

Rule 4.3

Appendix 4E

Preliminary final report year ended 31 March 2013

Name of entity

TTA Holdings Limited (TTA)

The following information is provided to ASX under listing rule 4.3.

1.

ABN or equivalent company
reference

18 110 475 799

Year ended:
current period

12 months ended
31 March, 2013

previous corresponding period

12 months ended
31 March, 2012

Results for announcement to the market

2.1 Revenues from ordinary activities	Increase	\$,A'000 405 (0.7%)	to	\$A'000 55,658
2.2 Profit (loss) from ordinary activities after tax attributable to members	Decrease	250 (12%)	to	1,924
2.3 Net profit (loss) for the period attributable to members	Decrease	250 (12%)	to	1,924
2.4 Dividends (distributions)				
	Amount per security	Franked amount per security		
Proposed final dividend	0.40¢	0.40¢		
Interim dividend	-	-		
Previous corresponding period:				
Final dividend	0.40¢	0.40¢		
Interim dividend	-	-		
2.5 Record date for determining entitlements to the dividend	12 July 2013			

2.6 Brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood.

During the reporting year, consumer confidence was poor and discretionary spending was curtailed as consumers increased savings and reduced debt. The electrical and electronics trade retailing was also poor. The sales of televisions in Australia had declined by 22% based on industry reports.

Against this background, it was pleasing that for the financial year ended 31 March 2013, the consolidated TTA group achieved sales revenue of \$55.66m, an increase of 0.7% over the previous corresponding period.

Profit after tax for the FY13 was \$1.92m, a decrease of 12% from the previous financial year. The decline in profitability was due largely to the more competitive landscape as well as a reduction in foreign exchange gains.

Please see the Annual Report of TTA Holdings 31 March 2013 for further details. A copy of the Annual Report is lodged in conjunction with this report.

3 Statement of Comprehensive Income

Please see Annual Report of TTA Holdings 31 March 2013, which is lodged in conjunction with this report.

4. Statement of Financial Position

Please see Annual Report of TTA Holdings 31 March 2013, which is lodged in conjunction with this report.

5. Statement of Cash Flows

Please see Annual Report of TTA Holdings 31 March 2013, which is lodged in conjunction with this report.

6. Dividends

Directors have recommended a final fully franked dividend of 0.4 cents per share (total amount of \$549,694) proposed to be paid on 26 July 2013. The record date for determining entitlements to the dividend is proposed to be 12 July 2013

7. Dividends Reinvestment

Not applicable.

8. Statement of Changes in Equity

Please see Annual Report of TTA Holdings 31 March 2013, which is lodged in conjunction with this report.

9. Net Tangible Assets

Net tangible assets per security with the comparative figure for the previous corresponding period.

	Current period	Previous corresponding Period
Net tangible assets per security	\$0.1109	\$0.1006

10. Entities Gained or Lost

Not applicable.

11. Details of Associates and Joint Venture Entities

Not applicable.

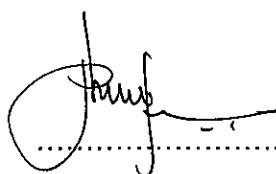
12. Any Other Significant Information & Commentary on Results

Additional financial information can be found in the 31 March 2013 annual report of TTA Holdings Limited, which is lodged in conjunction with this report. The information contained in this Preliminary Final Report is to be read in conjunction with any announcement made to the market by TTA Holdings Limited during the financial period

13. Audit

The financial statements have been audited and the auditor has issued an unqualified audit report on the financial statements.

Signed by Director



.....

Name: James Phoon
Date: 30 May 2013

TTA HOLDINGS LIMITED

ABN: 18 110 475 799

**Annual Financial Report
for the Year Ended 31 March 2013**

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Corporate Information

Corporate Information

TTA Holdings Limited is a company incorporated and domiciled in Australia.

Company Directors

Mr Sng Sze Hiang	Non Executive Chairman
Mr Mark Ewing	Independent Deputy Chairman
Ms Julia Tong Jia Pi	Non Executive Director
Mr James Phoon	Executive Director

Company Secretary

Mr Chee Ming Wong

Financial Year

This Annual Report covers the year ended 31 March 2013. The comparative figures cover the year ended 31 March 2012.

Registered Office

75 Northgate Drive,
Thomastown, Victoria 3074
Telephone: (03) 9280 2333
Facsimile: (03) 9280 2399

Principal Place of Business

75 Northgate Drive,
Thomastown, Victoria 3074
Telephone: (03) 9280 2333
Facsimile: (03) 9280 2399

Bankers

Bank of Melbourne
1/367 Bell Street,
Melbourne, Victoria 3000

Westpac Banking Corporation
360 Collins Street
Melbourne, Victoria 3000

Share Registry

Computershare Investor Services Pty Ltd
Yarra Falls
452 Johnston Street
Abbotsford, Victoria 3067

Auditor

Grant Thornton Audit Pty Ltd
Level 30, 325 Collins Street,
Melbourne, Victoria 3000

Directors' Report

Letter from the Chairman

Dear fellow Shareholders,

On behalf of the Board, I am pleased to present TTA Holdings Limited (TTA or the Company) Annual Report for the Financial Year ended 31 March 2013.

Review of Operations

For the reporting year, TEAC Australia Pty Ltd (TEAC Australia) remained as the Company's sole operating subsidiary. TEAC Australia's primary business is the distribution of TEAC branded audio and visual consumer electronics products to most major retailers throughout Australia. TEAC Australia has its own sales teams in all states except for Tasmania, which is covered by the sales team in Victoria. The eastern seaboard states contributed about 73% of the sales for the financial year with the balance 27% of the sales contributed by Western Australia, South Australia and Northern Territories.

TEAC branded audio products include a range of sound systems, portable digital/analogue audio, iPod/iPhone docking systems and clock radios. Visual products include flat panel televisions (LED LCD), DVD/portable DVD players, digital set top boxes and twin tuner personal video recorders. TEAC has particular strength in its televisions with built in DVD or Blu ray player. Audio products accounted for about 9% of sales while visual products accounted for the balance 91% of sales for the financial year.

TEAC has a strong brand presence in Australia for over 35 years. The brand is positioned as a mid tier brand providing well designed, good quality products with a strong value proposition. Brand recognition is promoted through television commercials, print advertisements, sports sponsorships, brand ambassadors and catalogue activities by major retailers.

TEAC Australia distributes its products to major retailers like the BSR (Betta Home Living) Group, Costco, Harvey Norman Group, JB Hi-Fi Group, Radio Rental (South Australia) Group, Retravisson Group, Target and The Good Guys. The major retailers in Australia are increasingly tightening the range of products they offer in their retail stores. In addition, most major retailers have established centralised procurement and product ranging. This made product ranging support from major retailers a key requirement for a distributor to do well. TEAC Australia has the support of its customers to core range its audio and visual products. For the reporting year, over 77% of TEAC Australia's sales are to the Harvey Norman Group, JB Hi-Fi Group and The Good Guys.

Financial Performance

During the reporting year, the Australian economic growth was underpinned by the resource and resources related industries as they continued to invest in their operations. On the other hand, the Australian dollar remained strong during the year, adversely affecting other industries like manufacturing, tourism and education. While national unemployment remained relatively low during the year, jobs were nevertheless lost in states that had larger manufacturing sectors, in particular New South Wales and Victoria. Property prices were also subdued during the reporting period. Consumer confidence was poor and discretionary spending was curtailed as consumers increased savings and reduced debts.

The electrical and electronics retail trade was generally poor during the reporting period. The Retravisson Group, a significant customer of TEAC Australia, was dissolved during the period with its members either joining other buying groups or had closed their doors. The sales of televisions in Australia appeared to be in decline - the industry reported that quantity of LCD and LED LCD televisions sold in Australia contracted by 22% over the year.

Against this background, it was pleasing to report that for the financial year ended 31 March 2013 (FY12/13), the consolidated TTA entity (the Group) achieved sales revenue of \$55.66m, an increase of 1% over the previous financial year. TEAC Australia had retained its volume market share of television sales during the reporting period.

Profit after tax for the FY12/13 was \$1.92m, a decrease of 12% from the previous financial year. The decline in profitability was due largely to the more competitive landscape as well as a reduction in foreign exchange gains.

Outlook

The International Monetary Fund (IMF) projected a 3 speed economic recovery in 2013 and 2014 – the emerging and developing market growth will be strong; amongst the advanced economies, the US is forecast to grow 1.9% in 2013 and 3% in 2014; and the Euro zone is forecast to contract 0.3% in 2013 and grow 1.1% in 2014. The IMF opined that the short term threats to the global economy (break up of Euro zone and sharp fiscal contraction in the US) appeared to have been defused. It expects activity in the advanced economies to gradually pick up in the second half of 2013. Growth in Asia is also forecasted to gradually pick up in 2013. Australia is projected to grow 3% in 2013 and 3.3% in 2014.

The Australian federal election in September will have a bearing on the Australian economy in 2013 and 2014. It appears that there will be tighter controls on government expenditure should the Coalition gain power. While it is still uncertain if the electrical and electronics retail trade will turn around in the new financial year, the forecast pickup in global economic activity in the latter part of 2013 could improve consumer confidence in Australia.

Directors' Report (Cont'd)

Letter from the Chairman (Cont'd)

TEAC Australia plans to increase its range of visual products and to refresh its audio products in the new financial year. TEAC Australia expects its distribution strength, its mid market position and the value proposition of its products will be key advantages in the new financial year.

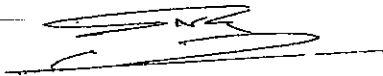
Dividends

The Board of Directors recommends a dividend of 0.4 cents per share fully franked for the year. The dividend will be paid on 26 July 2013. No provision has been made in the Statement of Financial Position for the dividend.

Appreciation

On behalf of the Board, we like to take the opportunity to thank our loyal shareholders who have stood steadfastly behind TTA during the past financial year. We also like to express our sincere thanks to our valued customers, business partners, suppliers, bankers and advisors for their continued support. We especially thank our Board members, management and entire staff of TTA and TEAC Australia for their undivided commitment, dedication and loyalty. We look forward to all your continued support and contribution as we work together to improve the Group's performance and shareholder value in the coming years.

Yours sincerely



Sng Sze Hiang
Chairman
30 May 2013

Directors' Report (Cont'd)

The Directors present the annual financial report on the consolidated entity, consisting of TTA and its subsidiary for the year ended 31 March 2013. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

Directors' Details

The names and details of the Group Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire year unless otherwise stated.

Mr Sng Sze Hiang, Non Executive Chairman

Mr Sng is the Chairman, CEO, Founder and major shareholder of TT International Limited ("TTI") and is also a director of other TTI group companies. He is the Chairman of the TTI Executive Committee and is responsible for the formulation of business policies, setting the directions and strategies of the TTI Group as well as managing the overall business. He has over 20 years of experience in trading electrical and electronics products with emerging markets.

Mr Sng holds a Certificate in Marine Communications from the Singapore Polytechnic.

Mr Sng is a member of the Audit, Risk & Compliance Committee and through his and Julia's shareholdings in TTI, they collectively have a controlling interest of 51,288,385 ordinary shares in TTA.

Mr. Sng is currently Chairman and Chief Executive Officer of TTI and has held that position for the last five years immediately before the end of this financial year.

Mr Mark Ewing, Non Executive Independent Deputy Chairman

Mark is a Chartered Accountant and a Corporate Advisor with over 35 years experience advising unlisted and listed companies specifically in mergers and acquisitions, risk management and private and public equity raisings. He also provides compliance and advisory services to companies operating Managed Investment Schemes in the finance, property and thoroughbred racing sectors.

He was a Director of Racing Victoria Ltd from 2005 – 2008, a Director of TSV Holdings Limited from 2004 – 2007 and Chairman of Austral Waste Group Limited from 2006 – 2008.

Mark is Chairman of the Audit, Risk & Compliance Committee. Mark does not own any securities in TTA.

Ms Julia Tong Jia Pi, Non Executive Director

Julia is an Executive Director, co-founder and major shareholder of TTI and is also a director of other TTI group companies. Julia is a member of the Executive, Nominating and Remuneration Committees of TTI and has over 20 years trading experience in a wide range of consumer products in emerging markets. She is responsible for the administrative functions of the TTI Group and in ensuring the efficiency of the TTI Group's operations as well as corporate planning and implementation of business strategies. In addition, she is also involved in new business development.

