



Recognised internationally as a  
world-class relocation company.

WRIDGWAYS

2006 Annual Report

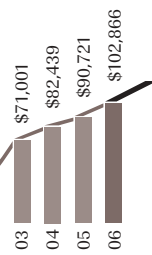


## Performance Highlights

# 13.4%

### REVENUE INCREASE

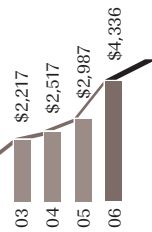
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# 45.2%

### NPAT INCREASE

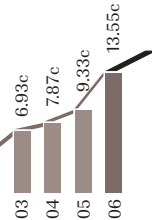
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# 45.2%

### EPS INCREASE

(cents)



- Revenue increased by 13.4%
- Net Profit after Tax increased by 45.2%
- Earnings per Share increased by 45.2% to 13.55c

- Year ended June 2006 achieved record revenue and profit.
- Revenue exceeded \$100m for the first time in the company's history.
- Final dividend increased by 42.9% to 5.0 cents per share.
- Special dividend of 2.0 cents per share.
- The continued growth of Wridgways the Worldwide Movers was again recognised by being awarded the prestigious gold OMNI award as the largest shipper of household goods in Australasia.
- Full year of operations for Move Dynamics Queensland.
- Wridgways gained national accreditation to the Australian and New Zealand standard 4801 "Occupational Health and Safety Management Systems". This represents a milestone in Wridgways development and commitment to corporate compliance and recognition of its responsibility and care for its employees. Wridgways are the only removal company in Australia with this accreditation.
- Wridgways continued to provide a diverse range of relocation products to its large corporate customer base including visa and immigration services, cultural transition training, travel and accommodation services and relocation policy development.

# WRIDGWAYS

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## Company Profile

With annual sales revenue in excess of \$100 million, **Wridgways is recognised internationally as a world-class relocation company**, offering innovative packaging, storage and relocation solutions, state-of-the-art facilities and unrivalled customer service.

Our reputation for high-standard, 'can do' service and total integrity has been built by generations of staff, who share our company's commitment to the thousands of families, and business and government organisations, who rely on our experience and expertise each year for stress-free relocations.

Wridgways is the only removal company in Australia with national accreditation to Australian and New Zealand Standard 4801 *Occupational Health and Safety Management Systems*. This accreditation reflects our commitment to corporate compliance and recognition of our responsibility and care for employees.

Wridgways provides a comprehensive range of relocation products, with 30 offices and storage facilities around Australia, in cities, and regional and rural areas. Our continued growth has been recognised again in 2006 by the 140-member London-based Overseas Moving Network (OMNI), which awarded Wridgways the prestigious gold OMNI award as the largest shipper of household goods in Australasia.

As well as conducting interstate, country and local removals, and storage operations throughout Australia, the company operates within a network of over 600 professional agents in 90 countries worldwide. All our agents are selected carefully and must meet rigid quality and financial performance criteria.

While we annually transport over 12 million kilograms of air and sea consignments around the globe for corporations, governments and private individuals, Wridgways has one of the lowest loss and damage ratios to customer goods of all worldwide removalist companies.

Our customer service and strict cost control are supported by sophisticated computer systems that facilitate total project management through inventory itemisation, consignment tracking and storage/relocation monitoring. The company's on-line transaction and inquiry system allows prospective customers, anywhere in the world, to receive written quotes within 48 hours. Our track record for quality and customer service is reflected in a high level of repeat and referred customers.

The company has ISO 9002 international quality certification and, over our 114-year history, we have been accredited with inventing and perfecting many of the industry's standards. Wridgways is a foundation member of the Australian Furniture Removals Association and the Federation of International Furniture Removals, as well as many offshore industry associations throughout Europe, the United Kingdom, USA and South Africa.

Through our specialist relocation services business, *Move Solutions*, we offer a range of services to corporate and government employees on transfer within Australia or overseas. Our services include visa and

immigration services, cultural transition training, tenancy and home sale programs, travel and accommodation services, spouse employment programs, expense management programs, cost of living differentials by location and relocation policy development.

The company's highly-specialised *Project Management division* provides transport, storage and logistics services to the hotel and resort industry. Our *Project Management* teams provide complete solutions to new hotels or resorts undergoing complete or partial refurbishment. Recent major projects have included Australia's tallest residential building on the Gold Coast, Trendwest resorts in Hobart and Sydney and the Holiday Inn Burswood in Perth.

Federal and State governments rely on Wridgways' brokerage business, *Move Dynamics* for the outsourcing of transportation and specialist services through sophisticated internet technology to a network of over 100 approved service providers around Australia.

Wridgways believes that good corporate governance, open communication with all its stakeholders and the successful management of safety, health and environmental issues is vital for its employees, customers, shareholders and business success.

Since 1999, when Wridgways became the world's first publicly listed furniture removal company, we have continued to grow, with rapid expansion of our branches and networks, both nationally and internationally. At the same time, we remain committed to our core values of honesty and integrity; to providing customised, quality moving services; and maximising shareholder value.



## Chairmans' Report

It is extremely pleasing to once again be able to report an exceptional result for the year, with record Revenue and Profits. This resulted in earnings per share of 13.55 cents (last years 9.33); our highest since listing in 1999.

Sales Revenue from Operations exceeded \$100 million (\$102.866M) for the first time and increased by 13.4% on last year's figure of \$90.721 million.

Operating Profit after tax was also a record and increased by 45.2% to \$4.336 million, a very substantial increase on the \$2.987 million last year. Operating Profit before tax increased by 47.4%, to \$6.212 million on last year's \$4.215 million.

At year end Wridgways was debt free with Cash of \$5.418 million, after Capital Expenditure of \$1.432 million Dividend payment of \$1.920 million, and repayment of borrowings \$3.000 million.

The strong Australian economy, coupled with the continued strength of the resources sector in Western Australia and Queensland, contributed to buoyant demand for relocation services in both the domestic and international markets.

The operational and divisional performances reviews are outlined in detail in Des Stickland's, Managing Director's report.

Wridgways was again awarded the Gold Overseas Moving Network (OMNI) award in 2006, as the largest shipper of household goods in Australia/New Zealand.

Another highlight is that Wridgways gained National accreditation to Australian and New Zealand standard 4801 'Occupational Health and Safety Management Systems', the only removal company in Australia with this accreditation.

As previously announced, the Directors have resolved to declare a fully franked final dividend of 5.0 cents per share (2005 – 3.5 cents). In addition the Directors declared a fully franked special dividend of 2.0 cents per share. The combined total final dividend for the year will be 7.0 cents per share. Shareholders will be aware that our interim dividend of 2.5 cents per share (previous year 2.0 cents) was paid on 17 March, 2006, bringing the total Dividend for the fiscal year to 9.5 cents per share, a 73% increase on the previous year (2005 – 5.5 cents).

