Appendix 4E

Preliminary Final Report Of

Wridgways Australia Limited

for the Financial Year Ended 30 June 2010

ACN 079 887 728

This Preliminary Final Report is provided to the Australian Stock Exchange (ASX) under ASX Listing Rule 4.3A.

Current Reporting Period:	Financial Year ending 30 June 2010
Previous Corresponding Period:	Financial Year ending 30 June 2009

Wridgways Australia Ltd
Preliminary Final Report
For the Financial Year Ended 30 June 2010

Contents

Wridgways Australia Ltd
Preliminary Final Report
For the Financial Year Ended 30 June 2010

Results For Announcement to the Market

Revenue and Net Profit

		Percentage Change %		Amount $'000
Revenue from operations	~~up~~/down	6.4%	To	116,300
Profit after tax attributable to members	~~up~~/down	7.1%	To	6,192
Profit attributable to members	~~up~~/down	7.1%	To	6,192

Dividends (Distributions)

	Amount per security	Franked amount per security
Final dividend – payable 6 October 2010	11.0¢	11.0¢
		(at 30% tax)
Interim dividend – paid 12 March 2010	6.0¢	6.0¢
		(at 30% tax)

Record date for determining entitlements to the final dividend is	29 September 2010

Brief Explanation of Revenue, Net Profit and Dividends

Revenue from operations decreased by 6.4% from $124.268m to $116.300m.

Profit after Tax decreased by 7.1% to $6.192m.

Final Dividend of 11.0cents per share fully franked bringing total paid for the year to 17.0cents per share fully franked. (2009: 17.0cents)

See commentary attached.

The attached Financial Statements and Directors Declaration have been audited.

Wridgways Australia Ltd
Preliminary Final Report
For the Financial Year Ended 30 June 2010

Re: Final Year Announcement Period Ended 30th June 2010

In a very difficult economic environment with reduced demand for services and industry-wide discounting, Wridgways has recorded an after tax profit of $6.192million (a reduction of 7.1% on the previous year) on annual revenue of $116.3million (down by 6.4% on the previous year).

Directors have resolved to maintain a fully franked dividend of 11.0 cents per share (2009 11.0 cents). This will be payable on 6 October 2010 to shareholders registered as such on 29 September 2010.

Results summary for	*30 June 2010 ($'000)*	*30 June 2009 ($'000)*	**% Change**
Revenue	116,300	124,268	(6.4)
EBIT (Earnings before interest and tax)	8,788	9,492	(7.4)
Profit after tax	6,192	6,666	(7.1)
Earnings per share – diluted (cents)	19.35¢	20.83¢	(7.1)
Final dividend per share (cents – fully franked)	11.0¢	11.0¢	0.0

Operating Conditions

Wridgways is one of the world's largest receivers of overseas inbound household goods and personal effects. Although that status is maintained, the volume of household goods imported by Wridgways during the financial year declined by 30% compared to the previous year. Export activity remained relatively buoyant. Domestic relocations were heavily impacted by competitor discounting.

Outlook

The Directors continue to hold the view that market conditions will remain difficult through to at least the end of 2010 after which a slow but steady uplift in the economy has been forecast.

The Directors are very proud of the entire Wridgways team and the company is in an excellent position to take full advantage of the economic recovery.

Wridgways Australia Limited

ABN 82 079 887 728

Annual report for the financial year ended 30 June 2010

Annual Report for the Financial Year Ended 30 June 2010

Directors' Report - 30 June 2010

The directors of Wridgways Australia Limited submit herewith the annual report of the company for the financial year ended 30 June 2010. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names and particulars of the directors of the company during or since the end of the financial year are:

Directors

Name

Bryan D Weir Peter A
S Jones Andrew L
Horsley Desmond F
Stickland
Brian C Clarke [Company Secretary]
Anthony W Whatmore
James A Brown

The above named directors held office during and since the end of the financial year except for:

- Anthony W Whatmore – resigned 22 October 2009
- James A Brown – resigned 22 October 2009
- Peter A S Jones – appointed 1 September 2009
- Andrew L Horsley – appointed 1 January 2010

Particulars of the Directors are set out on page 41 of the annual report.

Principal activities

The consolidated entity's principal activities in the course of the financial year was the provision of removal and storage services.

During the financial year there was no significant change in the nature of those activities.

Review of operations

The consolidated net profit for the year was $6,192,135 (2009: $6,665,924).

Changes in state of affairs

During the financial year there was no significant change in the state of affairs of the consolidated entity.

Subsequent events

There has not been any matter or circumstance that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Future developments

Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Accordingly, this information has not been disclosed in this report.

Environmental issues

The consolidated entity operates within the transport industry and conducts its business activities with respect for the environment while continuing to meet the expectations of shareholders, customers, employees and suppliers. During the current period under review, the directors are not aware of any particular or significant environmental issues which have been raised in relation to the consolidated entity's operations.

Dividends

In respect of the financial year ended 30 June 2009, as detailed in the directors' report for that financial year, a final dividend of $3,520,000 (11.0 cents per share) franked to 100% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 25 September 2009.

In respect of the financial year ended 30 June 2010, an interim dividend of $1,920,000 (6.0 cents per share) franked to 100% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 12 March 2010.

In respect of the financial year ended 30 June 2010, the directors recommend the payment of a final dividend of $3,520,000 (11.0 cents per share) franked to 100% at 30% corporate income tax rate to the holders of fully paid ordinary shares on 6 October 2010.

Share options

During and since the end of the financial year no share options were granted and none are on issue.

Indemnification of officers and auditors

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company, and all executive officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Wridgways Australia Limited, to the extent permitted by law, indemnifies each Director or Secretary against any liability which results from their service as an officer of Wridgways Australia Limited or a subsidiary of Wridgways Australia Limited which does not arise out of conduct involving a lack of good faith and for costs incurred in defending proceedings in which judgment is given in favour of the director.

The company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

Directors' meetings

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, 6 board meetings, 2 audit committee meetings and 1 remuneration committee meeting were held.

	Board of directors		Audit committee		Remuneration committee	
Directors	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
A W Whatmore	2	2	1	1	-	-
B D Weir	6	6	2	2	1	1
J A Brown	2	2	1	1	-	-
P A S Jones A	5	5	1	1	1	1
L Horsley D	3	3	1	1	1	1
F Stickland B	6	6	2	2	1	1
C Clarke	6	6	2	2	-	-

Directors' shareholdings

The following table sets out each director's relevant interest in shares of the company as at the date of this report:

Directors	Fully Paid Ordinary Shares
B D Weir	84,000
D F Stickland	3,090,000
B C Clarke	1,210,626

Remuneration report

This remuneration report, which forms part of the director's report, sets out information about the remuneration of
Wridgways Australia Limited directors and senior executives for the financial year ended 30 June 2010.

General remuneration policy:

The Remuneration policy of Wridgways Australia Limited is to establish remuneration practices that:

- are consistent with the Company's goals and objectives;
- motivate directors and management to pursue the long-term growth and success of the company within an appropriate control framework;
- deliver a level and composition of remuneration that is sufficient and reasonable and compares favourably with other employers in the industry;
- clearly define the relationship of remuneration to corporate and individual performances;
- attract and maintain talented and motivated directors and employees so as to encourage and enhance the performance of the Company; and
- are competitively set to attract and retain appropriately qualified and experienced employees.

Details of Directors and Senior Executives:

- The directors of Wridgways Australia Limited during the year were: Bryan D Weir (Chairman, Non-Executive)
- Peter A S Jones (Non-Executive) appointed 1 September 2009
- Andrew L Horsley (Non-Executive) appointed 1 January 2010
- Desmond F Stickland (Managing Director) Brian C Clarke (Finance Director)
- Anthony W Whatmore (Chairman, Non-Executive) resigned 22 October 2009
- James A Brown (Non-Executive) resigned 22 October 2009

The five highest remunerated executives (excluding Executive Directors) of Wridgways Australia Limited (both company and consolidated entity executives) during the year were:

- Desmond P Sutton (General Manager, Move Dynamics) John V Ford (State Manager, Queensland)
- Steven J Crowle (General Manager, Move Solutions)
- Grant C Harrang (State Manager, New South Wales) Rob E Sims (State Manager, Western Australia)

Persons listed above are defined as key management personnel of the consolidated entity.