Julia holds a Bachelor of Arts from the Institute of Education in Yangon, Myanmar.

Julia is a member of the Audit, Risk & Compliance Committee and through her and Mr. Sng's shareholdings in TTI, they collectively have a controlling interest of 51,288,385 ordinary shares in TTA.

Julia is currently Executive Director of TTI and has held that position for the last five years immediately before the end of this financial year.

Mr James Phoon, Executive Director and Chief Executive Officer

James provides overall direction to the strategy and operations of the Group's business. He has many years of senior management experience prior to assuming the current position.

James has provided leadership at TEAC Australia since 31 October 2006. Prior to his appointment at the Group, James held Executive Director positions with two manufacturing companies in South East Asia for seven years. James had also previously worked as a merchant banker in Singapore for several years, providing corporate financial advisory services.

James holds a Bachelor of Commerce (Finance) with distinction from University of Calgary, Canada. He is also a Chartered Financial Analyst registered with the Chartered Financial Analyst Institute, USA.

James has an interest in 80,504 shares in TTA. In the last five years immediately before the end of this financial year, Mr Phoon did not hold any directorships in other listed companies.

Directors' Report (Cont'd)

Details of Company Secretary

Mr Chee Ming Wong, Company Secretary

Chee has overall responsibility for the Finance, Accounting, Logistics, Procurement, Human Resources and Administration of the Group.

Chee started his career as an accountant with a manufacturing company in Jakarta, Indonesia. He subsequently held the position as Finance and Administration Manager for 12 years in two companies, first with a tooling company in Malaysia and then with a crane manufacturing company in Sydney, Australia prior to joining TEAC Australia Pty Ltd. In his position as Finance and Administration Manager in these two companies, Chee was responsible for financial management, accounting, budgeting, human resource management, IT, procurement and general administration.

Chee is a member of CPA Australia as well as a Chartered Management Accountant registered with Chartered Institute of Management Accountants, United Kingdom.

In the last five years immediately before the end of this financial year, Chee did not hold any directorships in any other listed companies.

Principal Activities and Significant Change in the State of Affairs

The principal activity of the Group in the course of the financial year was the distribution of TEAC branded audio and visual consumer electronics products in Australia. There have been no significant changes in the principal activities of the Group during the financial year.

Dividends

The Board of Directors recommend a dividend of 0.4 cents per share fully franked for the year. The dividend will be paid on 26 July 2013. No provision has been made in the Statement of Financial Position for the dividend. In the last financial year ended 31 March 2012, the Board declared a dividend of 0.4 cents per share which was paid on 27 July 2012. Refer to Note 7 in the financial statements for further details.

Significant events after balance date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial years, other than the recommendation to pay a dividend as previously noted.

Likely developments and expected results

In preparing the Review of Operations, the Directors have omitted material that would otherwise have been included under s299A(1)(c) concerning the Group's business strategies and prospects for future financial years, as they believe it is likely to result in unreasonable prejudice to the Group or any entity that is part of the Group.

Environmental regulation and performance

The Group's operations are identified to be liable parties in the *Product Stewardship (Televisions and Computers) Regulations 2012*. Since 30 June 2012, the Group has joined an approved co-regulatory arrangement.

Shares under option

During the current and prior years, no fully paid ordinary shares in TTA have been issued by virtue of the exercise of options.

As at the date of this report, no unissued ordinary shares of TTA were under options (2012: nil options).

a) Options granted during the year

During the year, no options were issued (2012: nil options).

b) Options exercised during the year

No options were exercised during the current and previous years.

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Directors' Report (Cont'd)

Indemnification and insurance of directors and officers

The Group has not otherwise, during or since the end of the financial year indemnified or agreed to indemnify the auditor of the Group or any related body corporate against a liability, including costs and expenses in successfully defending legal proceedings, as an auditor.

The Group has taken out insurance during the year in respect of any person who is or has been a director or officer of the group against a liability incurred for the costs or expenses to defend legal proceedings, other than conduct involving a wilful breach of doing. The amount of insurance paid was \$13,681.

Proceedings on behalf of the company

No person has applied to the Court for leave to bring proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of these proceedings.

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

Directors' meeting

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, there were four Board meetings and four Audit, Risk and Compliance Committee meetings held.

Director	Board meeting		Audit, Risk and Compliance Committee	
	Entitled to Attend	Attended	Entitled to Attend	Attended
Mark Ewing	4	4	4	4
Sng Sze Hiang	4	4	4	4
Julia Tong	4	1	4	1
James Phoon	4	4	n/a	n/a

Non-audit services

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

No amounts were paid to or are payable for non-audit services provided by auditors.

The directors' reasons for being satisfied that the provision of the non-audit services did not compromise the auditor independence requirements of the Act are:

- All non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Audit, Risk and Compliance Committee to ensure they do not impact the integrity and objectivity of the auditor; and
- The non-audit services provided do not undermine the general principles relating to auditor independence

Auditor's independence declaration

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 13 of the financial report.

Directors' Report (Cont'd)

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for directors and executives of the Group in accordance with the requirements of the *Corporation Act 2001*, the information provided in this remuneration report has been audited, as required, by the *Corporation Act 2001*.

Remuneration philosophy

The performance of the Company depends upon the quality of its directors and executives. To prosper, the Group must attract, motivate and retain highly skilled directors and executives. To that end, the Group embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;
- Focus on creating sustained shareholders' value; and
- Differentiation of individual rewards commensurate with contribution to overall results and according to individual accountability, performance and potential.

In the absence of a specific Remuneration Committee, the Board of Directors accepts direct responsibility for determining and reviewing compensation arrangements for the Directors, Chief Executive Officer (CEO) and the senior management team. The Board assesses the appropriateness of the nature and amount of remuneration of directors and senior managers annually with reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholders' benefit from the retention of a high quality Board and executive team.

Remuneration structure

In line with best corporate governance practice, the structure of non-executive director, executive director and senior manager remuneration is separate and distinct.

Non executive directors remuneration

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. The Board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders. Non-executive directors' fees and payments are reviewed annually by the board. If considered to be necessary, the board considers the advice of independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

Non-executive directors do not receive performance-based pay.

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The latest determination was at the Extraordinary General Meeting held on 18 May 2006 when shareholders approved an aggregate remuneration of \$200,000.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Only the non executive directors receive a fee for being a director of the Company and do not receive additional fees for the Board Committee on which the directors sit.

Senior management and executive director remuneration

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group in alignment with market practice to:

- Reward executives of the Group, business unit and individual performance against targets set with reference to appropriate benchmarks;
- Align the interests of executives with those of shareholders;
- Link reward with the strategic goals and performance of the Group; and
- Ensure total remuneration is competitive by market standards.

The executive remuneration program is designed to support the Group's reward philosophies and to underpin the Group's growth strategy as well as aligning the program with senior management's interests to:

- reward capability and experience;
- provide a clear structure for earning rewards; and
- provide recognition for contribution.

Directors' Report (Cont'd)

Remuneration Report (Audited Cont'd)

The program comprises the following components:

- Fixed remuneration component; and
- Variable remuneration component including short term incentive (STI) and long term incentive (LTI).

Fixed remuneration

The level of fixed remuneration plus superannuation is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Senior managers are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash, allowances and fringe benefits such as motor vehicles. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group. This component is not linked to the Group's performance. Superannuation is paid to the employees' nominated fund at the statutory rate of 9% subject to the Superannuation ceiling.

Variable remuneration – short term incentive (STI)

The objective of the STI program is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level so as to provide sufficient incentive to the senior manager to achieve the operational targets and such that the cost to the Group is reasonable.

Actual STI payments granted to each senior manager depend on the extent to which specific operating targets set at the beginning of the year are met. The operational targets consist of a number of Key Performance Indicators (KPIs) covering both financial and non-financial measures of performance. Typically included are measures such as contribution to revenue, net profit after tax, customer service, risk management, product management, leadership and team contribution. The Group has predetermined benchmarks, which must be met in order to trigger payments under the short-term incentive scheme.

On an annual basis, after consideration of performance against KPIs, the Board approves an overall performance rating for the Group. The individual performance of each executive is also rated and taken into account when determining the amount, if any, of the short term incentive pool allocated to each executive. The aggregate of annual STI payments available for executives across the Group are usually delivered in the form of a cash bonus. The Board has assessed the performance of each executive against KPIs for the financial year ended 31 March 2013 and has approved the STI payment set out on the table below.

Variable remuneration – long term incentive (LTI)

The objective of the LTI plan is to reward senior managers in a manner, which aligns this element of remuneration with the creation of shareholders' wealth. As such, LTI grants are only made to executives who are able to influence the generation of shareholders' wealth and thus have a direct impact on the Group's performance against relevant long term performance hurdle. LTI grants to executives are delivered in the form of options or shares. In the 2013 year, no options were issued (2012: nil) to directors and executives. No issue of shares was made in 2013 (2012: nil) under the LTI plan.

Directors' Report (Cont'd) Remuneration Report (Audited Cont'd)

Contract of employment

All executives of the Group are employed under employment contract with a minimum 4 weeks (or otherwise mutually agreed time frame) notice period required to terminate the appointment. The letters of appointment do not contain specified option incentive entitlements.

Details of remuneration

The key management personnel of TTA includes the directors, as outlined on page 6, and the following executives of the Group as follow:

Mr. James Phoon	CEO and Director, TEAC Australia Pty Ltd and TTA Holdings Ltd
Mr. Warren Allison	National Sales Manager, TEAC Australia Pty Ltd
Mr. Daniel Seow	Senior Product & Marketing Manager, TEAC Australia Pty Ltd
Mr. Chee Ming Wong	Finance & Administration Manager of TEAC Australia Pty Ltd and Company Secretary of TEAC Australia Pty Ltd and TTA Holdings Ltd
Mr. Eric Ng	Engineering Support Manager, TEAC Australia Pty Ltd

Contract details (duration and termination)

Mr. James Phoon	No fixed terms. 12 weeks notice to terminate.
Mr. Warren Allison	No fixed terms. 4 weeks notice to terminate.
Mr. Daniel Seow	No fixed terms. 4 weeks notice to terminate.
Mr. Chee Ming Wong	No fixed terms. 8 weeks notice to terminate.
Mr. Eric Ng	No fixed terms. 8 weeks notice to terminate

Performance Conditions Linked to Remuneration

The Group seeks to emphasise reward incentives for results and continued commitment to the Group through the provision of various cash bonus reward schemes, specifically the incorporation of incentive payments based on the achievement of the revenue target and continued employment with the Group. The performance related proportions of remuneration are included in the following table. The satisfaction of the performance conditions are based on a review of the audited financial statements of the Group, as such figures reduce any risk of contention relating to payment eligibility.

Consequences of performance on shareholder wealth.

In considering the Group's performance and benefits for the shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four financial years.

	2013	2012	2011	2010	2009
EPS(cents)	1.40	1.58	0.85	1.69	1.10
Dividends(cents per share)	0.4	0.4	0.4	0.6	-nil-
Net profit/loss (\$000)	1,924	2,175	1,173	2,356	1,507
Share price (cents)	5.1	5.1	5.5	5.9	7.9

Directors' Report (Cont'd) Remuneration Report (Audited Cont'd)

a) The compensation of each member of the Directors and key management personnel of the Group is set out below:

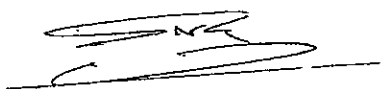
	Short term employee benefits		Post employment benefits	Other long term benefits	Total	Proportion of elements of remuneration	
	Salary and fees \$	Cash Bonus \$	Superannuation \$		\$	Related to performance %	Not related to performance %
2013							
J Phoon	243,938	79,200	16,283	-	339,421	23%	77%
W Allison	220,531	66,000	16,283	-	302,814	22%	78%
D Seow	172,310	61,050	16,283	-	249,643	24%	76%
C M Wong	135,923	66,000	16,283	-	218,206	30%	70%
E Ng	128,100	57,750	16,283	-	202,133	29%	71%
S Sng	45,000	-	-	-	45,000	0%	100%
M Ewing	35,000	-	3,150	-	38,150	0%	100%
J Tong	30,000	-	-	-	30,000	0%	100%
Total	1,010,802	330,000	84,565	-	1,425,367	23%	77%
2012							
J Phoon	237,454	70,865	15,620	-	323,939	22%	78%
W Allison	215,346	56,099	15,620	-	287,065	20%	80%
D Seow	167,747	56,099	15,123	-	238,969	23%	77%
C M Wong	126,293	56,099	14,649	-	197,041	28%	72%
E Ng	123,785	56,099	15,917	-	195,801	29%	71%
S Sng	45,000	-	-	-	45,000	0%	100%
M Ewing	34,996	-	3,191	-	38,187	0%	100%
J Tong	30,000	-	-	-	30,000	0%	100%
Total	980,621	295,261	80,120	-	1,356,002	22%	78%

Cash bonus was granted as part of the company's STI Program. The recipients were assessed to have satisfied the prerequisites for the receipts of their awards.