The outlook for our business remains positive and we expect continued strong performance in revenue and earnings, driven by our domestic and international operations.

We have identified a number of opportunities in the government and corporate sector to augment our existing business and we are actively examining acquisitions opportunities both in Australia and internationally.

On behalf of the Board of Directors, I would like to thank and congratulate our Managing Director, Des Stickland and the company's dedicated management team and employees for again achieving such an outstanding result.

I would also like to thank my fellow Directors for their continued support and contribution.



Wridgways Managing Director Des Stickland receiving the gold award from OMNI Chairman Brian Putt.



## Managing Directors' Report

### Local Removals

"It was a pleasure to deal with people who obviously enjoy their job even though it is hard work. Nothing was a problem for them, they just kept going. They were friendly and put us at ease."

### Operating Performance

Wridgways had an outstanding year in 2006. Group revenue increased to a record \$102.866 million, up 13.4% on the previous year and profit before interest and tax increased to \$6.212 million, up 47.4% on the previous year.

The strong Australian economy boosted business confidence and employment growth, leading to a high demand for relocation services. Activity in the resources sector was particularly strong, both domestically and internationally. There was also an increase in global relocation activity in North America and Europe.

These favourable conditions are forecast to continue for at least the next two years, subject to adverse world events.

The Wridgways group provides a diverse range of relocation products to its large corporate customer base. The range includes pet relocation, motor vehicle relocation, visa and immigration services, cultural transition training, tenancy and home sale programs, travel and accommodation services, spouse employment programs, expense management programs, cost of living differentials by location and relocation policy development.

Our complete one-stop package makes Wridgways the first choice of organisations wanting to outsource these activities to allow their own people to focus on strategic business issues.





### WRIDGWAYS The Removalists.

This division performed extremely well in a highly-competitive market, with a 6.7% increase in the volume of goods carried. This resulted in a 7.9% increase in revenue over the previous financial year.

Operations in Queensland and Western Australia reflected the robust resources-led economies in those States and produced outstanding results. New South Wales also produced a record performance, driven by high corporate relocation activity and an increase in private market transactions.

Wridgways Corporate Services team successfully negotiated several new business contracts.

The ongoing upgrading and replacement of vehicles has benefited the network significantly over the past few years, ensuring reliable, consistent, on time services to our customers, particularly in regional and remote centres.

### WRIDGWAYS The WorldWide Movers.

The combined import and export activities of this division saw a 20.7% increase in revenue to \$25.7 million.

Household goods received into Australia from our global network of 600 agents increased by 18% to over 7.0 million kilograms of air and sea consignments.

Outbound export consignments from Australia increased to 5.0 million kilograms of air and sea consignments.

Once again, Wridgways The Worldwide Movers was recognised by the prestigious 140-member London-based global industry organisation, Overseas Moving Network Incorporated, receiving an award as the largest shipper of household goods and personal effects of all member companies in Australasia.

### **move** dynamics

Move Dynamics is a relocation management and removals brokering business servicing the procurement needs of state and federal government departments.

Using sophisticated internet brokerage technology and a network of over 100 approved service providers throughout Australia, Move Dynamics' revenue increased by an impressive 42.0% over the previous financial year to \$13.1 million.

### WRIDGWAYS Move Solutions.

Wridgways Move Solutions is a specialist relocation services provider to corporate and government employees. Its services include VISA and migration programs, home and school search and family settlement programs.

Established only three years ago, Move Solutions is continuing to develop steadily. The division achieved a very pleasing 58.3% increase in revenue over the previous financial year.

### WRIDGWAYS Project Management.

A highly specialised division providing transport, storage and logistics services to the hotel and resort industry.

Wridgways Project Management division's results were adversely affected by a downturn in refurbishment activity. At the same time, cost pressures caused some builders and developers to attempt fit outs themselves. The division's revenue decreased by 30.5%.

## In Conclusion

We are delighted to provide our shareholders with another outstanding financial and service delivery result.

Wridgways is debt free and trading strongly in a very competitive market place. The market place requires consolidation. We are in an excellent position to pursue further growth through strategic acquisitions and are actively examining such opportunities within Australia and overseas.

Wridgways' world-class services are delivered every day, with enormous commitment by our world class people. Thank you and congratulations to everyone in the Wridgways team on another fine effort. We are looking forward with excitement and great expectations to the year ahead.



## Corporate Governance Statement

The following statement outlines Wridgways compliance and adherence to the best practice principles for good corporate governance as outlined in the recommendations released by the ASX. During the year all policies have been reviewed and enhanced if appropriate. Details of the key aspects are set out below.

### Board Charter and its Role

The Board working with senior management is responsible to shareholders for the overall corporate governance and business performance of the company.

This responsibility includes:

- determining and reviewing the company's strategic direction and operational policies
- establishing goals for management and monitoring the achievement of these goals
- reviewing and approving the company's annual budget and corporate strategy plan
- ensuring management maintains a sound system of internal controls to safeguard the assets of the group.
- appointing, monitoring and rewarding the CEO.
- approving all significant business transactions, including acquisitions, divestments, and capital expenditure
- monitoring internal compliance and control, business risk exposures and risk management systems
- approving and monitoring financial and other reporting in the form required by the Corporations Act 2001

- ensuring that a strategic balance is maintained between the responsibilities of the board and the CEO.
- reporting to shareholders, the market and the ASX
- issues of the company's shares
- declaration of dividends to shareholders
- major corporate or financial restructuring

### Structure of the board

The Wridgways Board is balanced in its composition. The Board comprises three non-executive directors (including the chairman) and two executive directors. The directors are accountable to shareholders for the proper management of Wridgways' business and delegate responsibility for day to day management to the Managing Director and senior executives.

All non-executive directors and the chairman are to be independent directors having no business or other relationship that could compromise their autonomy. They have no other interest or relationship that could interfere in their ability to act in the best interests of the company and independently of management. When a potential conflict of interest arises, the director concerned would not receive copies of the relevant Board papers and would withdraw from the Board meeting while such matters are considered. Particulars of the directors are set out on page 15.

Non executive directors are subject to re-election by rotation every three years. There are presently no maximum terms for non-executive director appointments. Newly appointed directors must seek election at the first general meeting of shareholders following their appointment.

The company's Chairman and CEO have separate roles and those roles are to be held by different people. The Chairman is responsible for leading the Board in the discharge of its duties.

To assist in the effective execution of its responsibilities the board has established an Audit Committee and Remuneration committee. Refer to page 10.

### Board Meetings

Meetings are usually held a minimum of seven times per year and, if required, ad hoc board meetings are convened to address issues when it is not practical to organise a full board meeting.

