IPGA LTD
ACN 126 188 538

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Melbourne Vic 3001

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Melbourne Vic 3000
Australia

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY NSW 2000

26th February 2010

Dear Sirs

IPGA LTD (IPP)
FULL YEAR REPORT

We enclose the following :-

1. Appendix 4E – Preliminary Final Report for the full period ended 31 December 2009
2. 2009 Annual Report

Yours faithfully

Cynthia Chan
Company Secretary

For more information please contact:

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Appendix 4E
Preliminary Final Report

IPGA Ltd

ABN 99 126 188 538

Year ended 31 December 2009

Details of the reporting period and the previous corresponding period:

Current period: 1 January to 31 December 2009
Previous corresponding period: 1 January to 31 December 2008

Results for announcement to the market:

Key information

(a) Continuing Operations - excludes Info-Portal Tech International Company Limited (Taiwan)

Year ended 31 December	2009 $'000	2008 $'000	Change %
Revenue from ordinary activities	4,045	4,126	Down 2.0
Loss from ordinary activities after tax attributable to members	1,322	543	Up 143.4
Net loss for the period	1,322	543	Up 143.4

(b) Continuing and Discontinued Operations - includes Info-Portal Tech International Company Limited (Taiwan)

Year ended 31 December	2009 $'000	2008 $'000	Change %
Revenue from ordinary activities	4,511	4,344	Up 3.8
Loss from ordinary activities after tax attributable to members	1,905	719	Up 164.95
Net loss for the period	1,905	719	Up 164.95

Dividends

No dividends have been declared for FY2009.
There is no dividend reinvestment plan in operation.

Net tangible assets per security

Year ended 31 December	2009 Cents	2008 Cents
Net tangible asset backing per ordinary security	0.10	1.28

Events subsequent to reporting date

There has not arisen in the interval between the end of the reporting period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Basis of this report

This report is based on the attached 2009 Annual Report which has been subject to an audit.

The 2009 Annual Report contains:

- A statement of financial performance together with the notes to the statement prepared in compliance with Accounting Standards
- A statement of financial position together with notes to the statement
- A statement of cash flows together with notes to the statement
- A statement of retained earnings showing movements

The 2009 Annual Report is not subject to any audit dispute or qualifications.

The Company has a duly constituted audit committee.

Other information as required by Listing Rule 4.3A

Other information requiring disclosure to comply with Listing Rule 4.3A is contained in the 2009 Annual Report attached to this report.

This report should be read in conjunction with the Company's 2009 Annual Report.

For and on behalf of the Board

Simon Baker
Chairman
26 February 2010

IPGA LTD

ABN 99 126 188 538

2009 ANNUAL REPORT

IPGA Ltd and Its Controlled Entities

ABN 99 126 188 538

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2009 Financial Report

This 2009 Financial Report is a summary of our activities and financial position.

Reference in this Report to a "year" is to the financial period ended 31 December 2009 unless otherwise stated.
All figures are expressed in Australian currency unless otherwise stated.

Revenues and expenses are recognised net of the amount of Goods and Services Tax.

A glossary of terms used in this Report is contained at the end of this document.

Key Highlights

Key highlights for IPGA Limited for 2009 include:

- Full year revenue from continuing operations of $4.05 million
- Full year loss from continuing operations of $1.32 million
- Revenue growth of 13.1% in the second half of the year
- Second half year loss of $0.24 million compared to $1.08 million in the first half
- Online advertising revenue grew by 50.1% to $2.39 million
- Revenues from software, magazines and the events business decreased by 34.6% to $1.66 million
- iProperty.com.my continues to be the clear market leader in Malaysia with online advertising revenues increasing by 47.5% year on year
- Gohome.com.hk is the market leading Chinese language property portal in Hong Kong with revenues increasing by 34.4% year on year
- iProperty.com.sg is the equal market leader in Singapore with revenue growth of 46% during the year
- 53% year on year increase in estate agent/agency customers to over 8,000 as at 31 December 2009
- Total visitation to IPGA sites increased year on year by 49% to 980,000 unique users in December 2009
- Total page views on IPGA sites increased by 25% to over 20 million in December 2009
- Appointed Shaun Di Gregorio, the ex-General Manager of realestate.com.au (part of the ASX listed REA Group), as Chief Executive Officer in January 2010
- Received the CNBC Property Awards “Best Property Portal” award for the countries of Singapore, Malaysia, Hong Kong and the Philippines, as well as for our regional luxury property website, iLuxuryasia.com. Our investment in India also received the same award.

Company Profile

IPGA Limited provides online advertising, agency software, magazine advertising and events to real estate agents in key Asian markets. These products are primarily marketed under the iProperty.com umbrella brand. The company operates in Malaysia, Hong Kong, and Singapore, and has investments in Philippines and India.

The primary focus in on the rapid growth of its online advertising businesses in its three core markets of Malaysia, Hong Kong and Singapore where it has market leadership positions.

	Products			
Country	**Online Advertising**	**Agency Software**	**Magazines**	**Events**
Malaysia	iProperty.com.my	No	Yes	Yes
Hong Kong	GoHome.com.hk	No	No	No
Singapore	iProperty.com.sg	Yes	No	Yes
Philippines	iProperty.com.ph	No	No	No
India	in.iProperty.com	No	No	No

Message from the Chairman

Dear Fellow Shareholder,

On behalf of the Board of Directors, I am pleased to present to you the Annual Report of IPGA Ltd for the 2009 financial year.

Since listing in September 2007, IPGA has aggressively expanded its business and now owns and operates leading sites in Malaysia, Hong Kong and Singapore while holding investments in the Philippines and India. In addition, the business owns and operates a software business in Singapore and a magazine and events business in Malaysia.

2009 was a challenging year as the global financial crisis affected financial and property markets around the world. There was a clear impact on the markets we operate in with a noticeable drop in property prices and property volumes. This impacted IPGA's operations with revenues from our magazine and events business declining.

In light of this, the Board decided to focus IPGA's operations on the provision of online advertising services to its three core markets of Malaysia, Hong Kong and Singapore. One outcome of this was that we exited the Taiwan market.

The results have been positive with revenue from online advertising increasing by 50.1% over the course of the year and now accounting for more than 50% of total revenue for the first time. Driving this growth has been a strong take up in online advertising by both agents and consumers throughout these markets.

A key element to delivering this strong growth in online advertising has been investing in our management team. During the year we hired new leaders in our Singapore and Hong Kong businesses. Combined they have over 10 years experience in the online classifieds industry in Asia.

We have further strengthened our leadership team by appointing, in January 2010, Shaun Di Gregorio as our Chief Executive Officer. Shaun was a member of the executive team at the REA Group for 7 years and a key driver of the rapid growth of realestate.com.au in Australia.

I would like to thank Ken Tsurumaru, the previous CEO, for all his great work in building the IPGA business. I am pleased to say that Ken has agreed to stay on and head up the Malaysian business.

I would also like to thank our outgoing Chairman, Patrick Grove, for his hard work, passion and vision in establishing the IPGA business. I am pleased to say that Patrick has agreed to stay on as Deputy Chairman and I look forward to working closely with Patrick, Shaun and the other Board members in driving the future growth of the IPGA business.

I truly believe that IPGA is in a strong position in its core markets. We have a passionate and skilled team in place and I look forward to the continued strong growth of the business as it delivers on its mission to help more and more Asians use the internet as their primary source for researching buying, selling and leasing property.

Simon Baker
Chairman

CEO's Review of Operations

1. Group Overview

Despite experiencing challenges in the economic environment, we are pleased with our achievements in 2009. We experienced significant growth in our markets, made great progress in product development and recruited key senior management members to take the business to the next level.

During the course of the year, the Board and the management engaged in a strategic review of the business and decided to focus resources on the markets of Malaysia, Hong Kong, and Singapore, and to exit the Taiwan market. Investments in India and Philippines are still held.

In 2009, we received the CNBC Property Awards "Best Property Portal" award for the countries of Malaysia, Singapore, Hong Kong, and the Philippines, as well as for our regional luxury property website, iLuxuryasia.com. Our investment in India also received the same award.

2. Group Results

The Group's result for 2009 was a net loss from continuing operations of $1.32 million compared to a loss of $0.54 million in 2008. This was primarily due to an expansionary strategy across its 3 core markets of Malaysia, Hong Kong, and Singapore in which significant investments were made in human resources and marketing. Additionally, the business booked an impairment of $0.25 million for its investment in India.

On a continuing operations basis, the Group's revenue decreased by a modest 2.0% to $4.05 million from $4.13 million in 2008. This performance excludes the discontinued operations in Taiwan.

On the positive side, our online advertising revenue from display advertising and agent subscriptions grew by 50.1% during the reporting period. This growth was offset by a 34.6% decrease in our non-online revenue due to weaker than expected performance from the exhibition and magazine businesses. Online advertising revenue now makes up more than 50% of the total revenue compared with less than 40% in 2008.

During the reporting period, the rapid appreciation of the Australian dollar adversary impacted our revenues generated in local currencies. On a local currency basis, the Malaysian business was flat while our operations in Hong Kong and Singapore grew by 34.4% and 45.5%.

The number of unique visitors to the IPGA group of sites has grown by 49% year on year to 986,000 in December. At the same time we have also experienced 53% growth in the number of real estate agent clients, with over 8,000 agents now being served by our business across the region.

IPGA Ltd and Its Controlled Entities

ABN 99 126 188 538

Group Income Statement for the Financial Period

Continuing Operations - Excludes Info-Portal Tech International Company Ltd (Taiwan)

Year ended 31 December 2009	2009 ($'000)	2008 ($'000)		Change %
Revenue				
Sales revenue	3,975	3,891	▲	2.2
Other revenue	70	235	▼	70.3
Total revenue	4,045	4,126	▼	2.0
EBITDA (loss)	(1,326)	(427)	▲	210.5
less depreciation	(92)	(82)	▲	12.2
EBIT (loss)	(1,418)	(509)	▲	178.6
add interest income	11	121	▼	90.9
deduct interest expense	0	(5)	▼	N/C
Net (loss)/profit before tax attributable to members	(1,407)	(393)	▲	258.0
Income tax expense	85	(150)	▲	N/C
Net (loss)/profit after tax attributable to members	(1,322)	(543)	▲	143.4
Operating cash outflows	(753)	(1,146)	▼	34.3
(Loss)/earnings per share (basic) (cents)	(1.171)	(0.506)	▲	2.2
NTA per share (cents)	0.10	1.28	▼	92.2

Continuing and Discontinued Operations - Includes Info-Portal Tech International Company Ltd (Taiwan)

Year ended 31 December 2009	2009 ($'000)	2008 ($'000)		Change %
Revenue				
Sales revenue	4,431	4,090	▲	8.3
Other revenue	79	254	▼	68.8
Total revenue	4,511	4,344	▲	3.8
EBITDA (loss)	(1,829)	(581)	▲	215.0
less depreciation	(162)	(105)	▲	54.2
EBIT (loss)	(1,990)	(686)	▲	190.3
add interest income	11	122	▲	91.0
deduct interest expense	(11)	(5)	▲	123.7
Net (loss)/profit before tax attributable to members	(1,990)	(569)	▲	250.0
Income tax expense	85	(150)	▲	N/C
Net (loss)/profit after tax attributable to members	(1,905)	(719)	▲	165.1
Operating cash outflows	(753)	(1,444)	▼	47.8
(Loss)/earnings per share (basic) (cents)	(1.688)	(0.671)	▲	2.7
NTA per share (cents)	0.10	1.28	▼	92.2

3. Country Performance

Malaysia

iProperty.com.my is the leading property portal in Malaysia. It has established a strong lead over its competitors and continues to deliver strong growth, with online advertising revenues growing by 47.5%. The second half of the year was particularly strong with online advertising revenues growing by 64.2% over the first half of the year.

In addition to operating the leading property portal site, IPGA also owns and operates an events and magazine business in Malaysia. During the year, the magazine business was severely affected by the global economic downturn with revenues contracting by 31.9%. The events business reduced the scale of exhibitions being conducted when compared to 2008 with revenues contracting 29.5%.

Underlying this strong growth in online advertising revenues was an increase in paying agents to 2,928 as at 31 December 2009, an increase of 58% over the same period in 2008. It is estimated that iProperty.com.my now has 20% of Malaysian agents using the site.

Hong Kong

In Hong Kong, IPGA operates under the GoHome.com.hk brand. GoHome is the leading Chinese language property portal in Hong Kong. It has established a solid lead over its competitors and continues to deliver strong growth, with online advertising revenues growing by 34.4%.

Underlying this strong growth in online advertising revenues has been an increase in paying real estate agency offices to 369 as at 31 December 2009, an increase of 82% over the same period in 2008. It is estimated that GoHome.com.hk now has 10% of Hong Kong offices using the site.

The developer segment is particularly strong in the Hong Kong market accounting for over 60% of revenue.

Singapore

iProperty.com.sg is the equal market leader in the Singapore market. During the year online advertising revenues grew by 214.8% to SG$0.66 million.

In addition to operating the leading property portal site, IPGA Limited also owns and operates an agent software business in Singapore. During the year, revenues for this business grew by 6.8% to SG$0.98 million.

Underlying this strong growth in online advertising revenues has been an increase in paying agents to 2,377 as at 31 December 2009, an increase of 81.3% over the same period in 2008. It is estimated that iProperty.com.sg now has 16% of Singaporean agents subscribing to the website with an additional 830 Agents using software services.

4. Priority for 2010

As a result of a strategic review of the business, the Board has decided to focus our resources on the markets of Malaysia, Hong Kong, and Singapore. This resulted in IPGA exiting the Taiwan market. IPGA will continue to hold investments in India and the Philippines.

Significant investments will be made in the three core markets to aggressively grow the advertiser and consumer base. These investments will include enhancing our sales teams and in driving greater awareness of the brands in each market.

Finally, the business will continue to invest in the development of its leadership team and the quality of its employees.

5. Further Strategic Acquisitions

The Board will continue to look at strategic acquisition opportunities throughout Asia region primarily with a view to market consolidation.

6. IPGA Team

I would like to take this opportunity to express my gratitude to the entire IPGA team. We are truly creating value in the real estate advertising market in the markets we operate in and I am inspired by the team's dedication and belief in what it is that we are intending to create.

I am extremely proud of what we have achieved in 2009 despite the challenges that have confronted the global economy. We are committed to making our business the clear, dominant number one property portal player in Malaysia, Hong Kong, and Singapore.

I would also like to thank Ken Tsurumaru for his dedicated efforts and contribution to the Group in building the business to where it is today. Ken will remain with the Group as the Country Manager for Malaysia and he will continue to work closely with the team to build the business.

I would also like to thank all our shareholders for their continued support. We look forward to exceeding your expectations in the months and years to come.

These are very exciting times for IPGA. The passion and commitment we have shared over the last few years has brought us to where we are today, and long may it continue.

Shaun DiGregorio
Chief Executive Officer

Corporate Governance Statement

In August 2007, the ASX Corporate Governance Council released the second edition of the ASX Corporate Governance Principles and Recommendations (ASXCGPR) which replaces the ASX Best Practice Recommendations issued in March 2003. This is to ensure that the Principles and Recommendations remain relevant to the Australian business and investment communities, taking into account local and international developments, and continue to reflect international best practice. These recommendations are guidelines designed to produce an efficiency, quality or integrity outcome. The recommendations are not prescriptive so that if a company considers that a recommendation is inappropriate having regard to its particular circumstances, the company has the flexibility not to follow it. When a company has not followed all the recommendations, the annual report must identify which recommendations have not been followed and give reasons for not following them. In this respect, the Directors of IPGA have evaluated with due care the situation of IPGA and have strived to comply, to the best possible extent, with the guidelines laid down.

The Directors recognise the need for a high standard of behaviour and accountability and accordingly support good corporate governance practices. In general, the Board considers that adequate measures have been taken in the areas of board structure and responsibility, timely and adequate disclosure in the best interests of shareholders, minimizing risk by reinforcing internal controls as well as overall compliance with the ASX Listing Rules.

On self-evaluation of the extent to which IPGA has followed the ASXCGPR, the Board is of the opinion that, subject to certain departures which are not justified for adoption due to the nature and scale of IPGA's activities and size of the Board, our policies and practices are in compliance with the ASXCGPR. Details of the extent to which IPGA has followed the ASXCGPR have been included at the end of this statement.

