash. Principal activity - Distribution and installation of Wind Turbines for small scale commercial and domestic use.		-	-	-	-
(b) Movements During the Year in Equity Accounted Investment in Associated Companies					
Balance at beginning of the financial year		-	-	-	-
Acquisition of shares in Micro Wind Turbines Australia Pty Ltd		-	300,000	-	-
Share of associated company's loss		-	(52,558)	-	-
Impairment in value of investment in Micro Wind Turbines Australia Pty Ltd		-	(247,442)	-	-
Balance at end of the financial year		-	-	-	-
(c) Equity accounted profits of associates are broken down as follows:					
Share of associate's loss		-	(52,558)	-	-
Share of associate's income tax expense			-	-	-
Share of associate's loss after income tax		-	(52,558)	-	-
(d) Summarised Presentation of Aggregate Assets, Liabilities and Performance of Associates					
Tangible assets		-	827,380	-	-
Intangible assets		-	100,000	-	-
Total assets		-	927,380	-	-
Liabilities		-	822,264	-	-
Net assets		-	105,116	-	-
Share of net assets		-	52,558	-	-
Carrying value assessment of net assets		-	(52,558)	-	-
Carrying value of investment		-	-	-	-

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
15. FINANCIAL ASSETS					
(a) Available-for-sale Financial Assets Comprise					
Unlisted investments, at cost					
- Shares in controlled entities	16	-	-	3,442,534	3,442,534
		-	**-**	**3,442,534**	**3,442,534**

Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

The fair value of unlisted available-for-sale financial assets cannot be reliably measured as variability in the range of reasonable fair value estimates is significant. As a result, all unlisted investments are reflected at cost. Unlisted available-for-sale financial assets exist within active markets and could be disposed of if required. No intention to dispose of any unlisted available-for-sale financial assets existed at 30 June 2009 or 30 June 2008.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	PLACE OF INC	% VOTING RIGHTS/ OWNERSHIP	COST OF INVESTMENT 2009	COST OF INVESTMENT 2008
16. CONTROLLED ENTITIES					
Parent Entity: Autodom Limited		WA			
Ultimate Parent Entity: Autodom Limited		WA			
Subsidiaries of Autodom Limited:					
Group Five Australia Ltd (formerly A.I. CV Ltd)		WA	100	1,756,147	1,756,147
TVT Engineers Pty Ltd		WA	100	2	2
Rankin Industries Inc		USA	100	1,268,448	1,268,448
Australasian Copper Technologies Pty Ltd		WA	100	100	100
Timcast Unit Trust		WA	100	1,922,613	1,922,613
Conantville Pty Ltd		WA	100	100	100
Hector Street Unit Trust		WA	100	10	10
J & R Steel Fabrication Trust		WA	100	20	20
Kai Ltd		WA	50	1,175,000	1,175,000
aiAutomotive Pty Ltd		WA	100	1	1
Subsidiaries of aiAutomotive Pty Ltd:					
Henderson Components Pty Ltd		VIC	100	-	-
Motive Energy Pty Ltd		WA	100	-	-
aiAutomotive (Victoria) Pty Ltd		WA	100	-	-
				6,122,441	**6,122,441**
Less: Provision for impairment of investments					
Group Five Australia Ltd (formerly A.I. CV Ltd)				(608,050)	(608,050)
Rankin Industries Inc				(149,244)	(149,244)
Timcast Unit Trust				(1,922,613)	(1,922,613)
				(2,679,907)	**(2,679,907)**
	15(a)			**3,442,534**	**3,442,534**

(a) Acquisition of Controlled Entities

There were no Controlled Entities acquired during the year ended 30 June 2009 or the year ended 30 June 2008. The ownership percentages of all subsidiaries within the consolidated group have not changed from the previous year.

(b) Disposal of Controlled Entities

There were no Controlled Entities disposed during the year ended 30 June 2009 or the year ended 30 June 2008.

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
17. NON CURRENT ASSETS - PROPERTY, PLANT & EQUIPMENT					
Plant and equipment:					
At cost		26,654,596	25,849,951	100,569	105,356
Accumulated depreciation		(15,108,579)	(11,554,255)	(36,342)	(37,984)
		11,546,017	**14,295,696**	**64,227**	**67,372**
Leased plant and equipment:					
At cost		-	-	-	-
Accumulated depreciation		-	-	-	-
		-	**-**	**-**	**-**
Leasehold improvements:					
At cost		1,756,453	2,009,674	-	253,221
Accumulated depreciation		(982,672)	(1,120,095)	-	(253,221)
		773,781	**889,579**	**-**	**-**
Plant and equipment under construction:					
At cost		-	256,628	-	-
			256,628		
Total Property, Plant and Equipment		**12,319,798**	**15,441,903**	**64,227**	**67,372**

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the financial year

Consolidated Group:	PLANT & EQUIPMENT $	LEASED PLANT & EQUIPMENT $	LEASEHOLD IMPROVEMENTS $	PLANT UNDER CONSTRUCTION $	TOTAL $
Balance at 1 July 2007	8,295,689	2,026,113	978,379	1,985	11,302,166
Additions	6,840,054	-	288,706	254,643	7,383,403
Disposals	(35,556)	-	(4,245)	-	(39,801)
Depreciation expense	(2,830,604)	-	(373,261)	-	(3,203,865)
Re-allocations/transfers	2,026,113	2,026,113	-	-	-
Balance at 30 June 2008	**14,295,696**	**-**	**889,579**	**256,628**	**15,441,903**
Additions	340,909	-	-	-	340,909
Disposals	(31,761)	-	-	-	(31,761)
Depreciation expense	(3,357,225)	-	(115,798)	-	(3,473,023)
Re-allocations/transfers	298,398	-		(256,628)	41,770
Balance at 30 June 2009	**11,546,017**	**-**	**773,781**	**-**	**12,319,798**

Notes to the Financial Statements

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17. NON CURRENT ASSETS - PROPERTY, PLANT & EQUIPMENT/...(CONTINUED)

Parent entity:	PLANT & EQUIPMENT $	LEASED PLANT & EQUIPMENT $	LEASEHOLD IMPROVEMENTS $	PLANT UNDER CONSTRUCTION $	TOTAL $
Balance at 1 July 2007	27,900	-	4,716	-	32,616
Additions	69,124	-	253,221	-	322,345
Disposals	(16,979)		(4,245)		(21,224)
Depreciation expense	(12,673)	-	(253,692)	-	(266,365)
Balance at 30 June 2008	**67,372**	**-**	**-**	**-**	**67,372**
Additions	10,056	-	-	-	10,056
Disposals	-	-	-	-	-
Depreciation expense	(13,201)	-	-	-	(13,201)
Balance at 30 June 2009	**64,227**	**-**	**-**	**-**	**64,227**

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
18. INTANGIBLE ASSETS					
Goodwill on consolidation		5,358,289	5,474,315	-	-
Accumulated impairment losses		-	-	-	-
		5,358,289	**5,474,315**	-	-
Patents and licences at cost		13,684	13,684	-	-
Accumulated amortisation and impairment			-	-	-
		13,684	**13,684**	**-**	**-**
Intellectual property		300,020	300,020	-	-
Accumulated amortisation and impairment		(300,000)	(300,000)	-	-
		20	**20**	**-**	**-**
Computer software		639	284,037	639	25,100
Accumulated amortisation		(546)	(241,934)	(546)	(24,766)
		93	**42,103**	**93**	**334**
Total Intangibles		**5,372,086**	**5,530,122**	**93**	**334**

Intellectual property of $300,000 was acquired through a business combination (refer note 34) relating to the value of natural gas conversion technology for motor vehicles developed by Motive Energy Pty Ltd.