Executive Directors and Senior Executives remuneration:

There are no employment contracts for executives. Upon commencement of employment, letters of appointment are signed which detail the key management personnel's remuneration package on an annual basis. Any changes to their packages are communicated via written notification as directed by the Remuneration Committee. Remuneration for all executive directors and senior executives is by fixed remuneration. A variable performance linked remuneration program is considered each year by the Remuneration Committee and may or may not be applied dependent on certain circumstances. The fixed component is not performance linked. It generally consists of salary and vehicle entitlement, as well as employer superannuation contributions. Fixed remuneration for senior executives is determined by the scope of their respective positions, knowledge, experience and skills required to perform their roles.

Variable performance linked remuneration encompasses short term incentive schemes that are cash based rewards schemes. The payment of any short term incentives is left to the ultimate discretion of the Remuneration Committee. Factors taken into consideration include the personal performance of each respective executive, performance of individual components of the executive's portfolio in comparison to the prior year financial result, compliance in abiding by company initiatives and operating procedures of the executive's direct reporting staff and the prevailing economic environment.

The Remuneration Committee conducts an annual review of all executive remuneration packages taking into account performance-related elements, comparative remuneration and independent advice.

At this stage there is no equity-based remuneration.

Non-Executive Directors remuneration:

The remuneration of non-executive directors is competitive for the industry and reflects the demands made on and responsibilities of non-executive directors in discharging their duties. Remuneration for non-executive directors comprises fixed fees, which may be in the form of cash, non-cash benefits and superannuation.

No part of the remuneration is incentive-based, for example, bonuses and share options. Also, no retirement benefits will be provided other than statutory superannuation. Total salary and fees for all non-executive directors are not to exceed $200,000 per annum. There are no employment contracts for non-executive directors.

Along with their fees non-executive directors are entitled to be paid all travelling and other expenses properly incurred in connection with the affairs of the company. Wridgways Australia Limited pays a premium to insure directors' liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct with acting as a director of Wridgways Australia Limited, other than conduct involving a wilful breach of duty in relation to Wridgways Australia Limited.

An overview of the elements of remuneration is set out in the table below.

	Elements of Remuneration	Directors		Senior Executives
		Non-Executive	Executive	
Fixed Remuneration	Fees	•		
	Salary		•	•
	Superannuation	•	•	•
	Other Benefits		•	•
At Risk Remuneration	Short-Term Incentive		•	•

Consolidated entity performance and shareholder wealth:

Below is a table summarising key performance and shareholder wealth statistics for the consolidated entity over the last five years. As noted in the table, the consolidated entity has maintained operating performance over the period, allowing for consistent cash dividend distributions to shareholders.

The remuneration and incentive framework, which has been put in place by the Remuneration Committee, has ensured that executives are focused on maximising both short-term operating performance and long-term strategic growth. The Remuneration Committee will continue to review and monitor the remuneration and incentive framework to ensure that performance is fairly rewarded and encouraged, and to attract, motivate and retain a high level executive team.

No executive director or other senior executive participates in any decision making relating to his own salary.

Financial Year	Revenue ($)	Profit before tax ($)	Profit after tax ($)	EPS Cents	Interim Dividend Cents [1]	Final Dividend Cents [1,2,3]	Share Price ($)
30 June 2006	102,865,761	6,211,532	4,336,218	13.55	2.5	7.0	1.30
30 June 2007	113,183,315	8,381,458	5,848,707	18.28	5.0	10.0	2.40
30 June 2008	118,755,709	10,069,163	7,030,286	21.97	6.0	11.0	2.10
30 June 2009	124,267,824	9,492,028	6,665,924	20.83	6.0	11.0	2.12
30 June 2010	116,299,562	8,788,300	6,192,135	19.35	6.0	11.0	2.48

1. Franked to 100% at 30% corporate income tax rate.
2. Declared after the balance date and not reflected in the financial statements.
3. For the year ended 30 June 2006 the final dividend included a 2.0 cent special dividend.

The following table discloses the remuneration of the directors of the company and the five highest remunerated executives of the company (excluding Executive Directors) and Group executives of the consolidated entity.

2010	Short-term employee benefits			Post-employment	Total
	Salary & fees $	Bonus (i) $	Other $	Superannuation $	$
Non-Executive Directors					
A W Whatmore	26,819	-	-	1,155	27,974
B D Weir	65,204	-	-	5,868	71,072
J A Brown	13,883	-	-	-	13,883
P A S Jones	32,083	-	-	2,888	34,971
A L Horsley	19,250	-	-	1,733	20,983
Executives					
D F Stickland	354,178	-	5,781	46,858	406,817
B C Clarke	231,472	-	25,919	30,177	287,568
G C Harrang	201,444	-	3,694	33,506	238,644
J V Ford	144,596	-	75,142	26,027	245,765
D P Sutton	193,126	-	6,333	21,244	220,703
R E Sims	187,744	-	18,516	26,097	232,357
S J Crowle	164,082	-	40,903	23,890	228,875
Total	1,633,881	-	176,288	219,443	2,029,612

(i) As at 30 June 2010, no bonus provision has been recognised in relation to the 2010 financial year as per the discretion of the Remuneration Committee.

2009	Short-term employee benefits			Post-employment	Total
	Salary & fees $	Bonus (ii) $	Other $	Superannuation $	$
Non-Executive Directors					
A W Whatmore	77,000	-	-	6,930	83,930
B D Weir	38,500	-	-	3,465	41,965
J A Brown	41,650	-	-	-	41,650
Executives					
D F Stickland	332,700	50,000	26,605	53,009	462,314
B C Clarke	239,600	40,000	29,788	35,952	345,340
G C Harrang	136,636	35,000	12,824	99,554	284,014
J V Ford	143,520	25,000	77,350	30,334	276,204
D P Sutton	191,800	5,000	7,136	21,648	225,584
R E Sims	180,294	40,000	19,429	34,190	273,913
S J Crowle	162,600	5,000	40,689	24,312	232,601
Total	1,544,300	200,000	213,821	309,394	2,267,515

(ii) The cash bonuses were granted on 9 September 2008 and related to the 2008 financial year. The allocation of the amounts to individuals was at the discretion of the Remuneration Committee. As at 30 June 2009, no bonus provision had been recognised in relation to the 2009 financial year as per the discretion of the Remuneration Committee.

Non-audit services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 6 to the financial statements.

The directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 6 to the financial statements do not compromise the external auditor's independence, based on advice received from the Audit Committee, for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Auditor's independence declaration

The auditor's independence declaration is included on page 7 of the financial report.

Signed in accordance with a resolution of the directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors

Mr B D Weir	Mr D F Stickland
Chairman	Managing Director

Melbourne
Date: 19 August 2010

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19 August 2010

Board of Directors
Wridgways Australia Limited
26-40 Nina Link
DANDENONG SOUTH, VIC 3175

Dear Board Members

Auditors' Independence Declaration - Wridgways Australia 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 Wridgways Australia Limited.

As lead audit partner for the audit of the financial statements of Wridgways Australia Limited for the financial year ended 30 June 2010, 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 faithfully

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

D. A. Watson
David A Watson
Partner
Chartered Accountants

Deloitte.

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Independent Auditor's Report
to the members of Wridgways Australia Limited

Report on the Financial Report

We have audited the accompanying financial report of Wridgways Australia Limited, which comprises the statement of financial position as at 30 June 2010, 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 10 to 39.

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 2, 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.

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 Wridgways Australia Limited is in accordance with the *Corporations Act 2001*, including:
   (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2010 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 2.

Report on the Remuneration Report

We have audited the Remuneration Report included on pages 3 to 5 of the directors' report for the year ended 30 June 2010. 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 Wridgways Australia Limited for the year ended 30 June 2010, complies with section 300A of the *Corporations Act 2001.*

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

D. A. Watson

David A Watson
Partner
Chartered Accountants
Melbourne, 19 August 2010

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 company and the consolidated entity;

(c) in the directors' opinion, the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board as stated in note 2 to the financial statements; and

(d) 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

Mr B D Weir
Chairman

Mr D F Stickland
Managing Director

Melbourne
Date: 19 August 2010

Statement of Comprehensive Income
for the financial year ended 30 June 2010

		Consolidated		Company	
		2010	2009	2010	2009
	Note	$	$	$	$
Revenue	4	116,299,562	124,267,824	11,506,351	11,647,750
Other income		17,947	25,867	25,667	39,075
Freight and direct expenses		(77,579,769)	(84,160,208)	(1,409,894)	(1,338,577)
Occupancy expenses		(6,179,224)	(5,817,954)	-	-
Administration expenses		(23,770,216)	(24,823,501)	(3,517,897)	(3,575,750)
Profit before tax		8,788,300	9,492,028	6,604,227	6,772,498
Income tax expense	5	(2,596,165)	(2,826,104)	(317,091)	(399,749)
Profit for the year		6,192,135	6,665,924	6,287,136	6,372,749
Total comprehensive income for the year		6,192,135	6,665,924	6,287,136	6,372,749
Total comprehensive income attributed to owners of the company		6,192,135	6,665,924	6,287,136	6,372,749
Earnings per share:					
Basic (cents per share)	23	19.35	20.83		
Diluted (cents per share)	23	19.35	20.83		

Notes to the financial statements are included on pages 15 to 39.