1. Board of Directors – Role and Responsibilities

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. The Board is also responsible for the overall corporate governance of the Company, and recognises the need for the highest standards of behaviour and accountability in acting in the best interests of the Company as a whole. The Board also ensures that the Company complies with all of its contractual, statutory and any other legal or regulatory obligations. The Board has the final responsibility for the successful operations of the Company.

Where the Board considers that particular expertise or information is required, which is not available from within the members of the Board, appropriate external advice may be taken and reviewed prior to a final decision being made by the Board. Without intending to limit the general role of the Board, the principal functions and responsibilities of the Board include the following:

- Formulation and approval of the strategic direction, objectives and goals of the Company;
- The prudential control of the Company's finances and operations and monitoring the financial performance of the Company;
- The resourcing, review and monitoring of executive management;
- Ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained;
- The identification of significant business risks and ensuring that such risks are adequately managed;
- The timeliness, accuracy and effectiveness of communications and reporting to shareholders and the market;
- The establishment and maintenance of appropriate ethical standards.

2. Board of Directors - Compositions, Structure and Process

The Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given the current size, scale and nature of the Company's activities.

Details of the Directors are found in the Directors' Report.

2.1 Skills, knowledge and experience

Directors are appointed based on the specific corporate and governance skills and experience required by the Company. The Board should include Directors with a relevant blend of personal experience in accounting and finance, law, financial and investment markets, financial management and public company administration, and director-level business or corporate experience, having regard to the scale and nature of activities of the Company.

2.2 Non-Executive Directors

All the Directors are Non-Executive Directors.

2.3 Chairman and Chief Executive Officer

The Chairman leads the Board and has responsibility for ensuring the Board receives accurate, timely and clear information to enable Directors to perform their duties as a Board.

Simon Baker has been appointed Chairman of the Company in February 2010. Shaun DiGregorio has been appointed Chief Executive Officer of the Company in January 2010 and is responsible and accountable to the Board for the Company's management.

2.4 Company Secretary

The Company Secretary is appointed by the Board and is responsible for developing and maintaining the information systems and processes that are appropriate for the Board to fulfill its role and is responsible to the Board for ensuring compliance with Board procedures and governance matters. The Company Secretary is also responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. The Company Secretary is Cynthia Chan.

2.5 Committees of the Board

To assist in the execution of its corporate governance responsibilities, the Board has established 3 committees, the Audit & Risk Committee, the Nomination & Remuneration Committee and the Mergers & Acquisitions Committee. Requirements for Board committees are reviewed regularly. All committees operate principally in a review or advisory capacity, except in cases where powers are expressly conferred on or delegated to a committee by the Board.

2.5.1 Audit & Risk Committee

The Board has established an Audit & Risk Committee that operates under a charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes.

This includes the safeguarding of assets, the maintenance of proper accounting records, the monitoring of risks and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has delegated the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the economic entity to the Audit & Risk Committee. The Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial statements.

The members of the Audit & Risk Committee during FY 2009 were Paul Choiselat (chair), Samuel Weiss and Dato' Larry Gan (resigned: 1 October 2009). Simon Baker, Hugh Morrow and Lucas Elliott were appointed as members of the Committee in February 2010. Full details and qualifications of the members are contained in the Directors' Report. The members are experienced in executive management, public company management and finance. The Chair of the Audit & Risk Committee is not the chairman of the Board. The external auditors, the CEO and CFO are invited to Audit & Risk Committee meetings at the discretion of the Committee. The Committee met four times during the year. Attendance at the meetings is set out in the Directors' Report.

The Audit & Risk Committee is also responsible for directing and monitoring the internal audit function, nomination of the external auditor, monitoring the independence of the external auditor and reviewing the adequacy of the scope and quality of the annual statutory audit or review. The Committee reviews the performance of the external auditors on an annual basis.

2.5.2 Remuneration & Nomination Committee

The Remuneration & Nomination Committee is responsible for reviewing the remuneration of Directors and senior management, evaluation of senior management and makes recommendations to the Board on these matters. This role also includes responsibility for recommendations to the Board on share and option schemes, incentive performance packages, superannuation entitlements, composition of the Board and the process and criteria for selection of new directors. The Committee also has the responsibility to oversee the Company's general remuneration strategy.

Remuneration levels are competitively set to attract the most qualified and experienced Directors and key management personnel. The Committee is authorized to obtain independent advice on the appropriateness of remuneration packages. The members of the Committee during FY 2009 were Samuel Weiss (chair) and Hugh Morrow. Simon Baker, Paul Choiselat, Patrick Grove and Lucas Elliott were appointed as members of the Committee in February 2010. The Committee met four times during the year. Attendance at the meetings is set out in the Directors' Report.

Details of the amount of remuneration, and all monetary and non-monetary components, for each of the 5 highest-paid (non-Director) key management personnel and all Directors during the year ending 31 December 2009 are contained in Table A of the remuneration report included in the Directors' Report. Termination entitlements for key management personnel, if any, are contained in Table A also.

Non-Executive Directors are remunerated by way of fees and shares, and are not provided with retirement benefits.

2.5.3 Mergers & Acquisitions Committee

The Mergers & Acquisitions Committee is responsible for guidance and overseeing acquisition activities including identifying targets, conduct of the due diligence process and all related financing issues including raising equity and debt. The members of the Committee during FY 2009 were Paul Choiselat (chair), Patrick Grove, Hugh Morrow and Dato' Larry Gan (resigned: 1 October 2009). Simon Baker, Samuel Weiss and Lucas Elliott were appointed members of the Committee in February 2010.

2.6 Independence

An independent Director, in the view of the Company, is a Non-Executive Director who:

- Is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- Has not previously been employed in an Executive capacity by the Company, or been a Director after ceasing to hold any such employment;
- Within the last three years has not been a principal of a material professional adviser or a material consultant to the Company, or an employee materially associated with a service provider;
- Is not a material supplier or customer of the Company, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- Has no material contractual relationship with the Company other than as a Director of the Company;
- Has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
- Is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

Samuel Weiss, Hugh Morrow and Simon Baker are regarded as Independent Directors. If the Company's activities increase in size, nature and scope the size of the Board will be reviewed periodically and the optimum number of Directors required for the Board to properly perform its responsibilities and functions.

2.7 Conflicts of Interest

To ensure that Directors are at all times acting in the interests of the Company, Directors must:

- Disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Company; and
- If requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot or is unwilling to remove a conflict of interest then the Director must, as per the Corporations Act, absent himself or herself from the room when Board discussion and/or voting occurs on matters about which the conflict relates (save with the approval of the remaining Directors and subject to the Corporations Act).

2.8 Related Party Transactions

Related party transactions include any financial transaction between a Director and the Company as defined in the Corporations Act or the ASX Listing Rules. Unless there is an exemption under the Corporations Act from the requirement to obtain shareholder approval for the related party transaction, the Board cannot approve the transaction. The Company also discloses related party transactions in its financial report as required under relevant Accounting Standards.

2.9 Share Dealings and Disclosures

The Company's Share Trading Policy regarding Directors, Executives and employees dealing in its securities, is set by the Board. The Board restricts Directors, Executives and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices. Executives, employees and Directors are required to consult the Company Secretary (and in certain circumstances the Company Secretary may elevate the matter to the Chairman of the Board), prior to dealing in securities in the Company or other companies in which the Company has a relationship.

Dealings are not permitted at any time whilst in the possession of price sensitive information not already available to the market. In addition, the Corporations Act prohibits the purchase or sale of securities whilst a person is in possession of inside information.

2.10 Board nominations

The Board will consider nominations for appointment or election of Directors that may arise from time to time having regard to the corporate and governance skills required by the Company and procedures outlined in the Constitution and the Corporations Act.

2.11 Terms of Appointment as a Director

The current Directors of the Company have been appointed until they are either removed (which will include the circumstances where the Director is not re-elected) or resign. The Constitution of the Company provides that a Director may not retain office for more than three calendar years or beyond the third annual general meeting following his or her election, whichever is longer, without submitting himself or herself for re-election. One third of the Directors must retire each year and are eligible for re-election. The Directors who retire by rotation at each annual general meeting are those with the longest length of time in office since their appointment or last election.

2.12 Performance Review and Evaluation

It is the policy of the Board to ensure that the Directors and Executives of the Company be equipped with the knowledge and information they need to discharge their responsibilities effectively, and that individual and collective performance is regularly and fairly reviewed. Although the Company is not of a size to warrant the development of formal processes for evaluating the performance of its Board, individual Directors and Executives, there is on-going monitoring by the Chairman and the Board. The Chairman also speaks to Directors individually regarding their role as a Director.

2.13 Meetings of the Board

The Chairman and Company Secretary will generally schedule formal Board meetings. In addition, the Board meets whenever necessary to deal with specific matters requiring attention between scheduled meetings. Circulatory Resolutions are also utilised where appropriate either in place of or in addition to formal Board meetings. Board meetings are held predominantly by telephone conferencing as not all Directors are resident in the one city. However, the Board will convene face to face meetings from time to time as is appropriate based on the particular items of business for consideration. Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company. It is recognised and accepted that Board members may also concurrently serve on other boards, either in an executive or non-executive capacity.

2.14 Independent Professional Advice

Subject to prior consultation with the Chairman, each Director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfill their duties and responsibilities as Directors.

2.15 Access to Company Information and Confidentiality

All Directors have the right of access to all relevant Company books and to the Company's Executive Management. In accordance with legal requirements and agreed ethical standards, Directors and Executives of the Company have agreed to keep confidential, information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

2.16 Nomination of new Directorships

The primary vehicle for the effective management of director nominations will be the Remuneration & Nomination Committee appointed by the Board.

The responsibilities assumed by the Remuneration & Nomination Committee will include:

- Devising criteria for Board membership, regularly reviewing the need for various skills and experience of the Board and identifying specific individuals for nominations as Directors; and
- Oversight of the Board and Executive succession plans.

2.17 Director's deeds

The Company has also entered into a Deed of Indemnity, Insurance and Access with each of the Directors to regulate certain matters between the Company and each Director, both during the time the Directors hold office and after the Director ceases to be an officer of the Company (or wholly owned subsidiaries).

3. Remuneration Policy

The fees and emoluments paid to Directors will be approved in advance by Shareholders. The salary and emoluments paid to officers will be approved by the Remuneration & Nomination Committee. Consultants will be engaged as required pursuant to Consultancy Service Agreements. The Company will ensure that fees, salaries and emoluments will be in line with general standards for publicly listed companies of the size and type of the Company and that they will not be excessive. All salaries of Directors and statutory officers will be disclosed in the Annual Report of the Company each year.

4. Code of Conduct and Ethical Standards

The Company has adopted a formal Code of Conduct that guides compliance with all levels of legal and other obligations to stakeholders. The Code is focused on ensuring that all Directors, Executives, and employees act with the utmost integrity and objectivity in carrying out their duties and responsibilities, striving at all times to enhance the reputation and performance of the Company.

5. Internal Control and Risk Management

The Board is responsible for the identification, monitoring and management of significant business risks and the implementation of appropriate levels of internal control, recognising however that no cost effective internal control system will preclude all errors and irregularities. The Board regularly reviews and monitors areas of significant business risk and has established a separate Audit and Risk Management Committee which is governed by a separate Board Charter.

The Board receives regular reports from management about the financial condition and operational results of the Company. The Board has also received written assurances from the Chief Executive Officer and Chief Financial Officer that to the best of their knowledge and belief:-

- The Company’s financial statements present a true and fair view of the Company’s financial condition and operational results and comply with relevant accounting standards; and
- The risk management and internal compliance and control systems are sound, appropriate and operating effectively and implement the policies adopted by the Board.

The Board and management undertake annual reviews on the Company's strategic and operational risks as part of its annual strategic and budget process. Divisional heads are encouraged to provide their inputs at such annual reviews. This process allows the Board to have a better understanding on the overall industry risks and opportunities which the Company operates in.

The Company has identified the following possible business risks which the Company believes to be inherent in the industry in which the Company operates:-

- Fluctuations in exchange rates
- Political stability risk in some of the countries of operation
- Interest rate risk
- Stability of internet infrastructure
- Changed in local government regulations
- Increased cost of operation including employment costs
- Retention of key employees
- Fluctuations in traffic
- Cyclical property market due to general market outlook for economic growth and interest rates
- Force majeure events

The above risks are provided to assist investors to better understand the nature of the risks faced by the Company and the industry in which the Company operates in. They are not necessarily an exhaustive list.

Management regularly undertakes reviews of its risk management procedures which include implementation of a system of internal sign-offs to ensure not only that the Company complies with its legal obligations but that the Board, and ultimately shareholders, can take comfort that an appropriate system of checks and balances is in place regarding those areas of the business which present financial or operating risks.

As part of the Company's risk management framework, comprehensive practices have been established to ensure:-

- Capital expenditure commitment above a certain limit obtain prior Board approval;
- Management systems and OH&S safety standards are monitored and reviewed to achieve high standards of performance and compliance with regulations;
- IT infrastructure systems are monitored and reviewed to ensure adequacy in the operation of the Company's business;
- Business transactions are properly authorised and executed;
- The quality and integrity of employees (see Section 4 above);
- Financial reporting accuracy and compliance with the financial reporting regulatory framework (see Section 2.5.1 above)

A detailed compliance programme is maintained by the Company Secretary to ensure the Company meets its regulatory obligations. The Board is updated on the compliance programme regularly.

6. Communications to Market and Shareholders

The Board recognises its duty to ensure that its shareholders are informed of all major developments affecting the Company's state of affairs and has adopted a Shareholder Communication Policy. The Policy provides that information will be communicated to shareholders and the market through:

- The Annual Report which is distributed to shareholders (usually with the Notice of Annual General Meeting);
- The Annual General Meeting and other general meetings called to obtain shareholder approvals as appropriate;
- The Half-Yearly Directors' and Financial Reports;
- Quarterly Report for Entities admitted on the basis of commitments;
- Other announcements released to ASX as required under the continuous disclosure requirements of the ASX Listing Rules and other information that may be mailed to Shareholders.

The Company will actively promote communication with shareholders through a variety of measures, including the use of the Company's website and email. The Company's reports and ASX announcements will be available for viewing and downloading from its website: www.ipgalimited.com or the ASX website: www.asx.com.au under ASX code "IPP". The Company will also maintain an email list for the distribution of the Company's announcements via email in a timelier manner.

7. Continuous Disclosure to ASX

The Board has adopted a Continuous Disclosure Policy and has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX.

In accordance with the ASX Listing Rules, the Company will notify the ASX promptly of information:

- Concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and
- That would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

Compliance With The ASX Corporate Governance Principles and Recommendations

The extent to which IPGA has followed the ASXCGPR are as follows:

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT	**Compliance**	**Corporate Governance Statement (CGS) References/Comments**
1.1 Formalise and disclose the functions reserved to the Board and those delegated to management.	Yes	1, 2
1.2 Formalise and disclose the process for evaluating the performance of management.	Yes	2.5.2, 2.12
1.3 Provide the information indicated in Guide to reporting on Principle 1.	Yes	Annual Report Website CGS
PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE		
2.1 A majority of the Board should be independent directors.	No	The current members of the Board have the relevant and appropriate mix of skills and experience to perform the Board's functions and responsibilities.
2.2 The Chairperson should be an independent director	Yes	2, 2.3
2.3 The roles of chairperson and chief executive officer should not be exercised by the same individual	Yes	2, 2.3

2.4 The Board should establish a nomination committee	Yes	2.5.2, 2.16
2.5 Formalise and disclose the process for evaluating the performance of the Board, its committees and individual directors	Yes	2.5.2, 2.12
2.6 Provide the information indicated in Guide to reporting on Principle 2.	Yes	Annual Report Website CGS
PRINCIPLE 3: PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING		
3.1 Establish a Code of Conduct to guide the directors, the chief executive officer (or equivalent), the chief financial officer (or equivalent) and any other key executives as to: 3.1.1 The practices necessary to maintain confidence in the Company's integrity. 3.1.2 The practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders. 3.1.3 The responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	Yes	4
3.2 Disclose the policy concerning trading in Company securities by Directors, officers and employees.	Yes	2.9
3.3 Provide the information indicated in Guide to reporting on Principle 3.	Yes	Annual Report Website CGS
PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING		
4.1 The Board should establish an audit committee.	Yes	2.5.1, 5
4.2 Structure the audit committee so that it consists of: 4.2.1 Only non-executive directors. 4.2.2 A majority of independent directors. 4.2.3 An independent chairperson, who is not chairperson of the board. 4.2.4 At least three members	Yes except 4.2.3	2.5.1, 5 The Board believes that Mr Paul Choiselat is the most appropriate person for the position as he has the strongest accounting and financial skills and expertise amongst the members of the Board.

