ABN 16 089 111 124

APPENDIX 4E

PRELIMINARY FINAL REPORT

FOR PERIOD ENDED 30 JUNE 2009

Previous Corresponding Period – Year Ended 30 June 2008

CHEVIOT BRIDGE LTD

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Full year results for the year ending 30 June 2009		
Profit and Loss	**'000**	**Change**
Revenue from ordinary activities	$30,363	Up 4.2%
Profit from ordinary activities before tax attributable to members	$1,146	NA Prior year loss
Net profit attributable to members	$975	NA Prior year loss
Dividends (per share)	**30 June 2009**	**30 June 2008**
Dividend – interim and final	Nil	Nil
Record date	N/A	N/A
Other information	**30 June 2009**	**30 June 2008**
Net Tangible Assets per ordinary security	0.29 cents *	(22.1 cents) *
Diluted Earnings per share	0.97 cents	(4.88 cents)

* NTA excludes 23 cents (2008 - 23 cents) per share of intangible assets (brands and goodwill) consistent with the business model

Explanation of the results for the period

See attached Annual Report

Details over which the entities control has been gained or lost Nil

Details of Associates Nil

Details of Joint Venture Entities Nil

Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.

Refer attached Annual Report

Audit Statement

This report is based on the 2009 Annual Report of Cheviot Bridge Ltd which has been audited.

Attachments forming Part of Appendix 4E

Annual Report

Signed by Director

Maurice Dean
Date: 27 August 2009

CHEVIOT BRIDGE LIMITED
ABN 16 089 111 124

Annual report – 2009

Contents

CORPORATE DIRECTORY

ASX Code: CVB

Board

Non Executive Directors
William Gurry, Chairman
Paul Batchelor
Andrew Brown
Paul Robertson

Executive Directors
Maurice Dean - Managing Director, Cheviot Bridge
Sean Edwards - Executive Director, Business Development
Robert Stanway - Managing Director, Kirribilly Viticulture
David Wood - Finance Director

Company Secretary
David Wood - Group Company Secretary
(03) 8656 7000

Registered Office
Level 9, 564 St. Kilda Road
Melbourne, VIC 3000

Telephone: 03 8656 7000
Fax: 03 9510 3277

Share Registry
Registries Limited
PO Box R67
Royal Exchange
Sydney NSW 1223

Phone: 02 9290 9600
Fax: 02 9290 0664
Email: registries@registries.com.au

Auditor
Pricewaterhouse Coopers
Freshwater Place
2 Southbank Boulevard
Southbank VIC 3006

Website: www.cheviotbridge.com.au

CALENDAR

Year End

- 30 June 2009

Annual Report dispatched

- mid October 2009

Annual General Meeting

- Thursday 12 November 2009

Half year end

- 31 December 2009

Half year result announced

- February 2010

Annual General Meeting

Venue: Cheviot Bridge Ltd
9/564 St Kilda Road
Melbourne VIC 3004

Thursday 12 November 2009 at 12.00 pm

CHEVIOT BRIDGE LIMITED
Directors' Report – 30 June 2009

Your directors present their report on the consolidated entity consisting of Cheviot Bridge Limited and the entities that it controlled for the year ended 30 June 2009.

DIRECTORS

At the date of this report, the Directors of Cheviot Bridge Limited are:

- William Gurry – Non Executive Chairman
- Andrew Brown – Non Executive Director
- Paul Batchelor – Non Executive Director
- Paul Robertson – Non Executive Director
- Maurice Dean – Executive Director
- Sean Edwards – Executive Director
- Robert Stanway – Executive Director
- David Wood – Executive Director & Company Secretary

All Directors have acted throughout the year and up to the date of this report.

PRINCIPAL ACTIVITIES

The Company provides services across the wine industry value chain including the production, distribution, marketing and sale of wine. The company has adopted a low capital intensity model by outsourcing production and agricultural risk. The principal activities comprised:

- Wine sales - the marketing, sale and distribution of wine under proprietary branded and provision of buyers' own label product and support services.

- Wine industry services relating to vineyards via a leading viticulture management business based in Clare, South Australia, managing approximately 1,200 hectares of vineyards, including the 923 hectares owned by Cheviot Kirribilly Vineyard Property Group (CKP).

DIVIDENDS

No dividends were declared or paid during the financial year and the directors do not recommend the payment of a dividend.

REVIEW OF OPERATIONS

Financial Performance

Net Profit after tax attributable to members was $975,000 (2008: loss $4,809,000 after an impairment loss of $5,010,000 relating to Goodwill and Trademarks).

Revenue from continuing operations was $30,363,000 (2008: $29,131,000) whilst cost of goods sold, administration, marketing and sales expenses were $28,420,000 (2008: $28,606,000).

Wine Sales

The wine sales division profit contribution of $1,770,000 (2008: loss ($3,956,000 after impairment charges) reflects an improved financial performance despite the competitive pressures of the wine industry. This is attributed to:

- Benefit of new product initiatives
- Continued development of private label business
- Exchange rate advantage in export markets and
- Cost reduction initiatives

Wine Services Division

The contribution from the wine services division remained strong despite the climatic conditions impacting the industry and its customers.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the financial year.

BUSINESS STRATEGIES AND PROSPECTS

Within a challenging industry and economic environment, the business strategy of the Group is to deliver shareholder returns by continuing to focus on quality product delivery in all markets and exploring innovative ways of meeting customer demands and needs. With a focus on an efficient delivery structure, the core strategic elements of the business are:

- Low capital intensity model - all agricultural and production aspects of wine supply are outsourced. The company predominately leverages intangible assets such as brands to derive its income.
- Strong brands and brand development capability - the company recognises that the wine market is increasingly competitive and sophisticated and that strong brands are essential to a sustainable business. The company is focused on developing and maintaining innovative products that meet consumer's demands and needs in a disciplined way.
- Multi -channel distribution - the company employs an Australian sales team to maximise its ability to bring new products to market and maintain focus on its brand portfolio. Internationally, the company has appointed key agents and distributors to assist export growth.
- Viticulture management businesses - with an established annuity income stream and the potential for growth by servicing the industry as an outsource service provider as the industry strives for operational and financial efficiencies.
- A management team and board with extensive experience in the wine, asset management and financial services industries.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

There were no matters subsequent to the end of the financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Except as documented above, information on likely developments in the Consolidated Entity's operations and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

ENVIRONMENTAL REGULATION

Whilst the Consolidated Entity is not subject to significant environmental regulation in respect of its activities, the directors of the Consolidated Entity are satisfied that adequate systems are in place for the management of its environmental responsibility and compliance with the various licence requirements and regulations. Further, the directors are not aware of any material breaches to these requirements and to their best knowledge all activities have been undertaken in compliance with environmental requirements.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Chairman – Non-executive

William (Bill) Gurry
LLB; AO

Experience
Age 62
Mr Gurry is an experienced company director, with an extensive background in banking and retailing and strong rural interests. He was formerly executive Chairman of UBS in Australia, CEO of Potter Warburg and Managing Director of National Mutual Royal Bank.

Mr Gurry is currently Chairman of Rabobank Australia and New Zealand.

Special Responsibilities
Chairman of the Board
Chairman of Nomination and Remuneration Committee

Other Directorships of listed companies - current and in past 3 years

Coles Group Ltd	November 2001 – November 2007

Interest in Ordinary Shares and Options
15,823,505 shares

Non-Executive Directors

Paul Batchelor
FCA, MAICD

Experience
Age 59
Mr Batchelor is a chartered accountant with a thirty year career in business working internationally in industries including banking, insurance, asset management, consulting, manufacturing, distribution and wine. His extensive management experience includes roles as Chief Executive Officer AMP Limited, Group Chief Financial Officer Colonial Limited and various positions in a number of other companies. Prior to this he was a partner in an international accounting firm. Mr Batchelor has served on the boards of government and other institutions and established two of Australia's largest charitable foundations.

Special Responsibilities
Member of Audit and Risk Management Committee
Member of the Nomination and Remuneration Committee

Other Directorships of listed companies - current and in past 3 years

Tidewater Funds Management Ltd (formerly Cheviot Kirribilly Ltd)**	March 2006 – October 2007
Cheviot Kirribilly Vineyard Property Limited	March 2006 – October 2007

Interest in Ordinary Shares and Options
11,435,893 shares

**** - Responsible Entity of the listed Cheviot Kirribilly Vineyard Property Trust**

Andrew Brown
B.A. (Econ) Hons

Experience
Age 50
Mr Brown has 28 years experience in the Australian equity market as a stockbroker, corporate investor and funds manager. Andrew has an honours degree majoring in economics and econometrics from the University of Manchester, England. He is currently the Managing Director of Tidewater Investments Limited.

Special Responsibilities
Chairman of Audit and Risk Management Committee
Member of Nomination and Remuneration Committee

Other Directorships of listed companies- current and in past 3 years

Tidewater Investments Limited (*formerly Trent Capital Ltd*)	May 2003 – present
Adelaide Resources Ltd	April 2009 - present
Equities and Freeholds Limited	October 2007 - present
Fat Prophets Australia Fund Ltd	December 2005 - present
Tidewater Funds Management Limited	June 2008 – present
Cheviot Kirribilly Vineyard Property Limited	June 2008 – present
Aequs Capital Ltd	April 2005 – December 2008
Enerji Limited	August 2007 – July 2008
Snowball Group Ltd	July 2003 – October 2007
Mariner Wealth Management Ltd	April 2005 – October 2006
Retail Star Ltd	August 2005 – August 2006

Interest in Ordinary Shares and Options
10,396,350 shares

Paul Robertson
B. Com.

Experience
Age 57
Mr Robertson has over 30 years as an investment banker in Australia. He retired as an Executive Director and treasurer of Macquarie Bank Limited in June 2007

Special Responsibilities
Member of Nomination and Remuneration Committee

Other Directorships of listed companies - current and in past 3 years
Nil

Interest in Ordinary Shares and Options
4,326,591 shares

Executive Directors

Maurice Dean
B. App. Sc

Managing Director
Experience
Age 57
Mr Dean was employed by Mildara Blass for 28 years, commencing in 1973 as Wine Chemist and Winemaker. He was Operations Director from 1979 to 1994, Sales and Marketing Director from 1994 to 1997, Chief Operating Officer (Domestic) from 1997 to 1999 and Chief Operating Officer Global Services in 2000.

Special Responsibilities
Managing Director
Member of Nomination and Remuneration Committee

Other Directorships of listed companies - current and in past 3 years
Nil

Interest in Ordinary Shares and Options
790,082 shares

David Wood B.Com, EMBA,CA, FAICD	*Finance Director & Company Secretary* **Experience** Age 43 Mr Wood is an experienced chartered accountant and professional financial manager. He commenced his career with five years in the audit division of a global chartered accounting firm, subsequently holding senior positions in several medium sized commercial organisations in the IT, services and manufacturing. **Special Responsibilities** Finance Director Company Secretary (appointed November 2007) **Other Directorships of listed companies - current and in past 3 years** Tidewater Funds Management Ltd (formerly Cheviot Kirribilly Ltd)** March 2006 – October 2007 Cheviot Kirribilly Vineyard Property Limited March 2006 – October 2007 **** - Responsible Entity of the listed Cheviot Kirribilly Vineyard Property Trust** **Interest in Ordinary Shares and Options** 200,588 shares
Robert Stanway B Com, FAIT, CA	**Experience** Age 51 Mr Stanway has been involved in the management of vineyards since 1983 through his vineyard interests in Watervale and Armagh regions of the Clare Valley, Langhorne Creek and in the Adelaide Hills. Mr. Stanway is also a director of the Kirribilly vineyard management group where his focus is on the financial management and strategic planning of the vineyards under management. As a founding director with Sean Edwards of the Kirribilly businesses, Mr Stanway has had hands on involvement in the planning, management and successful establishment of vineyards in Clare, Langhorne Creek and Adelaide Hills. Mr Stanway is also the director of a number of Clare based businesses. **Special Responsibilities** Managing Director of Kirribilly Vineyards **Other Directorships current and in past 3 years** Tidewater Funds Management Ltd (formerly Cheviot Kirribilly Ltd)** May 2006 – present Cheviot Kirribilly Vineyard Property Limited November 2007 - present **Interest in Ordinary Shares and Options** 5,444,675 shares **** - Responsible Entity of the listed Cheviot Kirribilly Vineyard Property Trust**
Sean Edwards MREI, MICD	**Experience** Age 47 Mr Edwards has been involved in the wine industry as a grower throughout his life and his family's ownership in Clare vineyards. Mr Edwards and his family have substantial vineyards holdings in the Clare Valley and Adelaide Hills. With Robert Stanway, Mr Edwards has guided the development of the Kirribilly vineyard management group in successfully establishing over 1,200 hectares of vineyards in South Australia over the last 12 years . He and Mr Stanway continue to expand their original commercial property business Australia-wide through their involvement with a Melbourne based property development company, Acdev. He has been the Chairman of the private Clare Valley wine company Kirrihill Wines for the past nine years. Prior to that Mr Edwards was formerly the Managing Director of a Clare Based real estate agency and project management company specialising in the development of large scale residential and commercial projects over a period of ten years prior to the establishment of the Kirribilly businesses. **Special Responsibilities** Executive Director - Business Development **Other Directorships listed companies- current and in past 3 years** Tidewater Funds Management Ltd (formerly Cheviot Kirribilly Ltd)** May 2006 – present Cheviot Kirribilly Vineyard Property Limited November 2007 - present **Interest in Ordinary Shares and Options** 5,353,675 shares **** - Responsible Entity of the listed Cheviot Kirribilly Vineyard Property Trust**

Meetings of directors
The number of meetings of the board of directors and of each board committee held during the year ended 30 June 2009, and the number of meetings attended by each director were:

	Full Meetings of directors		Meetings of committees			
			Audit and Risk Management		Nomination and Remuneration	
	A	T	A	T	A	T
William Gurry	17	17	**	**	1	1
Paul Batchelor	16	17	1	2	1	1
Andrew Brown	17	17	2	2	1	1
Paul Robertson	17	17	**	**	1	1
Maurice Dean	17	17	**	**	1	1
David Wood	15	17	**	**	**	**
Robert Stanway	16	17	**	**	**	**
Sean Edwards	16	17	**	**	**	**

A – Number of Meetings Attended
T – Number of meetings held during the time the director was in office or was a member of a committee during the year
*** – Not a non-executive director** **** - Not a member of the relevant committee**

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-based compensation

The information provided under headings A-D includes remuneration disclosures that are required under Accounting Standard AASB 124 *Related Party Disclosures*. These disclosures have been transferred from the financial report and have been audited.

A Principles used to determine the nature and amount of remuneration

The company's remuneration structure is designed to:

- attract and retains high calibre executives,
- reward the achievement of strategic objectives; and
- achieve the broader outcome of sustained growth in shareholder wealth, consisting of dividends and growth in share price.

Executive Salaries

The remuneration structure (or total remuneration package) provides a mix of fixed salary (or total fixed element) and an "at risk" or variable component.