Statement of Financial Position
as at 30 June 2010

		Consolidated		Company	
		2010	2009	2010	2009
	Note	$	$	$	$
Current assets					
Cash	30	8,135,328	9,382,414	356,260	167,820
Trade and other receivables	7	9,214,329	8,575,306	2,188,559	2,542,286
Inventories	8	495,139	418,975	-	-
Other	9	1,586,414	1,367,546	9,814	9,987
Total current assets		19,431,210	19,744,241	2,554,633	2,720,093
Non-current assets					
Investments	10	-	-	11,688,898	11,688,898
Plant and equipment	11	7,304,972	7,371,132	5,658,500	5,581,409
Deferred tax assets	5	966,159	1,091,887	27,492	50,082
Goodwill	12	1,529,138	1,529,138	-	-
Brand name	13	8,000,000	8,000,000	-	-
Other intangible assets	14	1,478,344	1,058,043	-	-
Total non-current assets		19,278,613	19,050,200	17,374,890	17,320,389
Total assets		38,709,823	38,794,441	19,929,523	20,040,482
Current liabilities					
Trade and other payables	15	16,179,892	16,880,000	-	-
Current tax liabilities	5	345,340	555,007	345,340	555,007
Provisions	16	3,727,973	3,632,864	738,812	688,558
Other	17	39,869	39,869	-	-
Total current liabilities		20,293,074	21,107,740	1,084,152	1,243,565
Non-current liabilities					
Trade and other payables	18	-	-	10,111,642	10,915,487
Provisions	19	201,863	184,081	44,707	39,544
Other	20	284,820	324,689	-	-
Total non-current liabilities		486,683	508,770	10,156,349	10,955,031
Total liabilities		20,779,757	21,616,510	11,240,501	12,198,596
Net assets		17,930,066	17,177,931	8,689,022	7,841,886
Equity					
Issued capital	21	1,500,000	1,500,000	1,500,000	1,500,000
Retained earnings	22	16,430,066	15,677,931	7,189,022	6,341,886
Total equity		17,930,066	17,177,931	8,689,022	7,841,886

Notes to the financial statements are included on pages 15 to 39.

Statement of Changes in Equity
for the financial year ended 30 June 2010

Consolidated	Issued Capital $	Retained Earnings $	Total $
Balance at 1 July 2008	1,500,000	14,452,007	15,952,007
Profit for the year	-	6,665,924	6,665,924
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	6,665,924	6,665,924
Payment of dividends (Note 24)	-	(5,440,000)	(5,440,000)
Balance at 30 June 2009	1,500,000	15,677,931	17,177,931
Balance at 1 July 2009	1,500,000	15,677,931	17,177,931
Profit for the year	-	6,192,135	6,192,135
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	6,192,135	6,192,135
Payment of dividends (Note 24)	-	(5,440,000)	(5,440,000)
Balance at 30 June 2010	1,500,000	16,430,066	17,930,066

Company	Issued Capital $	Retained Earnings $	Total $
Balance at 1 July 2008	1,500,000	5,409,137	6,909,137
Profit for the year	-	6,372,749	6,372,749
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	6,372,749	6,372,749
Payment of dividends (Note 24)	-	(5,440,000)	(5,440,000)
Balance at 30 June 2009	1,500,000	6,341,886	7,841,886
Balance at 1 July 2009	1,500,000	6,341,886	7,841,886
Profit for the year	-	6,287,136	6,287,136
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	6,287,136	6,287,136
Payment of dividends (Note 24)	-	(5,440,000)	(5,440,000)
Balance at 30 June 2010	1,500,000	7,189,022	8,689,022

Notes to the financial statements are included on pages 15 to 39.

Statement of Cash Flows
for the financial year ended 30 June 2010

	Note	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
Cash flows from operating activities					
Receipts from customers		115,449,066	125,737,627	6,079,271	6,207,750
Payments to suppliers and employees		(107,204,270)	(113,923,710)	(3,926,913)	(4,004,874)
Interest received		224,393	329,211	-	-
Dividends received		-	-	5,440,000	5,440,000
Income taxes paid		(2,680,104)	(3,475,798)	(150,440)	(758,963)
Net cash provided by operating activities	30(b)	5,789,085	8,667,330	7,441,918	6,883,913
Cash flows from investing activities					
Payment for software, plant and equipment		(1,613,413)	(2,751,465)	(1,026,875)	(1,555,689)
Proceeds from sale of software, plant and equipment		17,242	60,061	17,242	50,872
Net cash used in investing activities		(1,596,171)	(2,691,404)	(1,009,633)	(1,504,817)
Cash flows from financing activities					
Loans from subsidiaries		-	-	(803,845)	58,636
Dividends paid		(5,440,000)	(5,440,000)	(5,440,000)	(5,440,000)
Net cash used in financing activities		(5,440,000)	(5,440,000)	(6,243,845)	(5,381,364)
Net increase/(decrease) in cash		(1,247,086)	535,926	188,440	(2,268)
Cash at the beginning of the financial year		9,382,414	8,846,488	167,820	170,088
Cash at the end of the financial year	30(a)	8,135,328	9,382,414	356,260	167,820

Notes to the financial statements are included on pages 15 to 39.

Notes to the Financial Statements
for the financial year ended 30 June 2010

1. Adoption of new and revised Accounting Standards

The following new and revised Standards and Interpretations have been adopted in the current period and have affected the amounts reported in these financial statements.

AASB 101 'Presentation of Financial Statements' (as revised in September 2007), AASB 2007-8 'Amendments to Australian Accounting Standards arising from AASB 101' and AASB 2007-10 'Further Amendments to Australian Accounting Standards arising from AASB 101'	AASB 101 (September 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.
AASB 8 'Operating Segments'	AASB 8 is a disclosure Standard that has resulted in a redesignation of the consolidated entity's reportable segments.
AASB 2007-10 'Further Amendments to Australian Accounting Standards arising from AASB101'	Changes the term 'general purpose financial report' to 'general purpose financial statements' and the term 'financial report' to 'financial statements' to align with IFRS terminology.

In the current year, the company and the consolidated entity have adopted all of the other new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. These new and revised Standards and Interpretations have no effect on the amounts reported in the financial statements.

The directors have elected under s.334(5) of the Corporations Act 2001 to apply Amendments to AASB 8 'Operating Segments' provided in AASB 2009-5 in advance of its effective date. This amendment is not required to be applied until annual reporting periods beginning on or after 1 January 2010. The impact of the adoption of this amendment is that the consolidated entity is not required to disclose information regarding segment assets and liabilities where that information is not reported to the Chief Operating Decision Maker.

2. Significant Accounting Policies

Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and complies with other requirements of the law. The financial statements include the separate financial statements of the company and the consolidated financial statements of the consolidated entity.

Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with A-IFRS ensures that the consolidated financial statements and notes of the company and the consolidated entity comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the directors on 19 August 2010.

Basis of Preparation

These financial statements have been prepared on the basis of historical cost, except for financial instruments. 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.

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

2. Significant Accounting Policies (cont'd)

(a) Principles of consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated entity (Group), being the company (the parent entity) and its subsidiaries as defined in Accounting Standard AASB 127 'Consolidated and Separate Financial Statements'. A list of subsidiaries appears in Note 27 to the financial statements. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

The consolidated financial statements include the information and results of each subsidiary from the date on which the company obtains control and until such time as the company ceases to control such entity.

In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising within the consolidated entity are eliminated in full.

(b) Revenue recognition

Revenue from the provision of removal services is recognised when the freight is delivered. Revenue from the provision of storage services is recognised over the period of storage.

Dividend revenue is recognised on a receivable basis. Interest and rental revenue is recognised on an accrual basis.

(c) Income tax

<u>Current tax</u>

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).

<u>Deferred tax</u>

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

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 goodwill.