4.3 The audit committee should have a formal charter.	Yes	5
4.4 Provide the information indicated in Guide to reporting on Principle 4.	Yes	Annual Report Website CGS
PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE		
5.1 Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.	Yes	7
5.2 Provide the information indicated in Guide to reporting on Principle 5.	Yes	Annual Report Website CGS
PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS		
6.1 Design and disclose a communications strategy for promoting effective communication with shareholders and encouraging participation at general meetings.	Yes	6
6.2 Provide the information indicated in Guide to reporting on Principle 6.	Yes	Annual Report Website CGS
PRINCIPLE 7: RECOGNISE AND MANAGE RISK		
7.1 The Board or appropriate Board committee should establish and disclose policies on risk oversight and management.	Yes	2.5.1, 5
7.2 Management to design and implement a risk management and internal control system to manage the Company's material business risks. The Board to disclose that management has reported to the Board in writing that: • The Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.	Yes	2.5.1, 5

7.3 The Board to disclose that the chief executive officer (or equivalent) and the chief financial officers (or equivalent) have provided to the board in writing that: • The declaration provided in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Yes	2.5.1, 5
7.4 Provide the information indicated in Guide to reporting on Principle 7.	Yes	Annual Report Website CGS
PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY		
8.1 The Board should establish a remuneration committee.	Yes	2.5.2, 3
8.2 Clearly distinguish the structure of non-executive directors' remuneration from that of executives.	Yes	Annual Report
8.3 Provide the information indicated in Guide to reporting on Principle 8.	Yes	Annual Report Website CGS

Directors' Report

Your Directors present their report on IPGA Ltd together with the financial statements of the Group, being the Company and its controlled entities, for the year ended 31 December 2009.

The names of the Company's Directors in office during or since the end of the financial year are as follows:

Simon Baker	Chairman (appointed: 3 February 2010) and Non-Executive Director (appointed: 10 November 2009)
Patrick Grove	Executive Chairman (resigned: 3 February 2010), Deputy Chairman (appointed: 3 February 2010) and Non-Executive Director (appointed: 26 June 2007)
Paul G Choiselat	Non-Executive Director (appointed: 2 August 2007)
Samuel Weiss	Non-Executive Director (appointed: 2 August 2007)
Hugh Morrow	Non-Executive Director (appointed: 2 August 2007)
Dato' Larry Gan	Non-Executive Director (appointed: 2 July 2007; resigned: 1 October 2009)
Lucas R Elliott	Non-Executive Director (appointed: 3 February 2010)

Details of Directors of the Company, the Company Secretary, the Chief Executive Officer and the Chief Financial Officer in office at the date of this report, and each of their qualifications, experience and special responsibilities are below.

Simon Baker B. Sc. MBA Age: 43
Director (non-executive) & Chairman

Board member since October 2009 and Chairman since February 2010. Mr Baker has extensive experience in the online industry. He is currently the CEO of Classified Ad Adventures, a business that invests in online classifieds companies, consults to online classified companies and develops new online products. He is also currently a non-executive director of the listed company, Quickflix Ltd (ASX: QFX).

Prior to that Mr Baker was Managing Director and Chief Executive Officer of the listed REA Group (realestate.com.au) where he increased revenues from $4 million to $156 million and increased its market capitalisation from $8 million to $600 million. Prior to that, Simon was Chief Business Development Officer at News Interactive, was Chief Technology Officer in a US start up and spent five years with McKinsey and Company.

Mr Baker has a degree in computer science from the Monash University and a Masters of Business Administration from Melbourne University.

Mr Baker is also a member of the Audit & Risk Committee, Remuneration & Nomination Committee and Mergers & Acquisitions Committee.

Mr Baker holds an interest in 5,657,042 shares in IPGA Ltd as at the date of this report.

Patrick Grove CA, B. Comm Age: 34
Director (non-executive) & Deputy Chairman

Board member since June 2007 and Deputy Chairman since February 2010. Mr Grove was previously the Executive Chairman until February 2010. Mr Grove is a co-founder of IPGA Ltd. Mr Grove's experience and expertise include mergers and acquisitions and extraction of investment value in high growth, media, new media and technology environments.

Mr Grove has built a number of significant media and internet businesses across Asia and has been independently recognised with numerous international awards, including as a Global Leader of Tomorrow by the World Economic Forum (2001), a New Asian Leader by the World Economic Forum (2003), the Australian Chamber of Commerce, Singapore, Young Entrepreneur of the Year (2004) and Business Week's Best Young Asian Entrepreneurs (2008). Mr Grove is also the Group CEO, Chairman and major shareholder of Catcha Media Group, one of South East Asia's most dynamic media companies, incorporating publishing, online and event businesses, including Malaysia's largest English language magazine publisher and a strategic alliance with Microsoft to operate and develop all Microsoft online properties in Malaysia. Catcha Media Group is a major shareholder of IPGA Ltd. Mr Grove is also a member of the Audit & Risk Committee, Remuneration & Nomination Committee an Mergers & Acquisitions Committee.

Mr Grove has a Bachelor of Commerce degree with a major in Accounting and Finance from the University of Sydney.

Mr Grove holds an interest in 60,881,531 shares in IPGA Ltd as at the date of this report.

Paul G Choiselat B.Bus (Accounting), Dip.Bus (Marketing), MBA, CPA, FCIS Age: 55
Director (non-executive)

Board member since August 2007. Mr Choiselat has significant experience, primarily in investment, finance (including funds management, underwriting and venture capital), manufacture, healthcare, retail sectors, media and technology.

He is the Managing Director/CEO of Q Ltd. Mr Choiselat is also the Chairman of the Audit & Risk Committee and a member of the Remuneration & Nomination Committee and Mergers & Acquisitions Committee.

Mr Choiselat holds an interest in 11,882,876 shares in IPGA Ltd as at the date of this report.

Hugh Morrow B. Eng. MBA Age: 44
Director (non-executive)

Board member since August 2007. Mr Morrow has extensive experience in the areas of information technology, organisational behaviour and business strategy consulting, with a focus on investing in and providing strategic advice to a number of for-profit and not-for-profit organizations. He leads the Social Economy Executive Education Network and is on the Boards of The Australian Scholarships Foundation and The Australian Social Innovation Exchange.

Mr Morrow was previously with the global strategy consulting firm, The LEK Partnership and Westpac Banking Corporation. Mr Morrow also started, grew and successfully sold his own high tech business, XT3.

Mr Morrow has a degree in engineering from the University of Sydney, a Masters of Business Administration from Stanford University and is a Yale University World Fellow.

Mr Morrow is also a member of the Audit & Risk Committee, Remuneration & Nomination Committee and Mergers & Acquisitions Committee.

Mr Morrow holds an interest in 230,000 shares in IPGA Ltd as at the date of this report.

Samuel Weiss AB MS FAICD Age: 56
Director (non-executive)

Board member since August 2007. Mr Weiss is Chairman of Altium Limited, Deputy Chairman of GLG Corp Ltd, a Non-Executive Director of Oroton Group Ltd and Breville Ltd, and an independent Director of Open Universities Australia. In recent years, he has also been a corporate advisor to Vsource, a pan-Asian business outsourcing services provider based in Malaysia.

He did his undergraduate degree at Harvard University and received a graduate degree from Columbia University in Business Administration. He is the President of The Benevolent Society and a Director The Sydney Festival. He is a Fellow of The Australian Institute of Company Directors and a member of The Sydney Institute.

Mr Weiss is also the Chairman of the Remuneration & Nomination Committee and a member of the Audit & Risk Committee and Mergers & Acquisitions Committee.

Mr Weiss holds an interest in 320,000 shares in IPGA Ltd as at the date of this report.

Lucas Elliott B.Comm Age: 33
Director (non-executive)

Board member since February 2010. Mr Elliott, a founding shareholder of IPGA's majority shareholder, Catcha Media Group, has over 10 years of Asian online experience, with a focus on developing fast moving online business models and monetizing online media assets.

Mr Elliott currently serves as the General Manager of Catcha Digital, a partnership between Microsoft and Catcha Media Group to operate Microsoft's entire suite of online products in Malaysia, and is one of the region's leading experts in migrating advertising and contents models to the new media arena.

Mr Elliott has a Bachelor of Commerce degree with a major in Finance from the University of Sydney.

Mr Elliott holds an interest in 60,873,531 shares in IPGA Ltd as at the date of this report.

Mr Shaun DiGregorio MBA
Chief Executive Officer

Chief Executive Officer since January 2010 and is responsible for the day-to-day operations of the IPGA Group. Mr DiGregorio has worked in online classifieds for nearly 12 years. Prior to joining IPGA, Mr DiGregorio spent almost 8 years with the REA Group, in which time he was General Manager of the Australian operations from 2005 to 2008, and then as General Manager of the REA Group's international businesses.

Mr DiGregorio has also held senior roles at Trader.com and the interactive division of TMP Worldwide.

Mr DiGregorio holds a Master in Business Administration from the Australian Graduate School of Management (UNSW) and is a member of the Australian Institute of Company Directors.

Mr DiGregorio holds an interest in 1,000,000 shares in IPGA Ltd as at the date of this report.

Mr Kensuke Tsurumaru B.Comm
Chief Executive Officer (until 11 January 2010)

Mr Tsurumaru was the Chief Executive Officer until 11 January 2010. Mr Tsurumaru remains with IPGA as the Country Manager for Malaysia.

Ms Cynthia Chan B.Comm, FINSIA (SA), CSA (Aff)
Company Secretary

Company Secretary since August 2007 and is responsible for the provision of company secretarial support to the Board including corporate governance, continuous disclosure and compliance systems and practices and investor communications. Cynthia holds a Bachelor of Commerce degree and a Diploma in Financial Planning, and is a Senior Associate of the Financial Services Institute of Australasia (FINSIA). Ms Chan has extensive experience as both a Director and Company Secretary of Australian companies. Her specific expertise extends across the corporate finance and legal areas, with a particular emphasis on stock broking, company secretarial services and investments.

Ms Chan holds an interest in 150,000 shares in IPGA Ltd as at the date of this report.

Ross Farmer B Ec, CA, CPA, FTP (Senior)
CFO

As the Chief Financial Officer, Ross is responsible for the management of the Company's finances and the fulfillment of its reporting obligations. Ross has extensive business experience, with specific expertise in treasury, mergers and acquisitions, business restructuring and business systems.

Ross holds an Economics degree and is a Chartered Accountant, Certified Practising Accountant and Certified Finance & Treasury Professional. He is also a member of the Australian Institute of Company Directors.

Directors' and Officers' Indemnity

The Company has indemnified each Director of the Group, the Company Secretary and previous Directors and Secretaries (Officers) against all liabilities or loss (other than to the Company or a related body corporate) that may arise from their position as Officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith or indemnification is otherwise not permitted under the Corporations Act. The indemnity stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses, and covers a period of seven years after ceasing to be an Officer of the Company.

The Company has also indemnified the current and previous Directors of its controlled entities and certain members of the Company's senior management for all liabilities and loss (other than to the Company or a related body corporate) that may arise from their position, except where the liability arises out of conduct involving a lack of good faith or indemnification is otherwise not permitted under the Corporations Act.

The Company has executed deeds of indemnity with each of the Non-Executive Directors.

Directors' and Officers' Insurance

The Company has paid insurance premiums for one year cover in respect of Directors' and Officers' liability insurance contracts, for Officers of the Company and of its controlled entities. The insurance cover is on standard industry terms and provides cover for loss and liability for wrongful acts in relation to the relevant person's role as an Officer, except that cover is not provided for loss in relation to Officers gaining any profit or advantage to which they were not legally entitled, or Officers committing any criminal, dishonest, fraudulent or malicious act or omission, or any knowing or wilful violation of any statute or regulation.

The insurance does not provide cover for the independent auditors of the Company or of a related body corporate of the Company.

In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premium paid under the contract.

Principal activities

The principal activities of the Company during the year were developing and operating internet-based real estate property portals.

Review of Operations

A detailed review of operations and the results of those operations is set out in the Chairman's Message and Chief Executive Officer's Report of this annual report.

Except for the matters disclosed, there are, at the date of this report, no other matters or circumstances which have arisen since 31 December 2009 that have significantly affected or may significantly affect:

(a) the operations in future financial periods subsequent to the financial year ended 31 December 2009, of the Group constituted by the Company and the entities it controls from time to time;
(b) the results of those operations in future financial periods; or
(c) the state of affairs, in future financial periods, of the Group.

Dividends

No dividends have been paid or declared since the start of FY2009 and IPGA Ltd does not propose to pay a dividend for this reporting period.

Share Issues

During the course of the period, the Company issued shares as follows :-

Month	**No. of shares**	**Amount $**	**Issue type**
April 2009	640,000	160,000	Shares to Non Executive Directors as part of 2nd year directors' remuneration
May 2009	5,000,000	500,000	Placement of shares to CAV Investments Holdings Pty Ltd
June 2009	1,052,602	136,838	Shares to Vendors of Keagen Sdn Bhd
Total	**6,692,602**	**796,838**	

Events subsequent to reporting date

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

Future Developments
Other than comments on likely developments or expected results of certain of the operations of the Group which are included in the Chairman's Message and the Chief Executive Officer's Report, in the opinion of the Directors, further information on likely developments in the operations of the Group and the expected results of those operations in future financial periods have been omitted as the Directors believe it would be likely to result in unreasonable prejudice to the Group's interests if such further information were included in this report.

Business Strategies and Prospects
Information on the Group's business strategies and its prospects for future financial years are included in the Chairman's Message and the Chief Executive Officer's Report. In the opinion of the Directors, further information on the Group's business strategies and its prospects for future financial years would, if included in this report, be likely to result in unreasonable prejudice to the Group and has accordingly been omitted.

Environmental Issues
The Company takes a responsible approach in relation to the management of environmental matters. All significant environmental risks have been reviewed and the Group has no legal obligation to take corrective action in respect of any environmental matter. The economic entity's operations are not subject to significant environmental regulation under the laws of the Commonwealth and State.

Meetings of Directors
The table below shows the number of Directors' meetings held (including meetings of Board committees) and number of meetings attended by each of the Directors of the Company during the year:

			COMMITTEE MEETINGS					
	DIRECTORS' MEETINGS		AUDIT & RISK COMMITTEE		REMUNERATION & NOMINATION COMMITTEE		MERGERS & ACQUISITIONS COMMITTEE	
	Number eligible to attend	Number Attended	Number eligible to attend	Number attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Mr P Grove	12	12	-	-	-	-	-	-
Mr P G Choiselat	12	11	4	4	-	-	-	-
Dato' L Gan [(1)]	6	5	4	2	-	-	-	-
Mr H Morrow	12	12	-	-	4	4	-	-
Mr S Weiss	12	12	4	4	4	4	-	-
Mr S Baker [(2)]	2	2	-	-	-	-	-	-
Mr L R Elliott [(3)]	-	-	-	-	-	-	-	-

Notes: [(1)] Resigned: 1 October 2009
[(2)] Appointed: 10 November 2009
[(3)] Appointed: 3 February 2010

Directors' and executives' interests
The tables below show the interests of each Director (as notified to the ASX in accordance with section 205G(1) of the Corporations Act) and executives (being a director or executive during or since the financial year ended 31 December 2009) in the issued ordinary shares of the Group as at the date of this report.