- Total fixed element - a combination of base salary, superannuation, allowances and prescribed non-financial benefits at the executives' discretion.
- Variable component- currently the variable component is focused on long-term incentives designed to align behaviour and effort to improving shareholder wealth over a 3-5 year period. The incentives are issued in the form of management options that generally vest on achievement of total shareholder return hurdles over 2, 3 and 4 years.

Executives are offered a competitive base pay which is reviewed annually or on promotion to ensure the pay is competitive with the market. There are no guaranteed base pay increases included in any senior executive contracts.

The mix between fixed and variable depends on the seniority of the executive and their ability to influence performance or shareholder value.

The company has reviewed the remuneration and incentive structure and has introduced a short term incentive program that aligns outcomes and behaviour to profitability and a performance culture.

Management Options
No management options were issued to executive directors in the current financial year. The following management options were issued in previous periods under the authority of the Board and not pursuant to the Employee Share Option Plan.

Executives were issued with Management Options to align executive reward to shareholder wealth creation on 14 December 2004. The options to acquire ordinary shares have the following terms:

- Exercise price: $0.35
- Exercise period: 1/3 after each of the 2nd, 3rd and 4th anniversary of issue
- Vesting hurdle: 50% when Total Shareholder Return (TSR) is greater or equal to 15% p.a., with the balance proportionately vesting to 100% when TSR equals 25% p.a.

These options lapsed in the current financial year.

Non-executive directors
Fees and payments to non-executive directors reflect the responsibilities and the demands which are made on the directors. Non-executive director fees and payments are reviewed annually by the Board. The Chairman's fees are determined independently to the fees of non-executive directors based on the comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration. Non-executive directors do not receive share options as part of their remuneration.

Directors' fees
The Chairman's and non-executive directors' remuneration is inclusive of committee fees and includes superannuation contributions.

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The current base remuneration was last reviewed with effect from 14 December 2004. The maximum currently stands at $350,000 in aggregate per annum.

B Details of remuneration (audited)
Details or the remuneration of the directors and the key management personnel (as defined in AASB 124 *Related Party Disclosures*) of Cheviot Bridge Limited and the Cheviot Bridge Limited Group are set out in the following tables.

The key management personnel of Cheviot Bridge Limited include the directors as per pages 6-8 above.

- The key management personnel of the Group are the directors of Cheviot Bridge Limited and those executives that report directly to the Board. The Executive Directors are the only key management personnel.

Directors Of Cheviot Bridge Limited

2009	**Primary**			**Post-Employment**		**Equity**	
Name	**Cash Salary and Fees $**	**Cash Bonus $**	**Non-monetary benefits $**	**Superannu-ation $**	**Retirement Benefits $**	**Options $**	**Total $**
Chairman							
William Gurry	45,871	-	-	4,129	-	-	**50,000**
Non-executive directors							
Paul Batchelor	22,936	-	-	2,064	-	-	**25,000**
Andrew Brown	25,000	-	-	-	-	-	**25,000**
Paul Robertson	17,202	-	-	7,798	-	-	**25,000**
Executive directors							
Maurice Dean	84,003	-	5,487	72,960	-	-	**162,450**
David Wood	148,168	-	-	13,335	-	-	**161,503**
Robert Stanway	117,137	-	6,550	62,863	-	-	**186,550**
Sean Edwards	165,137	-	-	14,863	-	-	**180,000**
Total	**625,454**	**-**	**12,037**	**178,012**	**-**	**-**	**815,503**

2008	Primary			Post-Employment		Equity	
Name	**Cash Salary and Fees $**	**Cash Bonus $**	**Non-monetary benefits $**	**Superannu-ation $**	**Retirement Benefits $**	**Options $**	**Total $**
Chairman							
William Gurry	56,032	-	-	5,043	-	-	**61,075**
Non-executive directors							
Paul Batchelor	49,472	-	-	4,452	-	-	**53,924**
Andrew Brown	40,000	-	-	-	-	-	**40,000**
Paul Robertson[1]	19,335	-	-	1,740	-	-	**21,075**
Executive directors							
Maurice Dean	87,480	25,000	4,116	110,541	-	11,880	**239,017**
David Wood	181,420	-	-	16,328	-	3,947	**201,695**
Robert Stanway	117,137	-	9,622	62,863	-	-	**189,622**
Sean Edwards	165,137	-	-	14,863	-	-	**180,000**
Total	**716,013**	**25,000**	**13,738**	**215,830**	**-**	**15,827**	**986,408**

1. Commenced as Director of the company on 20 December 2007

Key management personnel of the consolidated entity

2009-nil. The Executive Directors are the only key management personnel.

2008	Primary			Post-Employment		Equity	
Name	**Cash Salary and Fees $**	**Cash Bonus $**	**Non-monetary benefits $**	**Superannu-ation $**	**Retirement Benefits $**	**Options $**	**Total $**
Michelene Hart[1]	86,009	50,000	-	14,775	-	-	**150,784**
Marianne Kopeinig[2]	76,945	-	-	4,973	-	-	**81,918**
Total	**162,954**	**50,000**	**-**	**19,748**	**-**	**-**	**232,702**

1. Resigned as executive of the Group effective 1 November 2007
2. Resigned as executive of the Group effective 31 December 2007

Service agreements (audited)
Remuneration and other terms of employment for the Managing Director, Finance Director and the specified executives are formalised in service agreements which are of open duration, the key terms of which are summarised below.

M Dean, *Managing Director*
- Mandatory notice of 3 months termination of employment by the company and 6 months on termination of employment by Mr Dean.
- Annual base salary, inclusive of superannuation, of $220,000 to be reviewed annually by the Nomination and Remuneration committee.
- Payment of a retirement allowance on early termination, other than for gross misconduct or incapacity, of 1.0 times annual base salary.

D Wood, *Finance Director*
- Mandatory notice of 3 months on termination of employment by either the company or Mr Wood.
- Annual base salary, inclusive of superannuation, of $200,000 to be reviewed annually by the Nomination and Remuneration committee.
- Payment of a retirement allowance on early termination, other than for gross misconduct or incapacity, of 0.5 times annual base salary.

R Stanway, *Managing Director – Viticulture Management*
- Mandatory notice of 3 months termination of employment by the company and 6 months on termination of employment by Mr Stanway.
- Annual base salary, inclusive of superannuation, of $180,000 to be reviewed annually by the Nomination and Remuneration committee.
- Payment of a retirement allowance on early termination, other than for gross misconduct or incapacity, of 0.5 times annual base salary.

S Edwards, *Executive Director – Business Development*
- Mandatory notice of 3 months termination of employment by the company and 6 months on termination of employment by Mr Edwards.
- Annual base salary, inclusive of superannuation, of $180,000 to be reviewed annually by the Nomination and Remuneration committee.
- Payment of a retirement allowance on early termination, other than for gross misconduct or incapacity, of 0.5 times annual base salary.

D Share-based compensation(audited)
There are no outstanding share-based compensation for key management personnel, with previously issued Management options lapsing in the current year
No options have been issued in the current financial year to directors or key management personnel. There are no outstanding options that affect remuneration in this or future periods.

In the prior year options have been issued in relation to work completed in establishing the Cheviot Kirribilly Vineyard Property Group. These have no vesting conditions.

Management Options have been issued on 14 December 2004 which vest 50% on Total Shareholder Return (TSR) being greater than or equal to 15% p.a., with the balance proportionately vesting to 100% when TSR equals 25% p.a.

The terms and conditions of each grant of options affecting remuneration in this or future periods are as follows:

Grant Date	**Expiry Date**	**Exercise Price $**	**Value per option at grant date $**	**Date Exercisable**
30 January 2006	29 January 2011	0.15	0.041	After 30 January 2007
14th December 2004	14th December 2008	0.35	0.033	1/3 after 14th December 2006 1/3 after 14th December 2007 1/3 after 14th December 2008

When exercisable, each option is convertible into one ordinary share. Options granted under the plan carry no dividend or voting rights.

The amounts disclosed for emoluments relating to options above are assessed fair values at grant date of options granted to executive directors and other executives, allocated equally over the period from grant date to vesting date. Fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

For each grant of options the percentage of the grant that vested in the financial year is set out below. For the management options vesting is based on TSR hurdles. No options will vest if the hurdles are not met and hence the minimum value of the option yet to vest is nil.

Name	Year Granted	Vested %age	Forfeited %age	Financial years in which options may vest	Minimum total value of grant yet to vest $	Maximum total value of grant yet to vest $
Maurice Dean	2005	-	-	2007 2008 2009	nil	59,400
David Wood	2005	-	-	2007 2008 2009	nil	19,800

Further details in relation to options are set out below.

Name	A Remuneration consisting of options	B Value at grant date $	C Value at exercise date $	D Value at lapse date $	E Total (B-D) $
Maurice Dean	5.3%	59,400	-	-	59,400
David Wood	2.1%	19,800	-	-	19,800

A. The percentage of the value of remuneration consisting of options, based on the value at grant date set out in column B.
B. The value at grant date calculated in accordance with AASB 1046 *Director and Executive Disclosures by Disclosing Entities* of options granted during the year as part of remuneration.
C. The value at exercise date of options that were granted as part of remuneration and were exercised during the year.
D. The value at lapse date of options that were granted as part of remuneration and that lapsed during the year.

LOANS TO DIRECTORS AND EXECUTIVES

As at balance sheet date, no loans are receivable from Directors.

SHARE OPTIONS GRANTED TO DIRECTORS AND THE MOST HIGHLY REMUNERATED OFFICERS

No options over unissued ordinary shares of Cheviot Bridge Limited have been granted during or since the end of the financial year to any of the directors or the 4 most remunerated officers of the company and the consolidated entity as part of their remuneration.

Shares under option

Unissued ordinary shares of Cheviot Bridge Limited under options at the date of this report are as follows:

Date options granted	Expiry date	Issue price of shares	Number under option
31 January 2007	31 January 2012	$0.145	575,000
30 January 2006	29 January 2011	$0.15	1,200,000

Options issued in the prior year were pursuant to the approved Employee Share Option Plan. No option holder has any right under the options to participate in any other share issue of the company or of any other entity.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

No shares were issued on the exercise of options.

INSURANCE OF OFFICERS

During the financial year, the company paid a premium in respect of a contract to insure the directors, secretary and officers of the company and subsidiaries against a liability incurred as such a director, secretary or officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of liability and the amount of premium.

PROCEEDINGS ON BEHALF OF 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.

NON-AUDIT SERVICES

The company engaged the auditors (PricewaterhouseCoopers) for tax consolidation advice during the year. A copy of the auditors' declaration as required under section 307C of the Corporations Act is set out on page 17.

Rounding of amounts

The company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Auditor

Pricewaterhouse Coopers continues in office in accordance with section 327 of the Corporations Act 2001.

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

William Gurry – Chairman	Maurice Dean – Managing Director

MELBOURNE
27 August 2009

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
ABN 52 780 433 757

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2 Southbank Boulevard
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GPO BOX 1331L
MELBOURNE VIC 3001
DX 77
Telephone 61 3 8603 1000
Facsimile 61 3 8603 1999
www.pwc.com/au

Auditors' Independence Declaration

As lead auditor for the audit of Cheviot Bridge Limited for the year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Cheviot Bridge Limited and the entities it controlled during the period.

Paul Lewis

Paul Lewis
Partner
PricewaterhouseCoopers

Melbourne
27 August 2009

Corporate Governance Statement

This Statement outlines the corporate governance framework of Cheviot Bridge Limited (the Company). The framework is supported by the Board's charter, corporate governance code and a number of corporate governance policies which have been reviewed and updated since their inception in January 2005, and which are available on the Company website (www.cheviotbridge.com.au). Unless otherwise stated, the practices follow the Australian Stock Exchange Corporate Governance Council's (Council) "Principles of Good Governance and Best Practice Recommendations (2003)" (2003 Principles). The Company will report by reference to the 2003 Principles in this Statement and notes the release of the second edition of the Principles (Revised Principles) effective from financial year 2008/2009.

As recognised by the Council, corporate governance is the system by which companies are directed and managed. It influences how the objectives of the Company are set and achieved, how risk is assessed and monitored and how performance is optimised.

ROLE OF THE BOARD AND MANAGEMENT

The Board has ultimate responsibility to set policy regarding the business and affairs of Cheviot Bridge and its subsidiaries (collectively "the Group") for the benefit of the shareholders and other stakeholders of Cheviot Bridge. The Board is accountable to shareholders for the performance of the Group.

The Board has the following responsibilities and functions:

(a) reviewing and approving corporate strategies, budgets, plans and policies developed by management, and any major amendments to these strategies, budgets, plans and policies, and evaluating performance of the Group against those strategies and business plans in order to:

    (1) monitor the performance of functions delegated to the executive team including progress of major capital expenditure, capital management, acquisitions, divestitures and strategic commitments; and

    (2) assess the suitability of Cheviot Bridge's overall strategies, business plans and resource allocation;

(b) appointing a Managing Director for the ongoing management of the business and its strategies;

(c) regularly evaluating the performance of the Managing Director and senior management and ensuring appropriate executive succession planning is conducted;

(d) monitoring financial and business results (including the audit process) to understand at all times the financial position of the Group;

(e) approving the Group's statutory accounts and directors' reports and the declarations of any dividends;

(f) overseeing the Group's control and accountability systems;

(g) approving significant acquisitions and divestments which have not been delegated to management;

(h) approving capital market transactions involving securities issued by the group, including terms and conditions;

(i) approving any significant debt transactions, including terms and conditions;

(j) determining the governance policies of the Group and ensuring compliance with those policies;

(k) ensuring regulatory compliance and maintaining adequate risk management processes; and

(l) reporting to shareholders; and implementing a culture of compliance with the highest legal and ethical standards and business practice.

The Board delegates management of Cheviot Bridge's resources to the executive team under the leadership of the Managing Director, to deliver the strategic direction and goals determined by the Board. A key function of the Board, which is conducted at Board meetings is to monitor the performance of senior management in this function.

The Managing Director's responsibilities include:

- developing, with the Board, a consensus for the Group's vision and direction;
- constructing, with the management team, programs to implement this vision;
- providing strong leadership and effective management, in order to:
    - ensure safe and healthy workplaces for employees and customers;

    - encourage co-operation and teamwork;
    - build and maintain staff moral at a high level; and
    - build and maintain a strong sense of staff identity and alliance to, the Group;
- carrying out the day-to-day management of the Group within the authority delegated by the Board; and
- keeping the Board promptly informed, at an appropriate level, of activities and developments within the Group;

Subject to the policy on delegated authorities from time to time, the Managing Director is delegated by the Board to:

(a) authorise all expenditures as approved in the budget; and
(b) approve the appointment of all budgeted positions.

The Company Secretary is charged with facilitating the Group's corporate governance process. The full board is responsible for ratifying the appointment and removal of the Company Secretary, as well as the terms and conditions of employment.

The Company Secretary's responsibilities include

- assisting in developing the effectiveness of the board by ensuring Board policy and procedures are well understood by the Board and to monitor the implementation of these policies and procedures;
- being available to directors for enquiries;
- ensuring the agenda and board papers are forwarded to directors before each board meeting;
- recording, maintaining and distributing the minutes of all Board and Committee meetings;
- maintaining relevant registers and lists in relation to governance issues; and
- ensuring all requirements of the Australian Securities and Investments Commission, Australian Stock Exchange and Australian Taxation Office are fully met.