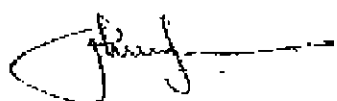
This Report of the Directors, incorporating the Remuneration Report is signed in accordance with a resolution of the Directors.

On behalf of the Directors

Yours sincerely



Sng Sze Hiang
Chairman
30 May 2013



James Phoon
Chief Executive Officer
30 May 2013

Grant Thornton Audit Pty Ltd
ACN 130 913 594

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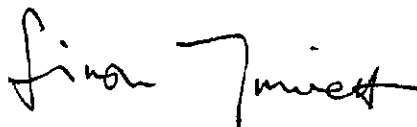
**Auditor's Independence Declaration
To the Directors of TTA Holdings Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of TTA Holdings Limited for the year ended 31 March 2013, I declare that, to the best of my knowledge and belief, there have been:

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



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Simon Trivett
Partner - Audit & Assurance

Melbourne, 30 May 2013

Corporate Governance Statement

TTA Holdings Limited ("the Company") and the Board of Directors are committed to achieving the highest standards of corporate governance. The Board continues to review the framework and practices to ensure they meet the interests of shareholders. The Company and its controlled entity together are referred to as ("the consolidated entity") or ("the Group") in this statement.

The Board is responsible to the shareholders for the performance of the consolidated entity and seeks to accommodate the key objectives of all stakeholders in its undertakings and operations. Where competing objectives do exist, the Board endeavours to find a balance for the overall benefit and in the best interests of the consolidated entity. The primary focus is to ensure the consolidated entity is properly managed whilst continuing to enhance the interests of shareholders and key stakeholders.

The Company's corporate governance policies and practices have been established with reference to the following ASX Corporate Governance Council's principles and recommendations.

- Principle 1: Lay solid foundations for management and oversight
- Principle 2: Structure the Board to add value
- Principle 3: Promote ethical and responsible decision making
- Principle 4: Safeguard integrity in financial reporting
- Principle 5: Make timely and balanced disclosure
- Principle 6: Respect the rights of shareholders
- Principle 7: Recognise and manage risk
- Principle 8: Remunerate fairly and responsibly

A description of the Company's main corporate governance practices is set out below. All these practices, unless otherwise stated, were in place for the entire year.

Principal 1 : Lay Solid Foundations for Management and Oversight

The Board's role is to provide strategic guidance and effective oversight of management. It is ultimately accountable to shareholders for the management and direction of management and of the business of the Company and therefore, has ultimate authority over management.

In carrying out its role and exercising its powers, the Board acts in accordance with the letter and spirit of the law and the Company's Constitution. It acts honestly, fairly and with integrity in accordance with the Company's policies, codes of conduct and ethical and other standards and in a manner which will create and develop sustainable value for shareholders. It has regard to the interests of the Company's stakeholders, its employees, suppliers, customers or other stakeholders in the Company and the general community.

Responsibility of the Board

The Board remains primarily responsible for the strategic direction and financial aspirations of the Company, whilst delegating the responsibilities of management to the senior management team. The role of the Board is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole.

The Board undertakes the responsibilities for:

- the oversight of the Company, its business, activities, corporate governance and internal controls, including the development of its commercial, strategic and financial objectives and the monitoring of the implementation and execution of those objectives;
- acting as the nomination committee, which includes reviewing the composition of the Board, (including appointment and retirement or removal of directors) and succession planning;
- the review and oversight of the operation of systems of risk management, internal compliance and control, codes of ethics and conduct, legal and regulatory compliance;
- appointing and (where appropriate) removing the Chief Executive Officer and approving other key executive appointments and planning for executive succession;
- the monitoring of senior management's performance and implementation of strategy, including ensuring appropriate resources are available;
- approval of major capital expenditure, capital management, acquisitions and divestitures and consequential monitoring of their progresses;
- development of suitable key indicators of financial performance for the Company and its business;
- input into, and final approval of, management's development of corporate strategy and performance objectives;
- establishment and oversight of Committees to consider such matters as the Board may consider appropriate, including audit matters, finance and business risks, remuneration and nominations and the establishment of a framework for the effective and efficient management of the Company; and
- any and all other matters reserved to it by law.

Corporate Governance Statement (Cont'd)

Principal 2: Structure the Board to add value

The Board has been formed so that it has an effective mix of personnel who are committed to adequately discharge their responsibilities and duties, and be of value to the Company.

The Board believes that the interests of all Shareholders are best served by:

- Directors having the appropriate skills, experience and contacts within the Company's industry; and
- The Company striving to have a balance between the overall number of Directors and the number of Directors being independent as defined in the ASX Corporate Governance Guidelines.

The Board regularly reviews its size, structure and composition, taking into consideration the balance of skills, experience and knowledge of members to ensure it continually adds value to the Company.

As at the date of this report, the Board comprises of the following members:

Name	Board position	Non executive status	Independent status
Mr Sng Sze Hiang	Chairman	Non Executive	Not independent
Mr Mark Ewing	Deputy Chairman	Non Executive	Independent
Ms Julia Tong	Director	Non Executive	Not independent
Mr James Phoon	Director	Executive	Not Independent

Details of the directors as at the date of this report, including their experience, expertise, and term of office, are set out in the Directors' Report.

Directors' Independence

The Board regards a director to be independent if they are in a Non Executive Director capacity and are free from any business relationship or other relationship that could compromise their ability to act in the best interests of the Company. Such a situation will occur if the director is a significant shareholder.

If a conflict of interest does arise, the director concerned does not receive the relevant Board papers and is not present at the meeting whilst the item is being considered. Directors must keep the Board advised, on an ongoing basis, of any interests that could possibly conflict with those of the Company. Directors are required to promptly disclose to the Board interests in contracts, other directorships or offices held, possible related party transactions and sale/purchases of the Company's securities.

The Board has reviewed the position of all current directors in light of the Company's definition of independence. While there is only one independent director and the Chairman's role is not independent, the Board is still of the view that the current practice is appropriate for the Company as it continues to grow the business of TEAC Australia Pty Ltd. The Board believes the benefits that this will provide to the Company's development will negate any perceived lack of independence.

At this time, the Company believes the current composition of the Board is appropriate to ensure the interests of shareholders are safeguarded and the high standards of corporate governance are maintained. The Board remains committed to evaluating and attracting appropriate independent directors with the necessary skills and experience.

Term of office

The Company's constitution specifies that at each Annual General Meeting (AGM), one third of the Directors must retire from office. The Directors to retire by rotation are those Directors who have been longest in the office since their last election or appointment. A retiring Director is eligible for re-election. The Managing Director (CEO) is not subject to retirement by rotation.

The Company does not have a Nomination or Remuneration Committee because it is deemed to be more efficient to have the full Board consider such matters in a broader context of the overall operations.

Independent professional advice

Non Executive Directors have the right to seek independent professional advice in the furtherance of their duties as Directors at the Company's expense. The Chairman's prior approval of any expenditure is required, however, this will not be unreasonably withheld.

Corporate Governance Statement (Cont'd)

Principal 3 : Promote Ethical and Responsible Decision-Making

As part of the Company's commitment to recognising the legitimate interests of stakeholders, a common Code of Conduct has been established for the Directors, senior executives and employees of the Company to guide compliance with legal and other obligations to legitimate stakeholders.

The Code of Conduct outlines the core principles and requirements of the Company relating to:

- Business Integrity;
- Employment;
- Environment;
- Safety and Health; and
- Compliance.

The Company has a share trading policy that regulates the dealings by Directors, Officers and Employees, in shares, options and other securities issued by the Company. The policy has been formulated to ensure that Directors, Officers, Employees and Consultants who work on a regular basis for the Company are aware of the legal restrictions on trading in Company securities while in possession of unpublished price-sensitive information and do not act on material information until it has been released to the market. The directors are satisfied that the Group has complied with its policies on ethical standards, including trading in securities.

Diversity Policy

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent. This diversity policy outlines the requirements for the Board to develop measurable objectives for achieving diversity, and annually assess both the objectives and the progress in achieving those objectives. Accordingly, the Board has developed the following objectives regarding gender diversity and aims to achieve these objectives over the next few years as director and senior executive position positions become vacant and appropriately qualified candidates become available:

	2013		2012	
	No.	%	No.	%
Women on the Board	1	25%	1	25%
Women in senior management roles	-	-	-	-
Women employees in the company	13	28%	13	27%

Principal 4 : Safeguard Integrity in Financial Reporting

The Company has put in place controls designed to safeguard the Company's interests and to ensure the integrity of its reporting. These controls aim to ensure that the Company complies with all regulatory requirements and community standards.

Both the Chief Executive Officer and Chief Financial Officer (or equivalent) are required to state in writing to the Board that:

- (a) the Company's financial report represents a true and fair view, in all material respects, of the Group's financial condition and operational results and are in accordance with relevant Australian Accounting Standards;
- (b) the statement in (a) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- (c) the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

The Company's financial report is subject to an annual audit by an independent professional auditor who also reviews the Company's half yearly financial report. The Audit, Risk & Compliance Committee, which operates under a charter adopted by the Board, oversees this process on behalf of the Board. During the year, the Audit, Risk & Compliance Committee did not meet the Best Practice Recommendations of an audit committee that comprises only non executive directors, the majority of which will be independent directors. The Committee comprised of 3 members.

It is the Board's responsibility to ensure that an effective internal framework exists within the Company, including internal controls to deal with the safeguarding of assets, efficient and effective significant business processes, maintenance of proper accounting records and the reliability of financial information, together with non-financial considerations such as the benchmarking of operational key performance indicators. The Board has delegated the responsibility for establishing and maintaining a framework of internal control and ethical standards to the Audit, Risk & Compliance Committee.

The Committee provides the Board with additional assurance regarding the correctness and reliability of financial information prepared for use by the Board and also for the integrity of the Company's internal controls affecting the preparation and provision of the financial information in determining policies or for inclusion in the financial report.

Corporate Governance Statement (Cont'd)

As at the date of this report, the Audit, Risk & Compliance Committee comprises of the following members:

Director	Committee position	Non executive status	Independent status
Mr Mark Ewing	Chairman	Non Executive	Independent
Mr.Sng Sze Hiang	Member	Non Executive	Not Independent
Ms Julia Tong	Member	Non Executive	Not independent

The Committee meets at a minimum, on a six monthly basis to review and consider the half-year and full year financial report of the Company. The Company's auditors have a standing invitation to attend these meetings. The Directors' Report contains further details on Committee Members skills and qualifications, together with details of meeting attendance.

Principal 5 : Make timely and balanced disclosure

The Company has developed a set of policies, approved by the Board, to ensure the market is fully informed of its strategy and financial performance. The Company seeks to achieve this by providing equal access to information for all investors and avoiding the disclosure of material information to any person on a selective basis.

Disclosable price sensitive information must be disclosed to ASX prior to disclosure to analysts, the media or others outside the Company to ensure equal access to information.

Except for certain confidential information that no reasonable person would expect to be disclosed, once the Company becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the Company's securities, it will immediately advise ASX of that information. Continuous disclosure obligations are reviewed as a standing item on the agenda for each regular meeting of the Board and all Directors are required to confirm details of any matter within their knowledge that might require disclosure to the market.