	Fully Paid Ordinary Shares
Mr P Grove	60,881,531
Mr P G Choiselat	11,882,876
Dato' L Gan [(1)]	240,000
Mr H Morrow	230,000
Mr S Weiss	320,000
Mr S Baker	5,567,042
Mr L R Elliott	60,873,531
Mr S DiGregorio	1,000,000
Mr K Tsurumaru [(2)]	24,000
Ms C Chan	150,000

Notes: [(1)] Resigned: 1 October 2009
[(2)] CEO until 11 January 2010

Share Rights
The following share rights were granted to employees of the Group under the LTI Plan during FY2009:

Terms & Conditions for Each Right					Vested	
Grant Date	**No. Granted**	**Fair Value per right at Grant Date**	**Exercise Price Per Right**	**Expiry Date**	**No.**	**%**
04/12/09	466,623	10 cents	0	04/12/2019	-	-

Options
No options were granted over unissued shares by the Company during or since the year ended 31 December 2009.

Directors' Interests in Contracts
No material contracts involving Directors' interests were entered into since the end of the previous financial year, or existed at the end of the year, other than those transactions detailed in Note 27 to the Financial Statements.

Proceedings on behalf of the Company
No person has applied for leave of court to bring proceedings on behalf of the Company or 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 any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-Audit Services
The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Audit Committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence as set out in the Institute of Chartered Accountants in Australia and CPA Australia's Professional Statement F1: Professional Independence.

No fees for non-audit services were paid to the external auditors during FY2009.

Audit Services
The statement by the Consolidated Entity's external auditors to the members of IPGA Ltd in relation to the auditors' compliance with the independence requirements of the Corporations Act and the professional code of conduct for external auditors, forms part of this Directors' Report and is set out after this Directors' Report.

No person who was an Officer of the Company during the financial year was a Director or partner of the Group's external auditor at a time when the Group's external auditor conducted an audit of the Group.

Remuneration Report

This Remuneration Report forms part of the Directors' Report and outlines the remuneration arrangements for executives and employees of IPGA Ltd, including Specified Directors and Specified Executives in accordance with section 300A and Regulation 2M.3.03 of the Corporations Regulations.

Remuneration & Nomination Committee

Role
The membership, responsibilities, authority and activities of the Remuneration & Nomination Committee are set out in the Remuneration & Nomination Committee Charter, which has been approved by the Board.

The responsibilities of the Remuneration Committee are to:

- monitor, review and recommend to the Board, as necessary and appropriate:
    - the remuneration, superannuation and incentive policies and arrangements for the Chief Executive Officer and key management personnel (ie. those executives who report directly to the Chief Executive Officer);
    - the remuneration arrangements for Non-Executive Directors on the Board;
    - the recruitment, retention and termination policies and procedures for the Chief Executive Officer and key management personnel; and
    - key appointments and executive succession planning.
- oversee the Group's general remuneration strategy;
- review the composition of the Board including:
    - the criteria for selection of directors, having regard to the need for the breadth and depth of skills and experience on the Board; and
    - the process for selecting new directors.
- monitor the Group's culture and reputation and review behavioural standards on a regular basis, and report and submit recommendations to the Board.

Membership and meetings
As at the date of this report, the members of the Remuneration & Nomination Committee were :

Samuel Weiss (Chairman)
Hugh Morrow
Simon Baker
Paul Choiselat
Patrick Grove
Lucas Elliott

The Chief Executive Officer will attend meetings by invitation to assist the Committee in its deliberations except on matters associated with his own remuneration. The Committee members met four times during the year.

Advisers
External specialist remuneration advice is sought on an as-needs basis in respect of remuneration arrangements for Non-Executive Directors of the Board and key management personnel of the Group. General reward advice is sought on an ad hoc basis.

Reward policy
The Company has an established policy for determining the nature and amount of emoluments of Board Members and key management personnel of the Company to align remuneration with the creation of shareholder value. The remuneration structure for the key management personnel seeks to emphasise payment for results.

Reward philosophy
The Company's overall philosophy is to manage the remuneration to:

- create an environment that will attract top talent, and where people can be motivated with energy and passion to deliver superior performance;
- recognise capabilities and promote opportunities for career and professional development;
- provide rewards, benefits and conditions that are competitive within the markets in which the Group operates; and
- provide fair and consistent rewards across the Group, which support corporate principles.

In accordance with the ASXCGPR, the structure of Non-Executive Directors and key management personnel remuneration is separate and distinct.

Company Performance
The table below shows the performance results of the Company for the period since incorporation, inclusive of continuing and discontinued operations, as well as the share price at the end of the respective financial years. The financial information reported is compliant with AIFRS. The 2009 and 2008 financial information is for the full year ended 31 December. The 2007 financial information is for the period of incorporation 26 June 2007 to 31 December 2007.

	2009	2008	2007
Revenue ($'000)	4,511	4,344	676
Net (loss)/profit after tax ($'000)	(1,905)	(719)	23
Share price at year start ($)	0.12	0.25	0.28
Share price at year end ($)	0.10	0.12	0.25
Basic (loss)/earnings per share (cents)	(1.688)	(.0671)	0.026
Diluted (loss)/earnings per share (cents)	(1,688)	(0.671)	0.026
Dividends paid	NIL	NIL	NIL

There is no direct link between the performance of the Company and the remuneration of Key management Personnel. Key Management Personnel are paid fixed remuneration as the company is in start-up phase.

Key Management Personnel and Executive Director Remuneration
The Company aims to reward key management personnel with a level and mix of remuneration commensurate with their position and responsibilities within the Company and:

- Reward key management personnel for achievement of pre-determined key performance indicators;
- Link reward with the strategic goals and performance of the Company; and
- Ensure total remuneration is competitive by market standards.

The Remuneration for key management personnel and staff will include an annual review using a formal performance appraisal process.

The Remuneration Committee recommends to the Board the level of fixed remuneration each year based on the performance of individuals.

The remuneration structure is in two parts:
- Fixed remuneration; and
- Variable remuneration.

Fixed remuneration
The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration comprises of payroll salary, superannuation and other benefits. Individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

Variable Remuneration
Comprises of a short term incentive plan and a long term incentive plan.

- *Short term incentive plan (STI)*
  Short term incentives are used to differentiate rewards based on performance on a year by year basis. The principal performance indicator of the short term incentive plan is based on the Company's financial performance and individual achievement of specified goals, for example for achieving progress with growth initiatives. The percentage and threshold level can differ for each individual and are reviewed each year. The Company has approved predetermined performance targets which must be met in order to trigger payments under the STI. Payments are made in the form of cash bonus.

  It is intended that key employees and Executive Directors of IPGA will be eligible to participate in the STI program.

- *Long term incentive plan (LTI)*
  IPGA has established a long term incentive plan called the IPGA Ltd Rights Plan ("Plan"). The Plan is part of the Company's remuneration strategy and is designed to align the interests of IPGA management and shareholders and assist IPGA in the attraction, motivation and retention of executives. In particular, the Plan is designed to provide relevant executives with an incentive for future performance, with conditions of vesting and exercise of performance rights under the Plan, encouraging those executives to remain with the Company and contribute to the future performance of the Company.

  LTI payments granted to each key employee depends on the extent to which specific targets set at the beginning of the plan are met. The targets are revenue and profitability related targets. Payments are made in the form of rights to the Company's shares.

  It is intended that key employees and Executive Directors of IPGA will be eligible to participate in the Plan.

Key Management Personnel Remuneration

The following table summarises the remuneration arrangements for the Executive Chairman, CEO, CFO and Company Secretary. Details of remuneration of key management personnel and Directors are shown on Table of this report.

	Mr P Grove(1)	**Mr K Tsurumaru(2)**	**Mr S DiGregorio(3)**	**Ms C Chan**	**Mr R Farmer**
Position	Executive Chairman	Chief Executive Officer	Chief Executive Officer	Company Secretary	CFO
Term of employment agreement	No contract in place	3 years until 18 July 2010	Nil	No contract in place	No contract in place
Notice period	6 months	6 months	3 months	No contract in place	No contract in place
Total employment cost (TEC)(4)	SGD60,000 p.a. from 1 November 2008 (equivalent to approx. AUD$47,634)	SGD120,000 p.a. from 1 November 2008 (equivalent to approx. AUD$95,268)	AUD$300,000	AUD$99,557	AUD$40,200
Short term incentive	Nil	Up to 4 months' salary subject to meeting a combination of Group and individual country's revenues.	Up to AUD$100,000 subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on a 30-day VWAP before and after the entitlement.	Nil	Nil
Long term incentive	Nil	10% of annual salary in the form of rights to the Company's shares subject to meeting revenue and profitability targets for FY 2010.	Up to AUD$100,000 subject to meeting performance targets as set by the Board. Payment is to be made via shares in the Company at an issue price calculated based on a 30-day VWAP before and after the entitlement.	Nil	Nil

	Mr P Grove[1]	Mr K Tsurumaru[2]	Mr S DiGregorio[3]	Ms C Chan	Mr R Farmer
Other benefits	Nil	Nil	Housing allowance of MYR6,000 per month (equivalent to approximately AUD$2,000 per month)	Nil	Nil
Termination by executive	6 months	6 months	3 months	No contract in place	No contract in place
Termination by Company	6 months	6 months	3 months	No contract in place	No contract in place

NOTES:

(1) Executive Chairman until February 2010
(2) CEO until January 2010
(3) CEO since January 2010
(4) A portion of TEC may be taken in the form of packaged benefits (such as a motor vehicle and parking), and is inclusive of fringe benefits tax and employer superannuation contributions.

The Remuneration Committee of the Board will recommend each year, reasonable performance measures and targets for use in assessing each Executive Director's performance. After the end of each financial year, the Remuneration Committee of the Board will review each Executive Director's performance in comparison to these measures and targets. STI targets (as a percentage of TEC) are to be determined annually by the Board, based on the recommendation of the Remuneration Committee, for the coming year. TEC is base remuneration inclusive of superannuation and benefits but excludes leave accrued not taken.

Details of remuneration

The following table shows details of the nature and amount of each element of the remuneration paid or payable with respect to services provided for the period as Directors of the Company and key management personnel of the Group during the period.

TABLE A - 2009

	Short-term Employee Benefits				Post Employment Benefits	Other Long Term		Share Based Payment			
								Equity-Settled			
2009	**Salary & Fees**	**Bonus**	**Non-monetary**	**Other**	**Super-annuation**	**Employee Benefits**	**Termination Benefits**	**Shares & Units**	**Options & Rights**	**Cash-Settled**	**Total**
Non Executive Directors											
Mr P G Choiselat	20,000				1,800			35,000			56,800
Dato' L Gan [1]	15,000				1,350			28,000			44,350
Mr H Morrow	20,000				1,800			35,000			56,800
Mr S Weiss	20,000				1,800			35,000			56,800
Mr S Baker [2]	2,783				250			3,500			6,533
	77,783	-	-	-	7,000	-	-	136,500	-	-	221,283
Executive Directors											
Mr P Grove	52,732										52,732
Sub Total	130,515	0	0	0	7,000	0	0	136,500	0	0	274,015
Executive Officers											
Mr K Tsurumaru	-										-
Ms C Chan	99,557										99,557
Mr M Spencer	58,823										58,823
Mr R Farmer	40,200										40,200
Sub Total	198,581	0	0	0	0	0	0	0	0	0	198,581
Total	**329,096**	**0**	**0**	**0**	**7,000**	**0**	**0**	**136,500**	**0**	**0**	**472,596**

Notes: (1) Resigned: 1 October 2009
(2) Appointed: 10 November 2009

All Directors and key management personnel are paid in Australian dollars except for Mr P Grove who is paid SGD60,000 (equivalent to approximately AUD$47,634) per annum from 1 November 2008 and Mr K Tsurumaru who is paid SGD120,000 (equivalent to approximately AUD$95,268) per annum from 1 November 2008.

No retirement benefits were paid or payable to Directors or key management personnel in FY2009.

TABLE B - 2008

	Short-term Employee Benefits				Post Employment Benefits	Other Long Term	Terminati	Share Based Payment			
								Equity-Settled			
2008	Salary & Fees	Bonus	Non-monetary	Other	Super-annuation	Employee Benefits	on Benefits	Shares & Units	Options & Rights	Cash-Settled	Total
Non Executive Directors											
Mr P G Choiselat	20,000				1,800			31,670			53,470
Dato' L Gan	20,000				1,800			31,670			53,470
Mr H Morrow	20,000				1,800			31,670			53,470
Mr S Weiss	20,000				1,800			31,670			53,470
	80,000	0	0	0	7,200	0	0	126,680	0	0	213,880
Executive Directors											
Mr P Grove	10,070										10,070
Sub Total	90,070	0	0	0	7,200	0	0	126,680	0	0	223,950
Executive Officers											
Mr K Tsurumaru	96,156										96,156
Ms C Chan	81,236										81,236
Ms M A Chuah	56,416										56,416
Sub Total	233,808	0	0	0	0	0	0	0	0	0	233,808
Total	**323,878**	**0**	**0**	**0**	**7,200**	**0**	**0**	**126,680**	**0**	**0**	**457,758**

Share based payments to Non Executive Directors

By an agreement between the Company and each of the Non Executive Directors, the Non Executive Directors have agreed to provide services to the Company. As detailed in the IPGA prospectus the Non Executive Directors will be remunerated using a mixture of cash and IPGA shares.

The remuneration of Non Executive Directors for the year ended 31 December 2008 included $126,680 in respect of 640,000 IPGA shares which have been issued to Non Executive Directors. The issue of these shares to Non Executive Directors was approved by IPGA members at the last Annual General Meeting.

The remuneration of Non-Executive Directors for the year ended 31 December 2009 includes $136,500 of shares which are yet to be issued to Non Executive Directors. The number of shares in respect of the 2009 remuneration is yet to be determined.

During the financial year and the previous financial year, Directors' entitlement to shares vests monthly on a pro-rata basis provided they continue to be Directors of the Company at that time.

Share series	Grant date	Grant date fair value	Vesting date
First tranche	01/08/07	$0.25	Directors' entitlement to shares vests monthly on a pro-rata basis provided they continue to be Directors of the Company at that time.
Second tranche	01/08/07	$0.25	

Non Executive Directors	Shares granted and vested		% of remuneration for the year	
	2009	2008	2009	2008
Mr P G Choiselat	-	160,000	61.6%	59.2%
Dato' L Gan	-	160,000	42.8%	59.2%
Mr H Morrow	-	160,000	61.6%	59.2%
Mr S Weiss	-	160,000	61.6%	59.2%
	-	640,000		

In addition to remuneration benefits above, the Company paid a premium for a contract insuring all Directors of the Company and specified executives of the Group as officers. It is not possible to allocate the benefit of this premium between individual Directors or specified executives. In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the premium paid under the contract.

Non-Executive Director remuneration
The following persons were Non-Executive Directors of the Company at 31 December 2009:

Name	**Position**
Paul G Choiselat	Non-Executive Director
Hugh Morrow	Non-Executive Director
Samuel Weiss	Non-Executive Director
Simon Baker	Non-Executive Director

Remuneration policy
The fees paid to Non-Executive Directors on the Board are based on advice and data from the Group's remuneration specialists and from external remuneration advisers. This advice takes into consideration the level of fees paid to Board members of other Australian corporations, the size and complexity of the Group's operations, the activities of the Group and the responsibilities and workload requirements of Board members.

Fees are established annually for the Chairman, Deputy Chairman and Non-Executive Directors.

All Directors have flexibility in relation to their remuneration, including the opportunity to set aside additional Company superannuation contributions.

The appointment letters for the Non-Executive Directors set out the terms and conditions of their appointments. These terms and conditions are in conjunction with, and subject to, the Company's Constitution and the charters and policies approved by the Board from time to time.

Each Non-Executive Director receives a fee for being a Director of the Company. These fees are paid partly in cash and partly by the issue of IPGA shares as detailed in the IPGA prospectus. Non-Executive Directors are not paid additional fees for sitting on or chairing committees. The Non-Executive Directors also receive superannuation contributions, currently at 9%, and do not receive any other retirement benefits.

Options
There were no share options granted to Directors during or since the end of the financial year.

This report is made in accordance with a resolution of the Directors and is signed for and on behalf of the Directors.

Dated at Melbourne this 26th day of February 2010

Simon Baker
Chairman

Deloitte.

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The Board of Directors
IPGA Limited
Level 5, 11 Bank Place
Melbourne, VIC 3000

26 February 2010

Dear Board Members

IPGA Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of IPGA Limited.