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 consolidated entity 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/consolidated entity intends to settle its current tax assets and liabilities on a net basis.

2. Significant Accounting Policies (cont'd)

(c) Income tax (cont'd)

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the statement of comprehensive income, 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.

Tax consolidation

The company and all its wholly-owned Australian resident entities are part of a tax-consolidated group under Australian taxation law. Wridgways Australia Limited is the head entity in the tax-consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'group allocation' approach based on the allocation specified in the tax funding arrangement.

The tax funding arrangement requires a notional current and deferred tax calculation for each entity as if it were a taxpayer in its own right, except that unrealised profits, distributions made and received and capital gains and losses and similar items arising on transactions within the tax-consolidated group are treated as having no consequence.

Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax-consolidated group are recognised by the company (as head entity in the tax-consolidated group).

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or receivable by the company and each member of the consolidated entity in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement.

(d) Goods and services tax

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

i. where the amount of GST incurred is not recoverable from 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

ii. 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 statement of cash flows on a net 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 as operating cash flows.

(e) Cash

Cash comprises cash on hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts.

(f) Financial Assets

Loans and Receivables

Trade receivables, loans and other receivables are recorded at amortised cost less impairment.

Impairment of Financial Assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

(g) Inventories

Inventories are valued at the lower of cost and net realisable value.

2. Significant Accounting Policies (cont'd)

(h) Investments

Investments in subsidiaries are recorded at cost.

(i) Plant and equipment

Plant and equipment 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 plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost or other re-valued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period.

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

- Transport Fleet 5 – 10 years
- Plant and Equipment 3 – 40 years

(j) Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership 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 statement of financial position 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.

<u>Lease Incentives</u>

In the event that lease incentives are received to enter into an operating lease, such incentives are recognised as a liability. The aggregate benefits of the incentive 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 lease assets are consumed.

(k) Goodwill

Goodwill, representing the excess of the cost of acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities acquired (in respect of the business of Wridgways Limited) is recognised as an asset and not amortised, but tested for impairment annually and whenever there is an indication that the goodwill may be impaired. Any impairment is recognised immediately in the statement of comprehensive income and is not subsequently reversed. Refer also note 2(n).

2. Significant Accounting Policies (cont'd)

(l) Brand name

The consolidated entity's brand name, Wridgways, is recorded at fair value at acquisition date. In the opinion of the Directors, the brand name does not have a finite useful life. Accordingly, the brand name is not amortised but tested for impairment annually and whenever there is an indication that the brand name may be impaired. The following factors support the Directors' opinion of indefinite useful life:

- There is no legal (either by way of statute or contract) limitation on the life of the Wridgways brand name. The ownership is absolute and therefore not limited as to term;
- The Wridgways brand name value derives from the market recognition of the quality of the Wridgways' removal and storage services. Such services are not adversely impacted by changes in technology and regulatory frameworks or a dependence on key industries or customers. Therefore, there is no expectation that the usefulness of the brand name will diminish over time due to technical or commercial obsolescence;
- For over 100 years the brand name has been actively promoted and is prominent across the market place;
- The Wridgways name has continued to be used throughout various changes in ownership of the company. The business had its origins in a business started by Mr Ernest Wridgway in Melbourne in 1892. The business then conducted under the Wridgways name was acquired by Ansett in 1972 and sold to TNT in 1994. In 1997, Wridgways was acquired by its management team and two management buy-out funds where it was finally listed on the Australian Stock Exchange in 1999; and
- History of strong earnings in the business under the brand name.

The longevity of the brand name is sound evidence that it is resilient to changes in the economy, consumer needs, competitive activity, management strategy and ownership.

The brand name was recognised at its fair value on the acquisition of the business of Wridgways Limited on the basis of an independent valuation prepared by Grant Thornton Corporate (NSW) Pty Limited dated 27 October 1998. The basis of the valuation was the relief from franchise fee method.

(m) Intangible assets

<u>Software</u>

Software is recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over their estimated useful lives of 2 – 5 years. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

<u>Internally-generated intangible assets – research and development expenditure</u>

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 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 attributed 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.

2. Significant Accounting Policies (cont'd)

(n) Impairment

At each reporting date, the consolidated entity 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 consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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. An impairment of goodwill is not subsequently reversed.

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 the statement of comprehensive income 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 the statement of comprehensive income 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.

(o) Payables

Trade payables and other accounts payable are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services.

(p) Borrowings

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

(q) Provisions

Provisions are recognised when the consolidated entity has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

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 recovery will be received and the amount of the receivable can be measured reliably.

2. Significant Accounting Policies (cont'd)

(r) Employee benefits

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

Liabilities recognised in respect of short term employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred.

(s) 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.

Interest and dividends

Interest and dividends are classified as expenses or as distributions of profit consistent with the statement of financial position classification of the related debt or equity instruments or component parts of compound instruments.

(t) Foreign currency

The individual financial statements of each group entity 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 group entity are expressed in Australian dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

Foreign currency transactions

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in the statement of comprehensive income in the period in which they arise.

2. Significant Accounting Policies (cont'd)

(u) Standards and Interpretations issued not yet effective

At the date of authorisation of the financial statements, the following Standards and Interpretations were in issue but not yet effective:

Standard/Interpretation	Effective for annual reporting period beginning on or after	Expected to be initially applied in the financial year ending
AASB 2009-5 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project'	1 January 2010	30 June 2011
AASB 124 'Related Party Disclosures' (revised December 2009), AASB 2009-12 'Amendments to Australian Accounting Standards'	1 January 2011	30 June 2012
AASB 9 'Financial Instruments', AASB 2009-11 'Amendments to Australian Accounting Standards arising from AASB 9'	1 January 2013	30 June 2014

The directors anticipate that the adoption of these Standards and Interpretations in the future periods will have no material financial impact on the financial statements of the company or the consolidated entity. The adoption will not affect any of the amounts recognised in the financial statements, but will change the disclosures presently made in relation to the financial statements.

These Standards and Interpretations will be first applied in the financial statements of the consolidated entity that relates to the annual reporting period beginning after the effective date of each pronouncement. In addition to the standards issued above, other standards have been issued by the Australian Accounting Standards Board (the AASB), these standards are not relevant to the operations of the consolidated entity.

3. Critical Accounting Judgements

In the application of the entity's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Recoverability of internally generated intangible asset

During the year, the directors reconsidered the recoverability of the consolidated entity's internally generated intangible asset arising from the development of its in-house IT system valued at $1,447,589. This forms part of the total balance of $1,478,334 relating to Other Intangible Assets included in the consolidated statement of financial position at 30 June 2010.

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 directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value.

The carrying amount of goodwill at the end of the reporting period was $1,529,138. Details of review of impairment of Goodwill is set out in note 12.

Useful lives of plant and equipment

As described in 2(i) above, the consolidated entity reviews the estimated useful lives of plant and equipment at the end of the annual reporting period. There have been no changes to the useful lives.

4. Profit From Operations

(a) Revenue

Revenue from operations consisted of the following items:

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
Revenue from the rendering of services	116,075,169	123,938,613	-	-
Interest revenue	224,393	329,211	-	-
Dividends – subsidiaries	-	-	5,440,000	5,440,000
Management fee - subsidiaries	-	-	6,066,351	6,207,750
	116,299,562	124,267,824	11,506,351	11,647,750

(b) Profit before income tax

Profit before income tax has been arrived at after charging/(crediting) the following gains and losses from operations:

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
(Gain)/loss on disposal of software, plant and equipment	(5,026)	(25,867)	(12,747)	(39,075)
Insurance claim received	(12,920)	-	(12,920)	-
Net foreign exchange losses	36,122	41,162	-	-

Profit before income tax has been arrived at after charging/ (crediting) the following expenses:

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
Impaired/(reversed) trade receivables	(38,424)	114,394	-	-
Operating lease rental expenses	7,995,290	8,230,750	464,606	466,825
Depreciation and amortisation of non-current assets:				
Transport fleet	945,289	871,753	945,289	871,753
Plant and equipment	283,609	285,911	-	-
Software	18,158	22,244	-	-
	1,247,056	1,179,908	945,289	871,753
Employee benefit expense:				
Defined contribution plans	2,722,135	3,059,610	-	-
Other employee benefits	26,279,827	26,220,383	3,428,812	3,500,751
	29,001,962	29,279,993	3,428,812	3,500,751