The Company communicates regularly with shareholders through:

- its full annual report, which the shareholders receive via the Company's website unless they have elected to receive it in hard copy;
- its annual general meeting, at which shareholders are updated on the Company's performance and outlook. All shareholders are given the opportunity to ask questions of the Board and of the auditor about the conduct of the audit.
- company announcements published with the ASX; and
- market briefings where unexpected events occur during the year or to ensure the market is clear about the Company's strategy, business and outlook. No new materially price sensitive information will be provided at these briefings. Questions at briefings that deal with material information not previously disclosed will not be answered. All inadvertent disclosure of material information during market briefings are immediately released to ASX.

Only the Chairman or a person authorised by the Chairman is authorised to make any public statement or announcement on behalf of the Company.

The Company does not comment on rumours or market speculation, subject to the continuous disclosure rules.

All proposed media releases and external presentations are reviewed by the Company Secretary in advance to ensure the continuous disclosure requirements are met at all times. The Company Secretary is also responsible for all communications with ASX.

Principal 6 : Respect The Rights of Shareholders

The Board acknowledges the legitimate interests of various stakeholders such as Employees, Clients, Customers, Government Authorities, Creditors and the Community as a whole. As a good Corporate Citizen, it encourages and ensures compliance and commitment to appropriate corporate practices that are fair and ethical via its 'Code of Conduct Policy'.

Corporate Governance Statement (Cont'd)

Principal 7 : Recognise and Manage Risk

In accordance with Section 295(a) of the Corporation Act 2001, the Audit, Risk & Compliance Committee has established a policy for risk oversight and management within the Company. This is reviewed and updated (if necessary) annually.

The Chief Executive Officer and Chief Financial Officer (or equivalent) have given a statement to the Board that:

- a) The Financial Statements are founded on a sound system of risk management and internal compliance and control which implements the Policies adopted by the Board; and
- b) The company's risk management and internal compliance and control system, in so far as it relates to financial risk, is operating effectively in all material respects.

Further details about the Company risk management processes are contained under the heading of Principal 4.

Principal 8 : Remunerate Fairly and Responsibly

The Company has not established a Nomination or Remuneration Committee as it deemed the full Board of the Company is a more efficient mechanism to administer the Company's remuneration policy.

The Board is responsible for:

- Setting the remuneration and conditions of service of all Executive and Non Executive Directors, CEO and Senior management team;
- Approving the design of Executive & Employee incentive plans (including equity-based plans and options) and proposed payments or awards under such plans;
- Reviewing performance hurdles associated with incentive plans;
- Consideration of the remuneration of Non Executive Directors within the aggregate amount approved by Shareholders at General Meetings from time to time;
- Consulting appropriately qualified Consultants for advice on remuneration and other conditions of service;
- Succession planning for the CEO and Senior management team; and
- Performance assessment of the CEO.

The Company is committed to remunerating its Senior Executives in a manner that is market-competitive and consistent with 'Best Practice' as well as supporting the interests of Shareholders. Senior Executives receive a remuneration package based on fixed and variable components, determined by their position and experience. Shares and/or Options may also be granted based on an individual's performance and subject to approval by Shareholders.

Non Executive Directors are paid their fees out of the maximum aggregate amount approved by Shareholders for the remuneration of Non Executive Directors. Non Executive Directors do not receive performance based bonuses and do not participate in Equity Schemes of the Company without prior Shareholder approval.

Refer to the Remuneration report for additional details regarding the remuneration arrangements of Directors and Executives.

Consolidated Statement of Profit and Loss and Other Comprehensive Income for the year ended 31 March 2013

	Notes	2013 \$	2012 \$
Revenue from continuing operations	2	55,657,904	55,252,439
Changes in inventories of finished goods		(1,230,822)	(1,202,889)
Raw materials and consumable used		(45,012,764)	(44,467,019)
Employee benefits expenses		(5,545,880)	(4,880,336)
Rental expenses	3	(220,082)	(265,423)
Other expenses		(1,534,527)	(1,653,132)
Depreciation & amortisation expenses	3	(162,400)	(175,235)
Foreign Exchange gain	3	560,486	1,040,877
Finance costs		(336,193)	(314,153)
Profit before income tax		2,175,722	3,335,129
Income tax expense	5	(251,550)	(1,160,496)
Profit from continuing operation	4	1,924,172	2,174,633
Other comprehensive income		-	-
Total comprehensive income for the year		1,924,172	2,174,633
Profit attributable to :		1,924,172	2,174,633
Members of the parent entity		1,924,172	2,174,633
Non controlling interest		-	-
Total comprehensive income attributable to :		1,924,172	2,174,633
Members of the parent entity		1,924,172	2,174,633
Non controlling interest		-	-
Earnings per share - Continuing and discontinued Operations			
Basic earnings per share (cents)	6	1.40	1.58
Diluted earnings per share (cents)	6	1.40	1.58
Earnings per share – Continuing Operations			
Basic earnings per share (cents)	6	1.40	1.58
Diluted earnings per share (cents)	6	1.40	1.58

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position as at 31 March 2013

	Notes	2013 \$	2012 \$
ASSETS			
Current assets			
Cash and cash equivalents	8	5,534,427	6,611,156
Trade and other receivables	9	10,241,056	6,257,556
Inventories	10	6,034,302	6,952,497
Other current assets	18	482,655	588,105
Total current assets		22,292,440	20,409,314
Non current assets			
Property, plant & equipment	11	3,847,104	3,939,636
Intangible assets	12	2,962,624	2,997,052
Deferred tax assets	5	1,503,138	1,427,234
Total non current assets		8,312,866	8,363,922
Total assets		30,605,306	28,773,236
LIABILITIES			
Current liabilities			
Trade and other payables	13	1,619,392	1,481,998
Provisions	14	1,300,034	780,857
Employee Benefits Liability	15	712,759	676,937
Current tax payables		553,923	788,915
Other financial liabilities	17	5,151,583	5,288,025
Interest bearing liabilities	16	1,310,953	1,071,730
Total current liabilities		10,648,644	10,088,462
Non current liabilities			
Employee benefits liability	15	120,854	102,320
Interest bearing liabilities	16	1,630,000	1,750,000
Deferred tax liabilities	5	7,988	9,112
Total non current liabilities		1,758,842	1,861,432
Total liabilities		12,407,486	11,949,894
Net assets		18,197,820	16,823,342
EQUITY			
Issued capital	19(a)	6,484,607	6,484,607
Accumulated profits / (losses)	4	11,713,213	10,338,735
Total equity		18,197,820	16,823,342

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity for the year ended 31 March 2013

	Issued Capital	Accumulated Profit/(Losses)	Total
	\$	\$	\$
Opening balance 1 April 2011	6,484,607	8,713,796	15,198,403
Total comprehensive income for the year	-	2,174,633	2,174,633
Dividend paid	-	(549,694)	(549,694)
At 31 March 2012	6,484,607	10,338,735	16,823,342
At 1 April 2012	6,484,607	10,338,735	16,823,342
Total comprehensive income for the year	-	1,924,172	1,924,172
Dividend paid	-	(549,694)	(549,694)
At 31 March 2013	6,484,607	11,713,213	18,197,820

The accompanying notes form part of these financial statements

Consolidated Statement of cash flows for the year ended 31 March 2013

	Notes	2013 \$	2012 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		56,546,711	66,855,857
Payments to suppliers, employees and others (inclusive of GST)		(56,122,791)	(58,073,849)
Tax paid		(564,164)	(744,158)
Interest received		108,074	62,360
Borrowing costs		(336,193)	(314,153)
Net cashflows provided by/(used in) operating activities	20 (b)	(368,363)	7,786,057
Cash flows from investing activities			
Proceed from deposit		-	32,041
Payments for Intangible software		-	(6,320)
Proceeds/(Payments) for property, plant & equipment		31,752	(104,567)
Proceeds from property, plant & equipment		1,884	7,638
Net cash provided by/(used in) investing activities		33,636	(71,208)
Cash flows from financing activities			
Repayment from borrowings		(192,308)	(2,519,063)
Dividend Paid		(549,694)	(549,694)
Net cash used in financing activities		(742,002)	(3,068,757)
Net increase/(decrease) in cash held		(1,076,729)	4,646,092
Cash and cash equivalents at the beginning of the year		6,611,156	1,965,064
Cash and cash equivalents at end of the year	20 (a)	5,534,427	6,611,156

The accompanying notes form part of these financial statements

Notes to the financial statements

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Notes to the financial statements for the year ended 31 March 2013

Corporate information

The financial report of TTA Holdings Limited ("the Company" or "TTA") for the year ended 31 March 2013 was authorised for issue in accordance with a resolution of the directors on 30 May 2013.

TTA is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

Note 1 - Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of TTA and its subsidiary (referred to as "the Group").

Basis of preparation

The financial report is a general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has been prepared on a historical cost basis except for certain assets and liabilities as disclosed which have been measured at fair value.

a) New Accounting Standards and Interpretations

(i) Changes in accounting policy and disclosures.

The Group has adopted the following new and amended Australian Accounting Standards and AASB Interpretations as of 1 April 2012:

- AASB 2010-6 *Amendments to Australian Accounting Standards – Disclosure on Transfers of Financial Assets*

The adoption of these standards did not have a material impact on the current period or any prior period and is not likely to affect future periods.

(ii) Accounting Standards and Interpretations issued but not yet effective.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2013 reporting period. The Group's assessment of the impact of these new standards and interpretations is set out below.

(a) AASB 9 *Financial Instruments*, AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9* and AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)* (effective from 1 January 2015)

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013 but is available for early adoption. When adopted, the standard is not expected to impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the group does not have any such liabilities.

The derecognition rules have been transferred from AASB 139 *Financial Instruments: Recognition and Measurement* and have not been changed. The group has not yet decided when to adopt AASB 9.

(b) AASB 13 Fair Value Measurement (AASB 13)

AASB 13 does not affect which items are required to be fair-valued, but clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It is applicable for annual periods beginning on or after 1 January 2013. The Group's management have yet to assess the impact of this new standard.

(c) AASB 2011-9 Amendment to Australian Accounting Standard – Presentation of items of other Comprehensive Income

The AASB 101 Amendments require an entity to group items presented in other comprehensive income into those that, in accordance with other IFRSs: (a) will not be reclassified subsequently to profit or loss and (b) will be reclassified subsequently to profit or loss when specific conditions are met. It is applicable for annual periods beginning on or after 1 July 2012. The Group's management expects this will change the current presentation of items in other comprehensive income; however, it will not affect the measurement or recognition of such items.

Notes to the financial statements for the year ended 31 March 2013

Note 1 - Summary of significant accounting policies (continued)

(d) Amendments to AASB 119 Employee Benefits (AASB 119 Amendments)

The AASB 119 Amendments include a number of targeted improvements throughout the Standard. The main changes relate to defined benefit plans. They:

- eliminate the 'corridor method', requiring entities to recognise all gains and losses arising in the reporting period
- streamline the presentation of changes in plan assets and liabilities
- enhance the disclosure requirements, including information about the characteristics of defined benefit plans and the risks that entities are exposed to through participation in them.

The amended version of AASB119 is effective for financial years beginning on or after 1 January 2013. The Group's management have yet to assess the impact of this revised standard on the Group's financial statements.

The standard is applicable to financial years beginning on or after 1 July 2012. The Group's management have yet to assess the impact of this standard on the Group's financial statements.

b) **Statement of compliance**

These consolidated financial statements comply with Australian Accounting Standards, which ensures compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB).

c) **Basis of consolidation**

The consolidated financial statements comprise the financial statements of TTA and its controlled entity (TEAC Australia Pty Ltd, referred to as "TEAC Australia") as at 31 March 2013.

Subsidiaries are all those entities over which TTA has the power to govern the financial and operating policies so as to obtain benefits from their activities, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the company controls another entity.

All subsidiaries are fully consolidated from the date on which control is obtained by the company and cease to be consolidated from the date on which control is transferred out of the Group.

The acquisition method of accounting is used to account for business combinations by the group (refer to note 1(o)).

d) **Significant accounting judgments, estimates and assumptions**

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

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

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

(i) *Significant accounting judgements*

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences. Significant judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and the level of future taxable profits over the next 2 years.