COMPOSITION OF THE BOARD

The Company presently has four Non-Executive Directors and four Executive Directors. None of the Non-Executive Directors (including the Chairman) except Mr. Robertson are independent in terms of the Council's definition of an independent Director by virtue of each of their substantial shareholdings in the Company. As a result, the Company does not currently comply with recommendation 2.1 and 2.2 of the ASX Corporate Governance Guidelines in respect of the requirement for the Board to have majority of independent directors and an independent Chairman.

The Board has determined that given the Company's size, scale and tightly held share register, the best interests of shareholders can be served if Directors are capable of acting independently on the basis of their experience, albeit they may have a substantial shareholding. The Nomination and Remuneration Committee have determined that each of Messrs Paul Batchelor, William Gurry and Andrew Brown are capable of acting independently given their significant boardroom experience and that they meet all other "independence" criteria within the ASX Corporate Governance Guidelines.

The consequential references to independent directors in the governance guidelines are qualified by this determination. Further, the Board has adopted a number of measures to ensure that independent judgement is achieved and maintained in respect to it's decision-making processes, which include the following:

- Directors are entitled to seek independent professional advice at the Company's expense, subject to the prior approval of the Chairperson;
- Directors having a conflict of interest in relation to a particular item of business must absent themselves from the Board meeting before commencement of discussion on the matter; and
- Non-executive Directors confer on an "as required basis" without management in attendance.

The Board has determined however that should size, scale and circumstances permit a majority of directors will be independent non-executive Directors.

In addition, the Board has established an Audit and Risk Committee and a Nomination and Remuneration Committee to assist it in discharging its responsibilities. The principal function and composition of each of these Committees of the Board is set out later in this Statement. It is the Board's policy that Committees of the Board should:

- Be chaired by an independent Non-Executive Director;
- Comprise a majority of independent Non-Executive Directors;
- Be entitled to obtain independent professional or other advice at the cost of the Company; and
- Be entitled to obtain such resources and information from the Company, including direct access to employees of and advisers to the Company, as it may require.

The Company's Chairperson, Mr. William P Gurry and the Managing Director, Mr. Maurice Dean have separate roles. The Chairperson is responsible for leading the Board in the discharge of its duties.

The Nomination and Remuneration Committee assists the Board by reviewing Board succession plans.

The role of the Nomination and Remuneration Committee is to assist and advise the Board on matters relating to the appointment and remuneration of the non-executive directors, the Managing Director and other senior executives and employees of the Group.

The objectives of the Committee include:

- to review, assess and make recommendations to the Board on the necessary and desirable competencies of the non-executive members of the board of directors;

- to oversee the selection and appointment practices for non-executive directors and senior executives of the Group;

- to develop succession plans for the Board and to oversee development by management of succession planning for senior executives; and

- to assist the Board in determining appropriate remuneration policies.

ETHICAL AND RESPONSIBLE DECISION MAKING

It continues to be the policy of the Company for directors, officers and employees to observe high standards of conduct and ethical behaviour in all of the Company's activities. This includes dealings with suppliers, business partners, regulatory authorities and the general communities in which it operates. The Board formally adopted a Code of Conduct that sets out the principles and standards with which all Company officers and employees are expected to comply in the performance of their respective functions.

The key values underpinning the Code of Conduct are as follows:

- maintaining good corporate governance standards;

- acting with fairness, honesty and integrity;

- ensuring compliance with legal and other obligations in respect of Cheviot Bridge's key shareholders, to ensure that Cheviot Bridge is dedicated to the broader community and ensuring its role in the community is an honest, legal and ethical one;

- maintaining the highest standards of professional behaviour;

- avoiding or managing conflicts of interest; and

- striving to be a good corporate citizen, and to achieve community respect.

It is company policy that directors and employees seek authorisation approval before buying or selling securities in the Company. Any such authorisation does not constitute Board endorsement of any transaction. The Board recognises that it is the individual responsibility of each director and employee in possession of market sensitive information to ensure that they comply with the spirit and the letter of insider trading.

The Board has established a policy that approval will not be given for directors and employees to trade shares in the Company whilst in possession of price sensitive information and, if not in possession of such information, within the period between 15 December and the announcement of the half yearly results or the period between 15 July and the annual results.

INTEGRITY OF FINANCIAL REPORTING

The Company's Managing Director and Finance Director report in writing to the Audit and Risk Management Committee that the consolidated financial statements of the company and it's controlled entities for each half and full financial year present a true and fair view, in all material respects, of the Group's financial condition and operational results and are in accordance with accounting standards.

An Audit and Risk Management Committee has been established by the Board, which meets regularly. The current members of the company's Audit and Risk Management Committee are Non-Executive Directors, details of their attendance at Committee meetings are set out in the Director's Report.

The Company does not comply with Council Recommendation 4.3 in two respects because there are less than three members of the Committee and the current Directors are not independent (as defined by the Council Recommendations). The Board considers the composition of the Audit and Risk Management Committee is appropriate taking into account the number of Executive Directors on the Board and the skills of the current Committee Members, In addition, as outlined above Messrs Brown and Batchelor have been deemed to be able to act independently, albeit that they have substantial shareholdings in the Company. The external auditor and Managing Director are invited to meetings of the Audit and Risk Management Committee at the discretion of the Committee. The Committee meets at least twice a year.

The objectives of the Committee include:

- overseeing the Group's discharge of its responsibilities with respect to:
  - the financial statements, financial report and annual report;
  - legal/regulatory compliance;
  - protection of Group capital; and
  - risk management systems.
- overseeing the Group's relationship with external auditors; and
- determining the independence of the external auditors.

In January 2005 the Board adopted a formal Charter for the Audit and Risk Management Committee. The Charter is structured so as to separately address objectives, membership, authority, responsibilities and procedures of the Committee. The Charter is available on the Company's website, www.cheviotbridge.com.au under section "Investor Relations – Governance".

CONTINUOUS DISCLOSURE TO ASX

The Board of Directors is responsible for monitoring compliance with ASX Listing Rule disclosure requirements and approves each proposed announcement to ASX before it is released. The Company Secretary is responsible, under the ASX listing rules, for all communications with ASX. The Chairman, Managing Director and Company Secretary regularly discuss issues relating to the Company's continuous disclosure obligations.

COMMUNICATION WITH SHAREHOLDERS

It is the policy of the Company to communicate with shareholders and other stakeholders in an open, regular and timely manner so that those persons and the market are informed of all major developments affecting the Company and have sufficient information to make informed investment decisions on the operations and results of the Company. Information is communicated to shareholders as follows:

- to date, the annual report has been distributed to all shareholders (unless a shareholder specifically requested not to receive the document) and is available on the Company's website. In light of the recent amendments to the Corporations Act, the 2008 annual report and future reports, shareholders who elect to be notified by email, will be advised by email when the annual report is available on the website. Printed copies will only be distributed to shareholders who request a printed copy of the report;
- the half yearly report as at 31 December contains summarised financial information and a review of the operations of the consolidated entity during the period is released to the Australian Stock Exchange;

- using Registries Ltd, the Company's share registry service provider, to facilitate the electronic delivery of specific documents to shareholders but only if requested by shareholders;
- proposed major changes in the consolidated entity which may impact on share ownership rights are submitted to a vote of shareholders; and
- notice of all meetings of shareholders is sent to shareholders as required under the Corporations Law.

All documents which are released publicly are available on the ASX (www.asx.com.au) company announcements page under the current ASX code CVB and, for earlier information, under the previous code WPO. The Company maintains a website (www.cheviotbridge.com.au) which is primarily a business-to-business information site on the brands and products. Follow recent changes to the Corporations Law enabling electronic distribution of the annual reports, the Company is reviewing its communication strategy to continue to improve communication with investors.

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the consolidated entity's strategy and goals. Important issues are presented to the shareholders as single resolutions as a matter of course.

The shareholders are requested to vote on the appointment and aggregate remuneration of Directors, the granting of options and/or shares to Directors and changes to the constitution.

The Company's practice is to ensure the Group's external auditor attends the AGM.

RISK MANAGEMENT

The Board is responsible for the oversight of the Group's risk management and control framework. The Audit and Risk Management Committee assists the Board in fulfilling its responsibilities in this regard by reviewing the financial and reporting aspects of that framework. The Company has implemented a policy framework designed to ensure that the Group's risks are identified and that controls are adequate, in place and functioning effectively. Responsibility for control and risk management is delegated to the appropriate individual within the Group with the Managing Director and Finance Director having ultimate responsibility to the Board for the risk management and control framework.
Areas of significant business risk are highlighted in the annual strategic plan presented to the Board by the Managing Director.

Arrangements put in place by the Board to monitor risk management include:

- reporting to each Board meeting in respect of operations and the financial position of the Group;
- reports by the Chairperson of the Audit and Risk Management Committee and circulation to the Board of the minutes of each meeting of that Committee;
- attendance of appropriate managers at Board meetings whenever required by the Board; and
- presentations to the Board by appropriate managers (and/or independent advisers, where necessary) on the nature of particular risks and details of the measures which have been or can be adopted to manage or mitigate the risk.

The Company's Managing Director and Finance Director report in writing to the Audit and Risk Management Committee that:

- the statement given in accordance with the Council's best practice recommendation 4.1 is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- the Company's risk management and internal compliance and control framework is operating efficiently and effectively in all material respects.

PERFORMANCE

The Board has adopted a self-evaluation process to measure its own performance and the performance of its Committees during each financial year. The Chairperson conducts confidential discussions with each Director in relation to matters such as work programme, interaction with management and perceived strengths and weakness of the Board and its Committees. The Company Secretary is accountable to the Board, through the Chairperson, on all governance matters. After discussion between the Chairperson and Company Secretary, significant performance related issues identified, or changes recommended, are referred to the Board for action in its ongoing development programme.

The Board's performance is reviewed every 12 to 18 months. The next review is scheduled for December 2009.

The Board is responsible for the appointment of the Managing Director and conducts an annual review of his performance as chief executive officer of the Company. The performance of the Company's other key executives are also reviewed annually by the Board. The Nomination and Remuneration Committee assists the Board in this regard by monitoring the performances of the Managing Director and other key executives to ensure that the level of reward is aligned with their respective responsibilities and individual contributions to the success of the Company. The Minutes of each meeting of the Nomination and Remuneration Committee are circulated to all Directors.

The management performance evaluations for the 2008 financial year were conducted in September 2008 in accordance with this process.

REMUNERATION

The Board established a Nomination and Remuneration Committee is responsible for making recommendations to the Board on remuneration arrangements for the Managing Director and other key executives of the Group. The broad remuneration policy is to ensure that remuneration properly reflects the relevant person's responsibilities, and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The Nomination and Remuneration Committee considers that the best way to achieve this objective is to provide the Managing Director and other key executives with a remuneration package, which consists of a salary, superannuation at the statutory rate and a fully maintained motor vehicle.

The remuneration package of the Managing Director and other key executives may include a component of equity-based remuneration including participation in the Company's Employee Option Plan.

In determining remuneration, regard is given to comparable companies and advice is periodically taken from independent remuneration consultants.

The remuneration of the Non-Executive Directors is determined by the Board on the recommendation of the Nomination and Remuneration Committee having regarded, amongst other things, the level of fees paid to Non-Executive Directors by other companies of similar size and stature. Non-Executive Directors do not receive any performance related remuneration and, unless there are exceptional circumstances, are not to receive any equity-based remuneration. The aggregate amount payable to the Non-Executive Directors must not exceed the maximum annual amount approved by the Company's shareholders (currently $350,000 in aggregate.)

The responsibilities of the Nomination and Remuneration Committee are set out in the Nomination and Remuneration Committee Charter. The Committee is responsible for:

- reviewing and making recommendations to the Board on:
    - the total level of remuneration of non-executive directors and for individual fees for non-executive directors and the Chair, including any additional fees payable for membership of Board Committees; and
    - the total remuneration package for the Managing Director, including short term and long term incentives for the Managing Director,
- reviewing and approving recommendations from the Managing Director on total levels of remuneration for senior executives reporting to the Managing Director, including their participation in short and long term incentive schemes;
- reviewing the performance targets for senior executives reporting to the Managing Director; and
- reviewing human resources and remuneration policies and practices for the Group as brought forward by the Managing Director and where appropriate, recommending for adoption by the Board.

The current members of the Nomination and Remuneration Committee are two Non-Executive Directors and the Managing Director. Details of their attendance at Committee meetings are set out in the Directors' Report.

The Nomination and Remuneration Committee meets twice a year and more often if required. The Nomination and Remuneration Committee Charter is available on Company's website, www.cheviotbridge.com.au under section "Investor Relations – Governance".

Whilst it is the policy of the Company that Non-Executive Directors should not receive equity-based remuneration, the Board acknowledges the fact that in the Company's circumstances the services of an outstanding non-executive candidate for the Board may not be able to be secured without offering a component of equity-based remuneration.

Details of options issued to executives of the Company (including Executive Directors of the Company) as part of their respective remuneration packages are set out in the Remuneration Report contained in the Directors Report. Details of options issues under the Company's Employee Share Option Plan approved by the shareholders at the 2006 general meeting are included in the Remuneration Report.

INTERESTS OF STAKEHOLDERS

The Company maintains a Code of Conduct to guide compliance with legal and other obligations to legitimate stakeholders. To ensure this occurs, the Group conducts its business within the Code of Conduct, outlined in principle 3 of the ASX Best Practice Recommendation, and in accordance with the Group's core values, which are to:

- act with integrity and fairness,
- create a safe, challenging and rewarding workplace;
- respect and protect the environment;
- be commercially competitive; and
- foster a performance driven culture.

The Board of Directors has responsibility for protecting, guiding and monitoring the business affairs of the Company in the interests of and for the benefit of shareholders.

To fulfil this role, the Board is responsible for the Strategic direction of the business, establishing goals for management and monitoring the achievement of goals directly and through its established committees. Responsibility for day-to-day activities of the entity is delegated to the Managing Director. The Company's Board and management jointly strive to achieve best practice in meeting their responsibilities for the business and affairs of the Company.

CHEVIOT BRIDGE LIMITED
Financial report – 30 June 2009

This financial report covers Cheviot Bridge Limited as an individual entity and the consolidated entity consisting of Cheviot Bridge Limited and its controlled entities, Cheviot Bridge Pty Limited, Kirribilly Vineyards Pty Limited, Kirribilly Viticulture Pty Limited and Winepros International Pty Limited.

Cheviot Bridge Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 9
564, St. Kilda Road,
Melbourne, VIC 3004

A description of the nature of the company's operations and its principal activities is included in the directors' report on page 4, which is not part of this financial report.