5. Income Taxes

	Consolidated		Company	
	2010	2009	2010	2009
	$	$	$	$
(a) Income tax recognised in profit				
The prima facie income tax expense on pre-tax accounting profit reconciles to the income tax expense in the financial statements as follows:				
Profit before income tax expense	8,788,300	9,492,028	6,604,227	6,772,498
Income tax expense calculated at 30%	2,636,490	2,847,608	1,981,268	2,031,749
Non-deductible expenses	13,851	21,144	-	-
Effect of transactions within the tax consolidated group that are exempt from taxation	-	-	(1,632,000)	(1,632,000)
Over provision of income tax in previous year	(54,176)	(42,648)	(32,177)	-
	2,596,165	2,826,104	317,091	399,749
Tax expense comprises:				
Current tax expense	2,470,437	2,796,197	294,501	350,936
Deferred tax expense/(income) (refer 5(c))	125,728	29,907	22,590	48,813
	2,596,165	2,826,104	317,091	399,749
(b) Current tax liabilities				
Income tax payable	345,340	555,007	345,340	555,007

(c) Deferred tax balances

Deferred tax assets comprises taxable and deductible temporary differences arising from the following:

	Consolidated				
	Balance 30/06/08	Charged to Income	Balance 30/06/09	Charged to Income	Balance 30/06/10
Provisions	1,149,741	104,710	1,254,451	(35,826)	1,218,625
Accruals	103,586	29,924	133,510	(17,943)	115,567
Plant, Equipment and Software	(88,974)	(107,946)	(196,920)	(59,302)	(256,222)
Other	(42,559)	(56,595)	(99,154)	(12,657)	(111,811)
	1,121,794	(29,907)	1,091,887	(125,728)	966,159

	Company				
	Balance 30/06/08	Charged to Income	Balance 30/06/09	Charged to Income	Balance 30/06/10
Provisions	206,986	11,445	218,431	16,625	235,056
Plant and Equipment	(108,091)	(60,258)	(168,349)	(39,215)	(207,564)
	98,895	(48,813)	50,082	(22,590)	27,492

(d) Unrecognised deferred tax balances

The company and consolidated entity has deferred tax assets relating to capital tax losses of $125,730 (2009: $125,730) which have not been brought to account as assets.

5. Income Tax (cont'd)

(e) Tax consolidation

Relevance of tax consolidation to the consolidated entity

The company and its wholly owned Australian resident entities have formed a tax consolidated group with effect from 1 July 2003 and are therefore taxed as a single entity from that date. The head entity within the tax consolidated group is Wridgways Australia Limited. The members of the tax consolidated group are identified in note 27.

Nature of tax funding arrangements and tax sharing agreements

Entities within the tax consolidated group have entered into a tax funding agreement and a tax sharing agreement with the head entity. Under the terms of the tax funding arrangement, Wridgways Australia Limited and each of the entities in the tax consolidated group has agreed to pay a tax equivalent payment to or from the head entity based on the current tax liability or tax asset of the entity. Such amounts are reflected in amounts receivable from or payable to other entities in the tax consolidated group.

The tax sharing arrangement entered into between members of the tax consolidated group provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its payment obligations or if an entity should leave the tax consolidated group. The effect of the tax sharing arrangement is that each member's liability for tax payable by the tax consolidated group is limited to the amounts payable to the head entity under the tax funding arrangement.

	Consolidated		Company	
	2010 $	2009 $	2010 $	2009 $
6. Remuneration of Auditors				
Auditor of the parent entity				
Audit or review of the financial report	112,583	107,693	-	-
Taxation services	40,725	42,595	-	-
	153,308	150,288	-	-

The auditor of Wridgways Australia Limited is Deloitte Touche Tohmatsu.

7. Current Trade and Other Receivables

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
Trade receivables (i)	9,265,061	8,689,752	-	-
Allowance for doubtful debts	(132,247)	(240,106)	-	-
	9,132,814	8,449,646	-	-
Other	81,515	125,660	-	-
Subsidiary receivables	-	-	2,188,559	2,542,286
	9,214,329	8,575,306	2,188,559	2,542,286

(i) The average credit period on sales is 30 days. No interest is charged on trade receivables. An allowance has been made for estimated irrecoverable trade receivable amounts arising from the past rendering of services, determined by reference to past default experience. The consolidated entity had provided for approximately 1.0% (2009: 1.5%) of total debtors plus any known doubtful debts $51,910 (2009: $120,106).

Before accepting new customers, for all jobs over $5,000, an external scoring system is used by the consolidated entity to assess the potential customer's credit quality. The screening of potential customers on jobs valued under $5,000 is determined on a customer by customer basis, such procedures including the use of a less detailed external scoring system or obtaining company confirmations from ASIC.

7. Current Trade and Other Receivables (cont'd)

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
Ageing of past due but not impaired				
30 - 60 days	2,293,125	2,709,128	-	-
60 - 90 days	1,175,583	995,657	-	-
90 + days	839,874	1,101,471	-	-
Total	4,308,582	4,806,256	-	-
Movement in the allowance for doubtful debts				
Balance at the beginning of the year	240,106	146,871	-	-
Impairment losses recognised on receivables	-	114,394	-	-
Net impairment losses reversed	(38,614)	-	-	-
Amounts written off as uncollectible	(69,245)	(21,159)	-	-
Balance at the end of the year	132,247	240,106	-	-

In determining the recoverability of a trade receivable, the consolidated entity considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit provision required in excess of the allowance for doubtful debts. Collateral in the form of customer goods in store are held for the impaired debtors.

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
Ageing of impaired trade receivables				
0 – 30 days	-	2,361	-	-
30 - 60 days	1,058	3,202	-	-
60 - 90 days	5,720	736	-	-
90 + days	45,132	113,807	-	-
Total	51,910	120,106	-	-

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
8. Inventories				
Consumables at cost	495,139	418,975	-	-
9. Other Current Assets				
Prepayments	1,586,414	1,367,546	9,814	9,987
10. Non-Current Investments				
Shares in subsidiaries (refer note 27)	-	-	11,688,898	11,688,898

11. Plant and Equipment

	Consolidated		
	Plant and equipment	Transport Fleet	Total
	$	$	$
Gross carrying amount (at cost)			
Balance at 30 June 2008	4,014,292	8,507,216	12,521,508
Additions	615,808	1,555,689	2,171,497
Disposals	(688,642)	(186,089)	(874,731)
Balance at 30 June 2009	3,941,458	9,876,816	13,818,274
Additions	148,077	1,026,875	1,174,952
Disposals	(75,882)	(35,304)	(111,186)
Balance at 30 June 2010	4,013,653	10,868,387	14,882,040
Accumulated depreciation			
Balance at 30 June 2008	2,532,113	3,597,946	6,130,059
Depreciation expense	285,911	871,753	1,157,664
Disposals	(666,289)	(174,292)	(840,581)
Balance at 30 June 2009	2,151,735	4,295,407	6,447,142
Depreciation expense	283,609	945,289	1,228,898
Disposals	(68,163)	(30,809)	(98,972)
Balance at 30 June 2010	2,367,181	5,209,887	7,577,068
Net book value			
As at 30 June 2009	1,789,723	5,581,409	7,371,132
As at 30 June 2010	1,646,472	5,658,500	7,304,972

	Company		
	Plant and equipment	Transport Fleet	Total
	$	$	$
Gross carrying amount (at cost)			
Balance at 30 June 2008	211,893	8,507,216	8,719,109
Additions	-	1,555,689	1,555,689
Disposals	-	(186,089)	(186,089)
Balance at 30 June 2009	211,893	9,876,816	10,088,709
Additions	-	1,026,875	1,026,875
Disposals	-	(35,304)	(35,304)
Balance at 30 June 2010	211,893	10,868,387	11,080,280
Accumulated depreciation			
Balance as 30 June 2008	211,893	3,597,946	3,809,839
Depreciation expense	-	871,753	871,753
Disposals	-	(174,292)	(174,292)
Balance at 30 June 2009	211,893	4,295,407	4,507,300
Depreciation expense	-	945,289	945,289
Disposals	-	(30,809)	(30,809)
Balance at 30 June 2010	211,893	5,209,887	5,421,780
Net book value			
As at 30 June 2009	-	5,581,409	5,581,409
As at 30 June 2010	-	5,658,500	5,658,500

12. Goodwill

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
Goodwill at cost	1,529,138	1,529,138	-	-

Goodwill and Brand Name have been allocated for impairment testing purposes to one individual cash-generating unit being the Removalist and Storage business.