As lead audit partner for the audit of the financial statements of IPGA Limited for the year ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Robert Collie

Robert D D Collie
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu

IPGA Ltd and Its Controlled Entities

ABN 99 126 188 538

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2009

	Notes	Consolidated		Parent Entity	
		2009	2008	2009	2008
		$	$	$	$
Continuing operations					
Revenue from services		3,974,814	3,890,701	-	-
Interest income		10,943	121,084	8,571	111,199
Management fees		-	-	-	-
Other income		58,959	114,220	549,907	403,295
Total revenue		**4,044,716**	**4,126,005**	**558,478**	**514,494**
Administration and related costs		1,051,796	643,531	139,461	153,925
Borrowing costs	2	-	-	-	-
Depreciation and amortisation expenses	2	92,414	81,803	-	-
Employee benefits expense		2,775,082	2,310,394	369,488	665,134
Occupancy and related costs		366,005	415,582	20,541	43,724
Other expenses		13,925	-	-	-
Production and servicing cost		802,947	933,610	-	-
Travel and accommodation		100,087	134,078	30,272	71,568
Impairment of unlisted investment	10	249,216	-	249,216	
Total expenses		**5,451,472**	**4,518,998**	**808,978**	**934,351**
Loss before income tax		(1,406,756)	(392,993)	(250,500)	(419,857)
Income tax benefit/(expense)	3	84,813	(149,741)	-	-
Loss for the year from continuing operations		**(1,321,943)**	**(542,734)**	**(250,500)**	**(419,857)**
Discontinued operations					
Loss for the year from discontinued operations	26	(582,937)	(175,809)	-	-
Loss for the year attributable to parent		**(1,904,880)**	**(718,543)**	**(250,500)**	**(419,857)**
Other Comprehensive Income/(Loss)					
Exchange differences arising on translation of foreign operations	19	(285,024)	161,810	-	-
Income tax relating to components of other comprehensive income		-	-	-	-
Total Comprehensive Loss for the Period		**(2,189,904)**	**(556,733)**	**(250,500)**	**(419,857)**
Attributable to:					
Equity holders of the parent		(2,189,904)	(556,733)	(250,500)	(419,857)
Non-controlling interests		-	-		
		(2,189,904)	**(556,733)**	**(250,500)**	**(419,857)**
Loss per Share					
From continuing operations					
Basic (cents per share)	6	(1.171) cents	(0.506) cents		
Diluted (cents per share)	6	(1.171) cents	(0.506) cents		
From continuing and discontinued operations					
Basic (cents per share)	6	(1.688) cents	(0.671) cents		
Diluted (cents per share)	6	(1.688) cents	(0.671) cents		

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
as at 31 December 2009

	Notes	Consolidated		Parent Entity	
		2009	**2008**	**2009**	**2008**
		$	**$**	**$**	**$**
Current assets					
Cash and cash equivalents	7	850,706	1,656,698	26,810	814,137
Trade and other receivables	8	990,108	1,335,332	1,646,651	901,686
Other assets	9	189,717	223,035	30,105	30,517
Total current assets		**2,030,531**	**3,215,065**	**1,703,566**	**1,746,340**
Non current assets					
Trade and other receivables	8	-	-	7,759,623	7,270,724
Other financial assets	10	-	261,816	652	262,468
Property, plant and equipment	11	266,995	371,527	-	-
Intangible assets	12	326,134	326,135	2,570	2,570
Goodwill	13	6,477,147	6,838,959	-	-
Total non current assets		**7,070,276**	**7,798,437**	**7,762,845**	**7,535,762**
TOTAL ASSETS		**9,100,807**	**11,013,502**	**9,466,411**	**9,282,102**
Current liabilities					
Trade and other payables	14	2,115,257	1,958,672	289,107	560,993
Current tax liabilities	15	21,092	149,743	-	-
Borrowings	16	-	175,496	-	-
Provisions	17	46,510	77,683	-	-
Total current liabilities		**2,182,859**	**2,361,594**	**289,107**	**560,993**
Non current liabilities					
Borrowings	16	-	68,237	-	-
Total non-current liabilities		**-**	**68,237**	**-**	**-**
TOTAL LIABILITIES		**2,182,859**	**2,429,831**	**289,107**	**560,993**
NET ASSETS		**6,917,948**	**8,583,671**	**9,177,304**	**8,721,109**
Issued capital	18	9,849,263	9,142,568	9,849,263	9,142,568
Reserves	19	(330,930)	136,608	-	-
Accumulated losses	20	(2,600,385)	(695,505)	(671,959)	(421,459)
TOTAL EQUITY		**6,917,948**	**8,583,671**	**9,177,304**	**8,721,109**

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2009

	Notes	Fully paid ordinary shares	Reserves $	Retained earnings/ (losses)	Total $
Consolidated					
Balance at 1 January 2008		**7,665,052**	**(25,202)**	**23,038**	**7,662,888**
Loss attributable to members of parent entity	20	-	-	(718,543)	(718,543)
Exchange difference arising on translation of foreign operations	19	-	161,810	-	161,810
Total comprehensive income for the period		**-**	**161,810**	**(718,543)**	**(556,733)**
5,976,161 shares issued during the year	18	1,494,040	-	-	1,494,040
Transaction costs relating to share issue	18	(16,524)	-	-	(16,524)
Balance at 31 December 2008		**9,142,568**	**136,608**	**(695,505)**	**8,583,671**
Loss attributable to members of parent entity	20	-	-	(1,904,880)	(1,904,880)
Exchange difference arising on translation of foreign	19	-	(285,024)	-	(285,024)
Total comprehensive income for the period		**-**	**(285,024)**	**(1,904,880)**	**(2,189,904)**
6,692,602 shares issued during the year	18	796,838	-	-	796,838
Transaction costs relating to share issue	18	(90,143)	-	-	(90,143)
Equity Reserve arising from increase in interest in controlled entity	19		(182,514)		(182,514)
Balance at 31 December 2009		**9,849,263**	**(330,930)**	**(2,600,385)**	**6,917,948**
Parent entity					
Balance at 1 January 2008		**7,665,052**	**-**	**(1,602)**	**7,663,450**
Loss attributable to members of parent entity	20	-	-	(419,857)	(419,857)
Total comprehensive income for the period		**-**	**-**	**(419,857)**	**(419,857)**
5,976,161 shares issued during the year	18	1,494,040	-	-	1,494,040
Transaction costs relating to share issue	18	(16,524)	-	-	(16,524)
Balance at 31 December 2008		**9,142,568**	**-**	**(421,459)**	**8,721,109**
Loss attributable to members of parent entity	20	-	-	(250,500)	(250,500)
Total comprehensive income for the period		**-**	**-**	**(250,500)**	**(250,500)**
6,692,602 shares issued during the year	18	796,838	-	-	796,838
Transaction costs relating to share issue	18	(90,143)	-	-	(90,143)
Unissued shares for business combinations	18	-	-	-	-
Balance at 31 December 2009		**9,849,263**	**-**	**(671,959)**	**9,177,304**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOW
for the year ended 31 December 2009

	Note	Consolidated 2009 $	Consolidated 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
Cash flows from operating activities					
Receipts from customers		5,150,375	3,880,475	-	-
Payments to suppliers and employees		(5,884,050)	(5,424,862)	(492,222)	(755,841)
Interest received		10,940	102,092	8,571	101,453
Income taxes refunded/(paid)		(30,387)	(1,917)	51,501	12,260
Net cash used in operating activities	22a	**(753,122)**	**(1,444,212)**	**(432,150)**	**(642,128)**
Cash flows from investing activities					
Purchase of property, plant and equipment	11	(104,717)	(309,857)	-	-
Payments for other intangible assets	12	-	(45,866)	-	(2,570)
Loans to subsidiaries		-	-	(765,036)	(1,917,757)
Payments for subsidiaries acquired net of cash acquired		-	(254,725)	-	-
Increase in interest in controlled entities	22b	(182,514)	-	-	-
Purchase of unlisted investments	10	-	(261,816)	-	(261,816)
Net cash used in investing activities		**(287,231)**	**(872,264)**	**(765,036)**	**(2,182,143)**
Cash flows from financing activities					
Proceeds from issue of shares	18	500,000	-	500,000	-
Share issue costs	18	(90,143)	(16,525)	(90,143)	(16,525)
Proceeds from borrowings		-	41,349	-	-
Repayment of borrowings	16	(175,496)	(39,928)	-	-
Net cash (used in)/provided by financing activities		**234,361**	**(15,104)**	**409,857**	**(16,525)**
Net decrease in cash held		(805,992)	(2,331,580)	(787,329)	(2,840,794)
Cash and cash equivalents at beginning of the year		1,656,698	3,988,278	814,138	3,654,932
Cash at the end of year	7	**850,706**	**1,656,698**	**26,809**	**814,138**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and complies with other requirements of the law.

The financial report includes the consolidated financial statements of the Group, and that of IPGA Ltd the Parent entity. IPGA Ltd is a listed public company, incorporated and domiciled in Australia.

Accounting Standards include Australian equivalents to International Financial Reporting Standards ("A-IFRS"). Compliance with A-IFRS ensures that the financial statements and notes of the Group and Company comply with International Financial Reporting Standards ("IFRS").

The financial statements were authorised for issue by the directors on 26 February 2010.

Basis of Preparation

The financial report has been prepared on the basis of historical cost, unless otherwise stated. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Unless otherwise indicated, the following significant accounting policies have been adopted in the preparation and presentation of the financial report.

The accounting policies set out below have been consistently applied to all years presented.

Going Concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

As at 31 December 2009, the consolidated entity has an excess of current liabilities over current assets of $152,328. For the year ended 31 December 2009, the consolidated entity reported a loss of $1,904,880 (Company: $250,500) after tax and incurred cash outflows from operating activities of $753,122 (Company: $432,150).

Notwithstanding the above, the financial report has been prepared on a going concern basis on the basis of the following assumptions:-

- The Company continuing to manage its performance and grow revenue from operating activities
- Improving the cash flows from operations from 2011 following significant investment in the business operations during 2010 due to overhead costs associated with new management and their focus on increasing sales volumes
- Obtaining additional funds from a capital raising of at least $2.5 million in the first half of 2010

At the date of this report and having considered the above factors, the Directors are confident that the Company and consolidated entity will be able to continue as going concerns given the following reasons:

a) Organic growth has been achieved from operations as the consolidated entity has continued to refine and develop their websites, services and operating activities.

b) The consolidated entity has increased the strength of the senior management team with the recruitment of new executives during the year. Their experience and industry knowledge will assist with meeting sales targets and further developing operations.

c) A successful share placement of $500,000 was made during the first half of the financial year. The Directors believe that they will be able to raise additional funds in future periods as and when required to support the Group's continued expansion.

Notwithstanding this, there is significant uncertainty whether the Company and the consolidated entity will continue as going concerns and, therefore, whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

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

Adoption of new and revised Accounting Standards

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. Details of the impact of the adoption of these new accounting standards are set out in the individual accounting policy notes set out below.

Initial application of the following Standards and Interpretations is not expected to have any material impact on the financial report of the Group and the company:

• AASB 2008-8 'Amendments to Australian Accounting Standards – Eligible Hedge Item	Effective for annual reporting period beginning on or after 1 July 2009
• AASB Interpretation 1.6 'Hedges of a Net Investment in a Foreign Operation'	Effective for annual reporting period beginning on or after 1 July 2009
• AASB 2009-9 'Amendment to Australian Accounting Standards arising from the Annual Improvements Process	Effective 1 January 2010
• AASB 2009-5 'Amendments to Australian Accounting Standards arising from the Annual Improvements Process	Effective 1 January 2010

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

a. **Basis of Consolidation**

The consolidated financial statements incorporate the financial statements of IPGA Ltd the Company, and entities controlled by IPGA Ltd (referred to as "the Group" in these financial statements). Control is achieved where IPGA Ltd has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. A list of controlled entities is contained in Note 23 to the financial statements.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. In the separate financial statements of the Group, intra-group transactions ("common control transactions") are generally accounted for by reference to the existing (consolidated) book value of the items. Where the transaction value of common control transactions differ from their consolidated book value, the difference is recognized as a contribution by or distribution to equity participants by the transacting entities.

b. **Borrowings**

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in income over the period of the borrowing using the effective interest rate method. All borrowing costs are recognised in profit or loss in the period in which they are incurred.

c. **Business combinations**

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured as the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and any equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under AASB 3 'Business Combinations' are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 'Non-Current Assets Held for Sale and Discontinued Operations', which are recognised and measured at fair value less costs to sell, Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

Increases in the interests in controlled entities are treated as a transaction between equity holders with no adjustment made to goodwill, nor to the profit and loss. Instead, the difference between the amount paid for the additional interest, and the book value of the minority interest eliminated is taken directly to reserves.

d. **Cash and cash equivalents**

Cash comprises cash on hand and on demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

e. **Comparative figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

f. **Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred.

g. **Financial assets**

Subsequent to initial recognition, investments in subsidiaries are measured at cost. Other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity' investments, 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

At the balance date the following categories of financial assets were held:

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Interest is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assesses for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asst the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownerships of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of transferred financial assets, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

h. **Financial instruments issued by the company**

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issued costs.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

i. **Foreign currency**

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Australian dollars, which is the functional currency of IPGA Ltd, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences which relate to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

On consolidation, the assets and liabilities of the Group's foreign operations (including comparatives) are translated into Australian dollars at exchange rates prevailing on the balance sheet date. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity on or after the date of transition to A-IFRS are treated as assets and liabilities of the foreign entity and translated at exchange rates prevailing at the reporting date. Goodwill arising on acquisitions before the date of transition to A-IFRS is treated as an Australian dollar denominated asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

j. **Goodwill**

Goodwill acquired in a business combination is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combinations, the excess is recognised immediately in profit or loss.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (CGUs), or groups of CGUs, expected to benefit from the synergies of the business combination. CGUs (or groups of CGUs) to which goodwill has been allocated are tested for impairment annually, or more frequently if events or changes in circumstances indicate that goodwill might be impaired.

If the recoverable amount of the CGU (or group of CGUs) is less than the carrying amount of the CGU (or groups of CGUs), the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU (or groups of CGUs) and then to the other assets of the CGU (or groups of CGUs) pro-rata on the basis of the carrying amount of each asset in the CGU (or groups of CGUs). An impairment loss recognised for goodwill is recognised immediately in profit or loss and is not reversed in a subsequent period.

On disposal of an operation within a CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal of the operation.

k. **Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable form the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

l. **Impairment of other tangible and intangible assets**

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

m. **Income tax**

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the balance sheet liability method. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the balance sheet. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

n. **Intangible assets**

Intangible assets acquired separately

Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or
- sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

o. **Leased assets**

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Finance leased assets are amortised on a straight line basis over the estimated useful life of the asset.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Lease incentives

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives are recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

p. **Property, plant and equipment**

Plant and equipment, leasehold improvements and equipment under finance lease are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment. Depreciation is calculated using either straight line or diminishing value based on the assess appropriateness of each method for each entity within the company. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

The following estimated useful lives are used in the calculation of depreciation:

Class of Fixed Asset	Years of Useful Life
Plant and equipment	4 - 8 years
Furniture and fittings	8 years
Leased plant and equipment	3 - 8 years

q. **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

<u>Contingent liabilities acquired in a business combination</u>

Contingent liabilities acquired in a business combination are initially measured at fair value at the date of acquisition. At subsequent reporting dates, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with AASB 137 ‘Provisions, Contingent Liabilities and Contingent Assets’ and the amount initially recognised less cumulative amortisation recognised in accordance with AASB 118 ‘Revenue’.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

r. **Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Rendering of services

Revenue is recognised where the contract outcome can be estimated reliably and control of the right to be compensated for their service and the stage of completion can be reliably measured. Advance billings are deferred and released in the appropriate period when the service is delivered. Prepayments are capitalised and released in the appropriate period when service is delivered.

Dividend and interest revenue

Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established.

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

s. **Significant estimates**

In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate present value.

The carrying amount of goodwill at the balance sheet date was $6,477,147 (2008: $6,838,959). Impairment losses have been recognised in the current financial year. Details are provided in note 13.

Useful lives of property, plant and equipment

The estimated useful lives of property, plant and equipment are described in note 1(p). The useful lives of all classes of property, plant and equipment are reviewed annually at the end of each annual reporting period.