Cheviot Bridge Limited and controlled entities
Income statements
For the year ended 30 June 2009

	Notes	Consolidated 2009 $'000	Consolidated 2008 $'000	Parent entity 2009 $'000	Parent entity 2008 $'000
Revenue from continuing operations	5	**30,363**	29,131	**-**	8
Cost of Goods Sold and provision of services	6	**(21,874)**	(20,912)	**-**	-
Other expenses from ordinary activities					
Administration		**(2,995)**	(3,320)	**(268)**	(1,232)
Marketing		**(485)**	(631)	**-**	-
Sales		**(3,066)**	(3,743)	**-**	-
Finance costs	6	**(694)**	(709)	**(568)**	(617)
Impairment of Goodwill, Trademarks & Financial Asset	6	**(103)**	(5,252)	**(103)**	(5,242)
Profit/(loss) from ordinary activities before related income tax expense		**1,146**	(5,436)	**(939)**	(7,083)
Income tax (expense)/credit	7	**(171)**	326	**308**	(135)
Profit/(loss) from ordinary activities after related income tax expense		**975**	(5,110)	**(631)**	(7,218)
Profit/(loss) from discontinued operations after tax	8	**-**	301	**-**	-
Profit for the year	26	**975**	(4,809)	**(631)**	(7,218)
Basic Earnings Per Share (cents)	37	**0.97**	(4.88)		
Diluted Earnings Per Share (cents)	37	**0.97**	(4.88)		

The above income statements should be read in conjunction with the accompanying notes.

Cheviot Bridge Limited and controlled entities
Balance Sheets
As at 30 June 2009

		Consolidated		Parent entity	
		2009	2008	**2009**	2008
	Notes	**$'000**	$'000	**$'000**	$'000
Current assets					
Cash and cash equivalents	9	**1,061**	465	**847**	-
Receivables	10	**9,880**	7,345	**537**	99
Inventories	11	**5,455**	5,278	-	-
Other financial assets	12	**57**	17	**57**	17
Total current assets		**16,453**	13,105	**1,441**	116
Non-current assets					
Receivables	13	-	-	**3,838**	6,393
Other financial assets	14	**123**	377	**17,400**	17,653
Property, plant and equipment	15	**2,055**	1,985	**-**	-
Intangible assets	16	**22,756**	22,756	**-**	-
Deferred Tax Asset	17	**316**	320	**103**	72
Total non-current assets		**25,250**	25,438	**21,341**	24,118
Total assets		**41,703**	38,543	**22,782**	24,234
Current liabilities					
Payables	18	**10,787**	7,966	**1,908**	1,838
Provisions	19	**460**	483	**-**	-
Borrowings	20	**1,096**	998	**870**	870
Provision for income tax		**169**	38	**169**	38
Other financial liabilities	24	**150**	-	**150**	
Total current liabilities		**12,662**	9,485	**3,097**	2,746
Non-current liabilities					
Payables	21	**120**	80	**126**	126
Borrowings	22	**5,522**	6,225	**4,870**	5,740
Deferred tax liability	23	**192**	219	**-**	-
Other financial liabilities	24	**165**	-	**165**	-
Total non-current liabilities		**5,999**	6,524	**5,161**	5,866
Total liabilities		**18,661**	16,009	**8,258**	8,612
Net assets/(liabilities)		**23,042**	22,534	**14,524**	15,622
Equity					
Contributed equity	25	**44,418**	44,402	**44,418**	44,402
Accumulated losses	26	**(21,029)**	(22,004)	**(29,547)**	(28,916)
Reserves	26	**(347)**	136	**(347)**	136
Total equity		**23,042**	22,534	**14,524**	15,622

The above balance sheets should be read in conjunction with the accompanying notes.

Cheviot Bridge Limited and controlled entities
Statements of changes in equity
For the year ended 30 June 2009

		Consolidated		Parent entity	
	Notes	**2009 $'000**	2008 $'000	**2009 $'000**	2008 $'000
Total equity at the beginning of the financial year		**22,534**	25,716	**15,622**	21,213
Changes in cash flow hedge reserve	**26**	**(483)**	136	**(483)**	136
Net income/(expense) recognised directly in equity		**(483)**	136	**(483)**	136
Total recognised income and expense for the year		**975**	(4,809)	**(631)**	(7,218)
Transactions with equity holders in their capacity as equity holders:					
Equity raised in consideration for cash, net of costs	25	**-**	1,461	**-**	1,461
Equity issued pursuant to Employee Share Option Plan	25	**16**	-	**16**	-
Management share options	25	**-**	30	**-**	30
Total Equity at the end of the financial year		**23,042**	22,534	**14,524**	15,622

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Cheviot Bridge Limited and controlled entities
Statements of cash flows
For the year ended 30 June 2009

	Notes	Consolidated 2009 $'000	Consolidated 2008 $'000	Parent entity 2009 $'000	Parent entity 2008 $'000
Cash flows from operating activities					
Receipts from customers (inclusive of goods and services tax)		**37,462**	44,730	**-**	-
Payments to suppliers and employees (inclusive of goods and services tax)		**(35,034)**	(44,190)	**(150)**	(1,301)
Interest received		**37**	65	**-**	8
Interest paid		**(670)**	(653)	**(568)**	(601)
Income Tax paid		**(63)**	(716)	**(63)**	(211)
Net cash inflow (outflow) from operating	35	**1,732**	(764)	**(781)**	(2,105)
Cash flows from investing activities					
Payments for property, plant and equipment		**(545)**	(644)	**-**	-
Proceeds from sale of assets		**11**	619	**-**	500
Loans to controlled entities		**-**	-	**2,498**	721
Purchase of subsidiaries, net of cash acquired		**-**	(1,960)	**-**	(1,958)
Net cash inflow (outflow) from investing		**(534)**	(1,985)	**2,498**	(737)
Cash flows from financing activities					
Proceeds from capital raising, net of cost	25	**-**	1,461	**-**	1,461
Proceeds from borrowings		**494**	2,672	**-**	2,000
Repayment of borrowings		**(1,096)**	(1,352)	**(870)**	(870)
Net cash inflow (outflow) from financing activities		**(602)**	2,781	**(870)**	2,591
Net increase (decrease) in cash held		**596**	32	**847**	(251)
Cash at the beginning of the financial year		**465**	433	**-**	251
Cash at the end of the financial year	9	**1,061**	465	**847**	-

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

Notes accompanying the financial statements

Note 1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes separate financial statements for Cheviot Bridge Limited as an individual entity and the consolidated entity consisting of Cheviot Bridge Limited and its subsidiaries.

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards , other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views, and the *Corporations Act 2001*.

Compliance with IFRSs

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRSs ensures that the consolidated financial statements and notes of the Group comply with International Financial Reporting Standards (IFRSs). The parent entity financial statements and notes also comply with IFRSs except that it has elected to apply the relief provided to parent entities in respect of certain disclosure requirements contained in AASB 132 *Financial Instruments: Disclosure and Presentation.*

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries Cheviot Bridge Limited ("company" or "parent entity") as at 30 June 2009 and the results of all subsidiaries for the year then ended. Cheviot Bridge Limited and its subsidiaries are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests results in gains or losses for the group that are recorded in the income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of the identifiable net assets of the subsidiary.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of assets transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Cheviot Bridge Limited.

(c) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments. Details of segment results are disclosed in note 4.

(d) Foreign currency translation

(i)Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Cheviot Bridge Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement

(e) Revenue recognition

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits will flow to the entity and specific criteria have been met for each of the Groups activities as described below. The amount of revenue is not considered to be reliably measured until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and duties and taxes paid. Revenue is recognised when goods have been despatched to a customer pursuant to a sales order and the associated risks have been passed to the carrier or customer or when services have been delivered. Service revenue is recognised when services have been provided in accordance with contractual requirements.

(f) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax consolidation legislation

Cheviot Bridge Ltd and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation.

The head entity, Cheviot Bridge Ltd and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a tax payer in its own right.

In addition to its own current and deferred tax amounts, Cheviot Bridge Ltd also recognises the current tax liabilities (or assets) assumed from controlled entities in the tax consolidated group.

Assets and liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the group. Details about tax funding agreement are disclosed in note 7.

Any differences between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

(g) Leases

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets, and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense.

The lease asset is amortised on a straight line basis over the term of the lease, or where it is likely that the company will obtain ownership of the asset, the life of the asset. Lease assets held at the reporting date are being amortised over four years.

Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between interest (calculated by applying the interest rate implicit in the lease to the outstanding amount of the liability), rental expense and reduction of the liability.

Other operating lease payments are charged to the statement of financial performance in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

(h) Business combinations

The purchase method of accounting is used for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the value of the instruments is their fair value as at the acquisition date based on the best available evidence of the price at which the instruments could be exchanged between knowledgeable, willing parties in an arm's length transaction. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the Group's share of the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of the acquisition. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(i) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(j) Cash and cash equivalents

For purposes of the statement of cash flows, cash includes cash on hand, deposits at call with financial institutions and other highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

(k) Trade Receivables

All trade debtors are recognised at the amounts receivable as they are due for settlement no more than 60 – 120 days from the date of recognition.

Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is established when there is objective evidence that the Group will not be able to collect all amounts due according to the terms of receivables. The amount of provision is recognised in the income statement.

(l) Inventories

All inventories are stated at the lower of cost and net realisable value using a standard costing system. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of stock on the basis of weighted average costs.

(m) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets, investment property and non-current biological assets that are carried at fair value and contractual rights under insurance contracts which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operation, is part of a single co-ordinated plan to disposeof such a line of business or area of operations or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the income statement.

(n) Investments and other financial assets

(i) Classification

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, or loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of it investment at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(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. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables in the balance sheet.

(iii) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have a fixed maturities and fixed or determinable payments and management intends to hold them for a the medium to long term.

Recognition and Derecognition

Regular purchases and sales of financial assets are recognised on trade- date- the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities are classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gain and losses from investment securities.

Subsequent measurement

Loans and receivables and held to maturity investments are carried at amortised cost.

Available-for-sale financial assets are subsequently carried at fair value. Changes in fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Details on how the fair value of financial instrument is determined are disclosed in note 2

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and current fair value less any impairment loss on the financial asset previously recognised in the profit or loss is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available for sale are not reversed through the income statement.

(o) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair value of various derivative financial instruments used for hedging purposes are disclosed in notes 12 & 24. Movements in hedging reserves in shareholders' equity are shown in Statements of Changes in Equity. The full fair value of the hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the income statement within other income or other expense together with the gain or loss relating to the ineffective portion and changes in the fair value of the hedge fixed rate borrowings attributable to interest rate risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedge item for which the effective interest method is used is amortised to profit or loss over the period to maturity.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within other income or other expense.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place).The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in the income statement within 'finance costs'. The gain or loss relating to the effective portion of the forward foreign exchange contracts hedging export sales is recognised in the income statement within 'sales'. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets) the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in profit or loss as cost of goods sold in the case of inventory, or as depreciation in the case of fixed assets.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer likely to occur, the cumulative gain or loss that was reported in equity is immediately transferred to income statement.

(iii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement and are included in other income or other expense.

(p) Property, plant and equipment

Depreciation is calculated on a straight line and reducing balance basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding land) over its expected useful life to the company. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

Plant and equipment	3-20 years
Motor vehicles	6 years
Furniture and fittings	3-10 years

Where items of plant and equipment have separately identifiable components which are subject to regular replacement, those components are assigned useful lives distinct from the item of plant and equipment to which they relate.

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 disposal are determined by comparing proceeds with carrying amount. These are included in the income statement.

(q) Intangible assets

(i) Brand Names

Brand names are included in the financial statements at the lower of the cost and recoverable amount. The cost of acquired brand names is determined by reference to independent valuations performed on the acquisition of the business.

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(ii) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is 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.

(r) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days or in accordance with agreements.

(s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as pre-payments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current and non-current liabilities as per the settlement obligations of the bills drawn.

(t) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred except where they are included in the cost of qualifying assets.

Borrowing costs include:

- interest on bank overdrafts and short-term and long-term borrowings
- amortisation of discounts or premiums relating to borrowings
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings, and
- finance lease charges.

(u) Employee entitlements

(i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised as current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

The liability for long service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Employee benefit on-costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via the Cheviot Bridge Employee Option Plan and previous management options issued.

Share options granted after 7 November 2002 and vested after 1 January 2005

The fair value of options granted under the Cheviot Bridge Employee Option Plan is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The fair value is then expensed over the term of the option.

The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to be exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital.

The market value of shares issued to employees for no cash consideration under the employee share scheme is recognised as an employee benefits expense with a corresponding increase in equity when the employee become entitled to the shares.

(v) Contributed Equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of acquisition as part of purchase consideration.

If the entity reacquired its own equity instruments, e.g. as a result of a share buy back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

(w) Earnings per share

(i) Basic earnings per share

Basic earnings per share is determined by dividing net profit after income tax attributable to members of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect if interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(x) Goods and Service Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of the GST recoverable from or payable to the taxation authority is included with other receivables or payables in the Balance Sheet

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from or payable to the taxation authority are presented in the operating cash flow.

(y) Rounding of amounts

The company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the “rounding off” of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

(z) New accounting standards and interpretations

Certain new accounting standards and UIG interpretations have been published that are not mandatory for 30 June 2009 reporting periods. The Group’s and parent entity’s assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 8 Operating segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 (effective from 1 January 2009)

AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a ‘management approach’ to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and deciding how to allocate resources to operating segments. The Group will adopt AASB 8 from 1 July 2009. It is not likely to result in an increase in the number of reportable segments presented.

(ii) Revised AASB-123 Borrowing costs and AASB 20007-6 Amendments to Australian Accounting Standards arising from AASB 123 (effective from 1 January 2009)

The revised AASB 123 has removed the option to expense all borrowing costs and, when adopted, will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. There will be no impact on the financial reports as the group already capitalises borrowing costs relating to qualifying assets.

(iii) Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101

The September 2007 revised AASB 101 requires the presentation of comprehensive income and makes changes to the statement of changes in equity, but will not affect any amounts recognised in the financial statements. If an entity has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative standards. The Group intends to apply the revised standard from 1 July 2009.

(iv)AASB 2008-1 Amendment to Australian Accounting Standard-Share –based Payments: Vesting Conditions and Cancellations (effective from 1 January 2009)

AASB 2008-1 clarifies that vesting conditions and service conditions and performance conditions only and other features of a share-based payment are not vesting conditions. It also specifies that all cancellations, whether by the entity or other parties, should receive the same accounting treatment. The Group will apply the revised standard from 1 July 2009, but it is not expected to affect the accounting of the Group/s share-based payment.

(v) Revised AASB 3 Business Combinations, AASB 127 Consolidated and Separate Financial Statements and AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 (effective 1 July 2009)

The revised AASB 3 continues to apply the acquisition method to business combinations, but with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at acquisition date, with contingent payments classified as debt subsequently remeasured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets. All acquisition-related costs must be expensed. This is different from the Group’s current policy which is set out in note 1(i) above.

The revised AASB 127 requires the effect of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses, see note 1(b)(i). The standard also specifies the accounting when control is lost. Any remaining interest in equity is remeasured to fair value, and a gain or loss is recognised in profit or loss. This is consistent with the Group's current accounting policy if significant influence is not retained.

The Group will apply the revised standards prospectively to all business combinations and transactions with non-controlling interests from 1 July, 2009.

(vi) AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (effective 1 July 2009)

The amendments to AASB 5 Discontinued Operations and AASB 1 First –Time Adoption of Australian –Equivalents to International Financial Reporting Standards are part of the IASB's annual improvements project published in May 2008. They clarify that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control. Relevant disclosures should be made for this subsidiary if the definition of a discontinued operation is met. The Group will apply the amendments prospectively to all partial disposals of subsidiaries from 1 July 2009.