The executive directors and senior management meet regularly to review in detail the strategic direction of the company's business. Important decisions on the growth and future direction of the business result from these reviews. The non-executive directors are fully briefed on these meetings.

Because of the size of Wridgway's Board (ie: three non-executive directors and two executive directors), a separate nominations committee is not deemed necessary. The Board reviews and discusses the appointment of new directors.



### Access to Information

New directors are provided with an orientation and are encouraged to visit the company operations to assist them in developing an understanding of Wridgways Australia Limited's businesses and key drivers.

Subject to prior consultation with the Chairman, directors may obtain independent professional advice at the company's expense on matters arising in the course of their board and committee duties. Directors also have access to senior company managers and company documents at all times.

The Company Secretary attends all Board meetings and is responsible for ensuring proper board procedures are observed. He is also responsible for ensuring that the company complies with the requirements of the Corporations Act, ASX Listing Rules and other applicable regulations.

### Promote ethical and responsible decision-making

It is the policy of Wridgways to conduct business with honesty, integrity, respect and fairness when dealing with its customers and employees. Employees are also required to meet these high standards.

The company takes seriously its obligations to comply with all federal, state and local government laws and regulations, as well as common law obligations, and again, requires all employees to do the same.

### Directors' Code of Conduct

The company has an established code of conduct to guide the directors, CEO, and senior employees in the performance of their duties. Details of this code are placed on the Company's website [www.wridgways.com.au](http://www.wridgways.com.au)

### Share Trading Guidance Note

Directors and employees of the company are subject to the Corporations Act 2001, which prohibits buying, selling or subscribing for shares in the Company if they are in possession of inside information. Inside information is that information which is not generally available and a reasonable person would expect it to have a material effect on the price or value of the shares in the Company.

The Company provides this Guidance Note for directors to assist them in complying with the Corporation Act 2001 when making a buy or sell decision.

Directors can engage in buying or selling of the company's shares in the six-week period after a major announcement by the company. This will usually ensure that the market is fully informed and minimize any risk of breach of the law. The CEO will advise Company employees when a major announcement has been made to the market.

Any director buying or selling shares in Wridgways Australia Limited is also required to advise the Chairman at the time of such transactions.

## Overseas Removals

"We really appreciated the way (with all areas of the move) Wridgways looked after us.

Your professionalism and customer service was beyond our expectations and we will certainly be recommending your Company to others."





## Safeguard integrity in financial reporting

Wridgways CEO and CFO report in writing to the Board that the financial statements of Wridgways Australia Limited for the full financial year present a true and fair view, in all material respects, of the company's financial condition and operational results and are in accordance with Australian Accounting Standards.

The board established an Audit Committee in 1999. The membership of the committee consists of the three independent non-executive directors and the CFO. The CEO is invited to attend meetings. The committee, with the external auditors, meets two times each year, prior to the issue of profit announcements, to review half year and full year financial results, and on an ad-hoc basis to discuss any other issues which might arise. The external auditors have a clear line of direct communication at any time to the chairman of the Board.

The principle functions and objectives of the Audit Committee are to:

- assist the board in the discharge of its responsibilities in respect of the preparation of the company's financial statements and the company's internal financial controls
- recommend to the board nominees for appointment as external auditors, review the scope of the audit, the level of audit fees and the performance of the external auditors, provide a line of communication between the board and the external auditors and examine the external auditor's evaluation of internal controls and management's response
- review interim and annual financial statements

- review internal control systems to ensure integrity of financial reports
- ensure the company's policies and procedures properly reflect compliance with current accounting pronouncements, legislation and regulations
- review asset values to ensure they are appropriate and meet the requirements of the Corporations Act and Accounting Standards
- review risk management procedures including insurance covers and disaster recovery procedures
- ensure adequacy of disclosure and treatment of any major or unusual transactions

The external auditor is permitted to provide non-audit services that are not perceived to be in conflict with auditor independence, including tax advice services. The board has the right to request the external auditor to carry out a specific assignment, if it is determined by the board that it would be in the best interests of the shareholders and the company.

## Timely and balanced disclosure

The company conveys to its shareholders and the public relevant information in a detailed and timely manner. The board's policy is that shareholders are informed of all major developments that impact on the company. There is a continuous disclosure policy in place, which is intended to maintain the market integrity and efficiency of the company's shares listed on the ASX. The disclosure policy is maintained through the board continually monitoring and identifying significant events and from ongoing reviews of business and financial reports.

All ASX releases to be made to the market by the company are approved by the board or by the CEO in consultation with the chairman. The company secretary has a standing authority to approve releases that deal with changes in director share holdings, Annual General Meeting notifications, addresses and voting results, share issues and broker/analyst presentations.

Information is communicated to shareholders by the company through:

- Annual Reports
- Disclosure to the ASX or ASIC
- Notices and explanatory memorandum of Annual General Meetings.
- Occasional letters from the CEO or Chairman to specifically inform shareholders of key matters of interest

## Respect the rights of shareholders

The company maintains communication with shareholders and other stakeholders in an open, regular and timely manner so that members have sufficient information to make informed decisions on the operations and results of the company.

The policy provides for the use of systems involving communiqués and technologies that ensure regular and timely release of information about the company to members. Mechanisms employed include:

- The annual financial report, circulated to all shareholders prior to the company's Annual General Meeting.
- Shareholders access to communications through the use of information technology such as the Wridgways Australia Website [www.wridgways.com.au](http://www.wridgways.com.au). All relevant announcements made to the market and related information is placed on the website after they have been released to the ASX. Information about the



last three years press releases / announcements and at least three years of financial data are available on the website.

- Timely bulletins released to shareholders including market releases, Chairmans' reports/letters and half yearly/annual financial data.

The board encourages full participation of shareholders at the company's Annual General Meeting to ensure a high level of accountability and understanding of the company's strategy and goals. Important issues are presented to shareholders as single resolutions. Shareholders are encouraged to appoint proxies to express their views at the Annual General Meeting by directing their proxies by marking the appropriate boxes on the proxy form.

The company's external auditor attends the Annual General Meeting and is available to answer shareholders questions.

## Risk Management and Oversight

Management is ultimately responsible to the board for the system of internal control and risk management. The Audit Committee assists the board in fulfilling its responsibilities in this regard by reviewing the financial and reporting aspects of the company's risk management and control.

Major exposures for the company stem from Wridgways business risk profile, which covers areas including financial, operational, regulatory, contractual, reputation and strategic risk.

The company has policies procedures and guidelines in place to ensure that the company's risks are identified and that controls are adequate. These cover areas such as occupational health and safety (including vehicle and driver safety),

environmental management, trade practices, ethical conduct and Information Technology disaster recovery and business continuity planning, interest rate risk, credit risk, liquidity risk, regulatory compliance risk, guidelines and limits for approval of capital expenditure and annual budgeting and weekly/ monthly reporting systems for business units which enables the monitoring of progress and performance targets and the evaluation of trends.