Allowance for doubtful debts

A provision for doubtful debts has been provided for estimated irrecoverable trade receivables past the average credit period. This provision is determined by reference to past default experience and any change in quality of trade receivables.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 2: ITEMS INCLUDED IN LOSS

	Consolidated		Parent Entity	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Continuing operations				
The loss for the year has been determined after:				
Expenses				
Doubtful debt expense	90,590	5,097	-	-
Bad debt expense	73,704	-	-	-
Borrowing costs:				
Bank interest	-	-	-	-
Depreciation:				
Plant and equipment	75,509	51,707	-	-
Furniture and fittings	10,208	10,891	-	-
Leasehold improvements	6,697	19,205	-	-
Total depreciation	92,414	81,803	-	-
Discontinued operations				
Expenses				
Doubtful debt expense	-	-	-	-
Bad debt expense	-	-	-	-
Borrowing costs:				
Bank interest	11,183	5,076	-	-
Depreciation:				
Plant and equipment	19,805	23,011	-	-
Furniture and fittings	-	-	-	-
Leasehold improvements	-	-	-	-
Total depreciation	19,805	23,011	-	-

NOTE 3: INCOME TAX EXPENSE

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
The components of income tax expense				
Current tax payable	21,092	149,741	-	-
Overprovision in prior years	(105,905)	-	-	-
Total income tax expense/(benefits)	(84,813)	149,741	-	-
The prima facie tax on profit/(loss) before income tax is reconciled to the income tax credit as follows:				
Income tax expense/(benefit) calculated at 30%	(422,027)	(170,641)	(75,150)	(126,650)
Effect of differential rates in foreign jurisdictions	159,923	16,525	-	-
Tax effect of:				
Temporary differences - accruals and provisions	56,706	90,637	33,653	50,736
(Under)/over provision in prior years	105,905	-	-	-
Capital loss on discontinued operations	(174,881)	-	-	-
Deductible costs relating to share issue costs	(73,687)	(68,279)	(73,687)	(68,279)
Losses not brought to account	263,248	281,499	115,184	144,193
Income tax attributable to entity	(84,813)	149,741	-	-

Unrecognised deferred tax assets

Share issue costs

A deferred tax asset has not been recognised in relation to deferred share issue costs (which have been recognised directly into share capital) because, in the opinion of the directors, it is not probable that sufficient taxable income will be generated to utilise the future deductions.

Carry forward losses

A deferred tax asset has not been recognised in relation to carry forward taxation losses because, in the opinion of the directors, it is not probable that sufficient Australian sourced taxable income will be generated to utilise the losses.

	2009	2008	2009	2008
	$	$	$	$
Deferred tax assets not brought to account as an asset				
Tax losses - Revenue	544,714	281,499	327,334	144,193
Tax losses - Capital	67,990	-	-	-
Share issue costs	301,284	227,597	301,284	227,597
	913,988	509,096	628,618	371,790

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION

a. Names and positions held of Key Management Personnel in office at any time during the financial year are:

Directors

Mr Simon Baker	Chairman (appointed: 3 February 2010) and Non-Executive Director (appointed: 10 November 2009)
Mr Patrick Grove	Executive Chairman (resigned 3 February 2010), Deputy Chairman (appointed: 3 February 2010) and Non-Executive Director (appointed: 26 June 2007)
Mr Paul G Choiselat	Non-Executive Director (appointed: 2 August 2007)
Mr Samuel Weiss	Non-Executive Director (appointed: 2 August 2007)
Mr Hugh Morrow	Non-Executive Director (appointed: 2 August 2007)
Mr Dato' Larry Gan	Non-Executive Director (appointed: 2 July 2007, resigned 1 October 2009)

Executives

Mr Ken Tsurumaru	Chief Executive Officer (until 11/01/2010))
Ms Cynthia Chan	Company Secretary (appointed 2 August 2007)
Ross Farmer	Chief Financial Officer (appointed 20 June 2009)

b. Compensation Practices

Refer Remuneration Report segment of the Directors Report

c. The compensation of the Key Management Personnel is set out below:

	Consolidated		Parent Entity	
	2009 $	**2008 $**	**2009 $**	**2008 $**
Short-term employee benefits	425,252	323,878	425,252	323,878
Share based payments	136,500	126,680	136,500	126,680
Post-employment benefits	7,000	7,200	7,000	7,200
Other long term employee benefits	-	-	-	-
Termination benefits	-	-	-	-
Total compensation	**568,752**	**457,758**	**568,752**	**457,758**

Shareholdings

Key Management Personnel

	Balance 01.01.09	Received as remuneration	Options exercised	Purchases and sales	Balance 31.12.09	Shares not yet issued
Parent Entity Directors						
Mr P Grove	60,881,531	-	-	-	60,881,531	-
Mr P G Choiselat	11,706,876	160,000	-	-	11,866,876	-
Dato' L Gan (1)	80,000	160,000	-	-	240,000	-
Mr H Morrow	70,000	160,000	-	-	230,000	-
Mr S Weiss	160,000	160,000	-	-	320,000	-
Mr S Baker	-	-	-	5,657,042	5,657,042	
Sub-total	72,898,407	640,000	-	5,657,042	79,195,449	-
Parent Entity Executives						
Mr K Tsurumaru	24,000	-	-	-	24,000	-
Ms C Chan	150,000	-	-	-	150,000	-
Mr R Farmer	-	-	-	-	-	-
Sub-total	174,000	-	-	-	174,000	-
						-
Total	**73,072,407**	**640,000**	**-**	**5,657,042**	**79,369,449**	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION (continued)

Share based payments to Non Executive Directors

By an agreement between the Company and each of the Non Executive Directors, the Non Executive Directors have agreed to provide services to the Company. As detailed in the IPGA prospectus the Non Executive Directors will be remunerated using a mixture of cash and IPGA shares.

The remuneration of Non Executive Directors for the year ending 31 December 2009 includes $126,680 in respect of 640,000 IPGA shares. The issue of these shares to Non Executive Directors was approved by IPGA members at the 2009 Annual General Meeting.

During the financial year and the previous financial year the following share-based payment arrangements were in existence:

Share series	Grant date	Grant date fair value	Vesting date
First tranche	01/08/07	$0.25	Directors' entitlement to shares vests monthly on a pro-rata
Second tranche	01/08/07	$0.25	basis provided they continue to be Directors of the Company

NOTE 5: AUDITORS' REMUNERATION

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Remuneration of the auditor of the parent entity (Deloitte Touche Tohmatsu) for:				
Auditing or reviewing the financial report	125,000	96,993	96,993	96,993
Due diligence assistance	-	-	-	-
Tax advice	-	-	-	-
	125,000	96,993	96,993	96,993
Remuneration of the auditors of controlled entities (Firms other than Deloitte Touche Tohmatsu) for:				
Auditing or reviewing the financial report	60,000	-	-	-
Due diligence assistance	23,669	-	-	-
Tax advice	-	-	-	-
	83,669	-	-	-
Total	**208,669**	**96,993**	**96,993**	**96,993**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 6: LOSS PER SHARE

	2009 $	2008 $
Basic and Diluted loss per share		
The loss and weighted average number of ordinary shares used in the calculation are as follows:		
Net loss - continuing operations	1,321,943	542,734
Net loss used in the calculation of basic EPS	1,321,943	542,734
Net loss used in the calculation of dilutive EPS	1,321,943	542,734
Net loss - continuing & discontinued operations	1,904,880	718,543
Net loss used in the calculation of basic EPS	1,904,880	718,543
Net loss used in the calculation of dilutive EPS	1,904,880	718,543
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	112,881,597	107,158,235
Weighted average number of options currently considered dilutive	-	-
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive EPS	112,881,597	107,158,235
Continuing Operations		
Basic loss per share (cents)	(1.171)	(0.506)
Diluted loss per share (cents)	(1.171)	(0.506)
Continuing & Discontinued Operations		
Basic loss per share (cents)	(1.688)	(0.671)
Diluted loss per share (cents)	(1.688)	(0.671)

NOTE 7: CASH AND CASH EQUIVALENTS

	Consolidated		Parent Entity	
	2009 $	2008 $	2009 $	2008 $
Cash at bank	848,236	1,652,489	26,709	814,037
Cash on hand	2,470	4,209	100	100
	850,706	1,656,698	26,809	814,137

Reconciliation of cash

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

Cash and cash equivalents	850,706	1,656,698	26,809	814,137

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 8: TRADE AND OTHER RECEIVABLES

	Consolidated		Parent Entity	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Current				
Trade debtors	889,483	847,422	-	-
Less provision for doubtful debts	(113,995)	(23,405)	-	-
	775,488	824,017	-	-
Amounts receivable - controlled entities:				
- Info-Tools Pte Ltd (Singapore)	-	-	91,999	180,681
- Iproperty.com Malaysia Sdn Bhd (Malaysia)	-	-	665,893	29,863
- GoHome H.K.Co. Limited (Hong Kong)	-	-	666,615	433,161
- Finance 18 (Hong Kong)	-	-	2,121	-
- Iproperty.com Events Sdn Bhd (Malaysia)	-	-	203,631	174,264
	-	-	1,630,259	817,969
Other debtors (sundry receivables and rental bonds)	200,582	431,404	2,354	3,806
GST receivable	14,038	79,911	14,038	79,911
Total trade and other receivables	**990,108**	**1,335,332**	**1,646,651**	**901,686**
<u>Ageing of past due but not impaired</u>				
60-90 days	170,303	55,186	-	-
90 days plus	379,775	392,867	-	-
Total	**550,078**	**448,053**	**-**	**-**

Amounts receivable from controlled entities consist of loans from parent entity to subsidiaries. There is no interest charged on the loans. Receivables from controlled entities are at call.

The average credit period on rendering of services is 30 days for direct client billings and 60 days for agency billings. The Group does not charge interest on the trade receivables for amounts owing past the due date neither does it hold collateral over these balances. A provision for doubtful debts has been provided for estimated irrecoverable trade receivables past credit period determined by reference to past default experience and the change in quality of trade receivables.

Movement in provision for doubtful debts				
Balance at the beginning of year	(23,405)	(18,308)	-	-
Doubtful debts allowance recognised during the year	(90,590)	(5,097)	-	-
Impairment losses recognised on receivables	-	-	-	-
Balance at the end of year	**(113,995)**	**(23,405)**	**-**	**-**
<u>Ageing of impaired trade receivables</u>				
60-90 days	-	-	-	-
90 days plus	(113,995)	(23,405)	-	-
Total	**(113,995)**	**(23,405)**	**-**	**-**

	Consolidated		Parent Entity	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Non-Current				
Amounts receivable - controlled entities:				
- Iproperty.com Pte Ltd (Singapore)	-	-	292,427	302,070
- Iproperty Group Asia Pte Ltd (Singapore)	-	-	7,467,197	6,968,654
	-	**-**	**7,759,623**	**7,270,724**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 9: OTHER ASSETS

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Current				
Prepayments	189,717	223,035	30,105	30,517

NOTE 10: OTHER FINANCIAL ASSETS

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Non-Current				
Unlisted investments	-	261,816	-	261,816
Shares in controlled entities at cost	-	-	652	652
Total	-	261,816	652	262,468
Movements in the value of investments:				
Balance at 1 January 2009	261,816	261,816	262,468	262,468
Acquisitions	-	-	-	-
Adjustment to purchase cost	(12,600)	-	(12,600)	-
Impairment losses for the year	(249,216)	-	(249,216)	-
Balance at 31 December 2009	-	261,816	652	262,468
Represented as:				
Current	-	-	-	-
Non-current	-	261,816	652	262,468
	-	261,816	652	262,468

An impairment loss of $249,216, equivalent to the full carrying value of the 15% investment in Horizon Infoventures Private Limited, has been taken up due to uncertainties surrounding its short-term performance. This investment is within the Unallocated cash generating unit.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 11: PLANT AND EQUIPMENT

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Plant and equipment				
At cost	330,031	454,892	-	-
Less: Accumulated depreciation	(145,459)	(187,741)	-	-
	184,572	267,151	-	-
Furniture and fittings				
At cost	41,501	89,469	-	-
Less: Accumulated depreciation	(19,160)	(24,835)	-	-
	22,341	64,634	-	-
Leasehold improvements				
At cost	110,401	89,231	-	-
Less: Accumulated depreciation	(50,319)	(49,489)	-	-
	60,082	39,742	-	-
Total plant and equipment	**266,995**	**371,527**	**-**	**-**

Movements in carrying amounts

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year are set out below:

	Plant and equipment	Furniture and fittings	Leasehold Improvements	Total
Consolidated				
Balance at 1 January 2008	64,808	6,291	4,301	75,400
Acquisition through business combination	91,084	-	-	91,084
Acquisitions during the period	185,977	69,234	54,646	309,857
Depreciation expense	(74,718)	(10,891)	(19,205)	(104,814)
Carrying amount at 31 December 2008	267,151	64,634	39,742	371,527
Acquisition through business combination	-	-	-	-
Acquisitions - continuing operations	72,278	2,326	30,113	104,717
Disposals - continuing operations	(668)	(50,293)	(9,020)	(59,981)
Disposals - discontinued operations	(85,799)	-	-	(85,799)
Depreciation expense - continuing operations	(75,509)	(10,208)	(6,697)	(92,414)
Depreciation expense - discontinued operations	(19,805)	-	-	(19,805)
Net foreign currency exchange differences	26,924	15,883	5,943	48,750
Carrying amount at 31 December 2009	184,572	22,342	60,081	266,995

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 11: PLANT & EQUIPMENT (continued)

	Plant and equipment	Furniture and fittings	Leasehold Improvements	Total
Parent entity				
Balance at 1 January 2008	-	-	-	-
Acquisition through business combination	-	-	-	-
Acquisitions during the period	-	-	-	-
Depreciation expense	-	-	-	-
Carrying amount at 31 December 2008	-	-	-	-
Acquisition through business combination	-	-	-	-
Acquisitions during the period	-	-	-	-
Depreciation expense	-	-	-	-
Carrying amount at 31 December 2009	-	-	-	-

NOTE 12: INTANGIBLE ASSETS

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Websites, domain names, trade marks and other intangibles				
Balance at beginning of the financial year	326,134	314,020	2,570	-
Acquisitions through business combinations	-	-	-	-
Additions	-	12,114	-	2,570
Net carrying value	**326,134**	**326,134**	**2,570**	**2,570**

NOTE 13: GOODWILL

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Balance at beginning of the financial year	6,838,959	5,452,628	-	-
Additions from business combinations occurring during the year	-	1,208,002	-	-
Addition to goodwill recognised in prior period	-	178,329	-	-
Impairment - Discontinued operations	(361,812)			
Net carrying value	**6,477,147**	**6,838,959**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 13: GOODWILL (continued)

Allocation of goodwill to cash generating units

Goodwill allocated for impairment testing is assigned on the basis of the cash generating unit to which it relates.

The recoverable amount of each cash generating unit is determined based on a value in use calculation which uses cash flow projections based on the financial budgets approved by management for the 2010 financial year. The 2010 budget is then extrapolated for a further four years at projected growth rates in both revenue and costs, to which a discount rate is applied. This rate is based on the risk-free rate plus a risk margin. The rate varies from 28.54% to 31.64% (2008: 8.78%).

Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

Management annually reviews the carrying value of goodwill and intangible assets to determine whether there is any indication that goodwill or intangible assets have been impaired. The discounted cash flow method of measurement was used to estimate the recoverable amount of those assets. The recoverable amount using the stated method of calculation was greater than the carrying value of the stated assets and accordingly there was no impairment. For details of acquisitions from business combinations refer to note 24.

NOTE 14: TRADE AND OTHER PAYABLES

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Current				
Unsecured liabilities:				
Trade payables	309,371	204,220	284,920	63,136
Sundry payables and accrued expenses	391,418	446,240	4,187	153,857
GST payable	27,957	35,189	-	-
Billings in advance	1,386,511	929,023	-	-
Accrued acquisition costs	-	344,000	-	344,000
	2,115,257	1,958,672	289,107	560,993

The average credit period on purchases is normally 60 days. No interest is charged on the trade payables. The Group has financial risk management procedures in place to ensure that all payables are paid within the credit timeframe.