18. INTANGIBLE ASSETS/...(CONTINUED)

(a) Movements in Carrying Amounts

Consolidated Group:	GOODWILL	PATENTS & LICENCES	INTELLECTUAL PROPERTY	COMPUTER SOFTWARE	TOTAL
Balance at 1 July 2007	-	-	300,000	19,256	319,256
Additions	5,474,315	13,684	20	52,386	5,540,405
Acquisition of a subsidiary	-	-	-	-	-
Disposals	-	-	-	(4,761)	(4,761)
Amortisation charge	-	-	-	(24,778)	(24,778)
Impairment losses	-	-	(300,000)	-	(300,000)
Balance at 30 June 2008	**5,474,315**	**13,684**	**20**	**42,103**	**5,530,122**
Additions				-	-
Adjustments with final settlement payments on acquisition of Dair and HPG	(116,026)	-	-	-	(116,026)
Reallocation/transfer to Property, Plant and Equipment	-			(41,770)	(41,770)
Amortisation/impairment charge		-	-	(240)	(240)
Balance at 30 June 2009	**5,358,289**	**13,684**	**20**	**93**	**5,372,086**

Intangible assets, other than goodwill, have finite useful lives. The current amortisation charges for intangible assets are included under depreciation and amortisation expense per the income statement. Goodwill has an infinite life.

The assessment of impairment of assets was determined on a business cash generating unit basis. The cash generating units assets included all respective plant and equipment together with all associated intangible assets. The assumptions used to derive the future cash flows from each of the cash generating units is described in note 1 to the financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
19. OTHER ASSETS					
CURRENT					
Prepayments		71,445	73,134	748	2,225
Security Deposits		208,531	186,781	20,000	-
Other		2,447,692	2,325,254	-	-
		2,727,668	**2,585,169**	**20,748**	**2,225**

Classification

The carrying amounts of the above financial assets are designated at fair value on initial recognition.
The security deposits relate to cash deposited with the landlords of premises occupied by aiAutomotive Pty Ltd.

$2,426,293 (2008:$2,097,530) of "Other" relate to amounts receivable from the Automotive Competitive Investment Scheme (ACIS).

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
NON-CURRENT					
Deferred expense		23,781	109,835	23,781	-
		23,781	**109,835**	**23,781**	**-**

The deferred assets comprise costs of investigating potential acquisitions for the Group which are still subject of due diligence.

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
20. TRADE AND OTHER PAYABLES					
CURRENT					
Unsecured Liabilities					
Trade payables		9,718,955	19,064,775	46,086	28,384
Accrued expenses and sundry payables		4,452,630	8,145,645	155,884	52,348
		14,171,584	**27,210,420**	**201,970**	**80,732**
NON-CURRENT					
Unsecured Liabilities					
Amounts payable to:					
- Wholly-owned subsidiaries		-	-	-	6,176,823
		-	**-**	**-**	**6,176,823**

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
21. FINANCIAL LIABILITIES					
CURRENT					
Secured Liabilities					
Bank overdraft		-	813,946	-	-
Loan from State of South Australia		1,500,000	-	-	-
Bills of exchange		11,324,300	11,286,518	-	-
		12,824,300	**12,100,464**	**-**	**-**
(a) Total current and non-current secured liabilities					
Bank overdraft		-	813,946	-	-
Bank bills of exchange		11,324,300	11,286,518	-	-
		11,324,300	**12,100,464**	**-**	**-**
(b) The carrying amount of assets pledged as security are:					
CURRENT					
Cash Assets		674,336	253,452	55,472	31,144
Receivables		10,179,392	12,800,055	49	8,800
Inventories		8,833,400	12,522,900	-	-
Other		2,727,668	2,572,489	20,748	2,225
Total Current Assets pledged as security		**22,414,796**	**28,148,896**	**76,269**	**42,169**
NON-CURRENT					
Other Financial Assets		-	-	3,442,534	3,442,534
Property, Plant and Equipment		12,319,798	15,441,903	64,227	67,372
Deferred Tax Assets		4,066,723	4,703,791	1,061,716	640,346
Intangibles		5,372,086	5,530,122	93	334
Other Assets		23,781	109,835	23,781	-
Total Non-Current Assets pledged as security		**21,782,388**	**25,785,651**	**4,592,351**	**4,150,586**
Total Assets pledged as security		**44,197,184**	**53,934,547**	**4,668,620**	**4,192,755**

(a) The bank facilities of AiAutomotive Pty Ltd and its wholly owned subsidiaries totalling $12,400,000 (2008: $16,807,000) are secured by a first registered mortgage debenture over the respective assets and undertakings of each of the individual entities. The covenants within the bank facility require the group to comply with specified financial ratios - “bank senior debt to EBITDA ratio” and a “debt service cover ratio”. The covenants were not met for either of the years ended 30 June 2008 and 30 June 2009 and the group’s bankers have provided a letter of non-waiver with respect to these covenants.
As a result the bank is entitled to require repayment of facilities, accordingly, the bank debt has been classified as current.

(b) In February 2009 the Company entered into an agreement with the Government of South Australia, the Commonwealth of Australia, its bankers and a major customer which included the provision of a loan by the Government of South Australia of $3,000,000 of which $1,500,000 is repayable during the next 12 months. This loan is unsecured and is interest free.

(c) In the previous year the bank facilities of the parent entity and it’s wholly owned subsidiaries were secured by first registered mortgage debentures over the respective assets and undertakings of each of the individual entities.

21. FINANCIAL LIABILITIES/...(CONTINUED)

(d) The premises occupied by aiAutomotive are subject to an operating lease and have two years rental and outgoings secured by a second charge over the assets and undertakings of aiAutomotive Pty Ltd and Autodom Limited.
This security is the subject of a deed of priority between the lessor and the group's bankers.

(e) Bills payable have been drawn as a source of long-term finance subject to the bank agreeing to continuing to extend their facilities to the group (refer note 21(c) above). They have an average maturity of 30 days with expiry dates of 31 July 2009 and bear variable interest at a weighted average rate of 7.75% (2008: 9.37%).

(f) For further details on the fair value of borrowings see note 33.

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
22. TAX					
(a) Liabilities					
CURRENT					
Income Tax		-	-		-
NON-CURRENT					
Deferred tax liabilities					
Opening balance		1,016,212	1,383,540	-	-
Charged / (credited) to income statement		-	(367,328)	-	-
		1,016,212	1,016,212	-	-
Consolidated Group - 2009					
Deferred tax liabilities represented by					
- Gain on acquisition of subsidiary		1,016,212	1,016,212	-	-
		1,016,212	1,016,212	-	-

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
22. TAXS...(CONTINUED)					
(b) Assets					
CURRENT					
Income Tax		-	-	-	-
NON-CURRENT					
Deferred tax assets					
Opening Balance		4,710,948	2,570,975	640,346	198,982
Charged / (credited) to income statement		(644,224)	2,067,284	421,370	386,623
Exchange differences		-	72,689	-	54,741
		4,066,724	4,710,948	1,061,716	640,346
Deferred tax assets represented by					
- Payables		88,977	142,793	9,755	4,048
- Provisions		1,639,604	1,350,069	186,243	39,145
- Property, plant and equipment		535,753	460,607	68,257	68,257
- Government grants		(763,212)	(418,199)	-	-
- Tax losses		2,051,221	2,830,076	797,461	390,992
- Other		514,380	345,602	-	137,904
		4,066,723	4,710,948	1,061,716	640,346

