



**AUTODOM**

**AUTODOM LIMITED  
AND CONTROLLED ENTITIES  
A.B.N. 43 009 123 782**

**APPENDIX 4E**

**PRELIMINARY FINAL REPORT**

**30 JUNE 2010**

**AUTODOM LIMITED**

**A.B.N. 43 009 123 782**

## **APPENDIX 4E**

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This preliminary final report is provided to the Australian Stock Exchange (ASX) under ASX Listing Rule 4.3A

Current Reporting Period: 30th June, 2010  
Previous Corresponding Period: 30th June, 2009

For and on behalf of the directors:



**AJ DALE**  
Director

Dated: 31 August, 2010

## RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenue and Net Profit/(Loss)	Consolidated Entity	
	2010	2009
Revenue	\$ 75,079,833	\$ 87,924,597
Profit/(oss) before income tax expense	(2,269,950)	1,663,717
Income tax (expense)/benefit	651,121	(410,015)
Profit/(loss) after income tax expense	<u>(1,618,829)</u>	<u>1,253,702</u>

### Commentary

Revenue for the year ended 30 June 2010 fell 15% compared with the revenue for the year ended 30 June 2009. Sales of locally manufactured vehicles have remained low since the global financial crisis impacted in late 2008. Autodom's revenues are reflective of this. As well, there has been a fall in demand for manufactured spare parts.

In response to the revenue decline the Company has focused on reducing operating costs. These costs were around \$3.5 million lower during the year ended 30 June 2010 compared with the previous financial year. The results for the year ended 30 June 2010 also include approximately \$1.5 million in non recurring items. It should also be noted that the results for year ended 30 June 2009 included \$3 million received from the Australian Federal Government by way of a grant from the Automotive Industry Structural Adjustment Program. No grant was received during the year ended 30 June 2010. During the course of the year ended 30 June 2010, cash flow from operations of \$1.8 million was partially used to repay debt.

The Directors also advise that the proposed acquisition of the DAIR business announced earlier in 2010 is progressing towards completion within the current quarter. Financing is likely to involve a rights issue as well as Federal Government assistance via the AISAP Fund.

### Dividends

No dividends were declared or paid during the year.

**NET TANGIBLE ASSET BACKING**

	Consolidated Entity	
	<u>2010</u>	<u>2009</u>
	\$	\$
Net Assets	14,214,942	15,833,771
Less intangible assets	(5,358,289)	(5,372,086)
Less OEI net tangible assets	<u>(4,135,584)</u>	<u>(4,135,584)</u>
Net tangible assets of the Consolidated Entity	<u>4,721,069</u>	<u>6,326,101</u>
Fully paid ordinary shares on issue at balance date	<u>54,346,301</u>	<u>54,346,301</u>
Net tangible asset backing per issued ordinary share as at balance date (cents)	<u>8.7</u>	<u>11.6</u>

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS OF THE COMPANY**

There has been no significant change in the state of affairs of the Company during the year ended 30 June 2010.

**STATUS OF AUDIT**

This preliminary Final Report is based on the Financial Report which is in the process of being audited.

**Description of likely dispute or qualification if the accounts have not been audited, or subject to review or are in the process of being audited or subjected to review.**

The Directors and the group's auditors are currently in discussion concerning the carrying value of the net deferred tax assets as of 30 June 2010 of \$3,701,633 . The Directors are of the opinion that while the company incurred and operating loss during the year ended 30 June 2010 that this loss was caused by non recurring costs. Furthermore the Directors believe that the Company will generate sufficient taxable income during the year ending 30 June 2011 and in subsequent years to utilise the net deferred tax asset balance. The auditors do not concur with this view.

The Directors also expect that the group's auditors will include an emphasis of matter in their audit report with respect to material uncertainty regarding continuation as going concern.