NOTE 15: CURRENT TAX LIABILITIES

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Current income tax payable	21,092	149,742	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 16: BORROWINGS

	Consolidated		Parent Entity	
	2009 $	2008 $	2009 $	2008 $
CURRENT (secured)				
Bank loans	-	175,496	-	-
	-	175,496	-	-
NON CURRENT (secured)				
Bank loans	-	68,237	-	-
	-	68,237	-	-
Total borrowings	-	243,733	-	-

All loans related to Info-Portal Tech International Company Limited. These loans have been deconsolidated following loss of control of that entity.

NOTE 17: PROVISIONS

	Consolidated		Parent Entity	
	2009	2008	2009	2008
Current				
Employee entitlements:				
Opening balance	77,683	9,076	-	-
Provision acquired from business combination	-	-	-	-
Additional provisions recognised	-	-	-	-
Charges against provisions	-	68,607	-	-
Payments made	(31,173)			
Closing balance	46,510	77,683	-	-
Number of employees	97	95	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 18: ISSUED CAPITAL

	Notes	Consolidated 2009	Consolidated 2008	Company 2009	Company 2008
114,978,784 Fully paid ordinary shares (2008: 108,286,182 fully paid ordinary shares.	17a	9,849,263	9,142,568	9,849,263	9,142,568

a. Ordinary shares	**$**	**$**
Opening Balance	9,142,568	7,665,052
Shares issued during the year:		
07/03/08 - 1,375,640 shares issued as part consideration for the acquisition of Keagen Group Sdn Bhd at 25 cents per share	-	343,910
11/03/08 - Final consideration for Info-Tools Pte Ltd at 25 cents per share	-	1,150,130
24/04/09 - 640,000 shares issued to non-executive directors at 25 cents per share as part of directors' remuneration	160,000	-
16/05/09 - 5,000,000 shares issued to CAV Investment Holdings Pty Ltd at 10 cents per share	500,000	-
05/06/09 - 1,052,602 shares issued as part consideration for the acquisition of the Keagen Group Sdn Bhd at 13 cents per share	136,838	-
Share issue costs	(90,143)	(16,524)
At end of year	9,849,263	9,142,568

a. Ordinary shares	**No.**	**No.**
Opening Balance	108,286,182	102,310,021
Shares issued during the year		
07/03/08 - 1,375,640 shares issued as part consideration for the acquisition of Keagen Group Sdn Bhd at 25 cents per share	-	1,375,640
11/03/08 - Final consideration for Info-Tools Pte Ltd at 25 cents per share	-	4,600,521
24/04/09 - 640,000 shares issued to non-executive directors at 25 cents per share as part of directors' remuneration	640,000	-
16/05/09 - 5,000,000 shares issued to CAV Investment Holdings Pty Ltd at 10 cents per share	5,000,000	-
05/06/09 - 1,052,602 shares issued as part consideration for the acquisition of the Keagen Group Sdn Bhd at 13 cents per share	1,052,602	-
At end of year	114,978,784	108,286,182

b. Options

No options have been issued by the Company.

c. Shares

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

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

NOTE 19: RESERVES

	Consolidated		Parent Entity	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Foreign currency translation reserve				
Balance at the beginning of the financial year	136,608	(25,202)	-	-
Translation of foreign operations	(285,024)	161,810	-	-
Balance at the end of the financial year	(148,416)	136,608	-	-
Equity Reserve				
Balance at the beginning of the financial year	-	-	-	-
Equity Reserve arising from increase in interest in controlled entity	(182,514)	-	-	-
Balance at the end of the financial year	(182,514)	-	-	-
Reserves at the end of the financial year	**(330,930)**	**136,608**	**-**	**-**

NOTE 20: ACCUMULATED LOSSES

	Consolidated		Parent Entity	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Retained earnings:				
Balance at the beginning of the financial year	(695,505)	23,038	(421,459)	(1,602)
Net operating loss for the financial year attributable to members of the parent entity	(1,904,880)	(718,543)	(250,500)	(419,857)
Total available for appropriation	(2,600,385)	(695,505)	(671,959)	(421,459)
Accumulated loss at the end of the financial year	**(2,600,385)**	**(695,505)**	**(671,959)**	**(421,459)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 21: CAPITAL AND LEASING COMMITMENTS

Finance lease commitments
The Company and consolidated entity do not have any finance leases.

Non cancellable operating lease commitments
Non cancellable operating leases contracted but not capitalised in the financial statements

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Payable:				
Not later than one year	81,161	248,430	-	-
Later than 1 year but not later than 5 years	35,099	584,824	-	-
Total commitments	**116,260**	**833,254**	**-**	**-**

Operating lease commitments relate to premises occupied by the Group with lease terms currently still available of under 2 years. The Group does not have an option to purchase the premises at the expiry of the lease period.

NOTE 22: CASH FLOW INFORMATION

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
a. Reconciliation of cash flow from operations with loss from ordinary activities after income tax				
Loss from ordinary activities after income tax	(1,904,880)	(718,543)	(250,500)	(419,857)
Non-cash flows in (loss)/profit from ordinary activities				
Depreciation	92,414	104,814	-	-
Doubtful debts expense	164,294	5,097	-	-
Impairment - Goodwill	361,812	-	-	-
Impairment - unlisted investment	249,216	-	249,216	-
Leave provisions	(31,173)	68,607	-	-
Change in net assets and liabilities, net of effect from acquisition and disposal of businesses				
(Increase) in trade and other receivables	345,224	(1,062,733)	(159,391)	(694,667)
(Increase)/Decrease in other assets	33,318	(178,686)	412	2,246
Increase in trade and other payables	65,303	190,371	(271,886)	470,151
Increase in current tax payable	(128,649)	146,861	-	-
Net cash outflow from operating activities	**(753,122)**	**(1,444,212)**	**(432,150)**	**(642,128)**

NOTE 22: CASH FLOW INFORMATION (continued)

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
b. Acquisition of entities				
Cost of purchases	**182,514**	**1,378,856**	**-**	**-**
Cash paid component	182,514	690,946	-	-
Less cash acquired	-	(436,221)	-	-
Net cash paid for subsidiary	182,514	254,725	-	-

NOTE 23: CONTROLLED ENTITIES

	Country of incorporation	Percentage Owned 2009 %	Percentage Owned 2008 %
Parent Entity			
IPGA Limited	Australia		
Subsidiaries of IPGA Limited			
Iproperty Group Asia Pte Ltd	Singapore	100	100
Iproperty.com Malaysia Sdn Bhd (formerly Ailligent Sdn Bhd)	Malaysia	100	100
Info-Tools Pte Ltd	Singapore	100	100
Finance18.com Limited	Hong Kong	100	100
Gohome H.K.Co. Limited	Hong Kong	100	100
House18 Service Limited	Hong Kong	100	100
Iproperty.com Events Sdn Bhd (formerly Keagan Group Sdn Bhd)	Malaysia	100	100
iProperty.com Pty Ltd	Australia	100	100
IPGA Share Plan Pty Ltd	Australia	100	-
Info-Portal Tech International Company Limited	Taiwan	-	25

NOTE 24: ACQUISITION OF BUSINESSES

In 2009, the Group increased its shareholding of a controlled entity, Info-Portal Tech International Company Limited, at a cost of $182,514. This represents an additional 19% of the equity of Info-Portal Tech International Company Limited. Consideration was paid in cash.

Name of business acquired	Principal activity	Date of Acquisition	Percentage of shares acquired %	Cost of acquisition $
Acquisitions in 2009				
Nil				
Acquisitions in 2008				
Keagen Group Sdn Bhd	Property Exhibition	07/03/08	100	795,919
Info-Portal Tech International Company Limited	Online Advertising	11/09/2008	25	582,937
Total in 2008				**1,378,856**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 24: ACQUISITION OF BUSINESSES (Continued)

2008 Acquisitions

Fair value of assets and liabilities acquired at acquisition date:

	Keagen Group Sdn Bhd			Info-Portal Tech International Co. Limited			
Balance sheet item	**Book value $**	**Fair value adj. $**	**Fair value on acquisition $**	**Book value $**	**Fair value adj. $**	**Fair value on acquisition $**	**Total fair value on acquisition $**
Current assets:							
Cash and cash equivalents	59,010	-	59,010	377,211	-	377,211	436,221
Trade and other receivables	62,878	-	62,878	72,895	-	72,895	135,773
Other assets	48,290	-	48,290	73,703	-	73,703	121,993
Other financial assets	-	-	-	-	-	-	-
Total current assets	170,178	-	170,178	523,809	-	523,809	693,987
Non current assets:							
Other financial assets	-	-	-	56,853	-	56,853	56,853
Property, plant and equipment	-	-	-	91,084	-	91,084	91,084
Intangible assets	-	-	-	-	-	-	-
Total non current assets	-	-	-	147,937	-	147,937	147,937
Total assets	170,178	-	170,178	671,746	-	671,746	841,924
Current liabilities:							
Trade and other payables	220,449	-	220,449	241,536	-	241,536	461,985
Current tax liabilities	-	-	-	4,561	-	4,561	4,561
Borrowings	-	-	-	204,524	-	204,524	204,524
Provisions	-	-	-	-	-	-	-
Total current liabilities	220,449	-	220,449	450,621	-	450,621	671,070
Total liabilities	220,449	-	220,449	450,621	-	450,621	671,070
Net assets	**(50,271)**	**-**	**(50,271)**	**221,125**	**-**	**221,125**	**170,854**
Total purchase consideration			795,919			582,937	1,378,856
Goodwill on acquisition			**846,190**			**361,812**	**1,208,002**

Net cash flow on acquisition	**Keagen Group Sdn Bhd**	**Info-Portal Tech International Co. Limited**	**Total**
Total purchase consideration	795,919	582,937	1,378,856
Less: non-cash consideration	(343,910)	-	(343,910)
Less: accrued consideration	(344,000)	-	(344,000)
Consideration paid or payable in cash	108,009	582,937	690,946
Less: cash and cash equivalent balances acquired	(59,010)	(377,211)	(436,221)
Net cash flow on acquisition	**48,999**	**205,726**	**254,725**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 24: ACQUISITION OF BUSINESSES (continued)

Acquisition of Info-Portal Tech International Co. Limited
In August and September 2009 IPGA Ltd, by way of its wholly owned subsidiary iProperty Group Asia Pte Ltd, entered into an agreement to increase the controlling stake in Info-Portal Tech International Co. Limited ("Info-Portal"). IPGA initially had 25% of the issued capital of Info-Portal, including preference shares that give 51% of voting rights to IPGA. The increased holdings of 9% and 10% respectively took the total holding to 44%

The acquired business contributed revenues of $198,838, an EBITDA loss of ($148,700), and net loss after tax of ($175,809) to the Group for the year ended 31 December 2008, The loss after tax for 2009 was $419,097.

The directors do not consider it practical to estimate what consolidated revenues and profit for the year ended 31 December 2008 would have been if the acquisition had occurred on 1 January 2008 as Info-Portal was previously unaudited.The initial accounting for this business combination has been determined on a provisional basis.

NOTE 25: SEGMENT REPORTING

The Group has adopted AASB 8 ' Operating Segments' with effect from 1 January 2009. AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments.
As a result, following the adoption of AASB 8, the identification of the Group's reportable segment has changed.

In prior years, segment information reported externally was analysed based on the view that the Asia-Pacific region represented a single business segment. However, information provided to the Group's chief operating decision maker primarily focuses on three geographical markets; Malaysia, Hong Kong and Singapore, which are the Group's reportable segments adopted under AASB 8. The services provided by the Group are internet-based real estate services, which are not readily classifiable into further business segments.

Transactions within each segment are recorded in the legal entities operating within each segment, enabling each segment to be managed as a unit within its geographic area. There are few shared resources apart from management resources, and where it is appropriate for these costs to be spread across segments, transfers are conducted in accordance with international transfer-pricing guidelines.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 25: SEGMENT REPORTING (continued)

Business segments:
The economic entity operates in the online advertising sector through geographical segments comprising Malaysia, Singapore and Hong Kong. During the year, the operations of Taiwan were discontinued.

Continuing Operations	**2009 $**	**2008 $**
Revenue		
Malaysia		
Income from services	1,915,562	2,198,476
Other income	436	22,769
Interest income	-	-
Segment revenue	1,915,998	2,221,245
Hong Kong		
Income from services	621,483	562,711
Other income	54,770	65,976
Interest income	-	-
Segment revenue	676,253	628,687
Singapore		
Income from services	1,421,520	1,122,172
Other income	3,753	26,396
Interest income	2,369	9,883
Segment revenue	1,427,642	1,158,451
Corporate		
Income from services	16,249	7,341
Other income	-	(921)
Interest income	8,574	111,201
Segment revenue	24,823	117,621
Total		
Income from services	3,974,814	3,890,701
Other income	58,959	114,220
Interest income	10,943	121,084
Total Revenue - Continuing Operations	**4,044,716**	**4,126,005**
Depreciation		
Malaysia	42,715	33,886
Hong Kong	14,069	8,696
Singapore	35,570	38,881
Corporate	60	340
Depreciation - Continuing Operations	92,414	81,803
Interest Expense		
Malaysia	-	-
Hong Kong	-	-
Singapore	-	-
Corporate	-	-
Interest Expense - Continuing Operations	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 25: SEGMENT REPORTING (continued)

	2009 $	2008 $
Loss from ordinary activities before income tax		
Malaysia	(83,399)	(362,486)
Hong Kong	(373,776)	(48,696)
Singapore	(783,266)	(116,648)
Corporate	(166,316)	134,837
Loss - Continuing Operations	**(1,406,757)**	**(392,993)**
Assets		
Malaysia	1,213,029	1,122,322
Hong Kong	638,557	392,102
Singapore	7,166,302	8,994,392
Corporate	82,919	1,534
Assets - Continuing Operations	9,100,807	10,510,350
Liabilities		
Malaysia	857,604	708,285
Hong Kong	241,666	223,229
Singapore	793,139	557,709
Corporate	290,450	940,608
Liabilities - Continuing Operations	2,182,859	2,429,831
Asset Acquisition		
Malaysia	13,814	161,906
Hong Kong	32,331	64,623
Singapore	58,572	42,424
Corporate	-	131,988
Asset Acquisition - Continuing Operations	104,717	400,941

	2009 $	2008 $
Discontinued Operations		
Revenue from services	445,718	198,838
Other income	9,329	17,523
Interest income	-	978
Segment Revenue	**455,047**	**217,339**
Depreciation	19,805	23,011
Interest Expense	-	5,076
Loss from ordinary actvities before income tax	**(419,097)**	**(175,809)**
Segment Assets	-	503,157
Segment Liabilities	-	413,366
Acquisition of segment assets	-	105,604

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 26: LOSS FROM DISCONTINUED OPERATIONS

At 31 December 2008, the Group held a 25% interest in Taiwan-based Info-Portal Tech International Company Limited, with 51% voting control. During the year, the Group made further capital injections to raise its interest to 44%.

On 15th December 2009, the company was placed in voluntary liquidation, resulting in loss of control. As a result, effective control of the company passed to the appointed liquidator. Consequently, Info-Portal Tech International Company Limited was deconsolidated from the group as at December 2009.

Subsequent to deconsolidation, the investment in the company was fully impaired, resulting in an impairment charge of $361,812 being recognised.

	2009 $	2008 $
Impairment loss	361,812	-
Deconsolidation adjustment	(197,972)	-
	163,840	-

Info-Portal Tech International Company Limited delivered the following financial results for the year ended 31 December 2009 prior to deconsolidation.

	2009	2008
Revenue	455,047	217,339
Expenses	874,144	393,148
Loss before tax	419,097	175,809
Income tax	-	-
Loss after income tax	419,097	175,809
Loss from discontinued operations	582,937	175,809

Carrying amounts of assets and liabilities at date of deconsolidation

Cash	9,445
Receivables	88,052
Total assets	97,497
Trade and other creditors	98,966
Loan	52,410
Taxation payable	3,516
Total liabilities	154,892
Net assets	(57,395)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 27: RELATED PARTY TRANSACTIONS

Equity interests in subsidiaries

IPGA Ltd owns 100% of ordinary shares in all its subsidiaries except for Info-Portal Tech International Company Limited (Taiwan) where IPGA Ltd owns 25% of ordinary shares but controls 51% of voting rights (refer note 23).