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	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
23. PROVISIONS					
CURRENT					
Employee benefits		1,468,085	1,801,427	32,956	43,575
		1,468,085	**1,801,427**	**32,956**	**43,575**
NON-CURRENT					
Employee benefits		1,518,913	1,654,530	43,061	19,995
		1,518,913	**1,654,530**	**43,061**	**19,995**
Movements in provisions :-					
Carrying amount at the start of year		3,455,957	2,536,810	63,570	28,644
Amounts acquired during the year		-	468,316		-
Additional provisions recognised		1,308,426	2,072,744	36,625	37,344
Amounts paid during the year		(1,777,385)	(1,599,621)	(24,178)	(2,418)
Unused amounts reversed		-	(22,292)		-
Carrying amount at the end of year		**2,986,998**	**3,455,957**	**76,017**	**63,570**

Provision for Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave, annual leave and other entitlements. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

24. ISSUED CAPITAL				
(a) Share capital				
Fully paid ordinary shares	**17,916,201**	**17,916,201**	**17,916,201**	**17,916,201**
		No.		**No.**
Number of ordinary shares on issue	**54,346,301**	**54,346,301**	**54,346,301**	**54,346,301**
(b) Movements in ordinary share capital				
At the beginning of reporting period	54,346,301	164,475,594	54,346,301	164,475,594
Share consolidation 1:3	-	(109,651,304)	-	(109,651,304)
Shares bought back during the year	-	(477,989)	-	(477,989)
At reporting date	**54,346,301**	**54,346,301**	**54,346,301**	**54,346,301**

There were no shares acquired on market during the year ended 30 June 2009. As a result of the on-market share buy-back during the scheme implemented during the year ended 30 June 2008, 477,989 shares were acquired and immediately cancelled.

Ordinary shares participate in dividends and the proceeds of winding up of the parent entity in proportion to the number of shares held.

At shareholders' meetings each ordinary share is entitled to vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

24. ISSUED CAPITAL/...(CONTINUED)

(c) Options

(i) For information relating to the Autodom Limited employee option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 30 Share-based Payments.

(ii) For information relating to share options issued to key management personnel during the financial year, refer to Note 30 Share-based Payments.

(d) Capital Management

Management controls the capital of the group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the group can fund its operations and continue as a going concern.

The group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements other than the bank covenants detailed in note 21.

Management effectively manages the group's capital by assessing the group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the group since the prior year. This strategy is to ensure that the group's gearing ratio remains within a range considered acceptable by the directors. The gearing ratios for the year ended 30 June 2009 and 30 June 2008 are as follows:

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
Total borrowings (including trade payables)		28,495,885	39,310,884	201,970	6,257,555
Less cash and cash equivalents		(674,336)	(737,241)	(55,472)	(31,144)
Net debt		27,821,549	38,573,643	146,498	6,226,411
Total equity		15,833,771	14,580,120	6,405,990	7,160,770
Total capital		43,655,320	53,153,763	6,552,488	13,387,181
Gearing ratio		63.7%	72.6%	2.2%	46.5%

The reduction in the gearing ratio for 2009 is a result of improved operating performance compared with the year ended 30 June 2008. The reduction in the gearing ratio for 2009 in the parent entity reflects the repayment of loans from subsidiaries

25. RESERVES

(a) Dividend reserve

The dividend reserve records prior year profits available for future distribution.

(b) Option Reserve

The option reserve records items recognised as expenses on valuation of employee share options.

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FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009	2008	2009	2008
		$	$	$	$
26. CAPITAL AND LEASING COMMITMENTS					
(a) Capital Commitments					
Capital Expenditure contracted for at the reporting date but not recognised as liabilities is as follows:-					
Property, plant and equipment payable:-					
- Not later than 12 months		-	50,203	-	-
(b) Lease Commitments					
(i) Operating lease commitments					
The group has various non-cancellable real property leases. The leases have varying terms, escalation clauses and renewal rights.					
Non-cancellable operating leases contracted for but not capitalised in the financial statements:-					
Payable - minimum lease payments					
- Not later than 12 months		3,823,262	3,719,155	-	87,250
- Between 12 months and five years		11,889,048	12,610,677	-	116,333
- Greater than five years		6,106,247	8,988,899	-	-
Total commitment		**21,818,557**	**25,318,731**	**-**	**203,583**

Rental income expected on sub-letting of leased premises amounts to $Nil in the 2009 financial year (2008: $77,994).

27. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent Liabilities

The parent entity and group had contingent liabilities at 30 June 2009 in respect of :-

(a) Claims

Rankin Industries Inc. has been joined as a co-defendant in respect of a claim by former employees relating to welding fume related health issues. The group's insurers are the primary defendants and to date have acted in accordance with their obligations. No further liability by the group is anticipated.

(b) Related party guarantees provided

(i) aiAutomotive Pty Ltd and its controlled entities have provided a fully inter-locking guarantee and indemnity in respect of bank facilities totalling $16,807,000 (2008: $16,807,000) supported by a first registered mortgage debenture over all the assets and undertakings of the automotive entities.

(ii) The parent entity has provided a charge over the assets and undertakings of the parent entity in favour of the owner of leased premises occupied by a controlled entity, aiAutomotive Pty Ltd. The charge is limited to two years rental and outgoings with an approximate cost of $5.5 million.

No material losses are anticipated in respect to any of the above contingent liabilities

Contingent Assets

The parent entity and group had no material contingent assets at 30 June 2009.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

28. SEGMENT REPORTING

For the years ended 30 June 2008 and 30 June 2009, the business has operated as one segment, automotive.
All revenues for the year ended 30 June 2008 and 30 June 2009 were generated from automotive component maunfacturing. These revenues were generated from two manufacturing plants; one in South Australia and one in Victoria. During the year ended 30 June 2007 and in years prior to that the business operated as more than one segment. During the year ended 30 June 2007 the other segments were either discontinued or demerged. During the year ended 30 June 2008 there were some residual costs associated with the discontinued operations and a loss before tax of $159,246 was incurred.

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
29. CASH FLOW INFORMATION					
(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax					
Profit/(loss) after income tax		1,253,702	(7,320,774)	(754,780)	(6,815,395)
Non-cash flows in profit/(loss)					
Depreciation and amortisation		3,473,022	3,528,643	13,443	267,253
Deferred expenses		-	444,878	-	-
Share of associates losses equity accounted		-	52,558	-	-
Non-operating cash flows in profit/(loss) after tax					
Interest received		(3,238)	(188,862)	-	-
Net (gain)/loss on sales of property, plant and equipment		-	30,112	-	12,700
Diminution in value of investments		-		-	1,077
Impairment of investments		-	247,442	-	-
Reversal of impairment of receivables		-		-	5,658,465
Net exchange differences		-	103,241	-	-
Share options expensed		-	32,950	-	32,950
Changes in assets and liabilities, net of effects of purchase and disposal of subsidiaries					
(Increase)/decrease trade and other debtors		2,411,634	2,107,283	8,751	(8,800)
(Increase)/decrease in inventories		3,538,657	(5,996,601)	-	-
(Increase)/decrease in other financial assets		109,835	(2,213,666)	(18,523)	(1,324)
(Increase)/decrease in deferred tax assets		644,224		(421,370)	(441,364)
Increase/(decrease) in trade payables and accruals		(11,655,765)	8,896,013	121,237	(17,101)
Increase/(decrease) in current tax liabilities		-	(222,378)		(61,454)
Increase/(decrease) in deferred tax liabilities		-	(367,328)		-
Increase/(decrease) in other provisions		(231,585)	919,147	12,447	34,926
Cash Flows from operations		**(459,514)**	**52,658**	**(1,038,795)**	**(1,338,067)**

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009	2008	2009	2008
		$	$	$	$
29. CASH FLOW INFORMATION/ ...(CONTINUED)					
(b) Acquisition of Entities During the year ended 30 June 2009 final payments were made to the previous owners of the Dair and HPG businesses that were acquired during the year ended 30 June 2008.					
(c) Credit Standby Arrangements with Banks					
Credit facility		16,807,000	16,807,000	-	-
Amount utilised		(10,649,964)	(12,220,946)	-	-
Undrawn facility		6,157,036	4,586,054	-	-

The bank has indicated that due to the breach of lending covenants undrawn bill and guarantee facilities totalling $4.4m will not be available for drawdown.