(vii) AASB 2008-7 Amendments to Australian Accounting Standards- Cost of an Investment in a subsidiary, Joint Controlled Entity or Associate (effective 1 July 2009)

In July 2008, The AASB approved amendments to AASB 1 First-time Adoption of International Financial Reporting Standards and AASB 127 Consolidated and Separate Financial Statements. The Group will apply the revised rules prospectively from 1 July 2009. After that date, all dividends received from Investments in subsidiaries, jointly controlled entities or associates will be recognised as revenue even if they are paid out of pre-acquisition profits, but the investments may need to be tested for impairment as a result of dividend payment. Under the entity's current policy, these dividends are deducted from the cost of investment. Furthermore, when a new intermediate parent entity is created in internal reorganisations it will measure its investment in subsidiaries at the carrying amount of the net assets in the subsidiary rather than the subsidiary's fair value.

(viii) AASB Interpretation 15 Agreements for the Construction of Real Estate (effective 1 January 2009)

AASB-I 15 clarifies whether AASB 118 Revenue or AASB 111 Construction Contracts should be applied to particular transactions. The Group intends to apply the interpretation from 1 July 2009. The Group does not hold any real estate and hence this Interpretation will not have an impact on the financial statements

(ix) AASB Interpretation 16 Hedges of a Net Investment in a Foreign Operation (effective 1 October 2008)

AASB-I 16 clarifies which foreign currency risks qualify as hedged risks in the hedge of a net investment in a foreign operation and that hedging instruments may be held by any entity or entities within the group. It also provides guidance on how an entity should determine the amounts to be reclassified from the equity to profit or loss for both the hedging instrument and the hedged item. The Group will apply the Interpretation prospectively from 1 July 2009.The Group currently does not hold any net investment in foreign operations.

(x) AASB 2008-8 Amendment to IAS 39 Financial Instruments: Recognition and Measurement (effective 1 July 2009)

AASB 2008-8 amends AASB 139 Financial Instruments: Recognition and Measurement and must be applied retrospectively in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The amendment makes two significant changes. It prohibits designating inflation as a hedgeable component of a fixed rate debt . It also prohibits including time value in a one-sided hedged risk when designating options as hedges. The Group will apply the amended standard from 1 July 2009. It is not expected to have a material impact on the Group's financial statements.

(xi) AASB Interpretation 17 Distribution of Non-cash Assets to Owners and AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17

AASB-I 17 applies to situation where an entity pays dividends by distributing non-cash assets to its shareholders. These distributions will need to be measure at fair value and the entity will need to recognise the difference between the fair value and the carrying amount of the distributed assets in the income statement on distribution. This is different from the Group's current policy which is to measure distributions of non-cash assets at their carrying amounts. The interpretation further clarifies when a liability for the dividend must be recognised and that it is also measured at fair value. The Group will apply the interpretation prospectively from 1 July 2009.

Note 2 Financial Risk Management

The Group's activities expose it to a variety of financial risks; market risks (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures. Derivatives are purely used for hedging purposes, i.e. not as trading or other speculative instruments. The Group uses different methods to measure different types of risks to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing for credit risks and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by management under policies approved by the Board of Directors.

The Group and the parent entity hold the following financial instruments

	Consolidated		**Parent entity**	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Financial assets				
Cash and cash equivalents	**1,061**	465	**847**	-
Trade and other receivables	**9,880**	7,345	**4,375**	6,492
Derivative financial instruments	**57**	136	**57**	136
Available-for-sale financial assets	**123**	258	**123**	258
Other financial assets	**-**	-	**17,277**	17,276
	11,121	8,203	**22,679**	24,162
Financial liabilities				
Trade and other payables	**10,907**	8,046	**2,034**	1,964
Borrowings	**6,618**	7,223	**5,740**	6,610
Derivative financial instruments	**315**	-	**315**	-
	17,840	15,269	**8,089**	8,574

(a) Market risk

(i) Cash flow and fair value interest rate risk

As the group has no significant interest bearing assets, the Group's income and operating cash flows are not materially exposed to changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk. Group policy is to fix the rates on up to 100% of its borrowings. This policy has been complied with at the year end.

The Group manages its cash flow interest-rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. Generally, the Group raises long-term borrowings at floating rates and swaps them into fixed rates that are lower than those available if the Group borrowed at fixed rates directly. Under the interest-rate swaps, the Group agrees with other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

As at the reporting date, the Group's variable rate borrowings and interest rate swap contracts outstanding are set out in Note 31.

Group sensitivity

At 30 June 2009, the group has hedged its interest rate using interest rate swaps and hence the post-tax profit is not sensitive to the movements in interest rates.

Parent entity sensitivity

The parent entity's main interest rate risk arises from long-term borrowings. At 30 June 2009, the group has hedged its interest rate using interest rate swaps and hence the post-tax profit is not sensitive to the movements in interest rates.

(ii) Foreign exchange risk
Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The Group will transact forward exchange contracts on specific transactions where the delivery risk is considered low to mitigate against the risk of adverse currency movements. The risk is measured using sensitivity analysis and cash flow forecasting. The carrying amounts of the parent entity's financial assets and liabilities are denominated in Australian dollars only. The Groups exposure to currency risks at the reporting date are set out in Note 31.

Group sensitivity
Based on the financial instruments held at 30 June 2009, had the Australian dollar weakened/strengthened by 10% against the US dollar, Canadian dollar, Euro and NZ Dollar with all other variables held constant, the Group‟s post-tax profit for the year would have been $2,800 lower/ $3,400 higher (2008- $24,000 higher/$20,000 lower) mainly as a result of foreign exchange gains/ losses on translation of the financial instruments as detailed in note 31. Profit is sensitive to movements in the Australian dollar exchange rates. The Groups exposure to other foreign exchange movements is not material.

Parent entity sensitivity
As the parent entity‟s financial assets and liabilities are denominated in Australian dollars only, the parent entity’ s post-tax profit is not sensitive to movements in Australian dollar exchange movements.

(iii) Price risk
The Group and the parent entity are exposed to equity securities price risk. This arises from an investment held by the Group and classified on the balance sheet as available-for-sale. Neither the group nor the parent entity is exposed to commodity price risk.

The table below summarises the impact of the increase or decrease of the ASX index on the groups and the parent entity’ s profit
and loss and on equity. The analysis is based on the assumption that the equity index has increased/ decreased by 9% (2008-9%) with all other variables held constant and the Groups equity instrument moves according to historical correlation with the index. Index

Index	Impact on post-tax profit		Impact on equity	
	2009	2008	2009	2008
ASX 200 index	-	-	11	23

Post-tax profit for the year is not affected as there are no equity securities classified as at fair value through profit or loss. Equity would further increase/decrease as a result of gains/losses on equity securities classified as available-for-sale.

The price risk of unlisted securities is immaterial in terms of possible impact on profit or loss or total equity. It has not been included in the sensitivity analysis.

(b) Credit risk

Credit risk arises from credit exposures to wholesale and retail customers, including outstanding customers and committed transactions. The Group has policies in place to ensure that the sale of products are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets summarised above. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates.

	Consolidated		Parent entity	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Trade receivables				
Counterparties without external credit				
New customers (less than 6 months)	**324**	181	**-**	-
Existing customers (more than 6 months) with no defaults in the past	**9,556**	7,164	**537**	417
Existing customers (more than 6 months) with some defaults. All defaults were fully recovered.	**-**	-	**-**	-
Total trade receivables	**9,880**	7,345	**537**	417
Cash at Bank and short term bank deposits				
AA	**1,061**	465	**847**	-
Loans & Receivables				
Intercompany loans	**-**	-	**3,838**	6,075
Available-for-sale				
Financial assets	**123**	258	**123**	258
Derivative financial assets				
Interest rate swaps	**-**	136	**-**	136
Forward contracts	**57**	-	**57**	-

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the dynamic nature of the underlying business, the group aims at maintaining flexibility in funding by keeping adequate cash resources or committed credit lines available. Surplus funds are generally only invested in instruments that are tradeable in highly liquid markets.

Financing arrangements

The Group and the parent entity had access to the following undrawn borrowing facilities at the reporting date:

	Consolidated		**Parent entity**	
Floating rate	**2009 $'000**	2008 $'000	**2009 $'000**	2008 $'000
Expiring beyond one year (bank loans)	**122**	387	**-**	-

The bill acceptance facility is subject to annual review and can be withdrawn at any time. The Master Asset Finance facility is available to the company for a period of 3 years and may be withdrawn at any time.

The Company was in breach of its banking covenants at year end in both the current and prior year. These breaches were waived by the bankers prior to balance date. In the event of future breaches of borrowing covenants the Company's bankers have the right to demand immediate repayment of outstanding debt if the breach is not remedied. In such circumstances the Company would need to obtain alternate financing which may not be possible or commercially viable.

Maturities of financial liabilities

The tables below analyse the Group and parent entity's financial liabilities, net and gross settled derivative financial instruments into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows. For interest rate swaps the cash flows have been estimated using forward interest rates applicable at the reporting date.

Group- At 30 June 2009	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount (assets)/ liabilities
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-derivatives							
Non-interest bearing	**10,787**	**-**	**-**	**-**	**-**	**10,787**	**10,787**
Variable rate	**548**	**548**	**5,116**	**406**	**-**	**6,618**	**6,618**
Total non-derivatives	**11,335**	**548**	**5,116**	**406**	**-**	**17,405**	**17,405**
Derivatives							
Net settled (interest rate swaps)	**72**	**72**	**170**	**-**	**-**	**314**	**314**
Gross settled							
-(inflows)	-	-	-	-	-	-	-
- outflows	-	-	-	-	-	-	-

Group- At 30 June 2008	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount (assets)/ liabilities
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-derivatives							
Non-interest bearing	7,966					7,966	7,966
Variable rate	499	499	994	5,231	-	7,223	7,223
Total non-derivatives	8,465	499	994	5,231	-	15,189	15,189
Derivatives							
Net settled (interest rate swaps)	(23)	(23)	(45)	(45)	-	(136)	(136)
Gross settled							
-(inflows)	-	-	-	-	-	-	-
- outflows	-	-	-	-	-	-	-

Parent- At 30 June 2009	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount (assets)/ liabilities
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-derivatives							
Non-interest bearing	**1,908**	**-**	**-**	**-**	**-**	**1,908**	**1,908**
Variable rate	**435**	**435**	**4,870**	**-**	**-**	**5,740**	**5,740**
Total non-derivatives	**2,343**	**435**	**4,870**	**-**	**-**	**7,643**	**7,643**
Derivatives							
Net settled (interest rate swaps)	**72**	**72**	**170**	**-**	**-**	**314**	**314**
Gross settled							
-(inflows)	-	-	-	-	-	-	-
- outflows	-	-	-	-	-	-	-

Parent- At 30 June 2008	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount (assets)/ liabilities
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-derivatives							
Non-interest bearing	1,838	-	-	-	-	1,838	1,838
Variable rate	435	435	870	4,870	-	6,610	6,610
Total non-derivatives	2,273	435	870	4,870	-	8,448	8,448
Derivatives							
Net settled (interest rate swaps)	(23)	(23)	(45)	(45)	-	(136)	(136)
Gross settled							
-(inflows)	-	-	-	-	-	-	-
- outflows	-	-	-	-	-	-	-

(d) Fair value estimation
The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the group is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example investments in unlisted subsidiaries) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions existing at each balance date. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair value due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments

Note 3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates
The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are given below:

(i) Estimated impairment of intangibles
The Group tests annually whether intangible assets have suffered any impairment in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions. Refer to note 16(b) for details of these assumptions and the potential impact of changes to the assumptions.

Note 4 Segment Information

a) Description of segments

Business segments
The consolidated entity operates predominantly in one industry segment that being the provision of wine industry services into the following divisions

- Wine Sales –Marketing, sale and distribution of wines
- Wine Services - Viticulture management (operation and management of vineyards)

Geographical segment

The consolidated entity operates predominantly in one geographical segment, that being Australia.

b) Primary reporting format-business segments

2009	**Continuing operations**			**Discontinued operations**	**Consolidated**
	Wine sales	**Wine services**	**Total continuing operations**	**Wine sales Wine services**	**$'000**
Segment revenue					
Sales to external customers	20,330	9,827	30,157	-	**30,157**
Unallocated revenue			206	-	**206**
Consolidated revenue			**30,363**		**30,363**
Segment result	1,770	1,511	3,281	-	**3,281**
Unallocated revenue less unallocated expenses					**(2,135)**
Profit/(loss) before Income tax					**1,146**
Income tax credit					**(171)**
Profit/(loss) for the year					**975**
Segment assets	31,198	10,859	42,057	-	**42,057**
Intersegment elimination					**(354)**
Total assets					**41,703**
Segment liabilities	15,435	2,949	18,384	-	**18,384**
Intersegment elimination					**277**
Total liabilities					**18,661**
Other segment information					
Acquisition of property, plant and equipment and other non-current segment assets	2	543	545	-	**545**
Impairment of Financial Asset	-	-	-	-	**103**
Depreciation and amortisation expenses	45	404	249	-	**449**

Note 4 Segment Information continued

2008	**Continuing operations**			**Discontinued operations**	**Consolidated**
	Wine sales	**Wine services**	**Total continuing operations**	**Wine sales Wine services**	**$'000**
Segment revenue					
Sales to external customers	19,965	8,951	28,916	324	**29,240**
Unallocated revenue			215		**215**
Consolidated revenue			**29,131**	**324**	**29,455**
Segment result	(3,956)	1,376	(2,580)	395	**(2,185)**
Unallocated revenue less unallocated expenses					**(2,856)**
Profit/(loss) before Income tax					**(5,041)**
Income tax credit					**232**
Profit/(loss) for the year					**(4,809)**
Segment assets	27,780	10,795	38,575	-	**38,575**
Intersegment elimination					**(32)**
Total assets					**38,543**
Segment liabilities	13,159	3,020	16,179	-	**16,179**
Intersegment elimination					**(170)**
Total liabilities					**16,009**
Other segment information					
Acquisition of property, plant and equipment and other non-current segment assets	55	609	664	-	**664**
Impairment of Goodwill	5,000	10	5,010	-	**5,010**
Impairment of Financial Asset	-	-	-	-	**242**
Depreciation and amortisation expenses	43	387	430	-	**430**

Note 5 Revenue

	Consolidated		Parent Entity	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Revenue from continuing operations				
Sale of goods and services	**20,330**	19,965	-	-
Provision of services	**9,827**	8,951	-	-
	30,157	28,916	-	-
Revenue from outside the operating activities				
Interest	**37**	66	-	8
Other revenue	**169**	149	-	-
Revenue from ordinary activities	**30,363**	29,131	-	8