Notes to the financial statements for the year ended 31 March 2013

Note 1 - Summary of significant accounting policies (continued)

Impairment of non-financial assets other than goodwill

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. These include product performance, technology, economic and political environments and future product expectations. If an impairment trigger exists the recoverable amount of the asset is determined. Recoverable amounts of relevant assets are assessed using value in use calculations which incorporate various key assumptions. For the purposes of undertaking the impairment assessment of land and building, they have been assessed as part of goodwill as disclosed in note 12 and no impairment loss was recognised for goodwill, land and building.

Taxation

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

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

(ii) Significant accounting estimates and assumptions

Impairment of goodwill

The Group determines whether goodwill is impaired annually. This requires an estimation of the recoverable amount of the cash-generating units, using a value in use discounted cash flow methodology, to which the goodwill is allocated. The key assumptions used are outlined in note 12. No impairment has been recognised in respect of land and building and goodwill.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience. In addition, the condition of the assets is assessed at least annually and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Warranty provision

The Group generally offers 12 months warranty on its product range. Management estimates the expected performance of the products, number of customers who will actually use the warranty and how often and the costs of fulfilling the warranty. Historical warranty claims information, as well as recent trends that might suggest the past cost information may differ from future claims have been considered in determining this provision. Factors that could impact the estimated claim information include the quality of workmanship of the Group's suppliers.

e) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the Group has transferred to the buyer the significant risks and rewards of ownership of the goods and ceases all involvement with the goods. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customers and the cessation of all management of these goods. Revenue is recognised net of volume discounts, rebates and returns. Accumulated experience is used to calculate the rebates and returns.

Notes to the financial statements for the year ended 31 March 2013

Note 1 - Summary of significant accounting policies (continued)

Interest Revenue

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

Dividends

Dividends are recognised as revenue when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a consequence.

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

f) **Interest-bearing liabilities**

All loans and borrowings are initially recorded at fair value, net of transaction costs incurred.

Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

— Borrowings are removed from the statement of financial positions when the obligation specified in the contract is discharged, cancelled or expire. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

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

g) **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial amount of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the year they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

h) **Cash and cash equivalents**

Cash and cash equivalents recognised in the consolidated statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the consolidated statement of financial position.

i) **Provisions and Employee benefits**

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Notes to the financial statements for the year ended 31 March 2013

Note 1 - Summary of significant accounting policies (continued)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of comprehensive income net of any reimbursement.

Employee leave benefits

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

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

(ii) Long service leave

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

j) Investments and other financial assets

Investments and financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are categorised as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired or originated. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting date.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Recognition and derecognition

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the year established generally by regulation or convention in the market place. Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or when the entity transfers substantially all the risks and rewards of the financial assets. If the entity neither retains nor transfers substantially all of the risks and rewards, it derecognises the asset if it has transferred control of the assets.

Subsequent measurement

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

Financial assets classified as held for trading are included in the category "financial assets at fair value through profit or loss". Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term with the intention of making a profit. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on financial assets held for trading are recognised in profit or loss and the related assets are classified as current assets in the statement of financial position.

(ii) Loans and receivables

Loans and receivables including loan notes and loans to key management personnel are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired. These are included in current assets, except for those with maturities greater than 12 months after balance date, which are classified as non-current.

Notes to the financial statements for the year ended 31 March 2013

Note 1 - Summary of significant accounting policies (continued)

Impairment

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

(i) Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of comprehensive income. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

k) Issued capital

Ordinary shares are classified as equity. Transaction costs incurred on the issue of equity instruments are recognised directly in equity, net of any tax effect, as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

l) Inventories

Inventories include finished goods and spare parts used for repair. Inventories are measured at the lower of cost and net realisable value. The cost of purchased products includes the purchase price, freight, and other delivery costs after deducting rebates and discounts. Costs are assigned on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

m) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. The group utilises forward exchange contract as outlined in Note 25.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

n) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables, which are stated with the amount of GST included.

Notes to the financial statements for the year ended 31 March 2013

Note 1 - Summary of significant accounting policies (continued)

n) Goods and services tax (continued)

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

Cash flows are included in the consolidated statement of cash flows on a gross basis and 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 part of operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

o) Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Company. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Goodwill is measured as described above. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segments.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash generating units), to which the goodwill relates.

TTA performs its impairment testing as at 31 March each year using a value in use, discounted cash flow methodology. Refer to note 12 for further details.

When the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a cash-generating unit (group of cash-generating units) and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Any impairment is recognised immediately in profit or loss and is not subsequently reversed.

Notes to the financial statements for the year ended 31 March 2013

Note 1 - Summary of significant accounting policies (continued)

p) Impairment of non-financial assets other than goodwill and indefinite life intangibles

Non-financial assets other than goodwill and indefinite life intangibles are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

TTA conducts an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

q) Income tax

The income tax expense /(benefit) for the year comprises current and deferred income tax expenses/(benefits).

Current income tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current year's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Notes to the financial statements for the year ended 31 March 2013

Note 1 - Summary of significant accounting policies (continued)

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax Consolidation

The Company and its subsidiary have formed an income tax consolidation group under tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are managed using the stand-alone taxpayer approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiary are immediately transferred to the head entity. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from May 2008. The tax consolidated group has entered a tax funding arrangement whereby each company in the Group contributes to the income tax payable by the Group in proportion to their contribution to the Group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

r) Intangible assets

(i) Goodwill

Refer to note 1 (o).

(ii) IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the group has an intention and ability to use the asset.

s) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

(i) Group as a lessee

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

t) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

Notes to the financial statements for the year ended 31 March 2013

Note 1 - Summary of significant accounting policies (continued)

u) Property, plant and equipment

Property, plant and equipment, leasehold improvements and equipment under finance lease are stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is provided on property, plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the year of the lease or estimated useful life, whichever is the shorter, using the straight line method. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting year.

The following Depreciation rates are used in the calculation of depreciation:

Depreciation rates are:	2013	2012
Computer equipment	20% to 30%	20% to 30%
Plant and equipment	15% to 40%	15% to 40%
Motor Vehicles	30%	30%
Buildings	2.5%	2.5%

The carrying values of plant and equipment, leasehold improvements and equipment under finance lease are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate the carrying value may be impaired.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of comprehensive income. Upon disposal or derecognition, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

v) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent entity, excluding any costs of servicing equity other than ordinary shares, divided by the weighted average number of issued ordinary shares, adjusted for any bonus element.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Notes to the financial statements for the year ended 31 March 2013

Note 1 - Summary of significant accounting policies (continued)

w) Trade and other receivables

Trade receivables which generally have 30-60 day terms are initially recognized at fair value and subsequently measured at amortised cost using the effective interest rate method, less allowance for impairment.

Collectability of Trade receivables is reviewed on an on-going basis. Individual debts that are known to be uncollectable are written off when identified. An impairment provision is recognized where there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of expected future cash flows, discounted at the original effective interest rate.

x) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. As the Group does not qualify for hedging accounting, changes in the fair value of all its derivative instrument are recognised immediately in profit or loss and are included in other income or other expenses.

y) Parent entity financial information

The financial information for the parent entity, as disclosed in note 24 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiary are accounted for at cost in the financial statements of Company. Dividends received from subsidiary are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

In preparing these consolidated financial statements, the accounting requirements specific to reverse acquisition as stated in AASB 3 Business Combination has been applied and all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Accounting policies of subsidiaries have been changed to ensure consistency with that of the Group.

Notes to the financial statements for the year ended 31 March 2013

2. Revenue

	2013	2012
	\$	\$
Continuing operations:		
Revenue from operating activities		
Revenue from sale of goods	55,457,644	55,018,079
Revenue from services	101,910	157,972
	<u>55,559,554</u>	<u>55,176,051</u>
Revenue from non-operating activities		
Interest income - financial institutions	96,466	68,750
Gain from disposal of fixed assets	1,884	7,638
	<u>98,350</u>	<u>76,388</u>
Total revenue from continuing operations	<u>55,657,904</u>	<u>55,252,439</u>

3. Expenses and losses/(gains) included in profit

Profit before income tax has been determined after:

	2013	2012
	\$	\$
Depreciation and amortisation:		
Office equipment	5,348	3,969
Office/ Plant under lease	-	15,650
Motor vehicles	421	3,684
Plant and equipment	35,166	46,817
Building improvements	59,847	59,258
Computers	20,100	-
Leasehold improvements	2,090	8,867
Total depreciation of non current assets	<u>122,972</u>	<u>138,245</u>
Amortisation of non-current assets:		
Amortisation of computer software	39,428	36,990
Total depreciation and amortisation expense	<u>162,400</u>	<u>175,235</u>
Lease expense	<u>220,082</u>	<u>265,423</u>
Unrealised/Realised FX gains	560,486	1,040,877

Notes to the financial statements for the year ended 31 March 2013

4. Accumulated profit/(losses)

	2013	2012
	\$	\$
Accumulated profits/(losses) at beginning of the financial year	10,338,735	8,713,796
Dividend paid	(549,694)	(549,694)
Net profit	1,924,172	2,174,633
Accumulated profit/(losses) at end of the financial year	11,713,213	10,338,735

5. Income tax

	2013	2012
	\$	\$
a) Income tax expense		
Current tax expense	664,154	976,883
Deferred tax expense related to the origination and reversal of temporary differences	(77,028)	34,111
Adjustment for Prior Year Under/(Over) Provision	(335,576)	149,502
Total tax expense in the statement of comprehensive income	251,550	1,160,496

b) The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense/(benefit) in the financial statements as follows:

Profit from continuing operations before income tax expense	2,175,722	3,335,129
Income tax calculated at 30% (2012: 30%)	652,716	1,000,539
Add/(less):		
Adjustments for Prior Year Under /(Over) Provision	(335,576)	149,502
Non deductible expenses	11,438	10,455
Movement in deferred tax assets and liability	(77,028)	-
Income tax expense /(benefit)	251,550	1,160,496

Notes to the financial statements for the year ended 31 March 2013

5. Income tax (Cont'd)

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting year.

	2013	2012
	\$	\$
c) Recognition of Deferred Tax Assets		
Aggregate deferred tax credited to income		
- Temporary Differences	75,904	(39,167)
d) Recognition of Deferred Tax Liability		
- Temporary Differences	1,124	5,056
	<u>77,028</u>	<u>(34,111)</u>

2013

	Opening balance \$'000	Charged to Income \$'000	Charged to Equity \$'000	Closing balance \$'000
Gross deferred tax assets				
Unrealised losses – derivatives	4,095	(671)	-	3,424
Provision for stock obsolescence	602,007	(46,364)	-	555,643
Accruals	103,849	24,892	-	128,741
Provision for employee entitlements	233,777	16,307	-	250,084
Other provisions	483,506	81,740	-	565,246
	<u>1,427,234</u>	<u>75,904</u>	<u>-</u>	<u>1,503,138</u>
Gross deferred tax liabilities				
Other Debtors – Interest receivable	-	-	-	-
Prepayments	(9,112)	1,124	-	(7,988)
Property, plant and equipment	-	-	-	-
	<u>(9,112)</u>	<u>1,124</u>	<u>-</u>	<u>(7,988)</u>

2012

	Opening balance \$'000	Charged to Income \$'000	Charged to Equity \$'000	Closing balance \$'000
Gross deferred tax assets				
Unrealised losses – derivatives	55,110	(51,015)	-	4,095
Provision for stock obsolescence	555,822	46,185	-	602,007
Accruals	100,578	3,271	-	103,849
Provision for employee entitlements	247,139	(13,362)	-	233,777
Other provisions	507,752	(24,246)	-	483,506
	<u>1,466,401</u>	<u>(39,167)</u>	<u>-</u>	<u>1,427,234</u>
Gross deferred tax liabilities				
Other Debtors – Interest receivable	-	-	-	-
Prepayments	(14,168)	5,056	-	(9,112)
Property, plant and equipment	-	-	-	-
	<u>(14,168)</u>	<u>5,056</u>	<u>-</u>	<u>(9,112)</u>

Notes to the financial statements for the year ended 31 March 2013

6. Earnings per share

	2013 Cents	2012 Cents
a) Basic and diluted earnings per share		
Profit from continuing operations attributable to the ordinary equity holders of the company	1.40	1.58
Basic and diluted earnings per share	1.40	1.58
Net result used in the calculation of basic and diluted earnings	1,924,172	2,174,633
b) Weighted average number of ordinary shares used		
Used in the calculation of basic and diluted earnings per share	137,423,410	137,423,410

Potential ordinary shares that are not dilutive and not used in the calculation of diluted EPS:
There were no Share Options issued in 2013 and 2012 financial year.

