

Appendix 4E

Preliminary Final Report to the Australian Stock Exchange

Name of Entity	AIRCruising Australia Limited
ABN	25 010 484 938
Financial Year Ended	30 th JUNE 2009
Previous Corresponding Reporting Period	30 th JUNE 2008

Results for Announcement to the Market

		\$	Percentage increase /(decrease) over previous corresponding period
Revenue from ordinary activities		\$5,647,666	-32.2%
Profit / (loss) from ordinary activities after tax attributable to members		(\$640,635)	-404.8%
Net profit / (loss) for the period attributable to members		(\$640,635)	-404.8%
Dividends (distributions)	Amount per security	Franked amount per security	
Final Dividend	Nil	Nil	
Interim Dividend	Nil	Nil	
Record date for determining entitlements to the dividends (if any)		N/A	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood: The directors report a consolidated loss of \$640,635) (2008 profit of \$210,173). The loss is a result of the following factors: Touring Business- sales revenue in the touring business dropped by 32% from the previous year as a direct result of the Global Financial Crisis. In light of the economic downturn, the directors have reviewed prepaid marketing as an asset and elected to reduce the value by \$175,000 in the financial year. Select Parks- extreme weather conditions on the mid north coast of NSW resulted in major flooding of the Bellinger River, and closure of the Pacific Highway. The park was forced to close for three months, resulting in a overall loss for the financial year. Indications are since the start of the new financial year that bookings are on the upward trend on both divisions.			

Dividends

Date the dividend is payable	N/A
Record date to determine entitlement to the dividend	N/A
Amount per security	N/A
Total dividend	N/A
Amount per security of foreign sourced dividend or distribution	N/A
Details of any dividend reinvestment plans in operation	N/A
The last date for receipt of an election notice for participation in any dividend reinvestment plans	N/A

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	-7.1 cents	-1.9 cents

Other Significant Information Needed by an Investor to Make an Informed Assessment of the Entity's Financial Performance and Financial Position

Net current liabilities have increased from (\$2,267,960) to (\$3,026,737).

The major causes for the adverse net liabilities is the purchase from cash resources in the year 2003 of the building at Alexandria and purchase of the Repton Riverside Tourist Park in December 2007.

The further movement in the 2009 financial year is a direct result of the trading loss.

Commentary on the Results for the Period

The earnings per security and the nature of any dilution aspects :

	<u>2008</u>	<u>2009</u>
Earnings per security	1.75 cents	-5.34 cents

Returns to shareholders including distributions and buy backs :

None

Significant features of operating performance :

Please refer to “other significant information” on page one of this report

The results of segments that are significant to an understanding of the business as a whole:

	<u>2008</u>	<u>2009</u>
Profit of Economic Entity pre Caravan Park	286,959	(458,242)
Profit from Caravan Park	(76,786) -	(182,393)
Net Profit Economic Entity	\$210,173	(\$640,635)

Discussion of trends in performance :

Indications are since the start of the new financial year that bookings are on the upward trend

Any other factor which has affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified:


Nil

Audit/Review Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited	Yes	The accounts have been subject to review	N/A
The accounts are in the process of being audited or subject to review	N/A	The accounts have not yet been audited or reviewed	N/A
If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification: <div style="text-align: center; height: 50px;">N/A</div>			
If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification: <div style="text-align: center; height: 50px;">N/A</div>			

Attachments Forming Part of Appendix 4E

Attachment #	Details
	Income Statement
	Balance Sheet
	Changes in Equity
	Statement of Cash Flows
	Controlled Entities
	Notes to the Consolidated Financial Statements

Signed By (Company Secretary) 	
Print Name: Geoffrey Watson	
Date: 31st August 2009	