The major facilities are summarised as follows:

(i) Overdraft facility

The facility incorporates a bank overdraft facility with a maximum overdraft drawdown of $1,000,000.

(ii) Commercial bill facilities

The facility incorporates 3 commercial bill facilities with a maximum limit of $13,760,000, which were drawn to $11,360,000 at balance date.

(iii) Business card facilities

The facility incorporates a maximum $47,000 limit.

(iv) Guarantee facility

The facility incorporates a bank guarantee facility with a limit of $2,000,000 to cover the rental commitments for the South Australian premises landlord.

30. SHARE-BASED PAYMENTS

There were no share based payments made during the year ended 30 June 2009. The following share-based payment arrangements took place during the year ended 30 June 2008:

On 17 September 2007, 2,000,000 share options were granted to key management personnel to accept ordinary shares as follows:

1,000,000 **Class A Options**, each exercisable on or before 30 June 2012 at an exercise price of 45 cents for no consideration. The vesting date of the options was 17 September 2007.

1,000,000 **Class B Options**, each exercisable on or before 30 June 2012 at an exercise price of 54 cents for no consideration. The vesting date of the options was 17 September 2007.

On 15 December 2007, 1,000,000 share options were granted to a director to accept ordinary shares as follows:

500,000 **Class A Options**, each exercisable on or before 30 June 2012 at an exercise price of 45 cents for no consideration. The vesting date of the options was 15 December 2007.

500,000 **Class B Options**, each exercisable on or before 30 June 2012 at an exercise price of 54 cents for no consideration. The vesting date of the options was 15 December 2007.

The options hold no voting or dividend rights and are transferable. When a director or employee ceases employment prior to the vesting date, the options are deemed to have lapsed. During the year ended 30 June 2009 2,000,000 options lapsed with the resignations of C Shellis and L Marshall.

All options granted to key management personnel are ordinary shares in Autodom Limited, which confer the right of one ordinary share for every option held.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

30. SHARE-BASED PAYMENTS/...(CONTINUED)

	NOTE	2009		2008	
		NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE
			$		$
Employee share option plan					
Outstanding at the beginning of the year		4,333,332	0.57	4,000,000	0.75
Share consolidation		-		(2,666,668)	-
Granted		-		3,000,000	0.50
Lapsed on resignation of employees		(2,000,000)	0.50		
Exercised		-		-	-
Outstanding at year-end		**2,333,332**	**0.64**	**4,333,332**	**0.57**
Vested and exercisable at year-end		**2,333,332**	**0.64**	**4,333,332**	**0.57**

During the year ended 30 June 2008, the issued capital of Autodom Limited was consolidated on a 1:3 basis. The exercise price of options issued prior to the consolidation was increased from $0.25 to $0.75.

There were no options exercised during the year (2008: Nil).

The options outstanding at 30 June 2009 had a weighted average exercise price of $0.64 (2008: $0.57) and a weighted average remaining contractual life of 3 years. Exercise prices range from $0.45 to $0.75 in respect of options outstanding at 30 June 2009.

The weighted average fair value of the options granted during the year was $Nil (2008: $0.011). The calculation of the fair value of options granted during 2008 is set out below:

This price was calculated by using a binomial option pricing model applying the following inputs:	CLASS A OPTIONS	CLASS B OPTIONS
Weighted average exercise price	$0.45	$0.54
Weighted average life of the option	5 years	5 years
Underlying share price	$0.235	$0.235
Expected annual dividend	$0.02	$0.02
Expected share price volatility	30%	30%
Risk free interest rate	6.20%	6.20%
Early exercise factor	2	2

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.
The life of the options is based on the historical exercise patterns, which may not eventuate in the future.
Included under employee benefits expense in the income statement is $nil (2008: $32,950), and relates, in full, to equity-settled share-based payment transactions.

31. EVENTS AFTER THE BALANCE SHEET DATE

There have been no events since balance date that would require revision of the amounts included in these financial statements and advisors. Autodom's bankers have been regularly briefed on the recovery initiatives and are working with the company.

	NOTE	CONSOLIDATED GROUP 2009 $	CONSOLIDATED GROUP 2008 $	PARENT ENTITY 2009 $	PARENT ENTITY 2008 $
32. RELATED PARTY TRANSACTIONS					
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.					
Transactions with related parties:					
(a) Subsidiaries Interests in subsidiaries are set out in note 16.					
(b) Transactions with related parties The following loan transactions took place with related parties:					
Loans to related parties					
Loans repaid by subsidiaries:		218,800	-	7,273,783	1,846,048
Loans from related parties					
Loans repaid by parent entity:		-	-	(6,176,823)	(378,122)
Dividend revenue from subsidiaries		-	-	-	-
(c) Outstanding balances The following balances are outstanding at the reporting date in relation to transactions with related parties (subsidiaries):					
Non-current receivables		-	-	14,627,139	15,508,682
Non-current payables		-	-	(6,386,740)	(6,176,823)
Doubtful debt provisions		-	-	(6,225,042)	(6,219,542)
The loans are interest free and carry no fixed terms for repayment.					
(d) Key Management Personnel					
Consulting fees paid to Temorex Pty Ltd, a company controlled by Mr RP Martin		88,749	35,681		-
Consulting fees paid to Hensman Nominees Pty Ltd, a company controlled by Mr Z Lendich		27,500	98,655	-	-
Fees paid to Kirraminga X Pty Ltd, a company controlled by Mr S Mutton for the following:					
Consulting services		118,880	-	-	-
Pass through of government grants in accordance with the agreement for the acquisition of Henderson Components		145,407			
Equipment rental		246.653	-	-	-
		510,940	-	-	-
Payments made to Mr P Jones with respect to the final settlement of the acquisition by the group of the HPG business.		629,368	-	-	-

Disclosures relating to directors and key management personnel are set out in note 7.

33. FINANCIAL RISK MANAGEMENT

(a) Financial Risk Management Policies

The group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries and bills of exchange.

The main purpose of non-derivative financial instruments is to raise finance for group operations.

i. Treasury Risk Management

Senior executives of the group meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions.

ii. Financial Risks Exposures and Management

The main risks the group is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and price risk.

Interest rate risk

Interest rate risk is managed utilising floating rate debt. At 30 June 2009 100% (2008: 100%) of group debt is floating. For further details on interest rate risk refer to Note 33(b)(i) & (ii).

Liquidity risk

The group manages liquidity risk by monitoring forecast cash flows and ensuring that appropriate funds are maintained to cover debts as and when they fall due.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

No material amounts of collateral were held as security at 30 June 2009

33. FINANCIAL RISK MANAGEMENT/...(CONTINUED)

Credit risk is managed on a group basis and reviewed regularly by senior executives. It arises from exposures to customers as well as through deposits with financial institutions.

Senior executives monitor credit risk by actively assessing the rating quality and liquidity of counter parties:

- only banks and financial institutions with an 'A' rating are utilised;
- all potential customers are rated for credit worthiness taking into account their size, market position and financial standing; and
- customers that do not meet the group's strict credit policies may only purchase after pre-payment of the groups cost exposure determined on a case by case basis.