The recoverable amount of this cash-generating unit was assessed by reference to the cash-generating unit's value in use. A discount factor of 12.5% (2009: 12.5%) was applied in the value in use model. This model uses cash flow projections based on the budget, approved by management for the coming year and an extrapolation for the next four years based on historical operating margins. Cash flows beyond that have been extrapolated using a steady 3% growth rate. Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

13. Brand name

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
Brand name at cost	8,000,000	8,000,000	-	-

The consolidated entity's brand name, Wridgways is assessed as having an indefinite useful life.
Refer to Note 2(l). Refer to Note 12 for impairment assessment.

14. Other Intangible Assets

	Consolidated Software $
Gross carrying amount	
Balance at 1 July 2008	1,385,956
Additions	579,968
Disposals	(70,245)
Balance at 1 July 2009	1,895,679
Additions	438,461
Disposals	(17,731)
Balance at 30 June 2010	2,316,409
Accumulated amortisation	
Balance at 1 July 2008	885,593
Amortisation expense (i)	22,244
Disposals	(70,201)
Balance at 1 July 2009	837,636
Amortisation expense (i)	18,158
Disposals	(17,729)
Balance at 30 June 2010	838,065
Net book value	
As at 30 June 2009	1,058,043
As at 30 June 2010	1,478,344

(i) Amortisation expense is included in the line item administration expenses in the statement of comprehensive income.

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
15. Current Trade and Other Payables				
Trade payables (i)	15,979,409	16,696,610	-	-
Goods and services tax (GST) payable	200,483	183,390	-	-
	16,179,892	16,880,000	-	-

(i) Terms of payment for trade payables range from 7 days from date of invoice to 30 days from end of month. The consolidated entity has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
16. Current Provisions				
Employee benefits	3,727,973	3,632,864	738,812	688,558
17. Current Other Liabilities				
Lease incentive liability	39,869	39,869	-	-
18. Non-Current Trade and Other Payables				
Unsecured:				
Payable to subsidiaries	-	-	10,111,642	10,915,487
19. Non-Current Provisions				
Employee benefits	201,863	184,081	44,707	39,544
20. Non-Current Other Liabilities				
Lease incentive liability	284,820	324,689	-	-
21. Issued Capital				
32,000,000 fully paid ordinary shares (2009: 32,000,000)	1,500,000	1,500,000	1,500,000	1,500,000

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore the company does not have a limited amount of authorised capital and issued shares do not have a par value.

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
22. Retained Earnings				
Balance at beginning of financial year	15,677,931	14,452,007	6,341,886	5,409,137
Net profit attributable to members of the company	6,192,135	6,665,924	6,287,136	6,372,749
Dividends provided for or paid (note 24)	(5,440,000)	(5,440,000)	(5,440,000)	(5,440,000)
Balance at end of financial year	16,430,066	15,677,931	7,189,022	6,341,886

23. Earnings Per Share

	Consolidated 2010 Cents per share	Consolidated 2009 Cents per share
Basic earnings per share:		
Total basic earnings per share	19.35 ¢	20.83¢

The earnings used in the calculation of basic earnings per share is $6,192,135 (2009: $6,665,924).

The weighted average number of ordinary shares used in the calculation of basic earnings per share is 32,000,000 (2009: 32,000,000).

Diluted earnings per share
Diluted earnings per share is the same as basic earnings per share. The consolidated entity has not issued any potential ordinary shares during the financial year and has no potential ordinary shares on issue.

24. Dividends

	2010		2009	
	Cents per share	Total $	Cents per share	Total $
Recognised amounts				
Fully paid ordinary shares				
Final dividend in respect of the prior year:				
Franked to 30% (prior year: 30%)	11.0	3,520,000	11.0	3,520,000
Interim dividend in respect of the current year:				
Franked to 30% (prior year: 30%)	6.0	1,920,000	6.0	1,920,000
	17.0	5,440,000	17.0	5,440,000
Unrecognised amounts				
Fully paid ordinary shares				
Final dividend in respect of the current year:				
Franked to 30% (prior year: 30%)	11.0	3,520,000	11.0	3,520,000

On 19 August 2010, the directors declared a fully franked final dividend of 11 cents per share to the holders of fully paid ordinary shares in respect of the financial year ended 30 June 2010, to be paid to shareholders on 6 October 2010. The dividend will be paid to all shareholders on the Register of Members on 29 September 2010. The total estimated dividend to be paid is $3,520,000.

	Company & Consolidated 2010 $	Company & Consolidated 2009 $
Franking account balance		
Adjusted franking account balance	8,726,398	8,377,722
Impact on franking account balance of dividends not recognised	(1,508,571)	(1,508,571)
	7,217,827	6,869,151

25. Contingent Liabilities

Performance guarantees of $786,335 (2009: $786,335) are held by Westpac Banking Corporation on behalf of Wridgways Limited and Wridgways Australia Limited.

26. Leases

Operating leases

Commitments under non-cancellable operating leases contracted for:

	Consolidated		Company	
	2010 $	2009 $	2010 $	2009 $
Premises (i)				
Not longer than 1 year	6,003,261	5,409,814	-	-
Longer than 1 year and not longer than 5 years	14,369,534	13,598,742	-	-
Longer than 5 years	9,746,307	9,553,357	-	-
	30,119,102	28,561,913	-	-
Plant and equipment (ii)				
Not longer than 1 year	1,042,053	895,634	448,489	392,088
Longer than 1 year and not longer than 5 years	1,463,908	1,461,901	566,205	596,121
Longer than 5 years	248,200	372,300	-	-
	2,754,161	2,729,835	1,014,694	988,209

Leasing arrangements

(i) The consolidated entity leases a number of premises throughout Australia. The rental period of each individual lease agreement varies between 1 and 12 years with renewal options ranging from 2 to 5 years. The majority of lease agreements are subject to rental adjustments in line with movements in the Consumer Price Index or Market Rentals.

(ii) Consists of agreements for the leasing of containers, IT equipment, transport fleet and motor vehicles.
The lease agreement for containers ranges from 5 to 10 years. At the expiration of the lease agreement, the consolidated entity has the option to renew the lease for a further 2 year term or purchase the containers.
The lease agreements for the transport fleet and motor vehicles are for periods ranging from 4 to 7 years. These lease agreements do not include renewal options.

27. Subsidiaries

Name of entity	Country of incorporation	Ownership interest 2010 %	Ownership interest 2009 %
Parent entity			
Wridgways Australia Limited (i)	Australia		
Subsidiaries			
Wridgways Limited (ii)	Australia	100%	100%
Wridgways Business Relocations Pty Limited (ii)	Australia	100%	100%

(i) Head entity of tax-consolidated group and ultimate parent entity in the wholly owned Group.

(ii) Members of tax-consolidated group.

28. Segment Information

The consolidated entity has adopted AASB 8 *Operating Segments* with effect from 1 July 2009. AASB 8 requires operating segments to be identified on the basis of internal reports about components of the consolidated entity that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segments and to assess their performance. In contrast, the predecessor Standard (AASB 114 *Segment Reporting*) required an entity to identify two sets of segments (business and geographical), using a risks and returns approach, with the entity's 'system of internal financial reporting to key management personnel' serving only as the starting point for the identification of such segments. As a result, following the adoption of AASB 8, the consolidated entities reportable segments have changed.

The consolidated entity's reportable segments under AASB 8 are as follows:

- Removals and Storage
- Other

Removals and Storage provides removals and storage services to domestic and international customers.
Other is the aggregation of the consolidated entity's other operating segments that are not separately reportable. Included in 'Other' are the operating segments Move Dynamics, Wridgways Move Solutions and Project Management.

- Move Dynamics is a relocation management and removals brokerage business servicing the relocation procurement needs of State and Federal governments on a contract basis.
- Wridgways Move Solutions is a specialist relocation services provider to newly recruited corporate employees or employees on transfer within Australia or overseas.
- Project Management is a highly specialised division providing transport, storage and logistics to the hotel and resort industry. Project Management facilitates complete project solutions to new hotel or resort enterprises or enterprises undergoing partial or complete refurbishment.

Information regarding these segments is presented below.