AIRCRUISING AUSTRALIA LIMITED & CONTROLLED ENTITIES
A.B.N. 25 010 484 938

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	NOTES	ECONOMIC ENTITY		PARENT ENTITY	
		2009	2008	2009	2008
SALES REVENUE	2	\$ 5,647,666	\$ 8,329,060	\$ 5,023,453	\$ 6,802,263
COST OF SALES		(4,203,153)	(6,243,100)	(3,839,488)	(5,311,195)
GROSS PROFIT		1,444,513	2,085,960	1,183,965	1,491,068
OTHER INCOME	2	2,694	53,385	2,814	82,773
MARKETING EXPENSE		(1,216,162)	(1,078,173)	(1,191,491)	(1,057,043)
ADMINISTRATION EXPENSE		(646,681)	(717,716)	(612,929)	(664,763)
FINANCE COSTS	3	(108,809)	(49,888)	46,024	(3,750)
DEPRECIATION AND AMORTISATION EXPENSE	3	(116,190)	(83,395)	(78,420)	(70,416)
GAIN ON ACQUISITION OF CONTROLLED ENTITY	3	-	-	-	-
PROFIT FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		(640,635)	210,173	(650,037)	(222,131)
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES	4	-	-	-	-
NET PROFIT ATTRIBUTABLE TO MEMBERS OF AIRCRUISING AUSTRALIA LTD		(640,635)	210,173	(650,037)	(222,131)

BASIC EARNINGS PER SHARE
DILUTED EARNINGS PER SHARE

21	(5.34 cents)	1.75 cents	-	-
21	(5.34 cents)	1.75 cents	-	-

AIRCruising AUSTRALIA LIMITED & CONTROLLED ENTITIES
A.B.N. 25 010 484 938

BALANCE SHEET
AS AT 30 JUNE 2009

	NOTES	ECONOMIC ENTITY		PARENT ENTITY	
		2009	2008	2009	2008
		\$	\$	\$	\$
CURRENT ASSETS					
Cash and cash equivalents	5	987,718	751,362	570,232	346,135
Receivables	6	65,451	195,448	2,403,991	4,129,975
Inventory	7	97,885	97,487	93,996	93,085
Other Current Assets	8	307,130	567,375	286,037	550,186
TOTAL CURRENT ASSETS		1,458,184	1,611,672	3,354,256	5,119,381
NON- CURRENT ASSETS					
Other financial assets	9	-	-	18,201	18,201
Property, plant & equipment	10	2,480,371	2,295,533	1,002,212	1,068,114
Assets held for resale	11	-	-	-	-
Intangible assets	12	1,292,677	1,304,730	108,531	120,584
TOTAL NON CURRENT ASSETS		3,773,048	3,600,263	1,128,944	1,206,899
TOTAL ASSETS		5,231,232	5,211,935	4,483,200	6,326,280
CURRENT LIABILITIES					
Advance deposits		1,189,649	1,695,149	1,008,000	1,404,306
Payables	13	1,052,205	2,043,918	3,653,912	4,357,674
Short term borrowings	14	2,181,162	47,992	37,404	18,264
Provisions	15	61,906	92,573	61,163	90,639
TOTAL CURRENT LIABILITIES		4,484,922	3,879,632	4,760,479	5,870,883
NON CURRENT LIABILITIES					
Long term borrowings	16	161,985	62,108	-	37,404
Provisions	15	43,654	88,889	43,654	88,889
Deferred tax liability	17	99,514	99,514	-	-
TOTAL NON CURRENT LIABILITIES		305,153	250,511	43,654	126,293
TOTAL LIABILITIES		4,790,075	4,130,143	4,804,133	5,997,176
NET ASSETS		441,157	1,081,792	(320,933)	329,104
EQUITY					
Contributed Equity	18	4,800,000	4,800,000	4,800,000	4,800,000
Accumulated Losses		(4,358,843)	(3,718,208)	(5,120,933)	(4,470,896)
TOTAL EQUITY		441,157	1,081,792	(320,933)	329,104

AIRCRUISING AUSTRALIA LIMITED & CONTROLLED ENTITIES

A.B.N. 25 010 484 938

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	Ordinary Shares	2009 Retained Earnings	Total
Balance at 1 July 2008	4,800,000	(3,718,208)	1,081,792
Profit attributable to members of the entity		(640,635)	(640,635)
Balance at 30 June 2009	4,800,000	(4,358,843)	441,157