	2013 \$	2012 \$
c) Reconciliation of earnings used in calculating earnings per share for basic and diluted earnings per share		
Profit from continuing operations attributable to the ordinary equity holders of the company	1,924,172	2,174,633
Loss from discontinued operations	-	-
Basic and diluted earnings per share	1,924,172	2,174,633

7. Dividends

	2013 \$	2012 \$
Final dividend of 0.4 cents per share fully franked paid on 27 July 2012 and 29 July 2011	\$549,694	\$549,694

In addition, the Directors recommended the payment of a fully franked dividend of 0.4 cents per share to be paid on 26 July 2013 (total dividend payable of \$549,694).

Notes to the financial statements for the year ended 31 March 2013

8. Cash and cash equivalents

	2013	2012
	\$	\$
Cash at bank and on hand	5,534,427	6,611,156

9. Trade and other receivables

	2013	2012
	\$	\$
Trade receivables (net of rebates)	10,230,559	6,297,030
Allowance for impairment	(23,974)	(56,399)
	10,206,585	6,240,631
Other receivables	34,471	16,925
	34,471	16,925
	10,241,056	6,257,556

Trade receivables are non-interest bearing and are generally on 30-60 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. The Group did not incur any impairment loss in 2013 (2012: \$NIL). The Group has no significant concentration of credit risk with respect to any single retailer. The following table details the Group's trade and other receivables exposed to credit risk with aging analysis. The receivables that remain within trade terms are considered to be of high credit quality.

The ageing analysis of trade receivable is as follows :

	Total \$	0-30days \$	31-60 Days \$	61-90days \$	> 90days \$
2013	10,241,056	10,114,593	22,256	65,656	38,551
2012	6,257,556	6,088,949	43,554	29,878	95,174

10. Inventories

	2013	2012
	\$	\$
Current		
Inventory on hand	6,173,773	7,429,934
Inventory in transit	1,712,673	1,529,253
Provision for obsolescence	(1,852,144)	(2,006,690)
Total	6,034,302	6,952,497

Reconciliation of provisions for obsolescence

	2013	2012
	\$	\$
Opening balance	2,006,690	1,852,740
Charge for the year	(1,346,842)	(1,270,646)
Amount write off/ (back)	1,192,296	1,424,596
Closing Balance	1,852,144	2,006,690

Notes to the financial statements for the year ended 31 March 2013

11. Property, Plant and Equipment

	Motor vehicles	Plant and equipment	Computers	Leasehold Improvements	Land	Building Improvement	Office Equipment	Office/Plant Under Lease	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Gross carrying amount									
Balance at 31 March 2011	38,631	459,143	-	86,664	1,673,000	2,366,009	306,606	62,600	4,992,653
Disposal	(25,044)	(3,325)	-	(1,512)	-	-	(3,341)	-	(33,222)
Transfers	-	-	-	-	-	-	-	-	-
Additions	-	58,320	-	4,305	-	-	25,836	-	88,461
Balance at 31 March 2012	13,587	514,138	-	89,457	1,673,000	2,366,009	329,101	62,600	5,047,892
Additions	-	28,845	-	-	-	2,364	-	-	31,209
Disposals	-	(14,136)	(15,122)	(25,947)	-	-	(12,756)	-	(67,961)
Re-class	-	(354,794)	502,079	-	-	12,072	(96,757)	(62,600)	-
Balance at 31 March 2013	13,587	174,053	486,957	63,510	1,673,000	2,380,445	219,588	-	5,011,140
Accumulated Depreciation									
Balance at 31 March 2011	33,078	409,986	-	78,341	-	154,965	288,560	36,488	1,001,418
Depreciation on disposed assets	(23,596)	(2,958)	-	(1,512)	-	-	(3,341)	-	(31,407)
Transfers	-	-	-	-	-	-	-	-	-
Depreciation expense	3,684	46,817	-	8,867	-	59,258	3,969	15,650	138,245
Balance at 31 March 2012	13,166	453,845	-	85,696	-	214,223	289,188	52,138	1,108,256
Disposals	-	(14,136)	(15,122)	(25,945)	-	-	(11,990)	-	(67,193)
Re-class	-	(319,556)	445,323	-	-	(1)	(73,628)	(52,138)	-
Depreciation expense	421	35,166	20,100	2,090	-	59,847	5,348	-	122,972
Balance at 31 March 2013	13,587	155,319	450,301	61,841	-	274,069	208,918	-	1,164,035
Net carrying amount									
As at 31 March 2012	421	60,293	-	3,761	1,673,000	2,151,786	39,913	10,462	3,939,636
As at 31 March 2013	-	18,734	36,656	1,669	1,673,000	2,106,376	10,670	-	3,847,104

Notes to the financial statements for the year ended 31 March 2013

12. Intangible assets

	2013	2012
	\$	\$
Goodwill (i)	2,920,918	2,920,917
Other intangibles		
Computer software	150,614	145,615
Accumulated amortisation	(108,908)	(69,480)
Total	2,962,624	2,997,052

(i) The recoverable amount of goodwill has been determined based on a value in use calculations using cash flow projections based on cashflow budget approved by the directors covering a five year period using a pre-tax discount rate of 18%. The cash flow projections have been prepared using assumptions which are consistent with the Group's historical financial performance, and allowed for new initiatives to be implemented. Some of the key assumptions made are as follows:

- Year 1 projections reflects the result of the implementation of new initiatives in 2013/2014, which will continue in year 2 to 5;
- the gross profit margin is consistent with the Group's average historical gross profit margin over the past 5 years;
- no growth rate in revenue has been budgeted for but an increase in expenses of 3% per annum has been allowed, for years 2 – 5; and
- Costs have been determined taking into account of historical gross margins and estimated average inflation rate.

Discount rate reflects management's estimate of the time value and the risks specific to the Group. In determining the discount rate, regard was given to the weighted average cost of capital of the entity as a whole and adjusted for business risk specific to the Group. The Directors believe any reasonable possible change in the key assumptions on which the reasonable amount is based would not cause the aggregate carrying amount to exceed recoverable amount. Management expects the Group's share of consumer electrical market to be stable over the budgeted period.

There are no internally generated intangible assets within the Group. Goodwill acquired through business combination has been allocated to and is tested at the level of cash generating unit, which is the Group's only reportable segment.

The above discounted cashflows model also supports the carrying value of land and building improvements disclosed in note 11 in 2013 and 2012, which is the way the Group has historically undertaken its assessment.

Sensitivity to changes in assumptions

With regard to the assessment of the value in the use of Goodwill and Property, Plant and Equipment, management believe that no reasonably possible change in any of the above key assumptions would cause the carrying value to materially exceed its recoverable amount.

Notes to the financial statements for the year ended 31 March 2013

13. Trade and other payables

	2013	2012
	\$	\$
Current		
Trade payables	572,313	339,710
GST payable	326,073	173,145
Payroll tax, PAYG, Superannuation	111,673	428,220
Other current payables	262,875	147,717
Other Accruals	346,457	393,206
	<u>1,619,392</u>	<u>1,481,998</u>

14. Provisions

	2013	2012
	\$	\$
Employee Bonus	576,966	15,672
Warranties and returns	723,068	765,185
	<u>1,300,034</u>	<u>780,857</u>

15. Employee benefits liabilities

Current

Annual leave liability	462,336	475,026
Long service leave liability	250,423	201,911
	<u>712,759</u>	<u>676,937</u>

Non-Current

Employee benefits – non current	120,854	102,320
	<u>120,854</u>	<u>102,320</u>

Movements in provisions

Movement in each class of provision during the financial year are set out below :

	31 March 2013		31 March 2012	
	Employee Bonus	Warranties and return	Employee Bonus	Warranties and return
	\$	\$	\$	\$
Opening balance	15,672	765,185	33,943	1,209,658
Charge for the year	1,343,045	1,648,344	160,737	2,367,249
Settled during the year	(781,751)	(1,690,461)	(179,008)	(2,811,722)
Closing balance	<u>576,966</u>	<u>723,068</u>	<u>15,672</u>	<u>765,185</u>
Current Closing balance	576,966	723,068	15,672	765,185
Non Current Closing balance	-	-	-	-

Provision for Warranty

The provision has been recognised by estimating warranty claims in respect of products sold which are under warranty at balance date. The provision for warranty has been based on historical sales and the total percentage of claims made against those sales, taking into the accounts the other factors outlined in Note 1 (d).

Notes to the financial statements for the year ended 31 March 2013

16. Interest Bearing Liabilities

	2013	2012
	\$	\$
Current		
Secured finance lease liabilities (i) (Note 26)	-	10,276
Commercial Bill (i)	120,000	120,000
Bank of Melbourne Bank Multi Option Banking facilities (ii)	1,190,953	941,454
Total Current	1,310,953	1,071,730
Non-Current		
Commercial Bill (i)	1,630,000	1,750,000
	1,630,000	1,750,000

Unless otherwise stated, the carrying amount of the Group's current and non current borrowings approximates their fair value.

(i) Finance lease liabilities are secured against office equipment as disclosed in note 11. The Commercial bill is secured by the property situated in Thomastown as disclosed in note 11.

(ii) The securities held by Bank of Melbourne in respect of the Multi option Banking facilities are:

- First registered fixed and floating charge over the assets and undertakings of TEAC Australia Pty Ltd;
- Guarantee and indemnity limited to the amount payable in connection with the facilities agreement given by TTI and TTA Holdings;
- Subordinated debt agreement for \$5 million provided by TTI Ltd; and
- Inventories, trade receivables and surplus available under invoice discounting facility.

The covenants associated with the Bank of Melbourne Facilities are:

- Any adverse movement against budgeted performance, defined as greater than 15% variance in sales, gross profit, expenses and net profit before tax;
- Debt Service Cover no less than 2.25 times;
- Inventory Turnover Ratio not exceed 135 days;
- Loan to Security Ratio not exceed 100% of the security value held;
- Subordinated debt agreement of \$5 millions provided by TT International Limited Minimum Equity Requirement – Overall equity level of 30% to be maintained by TT International Ltd;
- Dividend Distribution Requirement - 50% of each years' Net Profit After Tax is to be retained in the business.

17. Other financial liabilities

	2013	2012
	\$	\$
Amount owing to ultimate parent entity – TTI	5,151,583	5,288,025
	5,151,583	5,288,025

The amount owing to TTI is non interest bearing and repayable at call and subject to the subordination conditions outlined in note 16.

Notes to the financial statements for the year ended 31 March 2013

18. Other current assets

	2013	2012
	\$	\$
Prepayments	482,655	588,105
Total	482,655	588,105

19. Issued capital

	2013	2012
	\$	\$
Fully paid ordinary shares	6,484,607	6,484,607
Total	6,484,607	6,484,607

a) Issued and fully paid-up ordinary shares SUMMARY:

	2013	2012
	\$	\$
Opening Balance	6,484,607	6,484,607
Movement during the financial year	-	-
Balance at year end 137,423,410 fully paid ordinary shares (no par value)	6,484,607	6,484,607

b) Movement in shares on issue

	2013	2012
	Number of ordinary shares	Number of ordinary shares
Balance at the beginning of the financial year	137,423,410	137,423,410
Balance at end of financial year	137,423,410	137,423,410

Notes to the financial statements for the year ended 31 March 2013

19. Issued capital (Cont'd)

(c) Terms and conditions of issued capital

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

The company does not have a limited authorised capital and issued shares have no par value.

The company has 137,423,410 shares on issue.

Options

The Company has no options on issue as at 31 March 2013 (there were none in 2012).

(d) Capital Management

Management controls the capital of the Group in order to maintain a reasonable debt to equity ratio, provide shareholders with a reasonable rate of return and to ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities supported by financial assets. There are no externally imposed capital requirements. Management effectively manage the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These include the management of debt levels and share issues. There have been no changes in the strategy adopted by management to control the capital of the Group since the prior period.