Responsibility for control and risk management is delegated to the appropriate level of management within the company with the CEO and CFO having ultimate responsibility to the board for the risk management and control framework.

Arrangements in place for the board to monitor risk management include regular reporting to the board in respect of operations and the financial position of the company, circulation to the board of each meeting held by the audit committee.

The CEO and CFO report in writing to the directors annually that sound systems of risk management and internal compliance and controls have been and are in place during the year.

The primary objective of the risk management process is to maximize shareholder value. It therefore represents an integral part of the business management process. Eliminating all risk, however, adversely affects the ability of the company to take up opportunities for potential reward.

## Board performance review and disclosure

The Board keeps all areas of Wridgways Australia Limited's governance under ongoing review, in order to provide leadership by example in this crucial area of corporate responsibility and management. It particularly

monitors any area of business risk that is identified and ensures appropriate control strategies are in place and properly managed.

The board carries out continuous reviews against its responsibilities and objectives. The purpose of this is to identify any areas of weakness or scope for improvement and to focus on specific performance objectives.

The non-executive directors are responsible for regularly evaluating the performance of the CEO. The performance is based on specific criteria, including the company's business performance and short and long term strategic objectives.

The chairman will also evaluate the performance of individual directors annually and for re-appointment. Performance criteria adopted will include the attendance and participation at meetings, other contributions, and achievement of any specific objectives and achievement of financial objectives in the case of executive directors.

The board is provided with information it needs to efficiently discharge its responsibilities, including access to the company secretary. Management supplies the board with information in a form, timeframe and quality that enables the board to effectively discharge its duties. Directors are entitled to request additional information where they consider that the information supplied by management is insufficient to support informed decision-making.

Arrangements in place to monitor the performance of the company's key executives include a review by the board of the company's financial performance and revised forecast results on a half-yearly and annual basis – as well as quarterly if required.



“There have been lots of changes to the company in the last 34 years but each time the company has continued to evolve in a positive direction.”

Pictured above is Rob King, an interstate driver who has been working for Wridgways for 34 years. Based in Adelaide, he has travelled millions of kilometres delivering outstanding customer service along the way. Rob’s father, Leo, also spent many years with Wridgways and his son, Rob Jnr., has been with the company for 20 years.



## Remunerate fairly and responsibly

A program of regular performance appraisals and objective setting for senior management and other staff is in place. The Board established a Remuneration Committee in 1999.

The responsibilities of the Remuneration Committee are to review and make recommendations to the Board on:

- policies for executive employment, remuneration and incentives;
- the remuneration package of the Managing Director. The non-executive members of the Remuneration Committee determine this. The Managing Director receives no incremental remuneration as a Board member;
- the remuneration packages of the senior management after consultation with the Managing Director.
- recruitment, retention and termination policies and procedures for senior management;
- incentive schemes including bonuses and share options;
- superannuation arrangements;
- the remuneration framework for non-executive directors, within the limit approved by shareholders; and
- other matters as requested by the Board.



The Remuneration Committee comprises three non-executive directors and the Managing Director.

Meetings are to be held at least once a year as part of the annual remuneration review. The number of Remuneration Committee meetings and number of meetings attended by each of the members of the Remuneration Committee during the financial year are set out on page 13.

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

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

remuneration and performance based remuneration. At this stage there is no equity-based remuneration. A review of remuneration packages in comparative companies is undertaken to determine the appropriateness of the packages.

- for details of remuneration paid to directors and officers for the financial year please refer to page 14.

The remuneration of non-executive directors is competitive for the industry and in keeping with the responsibilities of public company directors. Remuneration for non-executive directors comprises fixed fees, which may be in the form of cash, non-cash benefits and superannuation. No part of the remuneration is incentive-based. For example, bonuses and share options. Also, no retirement benefits will be provided other than statutory superannuation. Total directors' fees for all non-executive directors are not to exceed \$200,000 per annum.

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

## Recognise the legitimate interests of stakeholders

The company has an established code of ethics to provide employees with guidance on what is acceptable behaviour. The company requires that all directors, managers and employees maintain the high standards of integrity and honesty.

The key elements are:

- Fairness and honesty
- Individually and collectively contributing to the well being of shareholders, customers, the economy and the community.
- Being aware of obeying the law.

The company has policies and procedures dealing with the following:

- Occupational Health and Safety
- Privacy
- Insider trading and dealing in securities
- Conflict of interest
- Equal Opportunity and Harassment
- Drugs and alcohol
- Prevention of, and dealing with, fraud
- Trade Practices

The Company considers the successful management of safety, health and environmental issues as vital for its employees, customers, shareholders and business success.

The company's commitment to Quality is reflected by its ISO9002 quality accreditation.



## Directors' Report – 30 June 2006

The directors of Wridgways Australia Limited (Wridgways) submit herewith the annual financial report of the company for the financial year ended 30 June 2006. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

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

### Directors

#### Name

Anthony W Whatmore  
Bryan D Weir  
Desmond F Stickland  
Brian C Clarke [Company Secretary]  
James A Brown

The above named directors held office during and since the end of the financial year. Particulars of the Directors are set out on page 15.

### Principal activities

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

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

### Review of operations

Refer to the Chairmans' Report on page 3 and the Managing Directors' Report on page 4 for a review of operations for the current year.

### Changes in state of affairs

During the financial year there was no significant change in the state of affairs of the consolidated entity other than that referred to in the financial statements or notes thereto.

### Subsequent events

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

### Future developments

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

### Environmental issues

The consolidated entity operates within the transport industry and conducts its business activities with respect for the environment while continuing to meet the expectations of shareholders, customers, employees and suppliers.

During the current period under review, the directors are not aware of any particular or significant environmental issues which have been raised in relation to the consolidated entity's operations.

### Dividends

In respect of the financial year ended 30 June 2005, as detailed in the directors' report for that financial year, a final dividend of 3.5 cents per share franked to 100% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 30 September 2005.

In respect of the financial year ended 30 June 2006, an interim dividend of 2.5 cents per share franked to 100% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares on 17 March 2006.

In respect of the financial year ended 30 June 2006, the directors recommend the payment of a final dividend of 5.0 cents per share and a special dividend of 2.0 cents per share franked to 100% at 30% corporate income tax rate to the holders of fully paid ordinary shares on 29 September 2006.