Note 6 Expenses

	Consolidated		Parent Entity	
	2009 $'000	2008 $'000	**2009 $'000**	**2008 $'000**
Expenses				
Cost of sales of goods and services				
Decrease/(Increase) in inventories of finished goods and services	**(1,203)**	1,223	**-**	-
Raw materials and consumables used	**23,077**	19,689	**-**	-
	21,874	20,912		
Employee benefits expense	**4,173**	4,980	**16**	30
Foreign currency(gain)/loss	**(119)**	96	**-**	-
Depreciation				
Plant and equipment	**323**	297	**-**	-
Motor Vehicles	**122**	122	**-**	-
Furniture and Fittings	**4**	11	**-**	-
Total depreciation	**449**	430	**-**	-
Other charges against assets				
Bad and doubtful debts – trade debtors	**24**	13	**-**	-
Bad and doubtful debts – others	**80**	-	**-**	-
Impairment of intangibles	**-**	5,010	**-**	5,000
Impairment of financial assets	**103**	242	**103**	242
Total impairment losses	**103**	5,252	**103**	5,242
Finance costs				
Interest	**602**	626	**568**	601
Bank charges	**24**	31	**-**	3
Lease finance costs	**68**	39	**-**	-
Amortisation of Borrowing costs	**-**	13	**-**	13
Finance costs expensed	**694**	709	**568**	617
Rental expense relating to operating leases	**400**	293	**-**	6
Loss on sale of subsidiaries	**-**	-	**-**	172

Note 7 Income tax

	Consolidated		Parent Entity	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
(a) Income tax expense				
Current tax	**219**	38	**(252)**	(9)
Deferred tax	**(23)**	(28)	**(31)**	(72)
Adjustments for current tax of prior periods	**(25)**	(242)	**(25)**	216
	171	(232)	**(308)**	135
Income tax expense is attributable to				
Profit from continuing activities	**171**	(326)	**(308)**	135
Profit from discontinued operations	**-**	94	**-**	-
Aggregate income tax expense	**171**	(232)	**(308)**	135
Deferred income tax revenue included in income tax expense comprises:				
(Increase)/Decrease in deferred tax assets (note 17)	**4**	35	**(31)**	72
Increase/(Decrease) in deferred tax liabilities (note 23)	**(27)**	(7)	**-**	-
	(23)	(28)	**(31)**	72

Note 7 Income tax continued

(b) Numerical reconciliation of income tax expense to prima facie income tax

	Consolidated		Parent Entity	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Profit/(loss) from continuing operations before income tax expense	**1,146**	(5,436)	**(939)**	(7,083)
Profit from discontinuing operations before income tax expense	**-**	395	**-**	-
	1,146	(5,041)	**(939)**	(7,083)
Tax at the Australian Tax Rate of 30% (2008-30%)	**344**	(1,512)	**(283)**	(2,125)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income				
Entertainment expenses	**3**	4	-	
Impairment losses on intangibles	**-**	1,500	-	1,500
Tax liability in respect of entities sold during the year	**-**	-	-	200
Other	**8**	30	-	32
Previously unrecognised tax losses now recouped to reduce current tax expense	**(159)**	(12)	-	382
Adjustments for current tax of prior periods	**(25)**	(242)	**(25)**	145
Income tax expense	**171**	(232)	**(308)**	135
(c) Tax losses				
Total value of tax losses available	**(9,996)**	(10,518)	-	-
Potential tax benefit at 30%	**(2,999)**	(3,156)	-	-
Tax Losses for which no deferred tax asset has been recognised	**(2,999)**	(3,156)	-	-

(d) Tax legislation

Cheviot Bridge Ltd and its wholly-owned subsidiaries have implemented the tax consolidation legislation from 1 July, 2006. The accounting policy in relation to this legislation is set out in Note 1(f) The potential tax benefit relating to tax losses not brought to account in the current year are attributed predominantly to Cheviot Bridge Pty Limited.

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which, in the opinion of the directors, limits the joint and several liability of the wholly-owned entities in the case of a default by the head entity, Cheviot Bridge Ltd.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate Cheviot Bridge Ltd for any current tax payable assumed and are compensated by Cheviot Bridge Ltd for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Cheviot Bridge Ltd under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments. The funding amounts are recognised as Intercompany receivables or payables (see note 10).

Note 8 Discontinued Operations

a) Description

There were no discontinued operations during the year. During the previous year, the Group sold its financial services operations consisting of the Cheviot Asset Management Pty Limited and the Cheviot Kirribilly Limited to Tidewater Investments Limited (a related party to Mr. Andrew Brown - Director) with effect from 1 October, 2007 and the entity Terrace Vale Wines Pty Ltd to Mr. Paul Batchelor (Director of the company) with effect from 31 March, 2008. Financial information relating to the discontinued operation for the period to the date of disposal is set out below:

b) Financial performance and cash flow information

The financial performance and cash flow information presented are for the three months ended 30 September 2007 for the Financial services division and up to 31 March, 2008 for Terrace Vale wines Pty Ltd.

	2009 $'000	2008 $'000
Revenue	-	324
Expenses	-	(643)
Profit before income tax	-	(319)
Income tax credit	-	96
Profit after income tax of discontinued operations		(223)
Gain on sale of division before income tax	-	714
Income tax expense	-	(190)
Gain on sale of division after income tax	-	524
Profit from discontinued operations	-	301
Net cash inflow from ordinary activities	-	17
Net cash inflow(outflow) from investing activities	-	(24)
Net cash (outflow) from financing activities		-
Net increase in cash generated by the division	-	(7)

c) Carrying amount of assets and liabilities

The carrying amounts of assets and liabilities as at 30 September, 2007 for the Financial services division and as at 31 March, 2008 for Terrace Vale wines Pty limited are:

Cash and Bank balances	-	2
Property, plant & equipment	-	55
Inventories	-	-
Trade receivables	-	802
Total assets	-	859
Trade creditors	-	296
Total liabilities	-	296
Net assets	-	563

d) Details of the sale of discontinued operations.

Consideration received or receivable:

Cash	-	818
Available for sale financial instruments	-	500
Total disposal consideration	-	1,318
Costs directly related to disposal	-	(41)
Carrying amount of net assets sold	-	(563)
Gain on sale before income tax	-	714
Income tax expense	-	(190)
Gain on sale after income tax	-	524

Note 9 Current assets – Cash and cash equivalents

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Cash at bank and on hand	**1,061**	465	**847**	-

Note 10 Current assets – Receivables

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Trade debtors	**8,175**	5,487	**-**	-
Less: provision for impairment of receivables (note a)	**(80)**	-	**-**	-
	8,095	5,487	**-**	-
Receivables – Director related	**1,306**	1,119	**-**	-
Intercompany receivables	**-**	-	**471**	-
Prepayments	**479**	739	**66**	99
	9,880	7,345	**537**	99

Further information relating to loans receivable from directors is set out in note 31.
Information concerning the effective interest rate and credit risk is set out in note 29.

(a) Impaired Trade Receivables
As at 30 June 2009, Impaired trade receivables of the group was $80,000(2008: nil) and for the parent entity was nil (2008: nil)

Movements in the provision for impairment of receivables are as follows:

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
As at July 1	**-**	-	**-**	-
Provision for impairment recognised during the year	**104**	13	**-**	-
Receivables written off during the year	**(24)**	(13)	**-**	-
	80	-	**-**	-

(b) Past due but not impaired
As at 30 June 2009, trade receivables of $4,215,000 (2008 $3,989,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Up to 3 months	**4,018**	3,613	**-**	-
3- 6 months	**56**	65	**-**	-
Over 6 months	**141**	311	**-**	-
	4,215	3,989	**-**	-

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due. The group does not hold any collateral in relation to these receivables.

(c) Foreign exchange and interest rate risks
Information about the Groups and the parent entity's foreign currency risk and interest rate risk in relation to trade and other receivables is provided in note 2

(d) Fair value and credit risk
Due to the short-term nature of these receivables, the carrying amount of each class of receivables mentioned above is assumed to approximate their fair value. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to note 2 for more information on the risk management policy of the Group and the credit quality of the entity's trade receivables.

Note 11 Current assets – Inventories

	Consolidated		Parent Entity	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Bulk wine – at cost	**1,529**	2,383	**-**	-
Dry Goods – at cost	**159**	331	**-**	-
Finished goods – at cost	**3,767**	2,564	**-**	-
	5,455	5,278	**-**	-

Note 12 Other financial assets

	Consolidated		Parent Entity	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Current Assets				
Forward Foreign exchange contracts	**57**	-	**57**	-
Interest rate swap contracts	**-**	17	**-**	17
	57	17	**57**	17

Note 13 Non-current assets – Receivables

	Consolidated		Parent Entity	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Loans to controlled entities	**-**	-	**3,838**	6,393
	-	-	**3,838**	6,393

Note 14 Non-current assets – Other financial assets

	Consolidated		Parent Entity	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Other (non-traded) investments				
Investments in controlled entities (non-traded)[1]	**-**	-	**17,277**	17,276
Derivative financial instruments	**-**	119	**-**	119
Available for sale financial instruments	**123**	258	**123**	258
	123	377	**17,400**	17,653

1. These financial assets are carried at cost.

Note 15 Non-current assets – Property, plant and equipment

Consolidated Entity	Plant and Equipment $'000	Motor Vehicles $'000	Furniture Fittings $'000	Total $'000
At 1 July 2007				
Cost or fair value	4,504	1,052	367	5,923
Accumulated depreciation	(2,981)	(767)	(282)	(4,030)
Net book amount	1,523	285	85	1,893
Year ended 30 June 2008				
Opening net book amount	1,523	285	85	1,893
Additions due to purchase of subsidiary	-	-	-	-
Additions	443	210	11	664
Disposals	(47)	(67)	(28)	(142)
Depreciation/ amortisation expense (note 6)	(297)	(122)	(11)	(430)
Closing net book amount	1,622	306	57	1,985
At 30 June 2008				
Cost or fair value	4,926	1,018	328	6,272
Accumulated depreciation	(3,304)	(712)	(271)	(4,287)
Net book amount	1,622	306	57	1,985
Year ended 30 June 2009				
Opening net book amount	1,622	306	57	1,985
Additions due to purchase of subsidiary	-	-	-	-
Additions	359	185	-	545
Disposals	(24)	(2)	-	(26)
Depreciation/ amortisation expense (note 6)	(323)	(122)	(4)	(449)
Closing net book amount	1,634	367	54	2,055
At 30 June 2009				
Cost or fair value	4,537	1,137	328	6,002
Accumulated depreciation	(2,903)	(770)	(274)	(3947)
Net book amount	1,634	367	54	2,055

The Parent Entity does not have any property, plant and equipment.

(a)Non-current assets pledged as security
Refer to note 20 for information on non-current assets pledged as security by the company.

(b) Leased assets
Motor Vehicles, Plant and Equipment includes the following amounts where the Group is a lessee under a finance lease

Consolidated Entity	Plant and Equipment $'000	Motor Vehicles $'000	Furniture Fittings $'000	Total $'000
At 30 June 2009				
Cost or fair value	877	186	-	1,063
Accumulated depreciation	(95)	(30)	-	(125)
Net book amount	782	156	-	938

Note 16 Non-current assets - Intangible assets

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Brand Names	**5,710**	5,710	**-**	-
Goodwill	**17,046**	17,046	**-**	-
Total Intangibles	**22,756**	22,756	**-**	-

	Brands	Goodwill	Total
	$'000	**$'000**	**$'000**
At 1 July 2007			
Cost	7,352	20,232	27,584
Additions – additional consideration	-	172	172
Impairment charge	(1,642)	(3,358)	(5,000)
Closing net book amount	5,710	17,046	22,756
At 1 July 2008			
Cost	5,710	17,046	22,756
Additions – additional consideration	-	-	-
Impairment charge	-	-	-
Closing net book amount	5,710	17,046	22,756

(a) Useful life of brand names
The brand names acquired by Cheviot Bridge Limited through the acquisition of Cheviot Bridge Pty Limited are considered to have an indefinite useful life. The following factors have been considered in concluding this:

- The brand names are used in the wine industry and have been in use for periods ranging from 5 years to 40 years. The Group continues to support the marketing of the brands.

(b) Impairment tests for goodwill and brand names
The recoverable amount of a cash generating unit (CGU) is determined based upon value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

(c) Key assumptions used for value-in-use calculations

CGU	**2009 Book value $000s**	2008 Book value $000s	**2009 Growth rate**	2008 Growth rate	**2009 Discount rate**	2008 Discount rate
Wine sales	**16,882**	16,820	**2%**	4%	**12.1%**	14.3%
Wine services	**5,874**	5,874	**2%**	3%	**12.1%**	14.3%

These assumptions have been used for each CGU within the business segment. Management determined budgeted EBIT contribution to overheads based on past performance and its expectations for the future. The weighted average growth rates used are consistent with forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the business.

(d) Tax treatment of intangibles
In accordance with accounting standards, no deferred tax liability has been recognised in relation to acquired intangible assets.

Note 17 Non-current assets – Deferred tax assets

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
The balance comprises temporary differences attributable to:				
Employee entitlements	**174**	152	**-**	-
Other	**142**	168	**103**	72
Total deferred tax assets	**316**	320	**103**	72
Deferred tax asset to be recovered within 12 months	**316**	320	**103**	72

Note 18 Current liabilities – Trade and other payables

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Trade Creditors	**10,110**	7,167	**32**	42
Other Creditors	**677**	799	**452**	372
Deferred settlement on acquisition of Kirribilly business (note 31)	**-**	-	**(26)**	(26)
Promissory note to related parties		-	**1,450**	1,450
	10,787	7,966	**1,908**	1,838

Information concerning the effective interest rate and credit risk is set out in note 31.

Note 19 Current liabilities – Provisions

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Employee benefits (Note 30)	**460**	483	**-**	-

Note 20 Current liabilities – Borrowings

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Secured				
Bank Loans	**870**	870	**870**	870
Lease Liabilities (Note 29)	**226**	128	**-**	-
	1,096	998	**870**	870

The bank loan is secured by fixed and floating charges over the consolidated entity.

Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

The Company was in breach of its banking covenants at year end in both the current and prior year. These breaches were waived by the bank prior to the respective year ends.

Note 21 Non-current liabilities - Provisions

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Employee entitlements	**120**	80	**-**	-
Related party payables	**-**	-	**126**	126
	120	80	**126**	126

Note 22 Non – Current liabilities – Borrowings

	Consolidated		Parent Entity	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Secured				
Bank Loans	**4,870**	5,740	**4,870**	5,740
Less borrowing costs	**-**	-	-	-
Lease liabilities	**652**	485	-	-
	5,522	6,225	**4,870**	5,740

Secured liabilities

	Consolidated		Parent Entity	
Total secured liabilities (current and non – current) are:				
Bank loans	**5,740**	6,610	**5,740**	6,610
Lease liabilities	**878**	613	-	-
Total secured liabilities	**6,618**	7,223	**5,740**	6,610

Details of the security relating to each of the secured liabilities are set out in note 20. The bank loans are subject to annual review and the current interest rate is 8.1%.

Financing arrangements

	Consolidated		Parent Entity	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
Credit standby arrangements				
Unrestricted access was available at balance date to the following lines of credit:				
Total facility				
Secured loan	**5,740**	6,610	**5,740**	6,610
Lease liabilities	**1,000**	1,000	-	-
	6,740	7,610	**5,740**	6,610
Used at balance date				
Secured loan	**5,740**	6,610	**5,740**	6,610
Lease liabilities	**878**	613	-	-
Unused at balance date				
Lease liabilities	**122**	387	-	-

The Company was in breach of its banking covenants at year end in both the current and prior year. These breaches were waived by the bank prior to the respective year ends.