	Ordinary Shares	2008 Retained Earnings	Total
Balance at 1 July 2007	4,800,000	(3,928,381)	871,619
Profit attributable to members of the entity		210,173	210,173
Balance at 30 June 2008	4,800,000	(3,718,208)	1,081,792

STATEMENT OF CASHFLOWS YEAR ENDED 30 JUNE 2009

NOTES	ECONOMIC ENTITY		PARENT ENTITY	
	2009	2008	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	7,053,525	8,497,548	5,637,525	6,127,219
Payments to suppliers and employees	(8,674,859)	(7,347,414)	(7,273,989)	(5,628,078)
Borrowing costs	(128,383)	(49,888)	(5,863)	(3,750)
Interest received	19,574	50,078	51,887	79,466
NET CASH PROVIDED BY OPERATING ACTIVITIES	(1,730,143)	1,150,324	(1,590,440)	574,857
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(289,460)	(1,330,397)	(950)	(70,663)
Payment for intangibles	-	(1,084,632)	-	-
Proceeds from sale of property, plant equipment	-	17,273	-	-
Payment for subsidiary, net of cash	-	(1)	-	(1)
Loans to subsidiary - Net			1,833,751	(1,809,234)
NET CASH PROVIDED BY INVESTING ACTIVITIES	(289,460)	(2,397,757)	1,832,801	(1,879,898)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowing	1,732,748	1,514,805	-	59,881
Repayment of borrowings	(67,660)	(1,435,131)	(18,264)	(34,639)
NET CASH USED IN FINANCING ACTIVITIES	1,665,088	79,674	(18,264)	25,242
NET INCREASE IN CASH HELD	(354,515)	(1,167,759)	224,097	(1,279,799)
Cash at 1st July 2008	751,362	1,919,121	346,135	1,625,934
CASH AT 30TH JUNE 2009	396,847	751,362	570,232	346,135

**9 OTHER FINANCIAL ASSETS
(NON-CURRENT)**

INVESTMENT AT COST:

Controlled entities - unlisted

- - **18,201** 18,201

Name	Country of incorporation	Percentage of equity interest held by the parent entity		Investment	
		2009	2008	2009	2008
		%	%	\$	\$
(a) Aircruising Australia (New Zealand) Ltd ^	New Zealand	100	100	100	100
Aircruising Services Pty Ltd	Australia	100	100	100	100
Bill Peach Journeys Pty Ltd	Australia	100	100	18,000	18,000
Select Parks Pty Limited	Australia	100	100	1	1
^ The entity is audited by Slight, Lala & Co.				18,201	18,201

AIRCruISING AUSTRALIA LIMITED & CONTROLLED ENTITIES
A.B.N. 25 010 484 938

**NOTES TO AND FORMING PART OF THE
FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 2009**

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting.

This financial report includes the consolidated financial statements and notes of Aircruising Australia Limited and controlled entities ('Consolidated Group' or 'Group'), and the separate financial statements and notes of Aircruising Australia Limited as an individual entity ('Parent Entity')

Basis of preparation.

Reporting Basis and Conventions

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below.

They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Going Concern

The financial statements have been prepared on a going concern basis. The economic entity has net current liabilities of \$3,026,737 (2008 (\$2,267,960)), this is mainly due to the purchase of fixed assets in the year 2003 of \$1,017,014 and 2008 of \$2,315,765 funded from cash resources. It should be noted that current liabilities include an amount of \$1,189,649 (2008 \$1,7695,149) of advance deposits from customers. The consolidated entity earned an operating loss from ordinary activities after tax of \$640,635 for the year ended 30th June 2009, compared with a profit of \$210,173 in the previous financial period. The cash position of the consolidated entity has decreased in the current financial period with a positive cash position of \$396,847 at 30th June 2009 (2008 \$751,362). The reduction is a direct result of the trading loss.

The ability of the consolidated entity to continue to trade as a going concern is dependent on the consolidated entity being able to obtain additional funding either from trading profitability or from continued support of the major shareholders and the bank. If the consolidated entity is unable to obtain such funding, they may be required to realise assets and extinguish liabilities and commitments other than in the ordinary course of business and at amounts which are different from those currently stated in the financial statements.