### Share options

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

### Indemnification of officers and auditors

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



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

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

## Directors' shareholdings

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

Directors	Fully Paid Ordinary Shares
A W Whatmore	200,000
B D Weir	70,000
J A Brown	60,000
D F Stickland	3,690,000
B C Clarke	1,660,141

## Remuneration report

### General remuneration policy for directors and executives

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

- are consistent with the Company's goals and objectives;
- motivate directors and management to pursue the long-term growth and success of the company within an appropriate control framework;

## Directors' meetings

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, 7 board meetings, 2 audit committee meetings and 2 remuneration committee meeting were held.

Directors	Board of Directors		Audit Committee		Remuneration Committee	
	Held	Attended	Held	Attended	Held	Attended
A W Whatmore	7	7	2	2	2	2
B D Weir	7	7	2	2	2	2
J A Brown	7	7	2	2	2	2
D F Stickland	7	7	2	2	2	2
B C Clarke	7	6	2	2	-	-

- deliver a level and composition of remuneration that is sufficient and reasonable and compares favourably with other employers in the industry;
- clearly define the relationship of remuneration to corporate and individual performances;
- attract and maintain talented and motivated directors and employees so as to encourage and enhance the performance of the Company;
- are competitively set to attract and retain appropriately qualified and experienced employees.

### Executive remuneration

There are no employment contracts for executives. Remuneration packages for executives include a mix of fixed remuneration and performance based remuneration, which is based on the performance of the respective executive's division or operating branch compared to budget. At this stage there is no equity based remuneration. A review

of remuneration packages in comparative companies is undertaken to determine the appropriateness of the packages.

### Director remuneration

The remuneration of non-executive directors is competitive for the industry and in keeping with the responsibilities of public company directors. Remuneration for non-executive directors comprises fixed fees, which may be in the form of cash, non-cash benefits and superannuation.

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

Along with their fees non-executive directors are entitled to be paid all travelling and other expenses properly incurred in connection with the affairs of the company. Wridgways Australia Ltd pays a premium to insure



directors' liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct with acting as a director of Wridgways Australia Ltd, other than conduct involving a willful breach of duty in relation to Wridgways Australia Ltd.

The directors of Wridgways Australia Limited during the year were:

- Anthony W Whatmore (Chairman, Non-Executive)
- Bryan D Weir (Non-Executive)
- James A Brown (Non-Executive)
- Desmond F Stickland (Managing Director)
- Brian C Clarke (Finance Director)

The five highest remunerated executives of Wridgways Australia Ltd (both company and group executives) during the year were:

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

## Non-audit services

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

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 5 to the financial statements.

## Elements of director and executive remuneration

Remuneration packages contain the following key elements:

- Short term employee benefits – salary/fees, bonuses and other benefits including the provision of motor vehicles and fringe benefits.
- Post-employment employee benefits – including superannuation and prescribed retirement benefits

The following tables disclose the remuneration of the directors of the company and the five highest remunerated executives of the company and group executives of the consolidated entity:

2006	Short-term employee benefits			Post-employment	
	Salary & fees \$	Bonus \$	Other \$	Superannuation \$	Total \$
<b>Directors</b>					
A W Whatmore	70,000	-	-	6,300	76,300
B D Weir	35,000	-	-	3,150	38,150
J A Brown	38,150	-	-	-	38,150
D F Stickland	239,530	50,000	63,815	35,142	388,487
B C Clarke	174,667	30,000	35,110	24,560	264,337
<b>Executives</b>					
J V Ford	108,000	10,000	77,061	17,670	212,731
D P Sutton	168,333	10,000	5,224	18,150	201,707
G C Harrang	147,000	-	21,717	27,509	196,226
S J Crowle	142,983	-	28,261	17,158	188,402
R E Sims	134,634	15,000	6,863	17,922	174,419

## Auditors' independence declaration

The auditor's independence declaration is included on page 16.

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

On behalf of the Directors

Mr A W Whatmore

Chairman

Melbourne

Date: 24 August 2006

Mr D F Stickland

Managing Director



## Directors



**Anthony W Whatmore**  
FCPA, FAIM, FAICD.  
*Chairman*

Mr Whatmore is Chairman and non-executive Director of Nestle Australia Limited and Chairman of Carter and Spencer Group Advisory Board. He has had significant commercial experience including previous appointments as the Deputy Managing Director, Petersville Australia Limited, Managing Director of George Weston Foods Limited and a Director of the Australian Wool Corporation, Morgan & Banks Limited, Walker Corporation Limited, Rebel Sports Limited and BRL Hardy Limited. He has been a Director and Chairman of Wridgways Australia Limited since May 1999.



**J A Brown**  
FAIM. *Non-Executive Director*

Mr Brown was previously Managing Director of Coates Hire Limited from 1996-2003. He has also been President Commissioner of P.T. Coates Hire Indonesia and Chairman of Coates Hire (UK). Prior to that he held many senior positions with Coates Hire including Chief Executive. He has been a Director of Wridgways Australia Limited since February 2003.



**Bryan D Weir**  
LLB BCom.  
*Non-Executive Director*

Mr Weir is a Director of Walker Douglas & Company, a private investment and advisory group. He was formerly a partner of Freehill Hollingdale & Page and a Director of Macquarie Corporate Finance Limited. He has been a Director of Wridgways Australia Limited since May 1999.



**Desmond F Stickland**  
*Managing Director*

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



**Brian C Clarke**  
BEc, ACIS, MAICD.  
*Finance Director & Company Secretary*

Mr Clarke has held a number of senior administrative positions within the Group including Group Accountant and IT Manager. A member of the Chartered Institute of Company Secretaries in Australia, he has been Company Secretary and a Director since 1997.

# Auditors' Independence Declaration

**Deloitte.**

24 August 2006

Board of Directors  
Wridgways Australia Ltd  
93 Heatherdale Road  
RINGWOOD VIC 3134

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Dear Board Members

## Wridgways Australia Ltd

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

As lead audit partner for the audit of the financial statements of Wridgways Australia Ltd for the financial year ended 30 June 2006, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



S PELUSI  
Partner  
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

# Financial Report for the financial year ended 30 June 2006



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## Income Statement for the financial year ended 30 June 2006

	Note	Consolidated		Company	
		2006 \$	2005 \$	2006 \$	2005 \$
Revenue	2	102,865,761	90,721,294	6,360,669	5,771,008
Other income	2	66,438	110,587	49,752	50,648
Freight and direct expenses		(70,562,224)	(61,704,051)	(668,617)	(576,836)
Occupancy expenses		(4,733,954)	(4,715,178)	-	-
Administration expenses		(21,319,624)	(19,918,677)	(2,648,101)	(2,465,836)
Finance costs		(104,865)	(279,237)	(104,865)	(279,224)
Profit before income tax expense	2	6,211,532	4,214,738	2,988,838	2,499,760
Income tax expense	3	(1,875,314)	(1,228,154)	(320,651)	(219,821)
Profit for the year		4,336,218	2,986,584	2,668,187	2,279,939
<b>Profit attributable to members of the parent entity</b>		<b>4,336,218</b>	<b>2,986,584</b>	<b>2,668,187</b>	<b>2,279,939</b>
Earnings per share:					
Basic (cents per share)	21	13.55	9.33		
Diluted (cents per share)	21	13.55	9.33		

Notes to the financial statements are included on pages 22 to 40.