Note 23 Deferred tax liability

	Consolidated		Parent Entity	
	2009 $'000	2008 $'000	**2009 $'000**	2008 $'000
The balance comprises temporary differences attributable to:				
Unbilled revenue	**-**	9	-	-
Unrealised foreign exchange gains	**36**	-		
Depreciation	**156**	210	-	-
	192	219	-	-
Movements:				
Opening balance at 1 July	**219**	212	-	-
Charged/(credited) to income statement	**(27)**	7	-	-
Closing balance at 30 June	**192**	219	-	-
Deferred tax liabilities to be recovered after more than 12 months	**156**	116	-	-
Deferred tax liabilities to be recovered within 12 months	**36**	103	-	-
	192	219	-	-

Note 24 Other financial liabilities

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Current Liabilities				
Interest rate swap contracts	**150**	-	**150**	-
Non-Current Liabilities				
Interest rate swap contracts	**165**	-	**165**	-
	315	-	**315**	-

Note 25 Contributed Equity

	Parent Entity		**Parent Entity**	
	2009	2008	**2009**	2008
	Shares	Shares	**$'000**	$'000
Opening balance at 1 July	**100,000,260**	89,147,403	**43,834**	42,373
Issues of ordinary shares during the year				
Shares issued in consideration for the acquisition of the Kirribilly entities on:				
- 3 July 2006				
- 4 May 2007				
- 17 July 2007		3,710,000		519
Shares issued pursuant to Employee Share Plan on 31 January 2007		-		-
Shares issued in consideration for cash pursuant to Share Purchase Plan on 28 June 2007		-		-
Shares issued on 20 August 2007		1,750,000		245
Shares issued on 7 September 2007		5,392,857		755
Shares issued to employees on 13 August 2008	**327,240**		**16**	-
Less transaction costs arising on share issues		-		(58)
Balance at 30 June	**100,327,500**	100,000,260	**43,850**	43,834

	Parent Entity		**Parent Entity**	
	2009	2008	**2009**	2008
	Options	Options	**$'000**	$'000
Opening balance at 1 July	**5,825,000**	30,656,599	**568**	538
December 2007 $0.40 Options lapsed	**-**	(24,831,599)	**-**	-
$0.35 exercise price Management Options, subject to vesting provisions and exercisable 1/3 on or after each of 14 December 2006, 14 December 2007 and 14 December 2008.	**(4,050,000)**	-		30
Balance at 30 June	**1,775,000**	5,825,000	**568**	568
Total Contributed Equity			**44,418**	44,402

Ordinary shares entitle the holder to participate in dividends and proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each shares is entitled to one vote.

Note 26 Retained profits/(losses) and Reserves

	Consolidated		Parent Entity	
(a) Retained earnings	**2009**	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Retained profits/(losses) at the beginning of the financial year	**(22,004)**	(17,195)	**(28,916)**	(21,698)
Net profit/(loss)	**975**	(4,809)	**(631)**	(7,218)
Retained profits/(losses) at the end of the financial year	**(21,029)**	(22,004)	**(29,547)**	(28,916)
(b) Reserves				
Available-for-sale investments revaluation reserve	**(32)**	-	**(32)**	-
Hedging reserves-cash flow hedge reserves	**(315)**	136	**(315)**	136
	(347)	136	**(347)**	136
Movements				
Available-for-sale revaluation reserve				
Balance 1 July 2008	**-**	-	**-**	-
Revaluation	**(32)**	-	**(32)**	-
Balance 30 June 2009	**(32)**	-	**(32)**	-
Hedging reserve				
Balance 1 July 2008	**136**	-	**136**	-
Revaluation	**(451)**	136	**(451)**	136
Balance 30 June 2009	**(315)**	136	**(315)**	136

Note 27 Remuneration of auditors

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
Remuneration for audit of the financial report of the company:				
Auditor of the company				
- audit services	**103,500**	118,000	**103,500**	118,000
- other services	**5,980**	18,225	**5,980**	18,225
Total	**109,480**	136,225	**109,480**	136,225

PricewaterhouseCoopers continue as company auditors for the 2009 audit.

Note 28 Contingent liabilities

Contingent liabilities
The consolidated entity had contingent liabilities at 30 June 2009 in respect of:
Guarantees
A bank guarantee has been provided to secure operating leases for premises totaling $72,892 (2008:$72,892)

Note 29 Commitments for expenditure

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:				
Within one year	**347**	383	-	-
Later than one year but not later than 5 years	**511**	719	-	-
Later than 5 years	**137**	200	-	-
Non-cancellable operating lease	**995**	1,302	-	-

Note 29 Commitments for expenditure continued

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Finance leases				
Commitments in relation to finance leases are payable as follows:				
Within one year	**291**	178	-	-
Later than one year but not later than 5 years	**737**	543	-	-
Later than 5 years	**-**	-	-	-
Minimum lease payments	**-**	-	-	-
Less: Future finance charges	**(150)**	(108)	-	-
Total lease liabilities	**878**	613	-	-
Representing lease liabilities:				
Current (Note 20)	**226**	128	-	-
Non-Current (Note 22)	**652**	485	-	-

Note 30 Employee benefits

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Employee entitlement liabilities				
Provision for employee benefits – non-current (note 21)	**120**	80	-	-
Provision for employee benefits – current (note 19)	**460**	483	-	-
Aggregate employee benefit and related on-costs liabilities	**580**	563	-	-

(a) Share based payments

Employee Option Plan

The establishment of the Cheviot Bridge Limited Employee Option Plan was approved by shareholders at the 2004 annual general meeting. The Employer Option Plan is designed to provide long- term incentives for senior managers to deliver long-term shareholder returns. Under the plan, participants are granted options which only vest if certain performance standards are met. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The amount of options that will vest depends on Cheviot Bridge Limited's total return to shareholders (TSR), including share price growth and dividends and the need to exceed the all industrials index compounded over 3 years. Once vested the options remain exercisable for a period of 3 years. Options are granted under the plan for no consideration, and carry no dividend or voting rights. The grant of options in 2007 is the only grant to date under the Plan, details of which are:

Consolidated and parent entity

Grant Date	Expiry Date	Exercise Price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Forfeited during the year Number	Balance end of the year Number	Vested and exercisable at end of the year Number
2009								
31 Jan 2007	30 Jan 2012	$0.145	575,000	-	-	-	575,000	-
2008								
31 Jan 2007	30 Jan 2012	$0.145	-	575,000	-	-	575,000	-

Note 31 Financial instruments

(a) Derivative financial instruments

The Consolidated entity is party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in interest rates.

Interest rate swap contracts

Bank loans of the consolidated entity currently bear an average interest rate of 8.1% (2008: 8.1%). It is policy to protect part of the loans from exposure to increasing interest rates. Accordingly, the consolidated entity has entered into interest rate swap contracts which it is obliged to receive interest at variable rates and to pay interest at fixed rates.

The settlement date of the contract coincides with the date on which interest is payable on the underlying debt.

Due to principal repayments at the date of acquisition of Cheviot Bridge Limited swaps currently in place cover approximately 100% (2008: 100%) of the loan principal outstanding and are timed to expire as the loan repayment falls due. The fixed interest rate is 8.1% (2008: 8.1%) and the variable rate is 3.147% (2008: 5.0%).

At 30 June 2009, the notional principal amounts and period of expiry of the interest rate swap contract are as follows:

	2009 $'000	2008 $'000
Less than 1 year	870	870
1-2 years	4,870	870
2-3 years	-	4,870
3-4 years	-	-
4-5 years	-	-

Forward exchange contracts

Cheviot Bridge Pty Limited sells wine in foreign denominated currencies. In order to protect against exchange rate movements, the consolidated entity has entered into forward exchange contracts to sell United States and Canadian dollars. The contracts are timed to mature when debtor balances are scheduled to be received.

The Groups exposure to foreign currency risk at the reporting date was as follows:

	30 June 2009			30 June 2008		
	USD $'000	CAD $'000	NZD $'000	USD $'000	CAD $'000	NZD $'000
Trade receivables	-	475	-	182	535	490
Trade payables	-	(45)	(531)	(2)	(120)	(546)
Forward exchange contract -sell foreign currency (cash flow hedges)	-	500	-	-	-	-

(b) Credit risk exposures

The credit risk on financial assets of the consolidated entity which have been recognised on the statement of financial position, other than investments in shares, is generally the carrying amount, net of any provisions for doubtful debts.

Note 31 Financial instruments (continued)

(c) Interest rate risk exposures
The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the following table.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the consolidated entity intends to hold fixed rate assets and liabilities to maturity.

2009			**Fixed interest maturing in:**				
	Notes	**Floating interest rate $'000**	**1 year or less $'000**	**Over 1 to 5 years $'000**	**More than 5 years $'000**	**Non-interest bearing $'000**	**Total $'000**
Financial assets							
Cash at Bank	9	1,061	-	-	-	-	1,061
Trade and other debtors	10,13	-	-	-	-	9,880	9,880
		1,061	-	-	-	9,880	10,941
Weighted average interest rate		**3.0%**					**3.0%**
Financial liabilities							
Interest bearing loans	20,22	5,740	-	-	-	-	5,740
Interest rate swaps	20,22	(5,740)	870	4,870	-	-	-
Trade and other creditors	18,21	-	-	-	-	10,907	10,907
		-	870	4,870	-	10,907	16,647
Weighted average interest rate		8.1%	8.1%	8.1%	-	-	8.1%
Net financial assets (liabilities)		1,061	(870)	(4,870)	-	(1,027)	(5,706)

2008			Fixed interest maturing in:				
	Notes	Floating interest rate $'000	1 year or less $'000	Over 1 to 5 years $'000	More than 5 years $'000	Non-interest bearing $'000	Total $'000
Financial assets							
Cash at Bank	9	465	-	-	-	-	465
Trade and other debtors	10,13		-	-	-	7,345	7,345
		465	-	-	-	7,345	7,810
Weighted average interest rate		**5.0%**					**5.0%**
Financial liabilities							
Interest bearing loans	20,22	6,610	-	-	-	-	6,610
Interest rate swaps	20,22	(6,610)	870	5,740	-	-	-
Trade and other creditors	18,21	-	-	-	-	8,046	8,046
		-	870	5,740	-	8,046	14,656
Weighted average interest rate		8.1%	8.1%	8.1%	-	-	8.1%
Net financial assets (liabilities)		465	(870)	(5,740)	-	(701)	(6,846)

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Note 31 Financial instruments (continued)

Parent Entity

2009			**Fixed interest maturing in:**				
	Notes	**Floating interest rate $'000**	**1 year or less $'000**	**Over 1 to 5 years $'000**	**More than 5 years $'000**	**Non-interest bearing $'000**	**Total $'000**
Financial assets							
Cash at Bank	9	847	-	-	-	-	847
Trade and other debtors	10,13	-	-	-	-	4,375	4,375
		847	-	-	-	4,375	5,222
Weighted average interest rate		3.0%					3.0%
Financial liabilities							
Interest bearing loans	20,22	5,740	-	-	-	-	5,740
Interest rate swaps	20,22	(5,740)	870	4,870	-	-	-
Trade and other creditors	18,21	-	-	-	-	2,034	2,034
		-	870	4,870	-	2,034	7,774
Weighted average interest rate		8.1%	8.1%	8.1%	-	-	8.1%
Net financial assets (liabilities)		847	(870)	(4,870)	-	2,341	(2,552)

2008			Fixed interest maturing in:				
	Notes	Floating interest rate $'000	1 year or less $'000	Over 1 to 5 years $'000	More than 5 years $'000	Non-interest bearing $'000	Total $'000
Financial assets							
Cash at Bank	9	-	-	-	-	-	-
Trade and other debtors	10,13		-	-	-	6,492	6,492
		-	-	-	-	6,492	6,492
Weighted average interest rate		5.0%					5.0%
Financial liabilities							
Interest bearing loans	20,22	6,610	-	-	-	-	6,610
Interest rate swaps	20,22	(6,610)	870	5,740	-	-	-
Trade and other creditors	18,21	-	-	-	-	1,964	1,964
		-	870	5,740	-	1,964	8,574
Weighted average interest rate		8.1%	8.1%	8.1%	-	-	8.1%
Net financial assets (liabilities)		-	(870)	(5,740)		4,528	(2,082)

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Net fair value of financial assets and liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the entity approximates their carrying amounts.

The net fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

Note 32 Key management personnel disclosures

(a) Directors
The following persons were directors of Cheviot Bridge Limited during the financial year:

- William Gurry – Non Executive Chairman
- Paul Batchelor – Non Executive Director
- Andrew Brown – Non Executive Director
- Paul Robertson – Non Executive Director
- Maurice Dean – Executive Director
- Sean Edwards – Executive Director
- David Wood – Executive Director
- Robert Stanway – Executive Director

All Directors have acted throughout the year and up to the date of this report

(b) Other key management personnel
There are no other key management personnel in the current financial year.

(c) Key management personnel compensation

	Consolidated		Parent Entity	
	2009	2008	**2009**	2008
	$	$	**$**	$
Short-term employee benefits	**637,491**	967,705	**348,667**	462,855
Post-employment benefits	**178,012**	235,578	**100,286**	138,104
Share-based payments	**-**	15,787	**-**	15,787
	815,503	1,219,070	**448,953**	616,746

The company has taken advantage of the relief provide by ASIC Class Order 06/05 and has transferred the detailed remuneration disclosures to the director's report. The relevant information can be found in Sections A-C of the remuneration report on pages 10-14.

(d) Equity instrument disclosure relating to key management personnel
*(i) **Options provided as remuneration***
Details of options provided as remuneration together with the terms and conditions of the options can be found in Section D of the remuneration report on pages 13-14.

(ii) Option holdings
The number of options over ordinary shares in the company held during the financial year by each director of Cheviot Bridge Limited and other key management personnel of the Group, including their personally related parties, are set out below.

2009 **Name**	**Balance at the start of the year**	**Granted during the year as compensation**	**Exercised during the year**	**Expired during the year**	**Balance at the end of the year**	**Vested and exercisable at the end of the year**
Directors of Cheviot Bridge Limited						
M Dean	1,800,000	-	-	1,800,000	-	-
D Wood	600,000	-	-	600,000	-	-

Note 32 Key management personnel disclosures (continued)

2008 Name	**Balance at the start of the year**	**Granted during the year as compensation**	**Exercised during the year**	**Other changes during the year**	**Balance at the end of the year**	**Vested and exercisable at the end of the year**
Directors of Cheviot Bridge Limited						
W Gurry	1,391,038	-	-	(1,391,038)	-	-
P Batchelor	4,673,870	-	-	(4,673,870)	-	-
A Brown	392,521	-	-	(392,521)	-	-
P Robertson	-	-	-	-	-	-
M Dean	2,168,897	-	-	(368,897)	1,800,000	-
D Wood	600,000	-	-	-	600,000	-
R Stanway	-	-	-	-	-	-
S Edwards	-	-	-	-	-	-

(iii) Share holdings
The number of shares in the company held during the financial year by each director of Cheviot Bridge Limited and each of the specified executives of the consolidated entity, including their personally-related entities, are set out below. There were no shares granted during the reporting period as compensation.