	Revenue		Segment Profit	
	2010 $	2009 $	2010 $	2009 $
Continuing Operations				
Removals and storage	100,803,02	108,223,212	32,029,773	33,435,053
Other	15,272,142	15,715,401	3,173,095	3,108,819
	116,075,16	123,938,613	35,202,868	36,543,872
Interest revenue	224,393	329,211	224,393	329,211
Administrative costs			(25,409,852)	(26,227,014)
Depreciation and amortisation			(1,247,056)	(1,179,908)
Other income			17,947	25,867
Profit before tax from continuing operations			8,788,300	9,492,028
Consolidated revenue	116,299,56	124,267,824		

The revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the period (2009:Nil).
The accounting policies of the reportable segments are the same as the consolidated entity's accounting policies as described in note 2. Segment profit represents the profit earned by each segment without allocation of central administrative costs, depreciation and amortisation, interest income and tax. This is the measure that is reported to the Chief Operating Decision Maker for the purposes of resource allocation and performance assessment. Assets and Liabilities are not allocated to each operating segment and are reviewed by the Chief Operating Decision Maker on a consolidated entity basis.

Geographical information

The consolidated entity operates in one geographical area – Australia.

28. Segment Information (cont'd)

Information about major customers

There are no instances where revenues from transactions with a single external customer amount to 10% or more of the consolidated entities total revenue.
Wridgways is not reliant on any of its major customers.

29. Related party disclosures

(a) Equity interests in subsidiaries

Details of the percentage of ordinary shares held in subsidiaries are disclosed in note 27 to the financial statements.

(b) Transactions within the wholly owned Group

Details of dividend revenue derived by the parent entity from subsidiaries is disclosed in Note 4 to the financial statements.

During the financial year Wridgways Australia Limited derived management fee income from its subsidiaries, through the provision of administrative services at cost plus 5% to 30% (2009: 5% to 30%) and rental of the transport fleet at commercial rates, as disclosed in Note 4 to the financial statements.

Amounts payable to and receivable from subsidiaries are disclosed in notes 18 and 7 of the financial statements.

(c) Transactions with key management personnel of the wholly owned Group

During the financial year, the consolidated entity provided removal and storage services to key management personnel which were domestic or trivial in nature, on the same terms and conditions available to other employees and customers.

(d) Key Management Personnel Compensation

The key management personnel of Wridgways Australia Limited during the year were:

Bryan D Weir (Chairman, Non-Executive)
Anthony W Whatmore (Chairman, Non-Executive) resigned 22 October 2009
James A Brown (Director, Non- Executive) resigned 22 October 2009
Peter A S Jones (Director, Non- Executive) appointed 1 September 2009
Andrew L Horsley (Director, Non- Executive) appointed 1 January 2010
Desmond F Stickland (Managing Director)
Brian C Clarke (Finance Director)
John V Ford (State Manager, Queensland)
Steven J Crowle (General Manager, Move Solutions)
Grant C Harrang (State Manager, New South Wales)
Desmond P Sutton (General Manager, Move Dynamics)
Rob E Sims (State Manager, Western Australia)

The aggregate compensation of the key management personnel of the consolidated entity and the company is set out below:

	Consolidated		Company	
	2010	2009	2010	2009
	$	$	$	$
Short-term employee benefits	1,810,169	1,958,121	1,398,771	1,533,938
Post-employment employee benefits	219,443	309,394	159,840	175,650
	2,029,612	2,267,515	1,558,611	1,709,588

29. Related party disclosures (cont'd)

(e) Key management personnel equity holdings

2010	Balance at 1/07/09 No.	Net Change (i) No.	Balance at 30/06/10 No.
A W Whatmore (ii)	215,000	(215,000)	-
B D Weir	84,000	-	84,000
J A Brown (ii)	80,000	(80,000)	-
P A S Jones	-	-	-
A L Horsley	-	-	-
D F Stickland	3,090,000	-	3,090,000
B C Clarke	1,210,626	-	1,210,626
D P Sutton	1,100,000	(150,000)	950,000
S J Crowle	952,247	(56,388)	895,859
J V Ford	59,658	12,260	71,918
G C Harrang	-	-	-
R E Sims	-	-	-

2009	Balance at 1/07/08 No.	Net Change (i) No.	Balance at 30/06/09 No.
A W Whatmore	215,000	-	215,000
B D Weir	84,000	-	84,000
J A Brown	60,000	20,000	80,000
D F Stickland	3,090,000	-	3,090,000
B C Clarke	1,210,626	-	1,210,626
D P Sutton	1,161,968	(61,968)	1,100,000
S J Crowle	1,002,247	(50,000)	952,247
J V Ford	151,402	(91,744)	59,658
G C Harrang	-	-	-
R E Sims	-	-	-

(i) No shares were granted as remuneration by the company.
(ii) Former director who no longer falls into the category of key management personnel at 30 June 2010

30. Notes to the Statement of Cash Flows

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
Cash	8,135,328	9,382,414	356,260	167,820

(b) Reconciliation of profit for the year to net cash flows from operating activities

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
Profit for the year	6,192,135	6,665,924	6,287,136	6,372,749
(Gain)/loss on sale or disposal of non-current assets	(5,026)	(25,867)	(12,747)	(39,075)
Depreciation and amortisation of non-current assets	1,247,056	1,179,908	945,289	871,753
Changes in net assets and liabilities:				
(Increase)/decrease in assets:				
Current receivables	(639,023)	1,799,014	353,727	271,575
Current inventories	(76,164)	(84,729)	-	-
Other current assets	(218,868)	(378,375)	173	(453)
Deferred tax assets	125,728	29,907	22,590	48,813
Increase/(decrease) in liabilities:				
Current payables	(700,108)	(187,881)	-	-
Current provisions	95,109	(59,261)	50,254	27,445
Current tax liabilities	(209,667)	(679,602)	(209,667)	(679,602)
Current other liabilities	-	39,869	-	-
Non-current provisions	17,782	43,734	5,163	10,708
Non-current other liabilities	(39,869)	324,689	-	-
Net cash from operating activities	5,789,085	8,667,330	7,441,918	6,883,913

(c) Financing facilities

	Consolidated 2010 $	Consolidated 2009 $	Company 2010 $	Company 2009 $
Secured bill acceptance facility:				
Amount used	-	-	-	-
Amount unused	5,000,000	5,000,000	5,000,000	5,000,000
	5,000,000	5,000,000	5,000,000	5,000,000
Secured bank overdraft facility:				
Amount used	-	-	-	-
Amount unused	1,000,000	1,000,000	1,000,000	1,000,000
	1,000,000	1,000,000	1,000,000	1,000,000

31. Financial Instruments

(a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

(b) Categories of financial instruments

	Consolidated		Company	
	2010 $	2009 $	2010 $	2009 $
Financial Assets				
Loans and receivables	9,214,329	8,575,306	2,188,559	2,542,286
Cash and cash equivalents	8,135,328	9,382,414	356,260	167,820
Financial Liabilities				
Trade and other payables at amortised cost	16,179,892	16,880,000	10,111,642	10,915,487

(c) Foreign currency risk management

The consolidated entity and the company undertake certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. The majority of these foreign currency denominated transactions relate to freight related costs on our international removals and relocations.

The consolidated entity does not enter into derivative financial instruments to manage its exposure to foreign exchange rate risk and does not enter into or trade in financial instruments for speculative purposes.

This policy has been adopted by management on the basis that all foreign currency payments individually or collectively represent an insignificant proportion of total operating costs. In 2010, total foreign currency payments as a percentage of total operating costs equated to 7.8% (2009 – 8.2%).

Foreign Currency sensitivity analysis

The consolidated entity from a foreign currency perspective is mainly exposed to US Dollars and British Pounds. The following table details the consolidated entities sensitivity to a 20% increase and decrease in the Australian Dollar against relevant foreign currencies. 20% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents managements assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated payables and adjusts their translation at the period end for a 20% change in foreign currency rates. Strengthening of the Australian Dollar against relevant foreign currencies results in a gain to the statement of comprehensive income, whilst weakening of the Australian Dollar will result in a loss to the statement of comprehensive income.

	Consolidated		Company	
Profit or loss	2010 $	2009 $	2010 $	2009 $
US Dollars	248,976	346,181	-	-
British Pounds	140,964	160,336	-	-

The consolidated entity's sensitivity to foreign currency has increased during the current period mainly due to increased foreign currency denominated purchases for the financial year which has resulted in higher foreign currency denominated trade payables.

(d) Interest rate risk

The company and the consolidated entity are exposed to interest rate risk on cash balances held. The risk is managed by the consolidated entity maintaining an appropriate mix between fixed and floating rate deposits.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates on financial instruments as at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period.