**AUTODOM LIMITED**  
**Consolidated Statement of Comprehensive Income**  
**For The Year Ended 30 June 2010**

	Note	Economic Entity	
		2010	2009
		\$	\$
Revenue	2	75,079,833	87,924,597
<b>Other income</b>	3	1,861,326	5,226,154
Changes in inventories of finished goods and work in progress		(1,615,667)	(2,232,280)
Raw materials and consumables used		(54,151,217)	(63,671,060)
Employee benefits expense		(16,502,661)	(17,646,361)
Depreciation and amortisation expense		(2,386,423)	(3,473,023)
Finance costs		(759,614)	(687,990)
Other expenses		(3,795,527)	(3,776,320)
		-	-
Profit/(loss) before income tax expense		(2,269,950)	1,663,717
Income tax benefit/(expense)		651,121	(410,015)
<b>Profit/(loss) after income tax expense</b>		<b>(1,618,829)</b>	<b>1,253,702</b>
		-	-
(Profit)/loss attributable to minority equity interest		-	8,067
<b>Profit/(Loss) attributable to members of the parent entity</b>		<b>(1,618,829)</b>	<b>1,261,769</b>
Other comprehensive income		-	-
<b>Total Comprehensive Income for the Year</b>		<b>(1,618,829)</b>	<b>1,261,769</b>
Basic and diluted earnings per share (Cents)		(2.98)	2.32

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

# AUTODOM LIMITED

## Consolidated Statement of Financial Position

As At 30 June 2010

	Economic Entity	
	2010	2009
	\$	\$
<b>Current Assets</b>		
Cash and cash equivalents	-	674,336
Trade and other receivables	12,404,826	10,179,392
Inventories	6,358,418	8,833,400
Other assets	1,887,986	1,923,225
<b>Total Current Assets</b>	<b>20,651,230</b>	<b>21,610,353</b>
<b>Non-Current Assets</b>		
Receivables	4,135,682	4,135,682
Property, plant and equipment	10,528,069	12,319,798
Deferred tax assets	4,717,845	4,066,723
Intangibles	5,358,289	5,372,086
Other assets	452,098	828,224
<b>Total Non-Current Assets</b>	<b>25,191,984</b>	<b>26,722,513</b>
<b>Total Assets</b>	<b>45,843,214</b>	<b>48,332,866</b>
<b>Current Liabilities</b>		
Trade and other payables	14,761,523	14,171,585
Financial liabilities	12,380,808	12,824,300
Provisions	2,450,458	2,106,527
<b>Total Current Liabilities</b>	<b>29,592,789</b>	<b>29,102,412</b>
<b>Non-Current Liabilities</b>		
Financial liabilities	-	1,500,000
Deferred tax liabilities	1,016,212	1,016,212
Provisions	1,019,271	880,471
<b>Total Non-Current Liabilities</b>	<b>2,035,483</b>	<b>3,396,683</b>
<b>Total Liabilities</b>	<b>31,628,272</b>	<b>32,499,095</b>
<b>Net Assets</b>	<b>14,214,942</b>	<b>15,833,771</b>
<b>Equity</b>		
Issued capital	17,916,201	17,916,201
Reserves	440,858	440,858
Accumulated losses	(8,277,701)	(6,658,872)
<b>Parent Entity Interest</b>	<b>10,079,358</b>	<b>11,698,187</b>
Minority equity interest	4,135,584	4,135,584
<b>Total Equity</b>	<b>14,214,942</b>	<b>15,833,771</b>

**AUTODOM LIMITED**  
**Consolidated Statement of Changes in Equity**  
**for the year ended 30 June 2010**

	Share Capital		Dividend Reserve	(Accumulated Losses)	Minority Equity Interests	Total
	Ordinary	Option Reserve				
	\$	\$	\$	\$	\$	\$
<b>Consolidated Group</b>						
<b>Balance at 1 July 2008</b>	17,916,201	200,950	239,908	(7,920,641)	4,143,702	14,580,120
Total comprehensive income for the year	-	-	-	1,261,769	(8,067)	1,253,702
Transfers from retained earnings	-	-	-	-	(51)	(51)
<b>Balance at 30 June 2009</b>	17,916,201	200,950	239,908	(6,658,872)	4,135,584	15,833,771
Total comprehensive income for the year	-	-	-	(1,618,829)	-	(1,618,829)
<b>Balance at 30 June 2010</b>	17,916,201	200,950	239,908	(8,277,701)	4,135,584	14,214,942