2009 Name	**Balance at the start of the year**	**Received during the year on the exercise of options**	**Other changes during the year**	**Balance at the end of the year**
Directors of Cheviot Bridge Limited				
W Gurry	15,308,505	-	515,000	15,823,505
P Batchelor	11,455,893	-	-	11,455,893
A Brown	10,396,350	-	-	10,396,350
P Robertson	1,977,091	-	2,349,500	4,326,591
M Dean	790,082	-	-	790,082
D Wood	200,588	-	-	200,588
R Stanway	5,444,675	-	-	5,444,675
S Edwards	5,353,675	-	-	5,353,675

2008 Name	**Balance at the start of the year**	**Received during the year on the exercise of options**	**Other changes during the year**	**Balance at the end of the year**
Directors of Cheviot Bridge Limited				
W Gurry	11,931,977	-	3,376,528	15,308,505
P Batchelor	10,107,679	-	1,348,214	11,455,893
A Brown	8,524,280	-	1,872,070	10,396,350
P Robertson	1,535,714	-	441,377	1,977,091
M Dean	790,082	-	-	790,082
D Wood	200,588	-	-	200,588
R Stanway	5,353,675	-	91,000	5,444,675
S Edwards	5,353,675	-	-	5,353,675

(e) Loans to directors and executives
No loans are receivable from Directors and executives of the Company.

Note 33 Related parties

Directors

Paul Batchelor has been a director of Cheviot Bridge Limited throughout the year and up to the date of this report.
William Gurry has been a director of Cheviot Bridge Limited throughout the year and up to the date of this report.
Andrew Brown has been a director of Cheviot Bridge Limited throughout the year and up to the date of this report.
Maurice Dean has been a director of Cheviot Bridge Limited throughout the year and up to the date of this report.
David Wood has been a director of Cheviot Bridge Limited throughout the year and up to the date of this report.
Robert Stanway has been a director of Cheviot Bridge Limited throughout the year and up to the date of this report.
Sean Edwards has been a director of Cheviot Bridge Limited throughout the year and up to the date of this report.
Paul Robertson has been a director of Cheviot Bridge Limited throughout the year and up to the date of this report.

Transactions of directors and director-related entities concerning shares or share options
Aggregate numbers of shares and share options of the company acquired or disposed of by directors of the company and consolidated entity or their director-related entities from the company:

	Parent entity and consolidated	
	2009 Number	2008 Number
Acquisitions		
Ordinary shares	**2,864,500**	7,129,189
Disposals		
Ordinary shares	**-**	-

Aggregate numbers of shares and share options of the company held directly, indirectly or beneficially by directors of the company or the consolidated entity or their director-related entities at balance date:

	2009 Number	2008 Number
Ordinary shares	**53,791,359**	50,926,859
Options over ordinary shares	**-**	2,400,000

Other transactions with directors and director-related entities
Mr M. Dean is a director of Best Bottlers Pty Limited. Cheviot Bridge Pty Limited is supplied by Best Bottlers Pty Limited based on arms length terms for services such as procurement, packaging, storage and freight management.

Mr Stanway is a director of businesses which supply wine to Cheviot Bridge Pty Limited (2008 - Messrs Batchelor and Stanway).

Messrs Brown, Stanway and Edwards are directors of Cheviot Kirribilly Vineyard Property Group (comprising Tidewater Funds Management Ltd as the Responsible Entity for Cheviot Kirribilly Vineyard Property Trust and Cheviot Kirribilly Vineyard Property Limited). Kirribilly Viticulture Pty Limited provided viticulture management services to vineyards controlled by this group. All services were on an arms length basis.

Messrs Stanway and Edwards hold interests in vineyards which are managed by Kirribilly Viticulture Pty Limited on an arms length basis.

Messrs Stanway and Edwards are the owner of the land and buildings in South Australia which are leased by Kirribilly Viticulture Pty Limited as offices and accommodation.

Mr Stanway is a director of a number of South Australian based businesses which provide sprays, machinery parts and fertilisers to Kirribilly Viticulture Pty Limited.

Messrs. Stanway and Edwards are directors of Kirrihill Wines Pty Limited. Cheviot Bridge Pty Limited has entered into a royalty agreement with Kirrihill Wines Pty Limited to distribute the Kirrihill brand of wines on arms length basis and buy into the brand equity.

Note 33 Related parties (continued)

Aggregate amounts of each of the above types of other transactions with directors of entities in the consolidated entity and their director-related entities:

	Consolidated		Parent entity	
	2009 **$'000**	2008 $'000	**2009** **$'000**	2008 $'000
Amounts recognised as expense:				
Bottling and procurement services	**5,898**	5,204	**-**	-
Rental payment on premises	**126**	111	**-**	-
Viticulture management supplies included in cost of sales	**676**	2,180	**-**	-
Wine procurement	**2,698**	5,744	**-**	-
Royalty for Kirrhill brand	**60**	-	**-**	-
Amounts recognised as revenue:				
Sale of product and services	**7,275**	6,390	**-**	-
Purchase consideration	**-**	1,318	**-**	1,318

Aggregate amounts receivable by directors of entities in the consolidated entity and their director-related entities at balance date:

	Consolidated		Parent entity	
	2009 **$'000**	2008 $'000	**2009** **$'000**	2008 $'000
Current assets	**1,306**	1,119	**-**	318

Aggregate amounts payable to directors of entities in the consolidated entity and their director-related entities at balance date:

	Consolidated		Parent entity	
	2009 **$'000**	2008 $'000	**2009** **$'000**	2008 $'000
Current liabilities	**3,949**	2,248	**14**	-

Wholly-owned group

The wholly-owned group consists of Cheviot Bridge Limited and its wholly-owned controlled entities Cheviot Bridge Pty Limited and its wholly-owned controlled entity, The Long Flat Wine Company Pty Limited, Winepros International Pty Limited., Kirribilly Vineyards Pty Limited and its wholly-owned controlled entity Kirribilly Vineyard Management Services Trust and Kirribilly Viticulture Pty Limited.

Transactions between Cheviot Bridge Limited and other entities in the wholly-owned group during the years ended 30 June 2009 and 2008 consisted of loans for working capital purposes as well as the provision of management and corporate services detailed in Notes 2 and 4. Details of the balances outstanding at balance date are shown in Note 10 and Note 13.

Note 34 Event occurring after reporting date

No other matters or circumstances have arisen since 30 June 2009 that have significantly affected, or may significantly affect:

1. the consolidated entity's operations in future financial years; or
2. the results of those operations in future financial years; or
3. the consolidated entity's state of affairs in future financial years.

Note 35 Reconciliation of profit/(loss) from ordinary activities after income tax to net cash inflow from operating activities

	Consolidated		Parent Entity	
	2008	2008	**2009**	2008
	$'000	$'000	**$'000**	$'000
Profit/(Loss) from ordinary and discontinued activities after related income tax	**975**	(4,809)	**(631)**	(7,218)
Depreciation, amortisation and Impairment	**553**	5,672	**103**	5,242
(Profit)/loss on sale of discontinued operations	**-**	(714)	**-**	172
Option based expenses	**16**	30	**16**	30
Profit on sale of Plant & Equipment	**11**	(28)	**-**	-
Change in operating assets and liabilities:				
Decrease (increase) in receivables	**(2,592)**	(122)	**(438)**	57
Decrease (increase) in inventories	**(177)**	(156)	**-**	-
Decrease (increase) in deferred tax assets	**4**	(35)	**(30)**	(72)
Employee Provision	**(23)**	25	**-**	-
Increase (decrease) in payables	**2,861**	310	**68**	(354)
Increase (decrease) in provision for income tax	**131**	(944)	**131**	38
Increase (decrease) in deferred tax liabilities	**(27)**	7	**-**	-
Net cash inflow from operating activities	**1,732**	(764)	**(781)**	(2,105)

Note 36 Subsidiaries

Name of Entity	**Country of incorporation**	**Class of Share/unit**	**Equity Holding**	
			2009 %	**2008 %**
Cheviot Bridge Pty Limited	Australia	Ordinary	**100**	**100**
Long Flat Wine Company Pty Limited	Australia	Ordinary	**100**	**100**
Winepros International Pty Limited	Australia	Ordinary	**100**	**100**
Kirribilly Vineyards Pty Limited	Australia	Ordinary	**100**	**100**
Kirribilly Viticulture Management Services Trust	Australia	Ordinary	**100**	**100**
Kirribilly Viticulture Pty Limited	Australia	Ordinary	**100**	**100**

Cheviot Bridge Pty Ltd has been granted relief from the necessity to prepare financial reports in accordance with Class Order 98/1418 issued by the Australian Securities and Investments Commission.

Deed of Cross Guarantee
Cheviot Bridge Limited, Long Flat Wine Company Pty Limited, Kirribilly Vineyards Pty Limited, Kirribilly Viticulture Pty Limited as trustee for Kirribilly Viticulture Management Services Trust are parties to a deed of cross guarantee under which each company guarantees the debts of the others. By entering into the deed, the wholly-owned entity Cheviot Bridge Pty Ltd has been relieved from the requirement to prepare a financial report and directors' report under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission.

The above companies represent a 'Closed Group' for the purposes of the Class Order .There are no other parties to the Deed of Cross Guarantee and hence they also represent the 'Extended Closed Group'. The consolidated entities income statement, summary of movements in consolidated earnings and the Balance Sheet form the consolidated income statement, summary of movements in consolidated earnings and the balance sheet of the 'Closed Group'

Note 37 Earnings per share

a) **From operations**	**2009 Cents**	2008 Cents
Basic earnings per share	**0.97**	(4.88)
Diluted earnings per share	**0.97**	(4.88)
	2009 Number	2008 Number
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**100,288,052**	98,593,207
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**100,288,052**	98,593,207
	2009 $'000	2008 $'000
Earnings used in calculating basic earnings per share	**975**	(4,809)

b) From discontinued operations	**2009 Cents**	**2008 Cents**
Basic earnings per share	**-**	**0.31**
Diluted earnings per share	**-**	**0.31**
	2009 Number	2008 Number
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**100,288,052**	98,593,207
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**100,288,052**	98,593,207
	2009 $'000	2008 $'000
Earnings used in calculating basic earnings per share	**-**	301

Cheviot Bridge Limited and controlled entities
Directors' declaration
30 June 2009

In the directors' opinion:

(a) the financial statements and notes set out on pages 24 to 65 are in accordance with the Corporations Act 2001, including:

- (i) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (ii) give a true and fair view of the company's and consolidated entity's financial position as at 30 June 2009 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date; and

(b) there are reasonable grounds to believe that the company and consolidated entity will be able to pay their debts as and when they become due and payable; and

(c) at the date of this declaration, there are reasonable grounds to believe that the company and consolidated entity will be able to meet any obligations or liabilities to which they are, or may become, subject.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the directors.

William Gurry – Chairman

Maurice Dean – Managing Director

MELBOURNE
27 August 2009

PRICEWATERHOUSECOOPERS

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Independent auditor's report to the members of Cheviot Bridge Limited

Report on the financial report

We have audited the accompanying financial report of Cheviot Bridge 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 for both Cheviot Bridge Limited and the Cheviot Bridge Limited Group (the consolidated entity). The consolidated entity comprises 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 controls 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 (a), 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.

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

PRICEWATERHOUSECOOPERS

Independent auditor's report to the members of Cheviot Bridge Limited (continued)

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

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

Independence

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

Auditor's opinion

In our opinion:

(a) the financial report of Cheviot Bridge 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;* and

(b) the financial report and notes also complies with International Financial Reporting Standards as disclosed in Note 1 (a)

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 14 of the directors' report for the 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.

Auditor's opinion

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

PricewaterhouseCoopers

Paul Lewis
Partner

Melbourne
27 August 2009

CHEVIOT BRIDGE LIMITED

ACN 089 111 124
AND CONTROLLED ENTITIES

Additional information required by listed public companies for the year ended 30 June 2009.

The following information is required by the Australian Stock Exchange. Information relating to shareholders at 11 August 2009.
Shareholding

a. Distribution of shareholder number

Category (size of holding)	Number of holders	Shares
1-1,000	653	207,585
1,001-5,000	170	682,167
5,001-10,000	89	723,985
10,001-100,000	218	8,043,809
100,001 and over	95	90,660,954
Totals	1,225	100,327,500

b. The number of shareholdings held in less than marketable parcels is 866

c. Unquoted equity securities on issue are:

- 1,200,000 options

d. Substantial shareholders in the company are set out below:

Ordinary shares	Number held	Percentage
Mr William Gurry	15,823,505	15.77%
Mr Paul Batchelor	11,435,893	11.39%
Mr Andrew Brown	10,396,350	10.36%
Mr Robert Stanway	5,444,675	5.43%
Mr Sean Edwards	5,353,675	5.34%
Mr. Paul Robertson	4,326,591	4.31%

e. Voting rights
There are no restrictions on voting rights. On a show of hands every member present in person, attorney, or by proxy shall have one vote and upon a poll each share shall have one vote. Options holders have no voting rights until the options are exercised.

f. Audit Committee
At the date of the Director's report, the company has a committee of two Non-Executive Directors which meets with the company's external auditors at least once during each half year. These meetings take place prior to the finalisation of the half year financial statements and the Annual Report and prior to the signing of the Audit Report.

Shareholder Information (continued)

Holder Name		**%**
ROWE STREET INVESTMENTS PTY LTD	10,396,350	10.362
MR WILLIAM PATRICK GURRY	7,612,060	7.587
WILLOWTREE PTY LTD	5,310,363	5.293
CAMALACH INVESTORS PTY LTD <PJ BATCHELOR SUPER FUND A/C>	5,008,079	4.992
IBURIS PTY LTD	4,175,348	4.162
BEST BOTTLERS PTY LTD	3,330,549	3.320
RBC DEXIA INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <BKCUST A/C>	3,020,874	3.011
MEGWIL PTY LTD <WPG SUPER FUND A/C>	2,903,651	2.894
STRUAN PTY LIMITED <MY SUPERANNUATION FUND A/C>	2,791,377	2.782
MEGWIL PTY LTD	2,697,292	2.688
AVERY SHERWOOD PTY LTD <WHELAN SUPER FUND A/C>	2,354,620	2.347
LOCOPE PTY LTD	2,266,194	2.259
MRS THERESE BATCHELOR & MR LACHLAN BATCHELOR <THERESE BATCHELOR S/F A/C>	2,069,000	2.062
CAMALACH INVESTORS PTY LTD <PAUL J BATCHELOR S/FUND A/C>	2,054,027	2.047
DR PETER C FARRELL	1,666,667	1.661
POKANA PTY LTD <POKANA SUPER FUND A/C>	1,666,666	1.661
KANNATEX PTY LTD <FLETCHER SUPERFUND A/C>	1,250,000	1.246
UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	1,216,814	1.213
IBURIS PTY LTD	1,135,015	1.131
HUBERTVIN PTY LTD	1,103,739	1.100
	64,028,685	63.820
		100,327,500