	2013	2012
	\$	\$
Total borrowings	8,081,928	9,591,753
Less cash and cash equivalents	(5,534,427)	(6,611,156)
Net debt	2,547,501	2,980,597
Total equity	18,197,820	16,823,342
Total capital	20,745,321	19,803,939
Gearing ratio	12%	15%

20. Consolidated Statement of Cash Flows

(a) Reconciliation of cash flow from operating activities

For the purposes of the consolidated statement of cash flow, cash includes cash on hand and in banks and investments in money market instruments with terms of less than 90 days, net of outstanding bank overdrafts. Cash at the end of the year as shown in the consolidated statement of cash flows is reconciled to the related items in the consolidated statement of financial position as follows:

	2013	2012
	\$	\$
Cash at bank and on hand	5,534,427	6,611,156

Notes to the financial statements for the year ended 31 March 2013

20. Consolidated Statement of Cash Flow (Cont'd)

b) Reconciliation of operating profit/(loss) after income tax to net cash flows from operating activities:

	2013	2012
	\$	\$
Net Profit/(loss) after tax	1,924,172	2,174,633
Non cash items:		
Depreciation expense	162,400	140,060
Amortisation expense	-	35,175
Changes to provisions	2,236	(170,051)
Profit / (loss) on sale of assets	(1,884)	7,638
Changes in assets and liabilities:		
(Increase)/decrease in debtors	(3,797,896)	5,603,848
Decrease in other receivables	306,479	202,026
Decrease in inventories	918,195	1,202,889
(Increase)/decrease deferred tax asset	(75,905)	39,167
Decrease in payables and other financial liability	(102,412)	(191,507)
Increase/(decrease) in tax payable	(234,993)	(630,006)
Increase/(decrease) in employee benefits liabilities	631,793	(133,792)
Decrease in provisions	(99,424)	(488,967)
Increase/(decrease) in deferred tax liability	(1,124)	(5,056)
Cash inflow/(outflow) from operating activities	(368,363)	7,786,057

c) Credit stand-by arrangement with Bank of Melbourne

	2013	2012
	\$	\$
Credit facility	23,000,000	23,000,000
Amount utilised	659,749	1,887,880

The major facilities include:

- currency exposure management
- multi-option (letter of credit, trade refinancing, invoice discounting and bank guarantee)

Notes to the financial statements for the year ended 31 March 2013

21. Subsequent event

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial years, other than the matters already highlighted in the body of Directors' report and in these consolidated financial statements.

22. Contingent liabilities

There were no material contingent liabilities as at 31 March 2013 and 2012.

23. Segment information

The Group operates in only one segment, which is distribution of electronic goods to leading retailers in the Australian market.

24. Parent entity disclosure

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2013 \$	2012 \$
Consolidated statement of financial position		
Current assets	1,358,455	1,205,856
Non-Current assets	24,458,029	24,458,028
Total assets	25,816,484	25,663,884
Current liabilities	1,188,647	945,803
Total liabilities	1,188,647	945,803
Shareholders' equity		
Issued capital	31,624,326	31,624,326
Accumulated losses	(6,996,489)	(6,906,245)
Profit or loss for the year	549,839	549,839
Total comprehensive income/(expense)	549,839	549,839

(b) Guarantees entered into by the parent entity

No guarantees were entered into by the parent entity.

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 31 March 2013 or 2012.

(d) Contractual commitments for the acquisition of property, plant or equipment

As at 31 March 2013, the parent entity had no contractual commitments for the acquisition of property, plant or equipment.

(e) Controlled entity of TTA

Name	Country of Incorporation	Percentage of equity held		Acquisition Date	Investment	
		2013	2012		2013 \$	2012 \$
TEAC Australia Pty Limited	Australia	100	100	22 May 2008	24,458,028	24,458,028
Total					24,458,028	24,458,028

All entities within the Group operated solely in their place of incorporation. All entities are members of a tax consolidated group where the head entity is TTA Holdings Ltd.

(f) Parent Entity - Deferred Tax

No Deferred assets or liabilities have been recognised in relation to the Parent Entity for the current or comparative year.

Unused tax losses in relation to the parent entity have not been booked as a deferred tax asset on the basis of uncertainty regarding recoverability.

Notes to the financial statements for the year ended 31 March 2013

25. Financial risk management

The Group's financial instruments consist mainly of cash and cash equivalents, accounts receivable, other financial assets, trade and other payables and interest bearing liabilities.

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 1 of the financial statements.

b) Financial risk management

The Group has exposure to the following risks from their use of financial instruments:

- Credit risk;
- Interest rate risk;
- Liquidity risk; and
- Market risk.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Quantitative disclosures are also included in this note.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board is also responsible for developing and monitoring risk management policies.

Risk management policies are established to identify and analyse the risks faced by the Group, to set out appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Financial risk management policy

The Board monitors the Group's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to currency risk, financing and interest rate risk. The Board's overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include reviewing credit risk policies and future cash flow requirements.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including default risk of the industry and country in which the customers operate, has less of an influence on credit risk. Geographically there is no concentration of credit risk.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group reviews external ratings, when available. The Group has adopted the policy of only dealing with creditworthy counterparties and obtaining debtors insurance or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

In monitoring customers' credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, whether they are a wholesale, retail or end-user customer, geographic location, industry, ageing profile, maturity and existence of previous financial difficulties.

Notes to the financial statements for the year ended 31 March 2013

25. Financial risk management (Cont'd)

Generally goods sold are registered with personal property security registrar, so that in the event of non-payment the Group may have a secured claim. The Group does not require collateral in respect of trade and other receivables.

Credit risk related to balances held with banks and other financial institutions is managed by investing funds with counter parties with a A+ rating.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Note	2013 \$	2012 \$
Cash and cash	8	5,534,427	6,611,156
Trade receivables	9	10,206,584	6,240,631
Other receivables	9	34,471	16,925
		15,775,482	12,868,712

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating interest rate instruments.

Interest rate risk is managed using a mix of fixed and floating rate debt. The Group analyses its interest rate exposure on an ongoing basis and involves potential renewal of existing positions, alternative financial and alternative mixed of fixed and variable interest rate.

The following table details the Group's exposure to interest rate risk as at 31 March 2012.

	Average interest rate	Variable interest rate \$	Fixed interest rate maturity			Non interest bearing \$	Total \$
			Less than 1 year \$	1 to 5 years \$	More than 5 years \$		
Financial assets							
Cash and cash equivalent	5%	6,611,156	-	-	-	-	6,611,156
Trade and other receivables	-	-	-	-	-	6,257,556	6,257,556
Total financial assets		6,611,156	-	-	-	6,257,556	12,868,712
Financial liabilities							
Trade and Payables	-	-	-	-	-	1,481,998	1,481,998
Lease Liability	8%	-	-	-	-	-	-
Bank of Melbourne Bank Facility and Commercial Bill	8%	2,821,730	-	-	-	-	2,821,730
Other financial liabilities	-	-	-	-	-	5,288,025	5,288,025
Total financial liabilities		2,821,730	-	-	-	6,770,023	9,591,753
Net financial assets/(Liabilities)		3,789,426	-	-	-	(512,467)	3,276,959

Notes to the financial statements for the year ended 31 March 2013

25. Financial risk management (Cont'd)

The following table details the consolidated entity's exposure to interest rate risk as at 31 March 2013

	Average interest rate	Variable interest rate \$	Fixed interest rate maturity			Non interest bearing \$	Total \$
			Less than 1 year \$	1 to 5 years \$	More than 5 years \$		
Financial assets							
Cash and cash equivalent	4%	5,534,427	-	-	-	-	5,534,427
Trade and other receivables	-	-	-	-	-	10,241,056	10,241,056
Term deposits	-	-	-	-	-	-	-
Total financial assets		5,534,427	-	-	-	10,241,056	15,775,483
Financial liabilities							
Trade and Payables	-	-	-	-	-	1,661,889	1,661,889
Lease Liability	7%	-	-	-	-	-	-
Bank of Melbourne Facility and Commercial Bill	7%	2,770,128	-	-	-	-	2,770,128
Other financial liabilities	-	-	-	-	-	5,151,583	5,151,583
Total financial liabilities		2,770,128	-	-	-	6,813,472	9,583,600
Net financial assets/(Liabilities)		2,764,299	-	-	-	3,427,584	6,191,883

Cash flow sensitivity for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2012.

There is minimal interest rate exposure for the Group in 2013 or 2012.

	Post tax profit higher/ (lower)		Other comprehensive income higher (lower)	
	\$'000 2013	\$'000 2012	\$'000 2013	\$'000 2012
+1% (100 basis points)	(28)	(379)	-	-
-0.5%(50 basis points)	56	190	-	-

The Group had minimal interest risk exposure in 2013 and 2012.

An increase of 100 basis points ("bp") in interest rates at the reporting date would have had the equal opposite effect on the above instruments to the amounts shown above, on the basis that the other variables remain constant.

Significant assumptions used in the interest rate sensitivity analysis include:

- Reasonably possible movements in interest rates were determined based on the Group's current credit rating, relationships with financial institutions, the level of debt that is expected to be renewed as well as a review of the last two year's historical movements and economic forecasters' expectations.
- A price sensitivity of derivatives has been based on a reasonably possible movement of interest rates at balance dates by applying the change as a parallel shift in the forward curve.
- The net exposure at balance date is representative of what the Group was and is expecting to be exposed to in the next twelve months from balance date.

Notes to the financial statements for the year ended 31 March 2013

25. Financial risk management (Cont'd)

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdraft, bank loan, finance leases and available credit lines.

Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Group maintains the following lines of credit as outlined in note 20(c).

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements. It is based on the contractual terms of the underlying contract, where the counter party has a choice of when the amount is paid. The liability is allocated to the earliest period in which the Group can be required to pay.

2013

Non-derivative financial liabilities	'000 6 mths or less	'000 6-12 mths	'000 1-2 years	'000 2-5 years	'000 More than 5 years	\$'000 Total
Finance lease liabilities						
Trade and other payables	1,619	-	-	-	-	1,619
Other financial liabilities	151	-	-	-	5,000	5,151
Bank of Melbourne facility and Commercial bill	1,080	60	120	360	1,150	2,770
	2,850	60	120	360	6,150	9,540
Financial assets						
Cash and cash equivalent	5,534	-	-	-	-	5,534
Trade and other receivables	10,241	-	-	-	-	10,241
Term deposit	-	-	-	-	-	-
	15,775	-	-	-	-	15,775

Notes to the financial statements for the year ended 31 March 2013

25. Financial risk management (Cont'd)

2012

Non-derivative financial liabilities	'000 6 mths or less	'000 6-12 mths	'000 1-2 years	'000 2-5 years	'000 More than 5 years	\$'000 Total
Finance lease liabilities						
Trade and other payables	1,482	-	-	-	-	1,482
Other financial liabilities	288	-	-	-	5,000	5,288
Bank of Melbourne facility and Commercial bill	1,012	60	120	360	1,270	2,822
	2,782	60	120	360	6,270	9,592
Financial assets						
Cash and cash equivalent	6,611	-	-	-	-	6,611
Trade and other receivables	6,258	-	-	-	-	6,258
Term deposit	-	-	-	-	-	-
	12,869	-	-	-	-	12,869

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group made use of foreign currency contracts during the years ended 31 March 2013 and 2012 with the purpose of managing the Group foreign exchange risk. The Board will continue monitoring the Group's exposure to market risk and in the event that derivatives and or financial liabilities are entered into, the Board will consider the costs and benefits of seeking to apply hedge accounting in order to manage volatility in profit and loss. The fair value of these contracts (liability) as at 31 March 2013 was \$13,648 (2012: \$183,699).

Foreign exchange risk

Foreign currency risk is continuously monitored by management which analyses exposure by degree and magnitude of risk. The Group has material transactions between businesses in Australia and overseas which would give rise to payables in foreign currency. The Group's exposure to the fluctuation in US Dollars is high as goods are purchased and settled predominantly in USD. The Group enters into forward exchange contract upon the placing of orders to suppliers.

The Group's foreign currency risk is shown below.