# Balance Sheet as at 30 June 2006

	Note	Consolidated		Company	
		2006 \$	2005 \$	2006 \$	2005 \$
<b>Current assets</b>					
Cash	28	5,418,393	4,075,038	159,854	188,536
Trade and other receivables	6	7,917,855	7,627,865	-	1,618
Inventories	7	240,386	245,886	-	-
Other	8	1,376,188	1,331,766	7,965	24,547
<b>Total current assets</b>		<b>14,952,822</b>	<b>13,280,555</b>	<b>167,819</b>	<b>214,701</b>
<b>Non-current assets</b>					
Investments	9	-	-	11,688,898	11,688,898
Plant and equipment	10	3,082,696	2,425,567	2,089,783	1,463,860
Deferred tax assets	3	1,033,079	857,200	129,935	101,376
Goodwill	11	1,529,138	1,529,138	-	-
Brand name	12	8,000,000	8,000,000	-	-
Other intangible assets	13	364,354	386,656	-	-
<b>Total non-current assets</b>		<b>14,009,267</b>	<b>13,198,561</b>	<b>13,908,616</b>	<b>13,254,134</b>
<b>Total assets</b>		<b>28,962,089</b>	<b>26,479,116</b>	<b>14,076,435</b>	<b>13,468,835</b>
<b>Current liabilities</b>					
Trade and other payables	14	13,096,905	10,790,433	-	-
Current tax payables	3	766,206	370,308	766,206	370,308
Provisions	15	1,792,211	1,569,811	275,347	236,741
<b>Total current liabilities</b>		<b>15,655,322</b>	<b>12,730,552</b>	<b>1,041,553</b>	<b>607,049</b>
<b>Non-current liabilities</b>					
Trade and other payables	16	-	-	7,475,435	5,065,114
Borrowings	17	-	3,000,000	-	3,000,000
Provisions	18	1,273,753	1,131,767	215,788	201,199
<b>Total non-current liabilities</b>		<b>1,273,753</b>	<b>4,131,767</b>	<b>7,691,223</b>	<b>8,266,313</b>
<b>Total liabilities</b>		<b>16,929,075</b>	<b>16,862,319</b>	<b>8,732,776</b>	<b>8,873,362</b>
<b>Net assets</b>		<b>12,033,014</b>	<b>9,616,797</b>	<b>5,343,659</b>	<b>4,595,473</b>
<b>Equity</b>					
Issued capital	19	1,500,000	1,500,000	1,500,000	1,500,000
Retained earnings	20	10,533,014	8,116,797	3,843,659	3,095,473
<b>Total equity</b>		<b>12,033,014</b>	<b>9,616,797</b>	<b>5,343,659</b>	<b>4,595,473</b>

Notes to the financial statements are included on pages 22 to 40.

## Statement of Recognised Income & Expense for the financial year ended 30 June 2006

	Consolidated		Company	
	2006 \$	2005 \$	2006 \$	2005 \$
Profit for the year	4,336,218	2,986,584	2,668,187	2,279,939
Net income recognised directly in equity	-	-	-	-
<b>Total recognised income and expense for the year</b>	<b>4,336,218</b>	<b>2,986,584</b>	<b>2,668,187</b>	<b>2,279,939</b>
<b>Total attributable to members of the parent entity</b>	<b>4,336,218</b>	<b>2,986,584</b>	<b>2,668,187</b>	<b>2,279,939</b>

Notes to the financial statements are included on pages 22 to 40.

## Cash Flow Statement for the financial year ended 30 June 2006

	Note	Consolidated		Company	
		2006 \$	2005 \$	2006 \$	2005 \$
<b>Cash flows from operating activities</b>					
Receipts from customers		102,451,576	90,806,697	6,360,669	5,811,090
Payments to suppliers and employees		(93,199,829)	(84,711,412)	(2,892,636)	(2,731,884)
Interest received		124,194	82,471	-	-
Interest and other costs of finance paid		(104,865)	(279,237)	(104,865)	(279,224)
Income tax paid		(1,655,294)	(1,368,299)	(1,430,944)	(222,576)
Net cash provided by operating activities	28(b)	7,615,782	4,530,220	1,932,224	2,577,406
<b>Cash flows from investing activities</b>					
Payment for software, plant and equipment		(1,431,705)	(1,160,786)	(999,956)	(646,278)
Proceeds from sale of plant and equipment		79,279	165,010	71,098	90,727
Net cash used in investing activities		(1,352,426)	(995,776)	(928,858)	(555,551)
<b>Cash flows from financing activities</b>					
Repayment of borrowings		(3,000,000)	-	(3,000,000)	-
Loans from/(to) subsidiaries		-	-	3,887,953	(142,644)
Dividends paid		(1,920,001)	(1,600,000)	(1,920,001)	(1,600,000)
Net cash used in financing activities		(4,920,001)	(1,600,000)	(1,032,048)	(1,742,644)
Net increase in cash and cash equivalents		1,343,355	1,934,444	(28,682)	279,211
Cash at the beginning of the financial year		4,075,038	2,140,594	188,536	(90,675)
<b>Cash at the end of the financial year</b>	<b>28(a)</b>	<b>5,418,393</b>	<b>4,075,038</b>	<b>159,854</b>	<b>188,536</b>

Notes to the financial statements are included on pages 22 to 40.

# Notes to the Financial Statements for the financial year ended 30 June 2006

## 1. Summary of Accounting Policies

### Statement of Compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Accounting Standards and Urgent Issues Group Interpretations, and complies with other requirements of the law. Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with the A-IFRS ensures that the consolidated financial statements and notes of the consolidated entity comply with International Financial Reporting Standards ('IFRS'). The parent entity financial statements and notes also comply with IFRS except for the disclosure requirements in IAS 32 'Financial Instruments: Disclosure and Presentation' as the Australian equivalent Accounting Standard, AASB 132 'Financial Instruments: Disclosure and Presentation' does not require such disclosures to be presented by the parent entity where its separate financial statements are presented together with the consolidated financial statements of the consolidated entity.

The financial statements were authorised for issue by the directors on 24 August 2006.

### Basis of Preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of A-IFRS management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised

if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The consolidated entity changed its accounting policies on 1 July 2005 to comply with A-IFRS. The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards', with 1 July 2004 as the date of transition. An explanation of how the transition from superseded policies to A-IFRS has affected the company's and consolidated entity's financial position, financial performance and cash flows is discussed in Note 30.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2006, the comparative information presented in these financial statements for the year ended 30 June 2005, and in the preparation of the opening A-IFRS balance sheet at 1 July 2004 (as disclosed in Note 30), the consolidated entity's date of transition.