The credit risk for counterparties included in trade and other receivables at 30 June 2009 is detailed below:

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
Trade and other receivables					
A+ rated counterparties		2,754,896	1,449,865		-
B rated counterparties		5,540,568	6,406,913		-
Counterparties not rated		1,883,928	4,943,277	49	8,800
Total		10,179,392	12,800,055	49	8,800

The consolidated group has material credit risk exposure to the automotive industry in Australia. The 'A' and 'B' ratings included in the above table relate to the rating of the global parent of the respective domestic operations.

Price risk

The group is exposed to commodity price risk arising from purchase of raw materials. The group does not currently hedge the price at which it purchases raw material but negotiates with customers to mitigate such exposures.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

33. FINANCIAL RISK MANAGEMENTS...(CONTINUED)

(b) Financial Instruments

i. Financial Instrument Composition and Maturity Analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	NOTE	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE		FLOATING INTEREST RATE	
		2009 %	2008 %	2009 $	2008 $
Financial Assets:					
Cash and cash equivalents		2.75%	3.51%	674,336	737,241
Receivables				-	-
Inventories				-	-
Other assets				-	-
Total Financial Assets				674,336	737,241
Financial Liabilities:					
Bank overdrafts		-	11.63%	-	813,946
Bank loans		5.89%	9.25%	11,324,300	11,286,518
Loan from State of South Australia		-	-	3,000,000	-
Total Financial Liabilities				14,324,300	12,100,464

	WITHIN 1 YEAR		1 - 5 YEARS	
Financial Assets:				
Cash and cash equivalents	-	-	-	-
Receivables	-	-	-	-
Inventories	-	-	-	-
Other assets	-	-	-	-
Total Financial Assets	-	-	-	-
Financial Liabilities:				
Bank overdrafts	-	813,946	-	-
Bank loans	11,324,300	11,286,518	-	-
Loan from State of South Australia	1,500,000	-	1,500,000	-
Total Financial Liabilities	12,824,300	12,100,464	1,500,000	-

33. FINANCIAL RISK MANAGEMENT/...(CONTINUED)

	NON INTEREST BEARING		TOTAL	
Financial Assets:				
Cash and cash equivalents	-	-	674,336	737,241
Receivables	10,179,392	12,800,055	10,179,392	12,800,055
Inventories	8,833,400	12,522,900	8,833,400	12,522,900
Other assets	2,727,668	2,585,169	2,727,668	2,585,169
Total Financial Assets	21,740,460	27,908,124	22,414,796	28,645,365
Financial Liabilities:				
Bank loans and overdrafts	-	-	11,324,300	12,100,464
Trade and sundry payables	14,171,585	27,210,420	14,171,585	27,210,420
Loan from State of South Australia	3,000,000	-	3,000,000	-
Total Financial Liabilities	17,171,585	27,210,420	28,495,885	39,310,884

ii. Net Fair Values
The net fair values of:

Loans and amounts due are determined by discounting the cash flows, at market interest rates of similar borrowings, to their present value. Other assets and other liabilities approximate their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form.

Aggregate net fair values which equate to carrying amounts of financial assets and financial liabilities at balance date:

NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
	2009 $	2008 $	2009 $	2008 $
Financial Assets				
Cash and cash equivalents	674,336	737,241	55,472	31,144
Loans and receivables	10,179,392	12,800,055	49	8,800
Amounts receivable from related parties	4,135,682	3,925,000	2,015,357	9,289,140
Inventories	8,833,400	12,522,900	-	-
Other assets	2,727,668	2,585,169	20,748	2,225
	26,550,478	32,570,365	2,091,626	9,331,309
Financial Liabilities				
Bank loans and overdrafts	11,324,300	12,100,464	-	-
Trade and sundry payables	14,171,585	27,210,420	201,970	80,732
Amounts payable related parties	-	-	-	6,176,823
Loan from State of South Australia	3,000,000	-	-	-
	28,495,885	39,310,884	201,970	6,257,555

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

33. FINANCIAL RISK MANAGEMENT/...(CONTINUED)

iii. Sensitivity Analysis

Interest Rate Risk, Foreign Currency Risk and Price Risk

The group has performed sensitivity analysis relating to its exposure to interest rate risk, foreign currency risk and price risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

At 30 June 2009, the effect on profit and equity as a result of changes in the interest rate on bank borrowings, with all other variables remaining constant would be as follows:

	NOTE	CONSOLIDATED GROUP		PARENT ENTITY	
		2009 $	2008 $	2009 $	2008 $
Change in profit					
- Increase in interest rate by 1%		(82,929)	(52,613)	-	-
- Decrease in interest rate by 1%		82,929	52,613	-	-
Change in equity					
- Increase in interest rate by 1%		(82,929)	(52,613)	-	-
- Decrease in interest rate by 1%		82,929	52,613	-	-
Price Risk Sensitivity Analysis					
At 30 June 2009, the effect on profit and equity as a result of changes in the price risk, with all other variables remaining constant would be as follows:					
Change in profit					
- Increase in raw material price by 1%		(307,008)	(493,452)	-	-
- Decrease in raw material price by 1%		307,008	493,452	-	-
Change in equity					
- Increase in raw material price by 1%		(307,008)	(493,452)	-	-
- Decrease in raw material price by 1%		307,008	493,452	-	-

The above interest rate and price risk sensitivity analysis has been performed on the assumption that all other variables remain unchanged. Should there be a rise in raw material prices, the above price risk analysis would be affected by the Group's ability to negotiate with customers to pass on any price rises.

34. BUSINESS COMBINATIONS

No acquisitions were undertaken by the group during the year ended 30 June 2009. There were two acquisitions during the prior year; the business undertakings of Dair Industries (SA) Pty Ltd ("Dair") and the business undertakings of HPG Engineering Pty Ltd ("HPG") were acquired by the group. During the year ended 30 June 2009 final payments were made to the vendors of these businesses pursuant to the performance clauses of the acquisition agreements and for stamp duty. The total payments made during 30 June 2009 to complete the acquisitions of Dair and HPG were $1,238,974 of which $1,220,000 was included as an estimate of the amount payable as of 30 June 2008. The final payments were brought to account via adjustments to the carrying value of intangibles. Details of the acquisitions of Dair and HPG are shown below for comparative purposes.

During the year ended 30 June 2007 the group acquired the entire share capital of Henderson Components Pty Ltd ("Henderson"). Final settlement was made on 9 October 2007. Under the acquisition agreement the group was required to pass through to the vendors of Henderson government grants received after the settlement date that related to the activities of Henderson prior to the settlement date. During the year ended 30 June 2009 these payments amounted to $145,407. No further payments are required to be paid in future years. The payments have been recorded by the group as a reduction in the amount of government grants received.

34. BUSINESS COMBINATIONS/...(CONTINUED)

A. Business undertakings of Dair Industries (SA) Pty Ltd

(a) Summary of Acquisition

The business assets were acquired and employee liabilities assumed of the business activities of Dair Industries (SA) Pty Ltd on 14 December 2007.

(b) Assets and Liabilities acquired

The following assets and liabilities have been acquired subject to final settlement agreement with the vendors.

Purchase consideration	
Amount settled in cash	6,377,498
Amount provided under performance clause as of 30 June 2008 and paid during the year ended 30 June 2009.	1,000,000
Cash outflow	**7,377,498**

The following assets and liabilities were acquired.	**CARRYING VALUES ON ACQUISITION**
Cash and cash equivalents	
Receivables	
Inventories	1,028,344
Property, plant and equipment	2,389,802
Goodwill	4,017,249
Intellectual property	20
Other receivables	89,286
Provisions (Employee Entitlements)	(147,203)
Net identifiable assets acquired	**7,377,498**

B. Business undertakings of HPG Engineering Pty Ltd

(a) Summary of Acquisition

The business assets were acquired and employee liabilities assumed of the business activities of HPG Engineering Pty Ltd on 25 January 2008.