Key Management Personnel equity holdings in IPGA Limited

Refer note 4 Key Management Personnel Compensation

Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	Consolidated		Parent Entity	
	2009	2008	2009	2008
Transactions with related parties:	$	$	$	$
i. Director-related Entities				
Administrative services fees, facilities fees and occupancy fees were charged by Beconwood Securities Pty Ltd, a company associated with Paul G Choiselat to the group. The outstanding unpaid balance at year end is $74,143.	201,158	204,968	201,158	47,696
Accounting services fees and consulting service fees were charged by Catcha Media Group Pte Ltd, a company associated with Patrick Grove to the group. The outstanding unpaid balance at year end is $10,000.	134,038	23,100	134,038	23,100
	335,196	228,068	335,196	70,796
ii. Share Transactions of Directors				
Directors and director-related entities hold directly, indirectly or beneficially as at the reporting date the following equity interests in the Company:				
— ordinary shares	79,195,449	72,898,407	79,195,449	72,898,407

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 28: FINANCIAL INSTRUMENTS

(a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group's overall strategy remains unchanged from the previous annual report lodged for financial year end 31 December 2008.

The capital structure of the Group includes equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in notes 18, 19 and 20 respectively. The Group operates in various countries, primarily through subsidiary companies established in the markets in which the Group trades. None of the Group's entities are subject to externally imposed capital requirements.

The Group has sufficient operating cash flows to maintain the group's current level of operations as well as to make the routine outflows of tax and the payment of any earn outs under contract.

Gearing ratio

The Group's management and Directors monitor the capital structure on a monthly basis. The gearing ratio at year end was as follows:

	Consolidated		**Parent Entity**	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Financial assets				
Loans	-	243,733	-	-
Total Debt	-	243,733	-	-
Equity	6,917,948	8,583,671	9,177,304	8,721,109
Net debt to equity ratio (%)	N/A	2.84%	N/A	N/A

(b) Categories of financial instruments

Financial assets				
Fair value through profit or loss (FVTPL):				
Cash and cash equivalents	850,706	1,656,698	26,810	814,137
Loans and receivables	990,108	1,335,332	1,646,651	901,686
	1,840,814	2,992,030	1,673,461	1,715,823
Financial liabilities				
Fair value through profit or loss (FVTPL):				
Loans	-	243,733	-	-
Trade and other payables	2,149,009	1,992,424	-	-
	2,149,009	2,236,157	-	-

(c) Financial risk management objectives

The Group's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk analysis by management on a regular basis including exposures by degree and magnitude of risks. These risks include market (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 28: FINANCIAL INSTRUMENTS (continued)

(d) Market risk

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates and interest rates. The exposure is however minimal. The Group's overseas revenues are serviced by subsidiaries that are based in those countries therefore bringing its foreign currency exposure to just translation when converting to Parent company currency for financial reporting purposes and transactions that are intercompany. Due to the minimum exposure, the Group has not used any hedging instruments and there is no foreign exchange risk at balance date for group and company.

(e) Interest rate risk management

The Group manages its interest rate risk by ensuring that operations are sustained by operating cash flows so that the debt facilities are not used. The Group's exposure to interest rate risk is limited to the movement in interest rate in terms of its cash held at bank as listed in note 7.

2009	Consolidated		Parent Entity	
Average interest rate (%)	**$**	**actual**	**$**	**actual**
4.0 (actual)	10,943	-	8,571	-
4.50 (+ 0.5)	12,311	1,368	9,643	1,071
5.0 (+ 1.0)	13,679	2,736	10,714	2,143
3.50 (- 0.5)	9,575	(1,368)	7,500	(1,071)
3.0 (-1.0)	8,207	(2,736)	6,429	(2,143)

The above sensitivity analysis shows the actual amount of interest decrease or increase depending on the rise or fall of interest rates.

(f) Foreign currency sensitivity analysis

The Group is mainly exposed to Singapore dollars (SGD), Malaysian Ringgit (MYR) and Hong Kong dollars (HKD).

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents mangement's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number indicates an increase in profit or loss and other equity where the Australian dollar strengthens against the respective currency. For a weakening of the Australian dollar against the respective currency there would be an equal and opposite impact on the profit and other equity, and the balances below would be reversed.

	SGD Impact			
	Consolidated		**Parent Entity**	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Profit or loss	-	-	-	-
Other equity	687,200	834,249	-	-

	MYR Impact			
	Consolidated		**Parent Entity**	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Profit or loss	-	-	-	-
Other equity	79,048	17,792	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 28: FINANCIAL INSTRUMENTS (continued)

	HKD Impact			
	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Profit or loss	-	-	-	-
Other equity	60,601	48,590	-	-

(g) Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group adopted a policy of generally dealing with reputable counterparties as a means of mitigating the risk of financial loss from defaults.
Trade receivables consist of a large number of customers and ongoing credit evaluation is performed on the accounts regularly. The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk.

(h) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk table

The following table details the Group's and the Company's remaining contractual maturity for its non derivative financial liabilities. The Group does not have any derivative financial liabilities.

Consolidated - 2009	weighted average effective interest rate %	1-3 months	Within 1 year	1 to 5 years	Total
Financial assets					
Cash and cash equivalents	4.00%	850,706	-	-	850,706
Trade receivables	0.00%	775,488	-	-	775,488
Other receivables	0.00%	214,620	-	-	214,620
		1,840,814	-	-	1,840,814
Financial liabilities					
Trade payables	0.00%	309,371	-	-	309,371
Other payables	0.00%	391,418	-	-	391,418
Current tax liabilities	0.00%	27,957	21,092	-	49,049
Bank loans	0.00%	-	-	-	-
Other payables	0.00%	1,386,511	696,767	-	2,083,278
Provisions	0.00%	-	46,510	-	46,510
		2,115,257	764,369	-	2,879,626

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 28: FINANCIAL INSTRUMENTS (continued)

Consolidated - 2008	weighted average effective interest rate %	1-3 months	Within 1 year	1 to 5 years	Total
Financial assets					
Cash and cash equivalents	6.00%	1,656,698	-	-	1,656,698
Trade receivables	0.00%	824,017	-	-	824,017
Other receivables	0.00%	511,315	-	-	511,315
		2,992,030	-	-	2,992,030
Financial liabilities					
Trade payables	0.00%	204,220	-	-	204,220
Other payables	0.00%	446,240	-	-	446,240
Current tax liabilities	0.00%	-	149,742	-	149,742
Bank Loans	5.62%	53,800	121,697	68,237	243,734
Other payables	0.00%	611,445	696,767	-	1,308,212
Provisions	0.00%	-	77,683	-	77,683
		1,315,705	1,045,889	68,237	2,429,831

Parent Entity - 2009	weighted average effective interest rate %	1-3 months	Within 1 year	1 to 5 years	Total
Financial assets					
Cash and cash equivalents	6.00%	26,810	-	-	26,810
Other receivables	0.00%	16,392	-	-	16,392
Related party loans	0.00%	-	-	9,389,883	9,389,883
		43,202	-	9,389,883	9,433,085
Financial liabilities					
Trade payables	0.00%	284,920	-	-	284,920
Other payables	0.00%	4,187	-	-	4,187
		289,107	-	-	289,107

Parent Entity - 2008	weighted average effective interest rate %	1-3 months	Within 1 year	1 to 5 years	Total
Financial assets					
Cash and cash equivalents	6.00%	814,137	-	-	814,137
Other receivables	0.00%	83,717	-	-	83,717
Related party loans	0.00%	-	-	8,088,693	8,088,693
		897,854	-	8,088,693	8,986,547
Financial liabilities					
Trade payables	0.00%	63,136	-	-	63,136
Other payables	0.00%	497,857	-	-	497,857
		560,993	-	-	560,993

(i) Fair value of financial instruments

The directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

NOTE 29: CONTINGENT LIABILITIES

There are no contingent liabilities.

NOTE 30: EVENTS SUBSEQUENT TO REPORTING DATE

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

NOTE 31: SHARE BASED PAYMENTS

The Group has an ownership-based compensation scheme for eligible employees of the Group.

In accordance with the provisions of the plan, eligible employees that have joined this scheme may be granted rights which can be converted to ordinary shares upon meeting certain performance criteria's.

Each right converts to one ordinary share of IPGA Limited on exercise. No amounts are paid or payable by the recipient on receipt of the right. The rights carry neither rights to dividends nor voting rights. Rights may be exercised at any time from the date of vesting to the date of their expiry.

The number of rights granted is determined by the directors in accordance with the 'Rights Plan Rules' which has been approved by the shareholders at the 2008 Annual General Meeting. This rewards eligible employees against the extent of the Group's and Individuals achievement against both qualitative and quantitative criteria as set by the directors for each of the tranches granted. Financial measures include:
- Achievement of Group Revenue targets
- Achievement of Group EBITDA targets
- Achievement of Segment targets

The rights expire 10 years from the grant date or if the performance criteria's are not met, whichever is the earlier.

The following share-based payments arrangements were in existence during the current and comparative reporting periods:

Rights series	Number	Grant date	Expiry date	Fair value at grant date
(1) Issued 4 Dec 2009*	466,623	4/12/2009	4/12/2019	$ 46,662

* In accordance with the terms of the share-based arrangement, the rights issued on 4 December 2009 will vest when the financial targets for the 2010 year are met and the employees remains employed as at 1 January 2011.

DIRECTORS' DECLARATION

The Directors declare that:

a. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

b. In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and

c. The Directors have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors.

Simon Baker
Chairman

Dated this 26th day of February 2010

Deloitte.

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Independent Auditor's Report to the Members of IPGA Limited

Report on the Financial Report

We have audited the accompanying financial report of IPGA Limited, which comprises the statement of financial position as at 31 December 2009, and the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 33 to 73.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu

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Deloitte.

Auditor's Independence Declaration

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 IPGA 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 31 December 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 also complies with International Financial Reporting Standards as disclosed in Note 1.

Material Uncertainty Regarding Continuation as a Going Concern

Without qualifying our opinion, we draw attention to Note 1 in the financial report which indicates that the consolidated entity incurred a net loss of $1,904,880 (Company: $250,500) during the year ended 31 December 2009 and, as of that date, the consolidated entity's current liabilities exceeded its current assets by $152,328. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the ability of the company and consolidated entity to continue as going concerns and whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 26 to 31 of the directors' report for the year ended 31 December 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 IPGA Limited for the year ended 31 December 2009, complies with section 300A of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

R D D Collie
Partner
Chartered Accountants
Melbourne, 26 February 2010

Additional Investor Information

Stock Exchange Listing
IPGA is listed on ASX under the code IPP for ordinary shares.

Distributions
No distributions or dividends have been paid by IPGA for the year.

Registry
Registries Limited is IPGA's security register manager and holds all shareholder records electronically. Registries Limited is also responsible for the maintenance of shareholder records and the preparation of distribution payments. Contact details for Registries Limited are set out on the last page of this Report.

Investor Support
If you have any queries regarding your investment, please contact +612 9290 9600 or visit their website at www.registrieslimited.com.au. Please note there is a section of the website designed to provide shareholders with the forms necessary to initiate changes of the details held at the registry. Enquiries may also be e-mailed via Computershare's website (www.registrieslimited.com.au).

Requests for changes to your holding details, distribution payment details, or general enquires can all be directed to the Registries Shareholder Service Centre.

Annual Report
All shareholders are entitled to receive a copy of the Annual Report. If you do not require the Annual Report, or if you receive more copies than you require, please notify Registries Limited at the address shown on the last page of this Report. The Annual Report and Financial Statements can also be downloaded from the ASX Announcement area of our website at www.iproperty.com

Annual General Meeting
IPGA's last Annual General Meeting was held on 15 April 2009. Shareholders endorsed the re-appointment of Mr Paul Choiselat and Mr Samuel Weiss, and were given an overview of the performance of the Company.

The next Annual General Meeting will be held on Wednesday, 19 May 2010 at the office of HWL Ebsworth at Level 41, 600 Bourke Street, Melbourne, Victoria 3000, Australia. The Notice of Meeting and Proxy Form are included with this Report.

Statement of Shareholders
Twenty (20) Largest Holders of quoted Ordinary Shares as at 19 February 2010:

Shareholder	No. of Shares Held	% Held
Catcha Media Group Pte Ltd	60,541,310	52.20
Beconwood Superannuation Pty Ltd <WSF A/C>	10,735,923	9.26
Tay Kam Chiew	8,280,938	7.14
CAV Investment Holings Pty Ltd	5,221,000	4.50
National Nominees Limited	4,000,000	3.45
J P Morgan Nominees Australia Limited	2,757,298	2.38
Kong Suet Lee	2,631,276	2.27
Wong Jia Liang	2,631,276	2.27
Kong Sin Leong	1,315,638	1.13
Low Yuet Wah	1,214,121	1.05 (1)
Wong Fook Yee	1,214,121	1.05 (2)
Shaun Antony DiGregorio	1,000,000	0.86
Tay Kam Kiang	920,104	0.79
Beconwood Superannuation Pty Ltd <WSF/ABC A/c>	659,676	0.57
Classified Ad Ventures Pty Ltd	436,042	0.38
Mr Kenneth William Breese & Mrs Jennifer Ruth Breese <BPD Executive S/F A/c>	428,000	0.37
Mr Andrew Fiori-Dea & Ms Diana Fiori-Dea <Fiori-Dea Super Fund A/c>	400,000	0.34
Catcha Media Group Pte Ltd	332,221	0.29
Layuti Pty Ltd <The Mouatt Super Fund A/c>	320,000	0.28
Mr Azar Kassis	270,000	0.23
Top 20 holders of quoted Ordinaly Fully Paid Shares as at 19 February 2010	105,308,944	90.80
Other Shareholders	10,669,840	9.20
Total Ordinary Fully Paid Shares on issue (19 February 2010)	**115,978,784**	**100.00**

Notes: **(1) Shares subject to voluntary escrow - 687,820 shares until 7 March 2010; 526,301 shares until 5 June 2011**
(2) Shares subject to voluntary escrow - 687,820 shares until 7 March 2010; 526,301 shares until 5 June 2011

Distribution of Shareholders

Range	Fully paid Ordinary Shares as at 19 February 2009
1 - 1,000	1
1,001 - 5,000	11
5,001 - 10,000	173
10,001 - 100,000	200
100,001 and over	38
Total number of holders	423
Holders of less than a marketable parcel	Nil

Additional Investor Information (Cont.)

Substantial Shareholders

Shareholder	No. of securities held	Percentage held as per notice
Catcha Media Group Pte Ltd	60,541,328 [(1)]	61.96
Beconwood Ltd	11,722,876 [(1)]	12.00
Tay Kam Chiew	8,280,938 [(2)]	7.65

Note: [(1)] **Based on Notices provided to the Company on 13/09/07 and based on issued capital of 97,709,500 shares**
[(2)] **Based on Notice provided to the Company on 18/03/09 and based on issued capital of 108,286,182 shares**

Voting Rights
Under the Company's Constitution, each member present at a general meeting is entitled:
1. on a show of hands, to one vote; and
2. on a poll, to one vote for each share held or represented.

Options do not carry voting rights.

Corporate Directory

Listed Entities Comprising IPGA:
IPGA Limited
ABN 99 126 188 538

ASX Listing Code:
IPP

Website:
www.iproperty.com

Directors of IPGA:
Simon Baker - Chairman
Patrick Grove – Deputy Chairman
Paul G Choiselat
Hugh Morrow
Samuel Weiss
Lucas Elliott

CEO of IPGA:
Shaun DiGregorio
Email: shaundig@iproperty.com

Company Secretary of IPGA:
Cynthia Chan
Email: cchan@beconwood.com.au

Share Registry:
Registries Limited
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Sydney NSW 2000
Australia
www.registrieslimited.com.au

Auditors of IPGA:
Deloitte Touche Tohmatsu
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Room 2101, Tai Yip Building
141 Thomson Road
Wan Chai
Hong Kong

Glossary

ASX	Australian Stock Exchange
Auditor	Auditor of IPP being Deloitte Touche Tohmatsu
Board	Board of Directors of IPGA
CEO	Chief Executive Officer of IPGA
CFO	Chief Financial Officer of IPGA
Company	IPGA Ltd, ABN 99 126 188 538
Group	IPGA Ltd and its controlled entities
IPGA	IPGA Ltd, ABN 99 126 188 538
Ordinary Shares	ordinary shares in IPGA
pa	per annum
Year	financial year