31. Financial Instruments (cont'd)

(d) Interest rate risk (cont'd)

An increase/decrease in interest rates of 2% is used when reporting interest rate risk internally to key management. At the reporting date, if interest rates had been 2% higher/lower and all other variables were held constant, the consolidated entity's profit before tax would have increased/(decreased) by $140,647 (2009: increase/(decrease) by $134,964) and the company's profit before tax would have a $0 impact (2009: $0). This is mainly attributable to the consolidated entity's and company's exposure to interest rates on variable rate deposits.

(e) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity and company have adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The consolidated entity and company measures credit risk on a fair value basis.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the consolidated entity's and company's maximum exposure to credit risk without taking account of the value of any collateral obtained.

(f) Fair value

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

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

(g) Liquidity risk management

Liquidity risk refers to the risk that the consolidated entity or the company will not be able to meet its financial obligations as they fall due. The consolidated entity and the company undertake the following activities to ensure that there are sufficient funds available to meet obligations:

- Prepare budgeted annual and monthly cashflows
- Monitoring of actual cashflows on a daily basis
- Maintenance of a committed borrowing facility in excess of budgeted usage levels

Liquidity risk table

The following tables detail the company's and the consolidated entity's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the consolidated entity can be required to pay.

Consolidated	Weighted average interest rate %	Less than 1 month $	1-3 months $	3 months to 1 year $	1-5 years $	5+ years $	Total $
2010							
Trade and other payables	-	6,007,730	5,973,683	4,198,479	-	-	16,179,892
2009							
Trade and other payables	-	6,938,516	5,350,088	4,591,396	-	-	16,880,000

31. Financial Instruments (cont'd)

(g) Liquidity risk management (cont'd)

Company	Weighted average interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Total
	%	$	$	$	$	$	$
2010							
Trade and other payables	-	-	-	-	10,111,642	-	-
2009							
Trade and other payables	-	-	-	-	10,915,487	-	-

The following tables detail the company's and consolidated entity's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the consolidated entity's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Consolidated	Weighted average interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Total
	%	$	$	$	$	$	$
2010							
Non-interest bearing	-	4,266,947	4,830,962	116,420	-	-	9,214,329
Variable interest rate instruments	-	-	-	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-	-
	-	4,266,947	4,830,962	116,420	-	-	9,214,329
2009							
Non-interest bearing	-	4,779,218	3,652,561	143,527	-	-	8,575,306
Variable interest rate instruments	-	-	-	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-	-
	-	4,779,218	3,652,561	143,527	-	-	8,575,306

31. Financial Instruments (cont'd)

(g) Liquidity risk management (cont'd)

Company	Weighted average interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Total
	%	$	$	$	$	$	$
2010							
Non-interest bearing	-	-	-	2,188,559	-	-	2,188,559
Variable interest rate instruments	-	-	-	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-	-
	-	-	-	2,188,559	-	-	2,188,559
2009							
Non-interest bearing	-	-	-	2,542,286	-	-	2,542,286
Variable interest rate instruments	-	-	-	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-	-
	-	-	-	2,542,286	-	-	2,542,286

(h) Capital risk management

The consolidated entity manages its capital to ensure that entities in the consolidated entity will be able to continue as a going concern whilst maximising returns to stakeholders through maintaining a strong capital base.

Capital is defined as total equity of the consolidated entity. The consolidated entity's policy is to fund ongoing operations through equity. Debt will be taken out to meet short term liquidity needs or to finance non organic growth.

The company and consolidated entity are not subject to any externally imposed capital requirements.

Operating cash flows are used to maintain and expand the consolidated entity's business as well as make routine outflows of tax and dividends.

There were no changes to the consolidated entity and the company's approach to capital management during the year.

32. Net Tangible Assets per Share

	2010 $	2009 $
Consolidated net tangible assets per share	0.22	0.21

Net tangible assets of $6,922,584 [2009: $6,590,750] consists of Net Assets of $17,930,066 [2009: $17,177,931] less Intangible Assets of $11,007,482 [2009: $10,587,181]

33. Additional Company Information

Wridgways Australia Limited is a listed public company, incorporated and operating in Australia.

Registered office

26-40 Nina Link, Dandenong South, Victoria 3175

Principal place of business

26-40 Nina Link, Dandenong South, Victoria 3175

Additional stock exchange information as at 11 August 2010

Number of holders of equity securities

32,000,000 fully paid ordinary shares are held by 2,593 individual shareholders.
All issued ordinary shares carry one vote per share.

Distribution of holders of equity securities

	Fully Paid Ordinary Shares
1 - 1,000	352
1,001 - 5,000	1,118
5,001 - 10,000	577
10,001 - 100,000	518
100,001 and over	28
	2,593
Holding less than a marketable parcel	-

Substantial shareholders

Ordinary shareholders	Fully paid Number	Percentage
D F & J Stickland	3,090,000	9.66

Twenty largest holders of quoted equity securities

	Fully paid Number	Percentage
D F & J Stickland	3,090,000	9.66
B C & C A Clarke Investments Pty Ltd	1,210,626	3.78
D P Sutton	950,000	2.97
S J & H N Crowle Pty Ltd	895,859	2.80
Questor Financial Services Ltd	769,672	2.41
Wilmar Enterprises Pty Ltd	750,000	2.34
Starbrite Consultants Pty Ltd	500,000	1.56
W C Anderson	250,000	0.78
N M Shugg	225,000	0.70
A W Whatmore	215,000	0.67
R T Francis	200,000	0.63
Mandel Pty Ltd	200,000	0.63
Milne Investments Pty Ltd	200,000	0.63
H Lee	184,200	0.58
Dawson Corporate Investments Pty Ltd	182,000	0.57
C Lovett	171,000	0.53
G W Goode	163,958	0.51
Griffith Management Pty Ltd	162,670	0.51
Tullabrack Pty Ltd	150,000	0.47
Gasweld Pty Ltd	145,108	0.45
	10,615,093	33.17

Particulars of Directors

Bryan D Weir LLB BCom.
Chairman
Mr Weir is a Director of Walker Douglas & Company, a private investment and advisory group. He was formerly a partner of Freehill Hollingdale & Page and a Director of Macquarie Corporate Finance Limited. He has been a Director of Wridgways Australia Limited since May 1999 and was appointed Chairman in October 2009.

Desmond F Stickland
Managing Director
Mr Stickland has held various senior positions with Wridgways including Branch Manager, Sales Manager and Group International Manager. He was appointed Chief Executive in 1991 and assumed the role of Managing Director in 1997.

Brian C Clarke BEc, ACIS, MAICD.
Finance Director & Company Secretary
Mr Clarke has held a number of senior administrative positions within the Group including Group Accountant and IT Manager. A member of the Chartered Institute of Company Secretaries in Australia, he has been Company Secretary since 1997 and a Director since May 1999.

Peter A Jones LLB, B.Surv
Non- Executive Director
Mr Jones is the General Counsel and Company Secretary of Tassal Group Limited. He is also a director of the Australian Cancer Research Foundation. He was formerly a partner of Allens Arthur Robinson. He has been a Director of Wridgways Australia Limited since September 2009.

Andrew L Horsley BA, LLB, MBA, FAICD
Non-Executive Director
Mr Horsley established Horsley & Company, a high level executive search consultancy, in 1993. Prior to that he was a partner in another executive search firm and before that was a principal of an international executive search firm in Sydney and London. He was formerly a commercial lawyer with Baker & McKenzie and legal counsel with Esso Australia, advising on offshore and onshore petroleum exploration. He has been a director of Wridgways Australia Limited since January 2010.

Anthony W Whatmore FCPA, FAIM, FAICD.
Former Chairman
Mr Whatmore has had significant commercial experience including previous appointments as the Chairman and non-executive Director of Nestle Australia Limited, Chairman of Carter and Spencer Group Advisory Board, Deputy Managing Director of Petersville Australia Limited, Managing Director of George Weston Foods Limited and a Director of the Australian Wool Corporation, Morgan & Banks Limited, Walker Corporation Limited, Rebel Sports Limited and BRL Hardy Limited. He was a Director and Chairman of Wridgways Australia Limited since May 1999 until his resignation on 22 October 2009.

J A Brown FAIM.
Former Non-Executive Director
Mr Brown was previously Managing Director of Coates Hire Limited from 1996-2003. He has also been President Commissioner of P.T. Coates Hire Indonesia and Chairman of Coates Hire (UK). Prior to that he held many senior positions with Coates Hire including Chief Executive. He was a Director of Wridgways Australia Limited since February 2003 until his resignation on 22 October 2009.