	2013 \$	2012 \$
Cash and cash equivalents	139,129	4,749
Trade and other payables	(53,692)	(144,038)
Bank of Melbourne Multi Option Banking facilities	(1,020,128)	(941,454)
Net exposure	(934,691)	(1,080,743)

Notes to the financial statements for the year ended 31 March 2013

25. Financial risk management (Cont'd)

At 31 March 2013, had the Australian dollar moved, as illustrated in the table below, with all other variable held constant, post tax profit and other comprehensive income would have been affected as follows:

	Post tax profit higher/ (lower)		Other comprehensive income higher (lower)	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
	\$'000	\$'000	\$'000	\$'000
AUD to US Dollar + 10%	93	168	-	-
AUD to US Dollar - 10%	(93)	(120)	-	-

Significant assumptions used in the foreign currency exposure sensitivity analysis include;

- The reasonably possible movement was calculated by taking the USD spot rate as at balance date, moving this spot rate by reasonably possible movements and then re-converting the USD into AUD with the "new spot rate". This methodology reflects the translation methodology undertaken by the Group.
- A price sensitivity of derivatives has been based on a reasonably possible movement of spot rates at the balance dates not on forward rates.
- The sensitivity does not include financial instruments that are non-monetary items as these are not considered to give rise to currency risk.

Net fair value

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

There are 3 methods available for estimating the fair value of financial instruments. These methods comprise :

- Level 1 – The fair value is calculated using quoted prices in active markets.
- Level 2 – The fair value is estimated using inputs other than quoted in level 1 that are observable for the assets or liabilities either directly (as prices) or indirectly (derived from prices).
- Level 3 – The fair value is estimated using inputs for the assets or liabilities that are not based on observable market data.

The fair value of financial instruments as well as the methods used to estimate fair values are summarised on table below.

2013				2012			
Quoted market price (Level 1)	Valuation technique - market observable inputs (Level 2)	Valuation technique - non market observable inputs (Level 3)	Total	Quoted market price (Level 1)	Valuation technique - market observable inputs (Level 2)	Valuation technique - non market observable inputs (Level 3)	Total

Consolidated

Financial Liabilities

Derivative instruments

Foreign exchange contracts

-	11,413	-	11,413	-	13,648	-	13,648
-	11,413	-	11,413	-	13,648	-	13,648

Notes to the financial statements for the year ended 31 March 2013

26. Expenditure commitments

	2013 \$	2012 \$
Sponsorships		
- not later than one year	125,000	75,000
Lease expenditure commitments		
Finance leases (non-cancellable)		
Minimum lease payments		
- not later than one year	-	10,535
- later than one year but not later than five years	-	-
Total minimum payments		10,535
Future finance charges	-	(260)
Liability	-	10,275
Lease Liabilities		
Current (note 16)	-	10,276
Non current (note 16)	-	-
Total	-	10,276

Lease expenditure commitments comprise equipment and motor vehicle leases, with varying terms and conditions.

Operating Leases

Leases relating to rental of office and warehousing facilities with lease terms of between three to four years, with an option to extend for a further three years. All operating lease contracts contain market review clauses in the event that the Group exercises its option to renew. The Group does not have an option to purchase the leased asset at the expiry of the lease year.

Minimum Lease Payments	2013 \$	2012 \$
<i>Rental leases (non-cancellable)</i>		
Not later than one year	145,867	143,862
Later than one year but not later than five years	76,662	143,548
Total minimum payments	222,529	287,410

27. Auditor's remuneration

	2013 \$	2012 \$
Amounts received or due and receivable by the auditors for:		
Auditing or reviewing the financial reports of the entity and any other entity in the consolidated entity	69,000	67,000
Total remuneration of auditors	69,000	67,000

Notes to the financial statements for the year ended 31 March 2013

28. Key management personnel and related parties disclosures

(a) Key management personnel compensation

	2013 \$	2012 \$
Short term employee benefits	1,340,803	1,275,881
Post employment benefits	84,565	80,120
Other long term benefits	-	-
Share based benefits	-	-
Total compensation of key personnel	1,425,368	1,356,001

Detailed remuneration disclosures are provided in the remuneration report on pages 9 to 12.

(b) Loan disclosures

There are no related party loans between the Company and/or companies within the Group and any of the key management personnel as at 31 March 2013 and 2012.

No loans were made by the parent entity or any of its subsidiaries to any key management personnel, including their personally related entities during the years ended 31 March 2013 and 2012.

(c) Key management personnel equity holdings

Details of key management personnel equity holdings are disclosed below.

	Balance at 1 April 2012	Granted as remuneration	On exercise of options	Net change other	Balance at 31 March 2013
James Phoon (i)	80,504	-	-	-	80,504
Warren Allison(ii)	10,000	-	-	-	10,000
Daniel Seow (iii)	10,000	-	-	-	10,000
Chee Ming Wong	10,000	-	-	-	10,000
Eric Ng	10,000	-	-	-	10,000
Total	120,504	-	-	-	120,504

	Balance at 1 April 2011	Granted as remuneration	On exercise of options	Net change other	Balance at 31 March 2012
James Phoon (i)	80,504	-	-	-	80,504
Warren Allison(ii)	10,000	-	-	-	10,000
Daniel Seow (iii)	10,000	-	-	-	10,000
Chee Ming Wong	10,000	-	-	-	10,000
Eric Ng	10,000	-	-	-	10,000
Total	120,504	-	-	-	120,504

- (i) In addition to shares controlled directly by Mr James Phoon, a total of 10,000 fully paid shares are held by a related person, over which Mr Phoon has no direct control.
- (ii) In addition to shares controlled directly by Mr Warren Allison, a total of 10,000 fully paid shares are held by a related person, over which Mr Allison has no direct control.
- (iii) In addition to shares controlled directly by Mr Daniel Seow, a total of 10,000 fully paid shares are held by a related person, over which Mr Seow has no direct control.
- (iv) Mr Sng Sze Hiang and Ms Julia Tong Jia Pi through their shareholdings in TTI have a combined controlling interest of 51,288,385 ordinary shares in the Company.

(d) Other transactions with key management personnel

There are no other related party transactions between the parent entity and any of the key management personnel.

Notes to the financial statements for the year ended 31 March 2013

(e) **Ultimate parent entity**

The parent entity (TTA Holding Limited) is ultimately controlled by TT International Limited (TTI), which is incorporated and domiciled in Singapore. TTI owns 85.5% of the issued capital in TTA. The Group trades with TTI (on normal terms and conditions no more favourable than those available to other parties unless otherwise stated) during the year.

There were no goods purchased during the financial year. However, fees total of \$ 1,745,904 (being \$ 607,055 charged by TTI and \$ 1,138,849 charged by Akira Corporation Pte Ltd) (2012: \$958,312) was charged. As at year end, the amount owing to TTI is disclosed in note 17.

(f) **Transactions with other related parties**

There are no other transactions between the parent entity and any other related party.

(g) **Inter-group balances and transactions**

Within the group, the following transactions took place:

	2013 \$	2012 \$
Payment of Dividend by TEAC Australia Pty Ltd to TTA Holdings Limited	549,694	549,694
Service fees charged by TTA Holdings Limited to TEAC Australia Pty Ltd	163,481	177,465
Amounts owing to TTA Holdings Limited by TEAC Australia Pty Ltd	1,354,406	1,190,925
Amounts owing from TTA Holdings Limited to TEAC Australia Pty Ltd	(1,173,444)	(945,803)
	180,962	245,122

Directors' Declaration

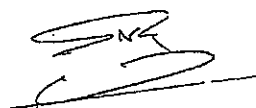
In accordance with a resolution of the directors of TTA Holdings Limited, I state that in the opinion of the directors:

- (a) the financial statements and notes of the Company and the additional disclosures included in the Directors' report designated as the Remuneration Report are in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the Group's financial position as at 31 March 2013 and of its performance for the financial year ended on that date; and
 - ii) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (c) the financial statements also comply with International Financial Reporting Standards as disclosed in note 1 (b).

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Controller required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Board of Directors.

On behalf of the Board



Sng Sze Hiang
Director
30 May 2013

Grant Thornton Audit Pty Ltd
ACN 130 913 594

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Independent Auditor's Report To the Members of TTA Holdings Limited

Report on the financial report

We have audited the accompanying financial report of TTA Holdings Limited (the "Company"), which comprises the consolidated statement of financial position as at 31 March 2013, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, 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 entity it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply 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. Those standards require us to 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 Company's preparation of the financial report that gives a true and fair view 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 Company'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.

Independence

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

Auditor's opinion

In our opinion:

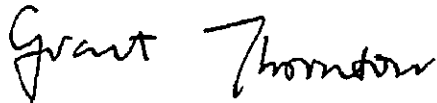
- a the financial report of TTA Holdings Limited is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the consolidated entity's financial position as at 31 March 2013 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

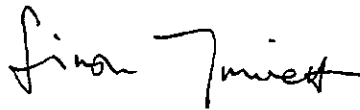
We have audited the remuneration report included in pages 9 to 12 of the Directors' report for the year ended 31 March 2013. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion the remuneration report of TTA Holdings Limited for the year ended 31 March 2013, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Simon Trivett
Partner - Audit & Assurance

Melbourne, 30 May 2013

ASX Additional Information

Additional information required by the Australian Securities Exchange and not shown elsewhere in this report is as follows. The information is current as at 31 March 2013.

(a) Distribution of equity securities

The number of shareholders, by size of holding, in each class of share are:

Distribution of Shareholdings	Number of Holders	Number of Shares
1-1,000	81	15,690
1,001-5,000	176	486,256
5,001-10,000	268	2,550,588
10,001-100,000	144	4,717,938
100,001 and over	25	129,652,938
Total Number of Shareholders	694	137,423,410
The number of shareholders holding less than a marketable parcel of shares are:	295	764,607

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

	Name of Holder	Number of Shares	Listed Ordinary Shares
			Percentage of Ordinary Shares
1.	TT International Limited	117,500,000	85.50
2.	Sakura Capital Ltd	2,750,985	2.00
3.	Warrior Orchards Pty Ltd	1,807,869	1.32
4.	HSBC Custody Nominees (Australia) Limited	1,573,581	1.15
5.	Mr John Colin Todman	1,000,000	0.73
6.	Dingfox Pty Ltd	600,223	0.44
7.	Mr Ianaki Semerdziev	440,983	0.32
8.	Mr Peter Howells	405,150	0.29
9.	Yambla Bay Pty Ltd	400,222	0.29
10.	Rapee Fund Pty Ltd	385,451	0.28
11.	Tigermoth Investments Ltd	374,193	0.27
12.	Mrs Lesley Mary Webster	340,000	0.25
13.	Webb Walker Investments Pty Ltd	300,000	0.22
14.	Mr Paul Klokas	200,000	0.15
15.	Hooraysies Pty Ltd	173,490	0.13
16.	Dr Peter Newton Francis + Mrs Diane Grace Francis	162,560	0.12
17.	Harrington Design & Construction Pty Ltd	162,560	0.12
18.	Mr Kenneth Young + Mrs Christine Young	162,560	0.12
19.	Mr Graeme John Ackerly	159,059	0.12
20.	Mr Liang Kwang Lim + Mrs Jennifer Lynne Lim	138,000	0.10
	Total Top 20 holders of ordinary shares as at 31 March 2013	129,036,886	93.90
	Total issued capital	137,423,410	100.00

A. ASX ADDITIONAL INFORMATION (CONT'D)

(c) Substantial shareholders

The names of the substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of Shares	Percentage Held
TTI (associated with directors Sng Sze Hiang and Julia Tong Jia Pi)	117,500,000	85.50%

(d) Voting rights

The voting rights attaching to each class of equity securities are set out below:

Subject to any special rights or restrictions for the time being attaching to any class of Shares and Articles 14.3, 14.6, 14.7, 14.8 and 15.10:

- (a) on a show of hands at a meeting of Members, every Eligible Voter present has one vote; and
- (b) on a poll at a meeting of Members, every Eligible Member (not being a Corporation) present in person or by proxy or attorney, and every Eligible Member (being a Corporation) present by a Representative or by proxy or attorney, has one vote for each Share that Eligible Member holds, but:
 - (i) if at any time there is on issue any Share which has not been fully Paid Up that Share on a poll will confer only that fraction of one vote which the amount paid (not credited) on that Share, excluding any amounts paid up in advance of the applicable due date for payment, bears to the total amounts paid and payable (excluding amounts credited) on that Share; and
 - (ii) if the total number of votes to which an Eligible Member is entitled on a poll does not constitute a whole number, then the Company will disregard the fractional part of that total.

(e) Option holders information

The Company has issued (or may issue in the future) Options over unissued capital. The Company has a no options on issue.