(b) Assets and Liabilities acquired

The following assets and liabilities have been acquired subject to final settlement agreement with the vendors.

Purchase consideration	
Amount settled in cash	3,610,978
Amount provided under performance clause as of 30 June 2008 and paid during the year ended 30 June 2009.	250,000
Amount paid during the year ended 30 June 2009 not provided for as of 30 June 2008.	38,974
Cash outflow	**3,899,952**

The following assets and liabilities were acquired.	**CARRYING VALUES ON ACQUISITION**
Cash and cash equivalents	
Receivables	
Inventories	1,610,978
Property, plant and equipment	2,000,000
Goodwill	588,974
Provisions (Employee Entitlements)	(300,000)
Net identifiable assets acquired	**3,899,952**

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

35. NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

The following Australian Accounting Standards have been issued or amended and are applicable to the parent and consolidated group but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

New Standard	Superceded Standard	Explanation of amendments not yet effective	Effective date (reporting periods ending on or after)	Impact of New Standard	Expected date of adoption
AASB 3 Business Combinations (March 2008)	AASB 3 Business Combinations (April 2007)	AASB 3 (March 2008) amends how entities account for business combinations and changes in ownership interests in subsidiaries. Many changes have been made to this standard affecting acquisition related costs, step acquisitions, measurement of goodwill and contingent considerations. AASB 3 also replaces the term "Minority Interest" with "Non-controlling Interest". This standard can be early adopted, but only for reporting periods that begin on or after 30 June 2007. AASB 3 is applied prospectively.	Business combinations occurring on or after 30 June 2010	The financial effect of this standard has not been calculated.	1 July 2010
AASB 8 Operating Segments (February 2007)	AASB 114 Segment Reporting (September 2005)	AASB 8 supercedes AASB 114 (September 2005). AASB 8 has a different scope of application to AASB 114; it is applicable only to listed entities and those in the process of listing, and requires that segment information be disclosed using the management approach. This may result in a different set of segments being identified than those previously disclosed under AASB 114.	31 December 2009	AASB 8 is a disclosure standard therefore has no impact on the entity's reported position.	1 July 2009
AASB 123 Borrowing Costs (June 2007)	AASB 123 Borrowing Costs (July 2004)	AASB 123 (June 2007) incorporates amendments removing the option to immediately expense borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset.	31 December 2009	As the entity does not have borrowings associated with qualifying assets, these amendments are not expected to have any impact on the entity's financial report.	1 July 2009
AASB 101 Presentation of Financial Statements (September 2007)	AASB 101 Presentation of Financial Statements (July 2007)	AASB 101 (September 2007) contains a number of changes from the previous AASB 101. The main changes are to require that an entity must: • present all non-owner changes in equity ('comprehensive income') either in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income) • present an additional statement of financial position (balance sheet) as at the beginning of the earliest comparative period when the entity applies an accounting policy retrospectively, makes a retrospective restatement, or reclassifies items in its financial statements • disclose income tax relating to each component of other comprehensive income • disclose reclassification adjustments relating to components of other comprehensive income. There are other changes to terminology, however these are not mandatory.	31 December 2009	The changes to AASB 101 (September 2007) do not affect recognition or measurement criteria, therefore the changes are not expected to have any impact on the entity's reported financial position.	1 July 2009

35. NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS/...(CONTINUED)

New Standard	Superceded Standard	Explanation of amendments not yet effective	Effective date (reporting periods ending on or after)	Impact of New Standard	Expected date of adoption
AASB 127 Consolidated and Separate Financial Statements (March 2008)	AASB 127 Consolidated and Separate Financial Statements (July 2004)	AASB 127 (March 2008) amends how entities account for business combinations and changes in ownership interests in subsidiaries. Many changes were made to this standard affecting acquisitions and disposals which do not result in a change of control, partial disposals where control is lost, attribution of profit or loss to non-controlling interests and loss of significant influence or control in relation to Associates and Joint Ventures. AASB 127 replaces the term "Minority Interest" with the "Non-controlling Interest". AASB 127 is applied retrospectively, with certain exceptions relating to the significant changes made in this revision.	30 June 2010	As the transitional provision of AASB 127 provide that the changes to the recognition and measurement criteria within AASB 127 resulting from this revision do not apply retrospectively to business combinations effected prior to the amendments being adopted, this standard is not expected to have any impact on the entity's financial report.	1 July 2009
AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]	Various	AASB 2007-3 consequentially amends a number of standards arising from the issue of AASB 8. These amendments result from the changing the name of the segment reporting standard to AASB 8.	31 December 2009	AASB 2007-3 is a disclosure standard and therefore has no impact on the entity's reported position or performance.	1 July 2009

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

35. NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS/...(CONTINUED)

New Standard	Superceded Standard	Explanation of amendments not yet effective	Effective date (reporting periods ending on or after)	Impact of New Standard	Expected date of adoption
AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]	Various	The revision of AASB 123 necessitates consequential amendments to a number of existing Standards. The amendments principally remove references to expensing borrowing costs on qualifying assets, as AASB 123 was revised to require such borrowing costs to be capitalised.	31 December 2009	As the entity does not have borrowings associated with qualifying assets, these amendments are not expected to have any impact on the entity's financial report.	1 July 2009
AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101	Various	AASB 2007-8 consequentially amends a number of AASB's as a result of the reissue of AASB 101. Some of the changes include changing the terms: • 'general purpose financial report' to 'general purpose financial statements' • 'financial report' to 'financial statements' in application paragraphs, where relevant, of Australian Accounting Standards (including Interpretations) to better align with IFRS terminology.	31 December 2009	As the changes do not affect recognition or measurement criteria, the changes are not expected to have any impact on the entity's reported financial position and performance.	1 July 2009
AASB 2008-1 Amendments to Australian Accounting Standard – Sharebased Payments: Vesting Conditions and Cancellations [AASB 2]	AASB 2 Share-based Payments	AASB 2008-1 was issued after the AASB made changes to AASB 2 Share Based Payments including: • Clarifying that vesting conditions are service conditions and performance conditions only, and that other features of a share-based payment are not vesting conditions. Cancellations, whether by the entity or by other parties, should be accounted for consistently.	30 June 2010	These amendments are not expected to have any impact on the entity's financial report.	1 July 2009
AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138 & 139 and Interpretations 9 & 107]	Various	AASB 2008-3 was issued after the AASB revised AASB 3 and AASB 127, as consequential amendments were necessary to other Australian Accounting Standards.	30 June 2010	See above for AASB 3 and AASB 127 information.	1 July 2009

36. COMPANY DETAILS

The registered office of the company is:

Autodom Limited
Suite 4, Henry James Building
8 Alvan Street
SUBIACO WA 6008

The principal places of business are:

Autodom Limited
Suite 4, Henry James Building
8 Alvan Street
SUBIACO WA 6008

Postal Address:
PO Box 1808
SUBIACO WA 6904

aiAutomotive Pty Ltd
Charles Sturt Industrial Estate
20 Cheltenham Parade
WOODVILLE SA 5011

aiAutomotive (Victoria) Pty Ltd
383 Bayswater Road
BAYSWATER VIC 3153

AUTODOM

Directors Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 13 to 68, are in accordance with the Corporations Act 2001 and:

    a. comply with Accounting Standards and the Corporations Regulations 2001; and
    b. give a true and fair view of the financial position as at 30 June 2009 and of the performance for the year ended on that date of the company and the consolidated group;

2. The Managing Director and Chief Financial Officer have each declared that:

    a. the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
    b. the financial statements and notes for the financial year comply with the Accounting Standards; and
    c. the financial statements and notes for the financial year give a true and fair view;

3. In the directors' opinion, subject to the items in note 1 (r), there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a circular resolution of the Board of Directors.