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

#### (a) Principles of consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated entity, being the company (the parent entity) and its subsidiaries as defined in Accounting Standard AASB 127 'Consolidated and Separate Financial Statements'. A list of subsidiaries

appears in Note 25 to the financial statements. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If, after reassessment, the fair values of the identifiable net assets acquired exceeds the cost of acquisition, the deficiency is credited to profit and loss in the period of acquisition.

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

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

#### (b) Revenue recognition

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

Revenue from the provision of storage services is recognised over the period of storage.

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

#### (c) Income tax

##### Current tax

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

#### Deferred tax

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

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

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

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

#### Current and deferred tax for the period

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

#### Tax consolidation

The company and all its wholly-owned Australian resident entities are part of a tax-consolidated group under Australian taxation law. Wridgways Australia Ltd is the head entity in the tax-consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'group allocation' approach. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax-consolidated group are recognised by the company (as head entity in the tax-consolidated group).

#### (d) Goods and services tax

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

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

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

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

#### (e) Cash

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

#### (f) Trade and other receivables

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

#### (g) Inventories

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

#### (h) Investments

Investments in subsidiaries are recorded at cost.

#### (i) Plant and equipment

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

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

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

- Transport Fleet 5 – 7 years
- Plant and Equipment 3 – 10 years

# Notes to the Financial Statements (cont'd)

## 1. Summary of Accounting Policies (cont'd)

### (j) Leased assets

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

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

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Finance leased assets are amortised on a straight line basis over the estimated useful life of the asset.

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

### (k) Goodwill

Goodwill, representing the excess of the cost of acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities acquired (in respect of the business of Wridgways Limited) is recognised as an asset and not amortised, but tested for impairment annually and whenever there is an indication that the goodwill may be impaired. Any impairment is recognised immediately in profit or loss and is not subsequently reversed. Refer also note 1(n).

### (l) Brand name

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

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

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

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

### (m) Intangible assets

#### Software

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

### (n) Impairment of assets

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

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

#### (o) Payables

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

#### (p) Borrowings

Borrowings are recorded initially at fair value, net of transaction costs.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method.

#### (q) Provisions

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

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

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

#### (r) Employee benefits

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

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

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

#### Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred.

#### (s) Financial instruments issued by the company

##### Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

##### Interest and dividends

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

#### (t) Foreign currency

##### Foreign currency transactions

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

Exchange differences are recognised in profit or loss in the period in which they arise.

## Notes to the Financial Statements (cont'd)

	Consolidated		Company	
	2006 \$	2005 \$	2006 \$	2005 \$
<b>2. Profit From Operations</b>				
<b>(a) Revenue</b>				
<b>Revenue from operations consisted of the following items:</b>				
Revenue from the rendering of removal and storage services	102,732,724	90,629,817	-	-
Rental revenue	8,550	9,006	-	-
Interest revenue	124,487	82,471	293	357
Dividends – subsidiaries	-	-	1,920,001	1,600,000
Management fee – subsidiaries	-	-	4,440,375	4,170,651
	<b>102,865,761</b>	<b>90,721,294</b>	<b>6,360,669</b>	<b>5,771,008</b>
<b>(b) Profit before income tax</b>				
<b>Profit before income tax has been arrived at after crediting/ (charging) the following gains and losses from operations:</b>				
Gain on disposal of plant and equipment	57,220	110,587	49,752	50,648
Net foreign exchange gains /(losses)	9,218	(21,462)	-	-
<b>Profit before income tax has been arrived at after charging the following expenses:</b>				
Net bad and doubtful debts	171,671	162,207	-	-
Operating lease rental expenses	7,542,874	7,417,130	315,930	270,897
<b>Finance costs:</b>				
Interest on loans	78,591	244,237	78,591	244,244
Other finance costs	26,274	35,000	26,274	35,000
	<b>104,865</b>	<b>279,237</b>	<b>104,865</b>	<b>279,224</b>
<b>Depreciation and amortisation of non-current assets:</b>				
Transport fleet	352,688	305,940	352,688	305,940
Plant and equipment	227,583	277,171	-	-
Software	194,549	126,802	-	-
	<b>774,820</b>	<b>709,913</b>	<b>352,688</b>	<b>305,940</b>
<b>Employee benefit expense:</b>				
Defined contribution plans	2,043,299	1,871,149	-	-
Other employee benefits	20,919,368	18,415,859	2,576,330	2,424,584
	<b>22,962,667</b>	<b>20,287,008</b>	<b>2,576,330</b>	<b>2,424,584</b>

	Consolidated		Company	
	2006	2005	2006	2005
	\$	\$	\$	\$

### 3. Income Taxes

#### (a) Income tax recognised in profit

The prima facie income tax expense on pre-tax accounting profit reconciles to the income tax expense in the financial statements as follows:

Profit before income tax expense	6,211,532	4,214,738	2,988,838	2,499,760
Income tax expense calculated at 30%	1,863,460	1,264,422	896,651	749,928
Non-deductible expenses	11,678	11,418	-	-
Rebateable dividends	-	-	(576,000)	(480,000)
Impact of adopting tax consolidation during the prior period	-	(50,107)	-	(50,107)
Under provision of income tax in previous year	176	2,421	-	-
	<b>1,875,314</b>	<b>1,228,154</b>	<b>320,651</b>	<b>219,821</b>
<b>Tax expense comprises:</b>				
Current tax expense	2,051,193	1,462,522	349,210	272,517
Deferred tax income (refer 3c)	(175,879)	(234,368)	(28,559)	(52,696)
	<b>1,875,314</b>	<b>1,228,154</b>	<b>320,651</b>	<b>219,821</b>

#### (b) Current tax liabilities

Income tax payable	766,206	370,308	766,206	370,308
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#### (c) Deferred tax balances

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

	Consolidated				
	Balance 30/06/04	Charged to Income	Balance 30/06/05	Charged to Income	Balance 30/06/06
Provisions	692,888	117,585	810,473	109,318	919,791
Accruals	67,010	10,806	77,816	13,607	91,423
Plant, Equipment and Software	(98,722)	61,504	(37,218)	46,490	9,272
Other	(38,344)	44,473	6,129	6,464	12,593
	<b>622,832</b>	<b>234,368</b>	<b>857,200</b>	<b>175,879</b>	<b>1,033,079</b>
	Company				
	Balance 30/06/04	Charged to Income	Balance 30/06/05	Charged to Income	Balance 30/06/06
Provisions	118,292	13,092	131,384	15,958	147,342
Plant, Equipment and Software	(69,612)	39,604	(30,008)	12,601	(17,407)
	<b>48,680</b>	<b>52,696</b>	<b>101,376</b>	<b>28,559</b>	<b>129,935</b>

#### (d) Unrecognised deferred tax balances

The company and consolidated entity has deferred tax assets relating to capital tax losses of \$98,875 (2005: \$98,875) which have not been brought to account as assets.