**AUTODOM LIMITED**  
**Consolidated Statement of Cash Flow**  
**for the year ended 30 June 2010**

For The Year Ended 30 June 2010	Economic Entity	
	2010 \$	2009 \$
<b>Cash flows from operating activities</b>		
Receipts from customers	72,854,399	90,455,492
Payments to suppliers and employees	(72,644,348)	(95,042,736)
Other revenue and government grants	2,406,579	4,581,511
Interest paid	(759,614)	(687,990)
Income taxes paid/(refund)	-	234,209
<b>Net cash (outflow)/inflow from operating activities</b>	<b><u>1,857,016</u></b>	<b><u>(459,514)</u></b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(592,214)	(340,909)
Payment for purchase of subsidiaries net of cash acquired	-	(1,258,974)
Proceeds from sale of property, plant and equipment	4,355	12,000
Payment for deferred expenses	-	(23,781)
Payment to related party	-	(218,800)
Interest received	-	3,238
<b>Net cash (outflow)/inflow from investing activities</b>	<b><u>(587,859)</u></b>	<b><u>(1,827,226)</u></b>
<b>Cash flows from financing activities</b>		
Net (repayments)/proceeds from borrowings	(2,258,753)	3,037,781
<b>Net cash inflow/(outflow) from financing activities</b>	<b><u>(2,258,753)</u></b>	<b><u>3,037,781</u></b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b><u>(989,596)</u></b>	<b><u>751,041</u></b>
Cash and cash equivalents at the beginning of the financial year	674,336	(76,705)
<b>Cash and cash equivalents at the end of the financial year</b>	<b><u>(315,260)</u></b>	<b><u>674,336</u></b>

*The above cash flow statement should be read in conjunction with the accompanying notes.*



**AUTODOM LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2010

	Economic Entity	
	2010	2009
	\$	\$
<b>1. REVENUE</b>		
<b>Sales revenue</b>		
Sale of goods	74,644,458	86,884,145
Services	435,375	1,037,214
	<u>75,079,833</u>	<u>87,921,359</u>
<b>Other revenue</b>		
Interest revenue from other persons	-	3,238
	<u>-</u>	<u>3,238</u>
	<u>75,079,833</u>	<u>87,924,597</u>
<b>2. OTHER INCOME</b>		
Government grants	1,325,249	4,737,421
Other Income	536,077	488,733
	<u>1,861,326</u>	<u>5,226,154</u>

Government grants include \$nil (30 June 2009: \$3,000,000) received from the Commonwealth of Australia in February 2009 pursuant to the Automotive Industry Structural Assistance Program ("AISAP"). The balance of the Government grants relates to grants received and receivable under the Automotive Competitiveness and Investment Scheme ("ACIS")

**3. CHANGE IN ACCOUNTING ESTIMATES**

During the year, the estimated useful lives of manufacturing plant and equipment were revised. The financial effect of the change in accounting estimate on the full year results was a decrease in depreciation expense of the consolidated entity of \$726,118.

The financial effect of this change in estimates on future financial years cannot be estimated due to impracticalities.

**4. CORRECTION OF ACCOUNTING ERROR**

There was a reclassification of other assets of \$828,224 at 30 June 2009 from current assets to non-current assets. The other assets pertains to grants receivable via the Automotive Competitiveness and Investment Scheme ("ACIS"). There is no impact on the income statement.

There was also a reclassification of provisions of \$638,442 at 30 June 2009 from non-current liabilities to current liabilities. The provision pertains to employee entitlements. There is no impact on the income statement.