Tony Dale
Director

PERTH
30 September 2009

RSM Bird Cameron Partners
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

AUTODOM LIMTED

Report on the Financial Report

We have audited the accompanying financial report of Autodom Limited ("the company"), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independent Audit Report

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Basis for Qualified Auditor's Opinion

The company and consolidated entity have recognised deferred tax assets in respect of unused tax losses and temporary differences of $1,061,716 and $4,066,723 respectively in their balance sheets. Under Australian Accounting Standard AASB 112 *Income Taxes* a deferred tax asset can only be recognised if it is probable that future taxable profits will be available against which the balance can be utilised.

The recoverability of the deferred tax asset is dependent on the company and consolidated entity generating future taxable profits. We have not been able to obtain sufficient appropriate evidence to determine whether it is probable that the company and consolidated entity will be able to generate adequate profits to utilise the deferred tax assets. We are therefore unable to determine whether recognition of the deferred tax assets is in accordance with the requirements of Australian Accounting Standards.

Qualified Auditor's Opinion

In our opinion, except for the effect on the financial report of the matter referred to in the preceding paragraph:

(a) the financial report of Autodom Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2009 and of their performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

Material Uncertainty Regarding Continuation as a Going Concern

Without further qualifying our opinion, we draw attention to Note 1 in the financial report which indicates that the consolidated entity recorded a net profit attributable to members of $1,261,769, which included $3,000,000 revenue for a non recurring government grant. At balance date, the consolidated entity's current liabilities exceeded its current assets by $6,049,174. Additionally, during the year, the consolidated entity did not meet the bank's loan covenants resulting in the loan facility being subject to review and possible repayment at the bank's discretion. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the company's and consolidated entity's ability to continue as going concerns and, therefore, whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not include adjustments relating to the recoverability and classification of recorded assets amounts or to the amounts and classification of liabilities that might be necessary if the company and consolidated entity do not continue as going concerns.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the financial year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Independent Audit Report

Auditor's Opinion

In our opinion the Remuneration Report of Autodom Limited for the financial year ended 30 June 2009 complies with section 300A of the *Corporations Act 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants

Perth, WA
Dated: 29 September 2009

J A KOMNINOS
Partner

Additional Information For Listed Public Companies

A. DISTRIBUTION OF SHAREHOLDERS AT 11 SEPTEMBER 2009

Analysis of numbers of equity security holders by size of holding:

ORDINARY SHARES	HOLDERS	NUMBER	%
1 - 1,000	664	383,485	0.71%
1,001 - 5,000	753	1,916,133	3.53%
5,001 - 10,000	218	1,666,815	3.07%
10,001 - 100,000	291	9,819,112	18.07%
100,001 - and over	63	40,560,756	74.63%
	1,989	**54,346,301**	**100.00%**

B. There were 1,590 holders of 3,517,556 ordinary shares which were less than a marketable parcel of ordinary shares.

C. 20 LARGEST SHAREHOLDERS - ORDINARY SHARES AS AT 11 SEPTEMBER 2009

The names of the twenty largest holders of quoted equity securities are listed below:

NAME	NUMBER	%
Temorex Pty Ltd	5,863,805	10.79
Super John Pty Ltd	3,333,333	6.13
Saurbrey Investments Pty Ltd Saurbrey S/F A/C	3,032,342	5.58
Mr Andrew Blair Ellison Mrs Serena Maxine Ellison BA & SM Ellison S/F A/C	2,818,640	5.19
Citicorp Nominees Pty Limited	1,741,621	3.20
Mr Peter Maxwell Wells Peter Heather Wells S/F A/C	1,730,605	3.18
Auro Pty Ltd	1,498,547	2.76
Anniversary Nominees Top of the Town Unit A/C	1,485,147	2.73
Mr David Webster Mrs Janine Florence Webster The D & J Webster S/F A/C	1,146,666	2.11
MR Keith Ronald Luestner Mrs Mitsuko Sunshine Luestner	1,053,014	1.94
RPM Super Pty Ltd RPM S/F A/C	1,044,999	1.92
Mr Robert Paul Martin Mrs Susan Pamela Martin R & S Martin S/F A/C	1,006,666	1.85
Mr John Martin Mrs Anne Martin John Martin Family S/F A/C	847,775	1.56
Mr Anthony Grant Melville Mrs Elaine Sandra Melville Melville Family S/F A/C	825,000	1.52
Teesdale Investment & Management Pty Ltd	652,455	1.20
Mr Robert Maxwell Mrs Elizabeth Mary Mr Benjamin Richard Family Pension Plan A/C	582,500	1.07
Zerrin Investments Pty Ltd JMS S/F A/C	569,162	1.05
Kamala Holdings Pty Ltd Kamala 1994 S/F A/C	567,660	1.04
Richcab Pty Ltd	567,038	1.04
Mr Peter Mui Mrs Linda Mui	512,666	0.94
top 20 holders of ordinary fully paid shares (total)	**30,879,641**	**56.82**

Additional Information For Listed Public Companies

D. SUBSTANTIAL HOLDERS

The names of the substantial shareholders in the holding company's register as at 29 August 2008 are set out below:

SHAREHOLDER	ORDINARY SHARES NUMBER	%
Robert Paul Martin	9,850,618	18.14%
Super John Pty Ltd	3,333,333	6.13%
Saurbrey Investments Pty Ltd Saurbrey S/F A/C	3,032,342	5.58%
Mr Andrew Blair Ellison Mrs Serena Maxine Ellison BA & SM Ellison S/F A/C	2,818,640	5.19%

E. VOTING RIGHTS

The voting rights attaching to ordinary shares is:-
- on a show of hands each member in person or by proxy shall have one vote; and
- upon a poll each share shall have one vote.

The options issued prior to balance date carry no voting rights.

AUTODOM

Corporate Governance Statement

The Board of Directors of Autodom Limited (Autodom) is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

In accordance with the Australian Stock Exchange (ASX) Corporate Governance Council's ("CGC") "Principles of Good Corporate Governance and Best Practice Recommendations" the Corporate Governance Statement must contain certain specific information and must disclose the extent to which the Company has followed the guidelines during the period. Where a recommendation has not been followed, that fact must be disclosed together with the reasons for the departure.

The Company's corporate governance practices were in place throughout the year and are compliant, unless otherwise stated, with the Corporate Governance Council's principles and recommendations, which are noted below.

Principle 1. Lay solid foundations for management and oversight

Principle 2. Structure the Board to add value

Principle 3. Promote ethical and responsible decision making

Principle 4. Safeguard integrity in financial reporting

Principle 5. Make timely and balanced disclosure

Principle 6. Respect the rights of shareholders

Principle 7. Recognise and manage risk

Principle 8. Remunerate fairly and responsibly

A summary of the corporate governance policies and practices adopted by Autodom is set out below.

Role of the Board of Directors

The Board of Autodom is responsible for setting the Company's strategic direction and providing effective governance over Autdoms' affairs in conjunction with the overall supervision of the Company's business with the view of maximising shareholder value. The Board's key responsibilities are to:

(a) chart the direction, strategies and financial objectives for Autodom and monitor the implementation of those policies, strategies and financial objectives;

(b) monitor compliance with regulatory requirements, ethical standards and external commitments;

(c) appoint, evaluate the performance of, determine the remuneration of, plan for the succession of and, where appropriate, remove the managing director if in place or similar person acting in the executive capacity; and

(d) ensure that the Board continues to have the mix of skills and experience necessary to conduct Autodoms' activities, and that appropriate directors are selected and appointed as required.

In accordance with Autodoms' Constitution, the Board delegates responsibility for the day–to–day management of Autodom to the managing director (subject to any limits of such delegated authority as determined by the Board from time to time). Management as a whole is charged with reporting to the Board on the performance of the Company.

Corporate Governance Statement

Board structure and composition

The Board currently is comprised of 3 directors, none of which are independent non–executive Directors. Details of each directors skill, expertise and background are contained within the directors report included with the company's annual financial statements.

Independence, in this context, is defined to mean a non–executive Director who is free from any interest and any business or other relationship that could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of Autodom. The definition of independence in ASX Recommendation 2.1 is taken into account for this purpose.

The Company has structured its Board to comprise those individuals who possess both long-term strategic and day to day operations expertise relevant to the Company. The Board acknowledges that a greater proportion of independent directors may be desirable in the future and will continue to monitor its composition and make appropriate changes as and when the Board deems appropriate.

Details of directors' shareholdings are disclosed in the directors' report and financial report. There are no retirement schemes other that the payment of statutory superannuation contributions.

Any equity based compensation of directors is required to be approved in advance by shareholders.

Presently, the roles of chairman and managing director are not always separated. The Company has not appointed a chairperson. The Board elects a chairperson prior to each Board meeting. At times the same individual exercises the roles of chairperson and managing director.

The Company notes that there should be a separation between the roles of chairman and managing director, however the Company is not yet of a size which would necessitate the separation of these roles. It is the board's intention that separate individuals hold these roles when it reaches an appropriate phase in the Company's development.

The managing director is responsible for supervising the management of the business as designated by the Board. This ensures the appropriate independent functioning of the Board and management.

Autodoms' non–executive Directors may not hold office for a continuous period in excess of three years or past the third annual general meeting following their appointment, whichever is longer, without submitting for re–election. Directors are elected or re–elected, as the case may be, by shareholders in a general meeting. Directors may offer themselves for re–election. A Director appointed by the Directors (e.g., to fill a casual vacancy) will hold office only until the conclusion of the next annual general meeting of Autodom but is eligible for re–election at that meeting.

Under Autodoms' Constitution, voting requires a simple majority of the Board. The Chairman holds a casting vote.

The Company has procedures enabling any director or committee of the board to seek external professional advice as considered necessary, at the Company's expense subject to prior consultation with the Chairman. A copy of any advice sought by a director would be made available to all directors.

Corporate Governance Statement

Board and management effectiveness

Responsibility for the overall direction and management of Autodom, its corporate governance and the internal workings of Autodom rests with the Board notwithstanding the delegation of certain functions to the managing director and management generally (such delegation effected at all times in accordance with Autodoms' Constitution and its corporate governance policies).

An evaluation procedure in relation to the Board and individual Directors did not take place during the year as it was not considered to provide any benefit given the size and composition of the Board. In addition, a formal performance review for the managing director was not undertaken, however his performance is measured in line with the overall performance of the Company in meeting its planned activities and objectives.

Financial Reporting, Internal Control and Risk Management

The Board has overall responsibility for Autodoms systems of internal control. These systems are designed to ensure effective and efficient operations, including financial reporting and compliance with laws and regulations, with a view to managing the risk of failure to achieve business objectives. It must be recognised, however, that internal control systems can provide only reasonable and not absolute assurance against the risk of material loss.

The Board regularly receives information about the financial position and performance of Autodom. For annual accounts released publicly, the managing director and the Chief Financial Officer sign-off to the Board:

- the accuracy of the accounts and that they represent a true and fair view, in all material respects, of Autodoms financial condition and operational results, and have been prepared in accordance with applicable accounting standards and
- that the representations are based on a system of risk management and internal compliance and control relating to financial reporting which implements the policies adopted by the Board, and that those systems are operating efficiently and effectively in all material respects.

Management has not reported to the Board on the effectiveness of the company's management of its material business risks as required by Principal 7. The Company is currently in the process of assessing its business risk management framework and will implement further procedures and reporting structures in the coming year. Risk is currently considered on an informal, day-to-day basis across the financial, operational and organisation aspects of the Company's business. The operating subsidiaries have established systems of internal control, which takes account of key business exposures. The systems are designed to ensure that assets are safeguarded, proper accounting records are maintained and financial information is reliable.

Corporate Governance Statement

Committees of the Board of Directors

The Board has not established any permanent committees, namely an Audit and Risk Committee and a Remuneration and Nomination Committee. The Board is not of a sufficient size to warrant separate committees in this regard.

In the absence of an audit committee, the entire Board undertakes the function of an audit committee. The duties of this committee include:

- to be focal point of communication between the Board, management and the external auditor;
- to recommend and supervise the engagement of the external auditor and monitor auditor performance;
- review the effectiveness of management information and other systems of internal control;
- review all areas of significant financial risk and arrangements in place to contain those to acceptable levels;
- review significant transactions that are not a normal part of the Company's business;
- review the year end and interim financial information and ASX reporting statements;
- to monitor the internal controls and accounting compliance with the Corporations Act, ASX Listing Rules, external audit reports and ensure prompt remedial action where required; and
- review the Company's financial statements and accounting procedures.

The Company's auditor is invited to attend the annual general meeting and the Company supports the principle of the auditor being available to answer questions on the conduct of the audit and the content of the audit report.

In addition, the role of a Remuneration and Nomination Committee is carried out by the entire Board. The remuneration policy which sets out the terms and conditions for the Managing Director and other senior executives is set out in the Remuneration Report included in the Directors Report contained within the Company's annual report.

Corporate Governance Statement

Timely and balanced disclosure

Autodom is committed to promoting investor confidence and ensuring that shareholders and the market have equal access to information and are provided with timely and balanced disclosure of all material matters concerning the Company. Additionally, Autodom recognises its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act.

The Company's shareholders are responsible for voting on the appointment of directors. The Board informs shareholders of all major developments affecting the Company by:

- Preparing half yearly and annual financial reports and making these available to all shareholders.
- Advising the market of matters requiring disclosure under Australian Stock Exchange Continuous Disclosure Rules.
- Maintaining a record of significant ASX announcements on the Company's website.
- Submitting proposed major changes in the Company's affairs to a vote of shareholders, as required by the Corporation Law.
- Reporting to shareholders at annual general meetings on the Company's activities during the year. All shareholders that are unable to attend these meetings are encouraged to communicate issues or ask questions by writing to the Company.

To assist with these matters, the Board has adopted a Continuous Disclosure Compliance Procedure.

The Procedure allocates roles to the Board and management in respect of identifying material information and coordinating disclosure of that information where required by the ASX Listing Rules.

The Procedure also identifies authorised company spokespersons and the processes Autodom has adopted to communicate effectively with its shareholders. In addition to periodic reporting, Autodom will ensure that all relevant information concerning the Company is placed on its website.

ETHICAL AND RESPONSIBLE DECISION-MAKING

Code of Conduct

The Board has created a framework for managing the Company including internal controls, business risk management processes and appropriate ethical standards.

The Board has adopted practices for maintaining confidence in the Company's integrity including promoting integrity, trust, fairness and honesty in the way employees and Directors conduct themselves and Autodoms' business, avoiding conflicts of interest and not misusing company resources. A formal Code of Conduct has been adopted for all employees and Directors of Autodom.

Securities Trading Policy

A Securities Trading Policy has been adopted by the Board to set a standard of conduct, which demonstrates Autodoms' commitment to ensuring awareness of the insider trading laws, and that employees and Directors comply with those laws. The Securities Trading Policy mirrors the Corporations law provisions in respect to insider trading.

Other Information

Autodom Limited will include on its website (www.autodom.com.au) full details of its corporate governance regime.

AUTODOM

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