## Notes to the Financial Statements (cont'd)

### 4. Key Management Personnel Compensation

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

- Anthony W Whatmore (Chairman, Non-Executive)
- Bryan D Weir (Director, Non-Executive)
- James A Brown (Director, Non-Executive)
- Desmond F Stickland (Managing Director)
- Brian C Clarke (Finance Director)
- John V Ford (State Manager, Queensland)
- Steven J Crowle (General Manager, Corporate Services)
- Grant C Harrang (State Manager, New South Wales)
- Desmond P Sutton (General Manager, Move Dynamics)
- Rob E Sims (State Manager, Western Australia)
- John L Clayton (National Import Manager), resigned 16 December 2005

#### Key management personnel compensation policy

The remuneration committee reviews the compensation policies applicable to all directors and executives on an annual basis and makes recommendations on remuneration packages to the board. Remuneration packages are reviewed and determined with due regard to current market rates and are benchmarked against comparable industry salaries, adjusted by a performance factor to reflect changes in the performance of the consolidated entity.

Remuneration packages which consist of base salary, incentive schemes, (including performance related bonuses based on the performance of the respective executive's division compared to budget), other benefits (provision of motor vehicles and fringe benefits), superannuation and entitlements upon retirement and termination are reviewed with due regard to performance and other relevant factors.

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

	Consolidated		Company	
	2006 \$	2005 \$	2006 \$	2005 \$
Short-term employee benefits	1,710,419	1,376,149	1,385,205	1,221,442
Post-employment employee benefits	175,479	149,374	130,048	125,326
	<b>1,885,898</b>	<b>1,525,523</b>	<b>1,515,253</b>	<b>1,346,768</b>

The compensation of each member of the key management personnel of the consolidated entity is set out below:

2006	Short-term employee benefits			Post-employment	Total \$
	Salary & fees \$	Bonus (i) \$	Other \$	Superannuation \$	
A W Whatmore	70,000	-	-	6,300	76,300
B D Weir	35,000	-	-	3,150	38,150
J A Brown	38,150	-	-	-	38,150
D F Stickland	239,530	50,000	63,815	35,142	388,487
B C Clarke	174,667	30,000	35,110	24,560	264,337
J V Ford	108,000	10,000	77,061	17,670	212,731
D P Sutton	168,333	10,000	5,224	18,150	201,707
G C Harrang	147,000	-	21,717	27,509	196,226
S J Crowle	142,983	-	28,261	17,158	188,402
R E Sims	134,634	15,000	6,863	17,922	174,419
J L Clayton	66,946	5,000	27,125	7,918	106,989
<b>Total</b>	<b>1,325,243</b>	<b>120,000</b>	<b>265,176</b>	<b>175,479</b>	<b>1,885,898</b>

(i) The cash bonuses were granted on 2 September 2005.

Bonuses were given based on the performance of the specified executive's division compared to budget.

#### 4. Key Management Personnel Compensation (cont'd)

2005	Short-term employee benefits			Post-employment	Total \$
	Salary & fees \$	Bonus (i) \$	Other \$	Superannuation \$	
A W Whatmore	63,333	-	-	5,700	69,033
B D Weir	31,667	-	-	2,850	34,517
J A Brown	34,637	-	-	-	34,637
D F Stickland	217,857	-	42,086	28,321	288,264
B C Clarke	159,333	-	33,762	20,153	213,248
J V Ford	99,667	-	67,034	17,973	184,674
S J Crowle	131,167	-	34,908	17,810	183,885
D P Sutton	158,333	-	3,146	17,350	178,829
G C Harrang	138,333	-	16,374	24,048	178,755
J L Clayton	105,857	8,000	30,655	15,169	159,681
<b>Total</b>	<b>1,140,184</b>	<b>8,000</b>	<b>227,965</b>	<b>149,374</b>	<b>1,525,523</b>

(i) J Clayton was granted a cash bonus on 11 March 2005.

The bonus was given based on the performance of the specified executive's division compared to budget.

	Consolidated		Company	
	2006 \$	2005 \$	2006 \$	2005 \$

#### 5. Remuneration of Auditors

Auditor of the parent entity				
Audit or review of the financial report	98,550	86,500	-	-
Taxation services	48,510	40,125	-	-
	<b>147,060</b>	<b>126,625</b>	-	-

The auditor of Wridgways Australia Limited is Deloitte Touche Tohmatsu.

#### 6. Current Trade and Other Receivables

Trade receivables	8,130,540	7,771,541	-	-
Allowance for doubtful debts	(282,364)	(266,316)	-	-
	7,848,176	7,505,225	-	-
Other	69,679	122,640	-	1,618
	<b>7,917,855</b>	<b>7,627,865</b>	-	<b>1,618</b>

#### 7. Current Inventories

Consumables at cost	240,386	245,886	-	-
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#### 8. Other Current Assets

Prepayments	1,376,188	1,331,766	7,965	24,547
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#### 9. Non-Current Investments

Shares in subsidiaries	-	-	11,688,898	11,688,898
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## Notes to the Financial Statements (cont'd)

### 10. Plant and Equipment

	Consolidated		
	Plant and equipment	Transport Fleet	Total
<b>Gross carrying amount (at cost)</b>			
Balance at 30 June 2004	3,298,039	3,150,264	6,448,303
Additions	324,537	646,278	970,815
Disposals	(95,021)	(136,058)	(231,079)
Balance at 30 June 2005	3,527,555	3,660,484	7,188,039
Additions	259,502	999,959	1,259,461
Disposals	(19,415)	(68,349)	(87,764)
Balance at 30 June 2006	3,767,642	4,592,094	8,359,736
<b>Accumulated depreciation</b>			
Balance at 30 June 2004	2,369,354	1,986,663	4,356,017
Depreciation expense	277,171	305,940	583,111
Disposals	(80,677)	(95,979)	(176,656)
Balance at 30 June 2005	2,565,848	2,196,624	4,762,472
Depreciation expense	227,583	352,688	580,271
Disposals	(18,702)	(47,001)	(65,703)
Balance at 30 June 2006	2,774,729	2,502,311	5,277,040
<b>Net book value</b>			
As at 30 June 2005	961,707	1,463,860	2,425,567
<b>As at 30 June 2006</b>	<b>992,913</b>	<b>2,089,783</b>	<b>3,082,696</b>

	Company		
	Plant and equipment	Transport Fleet	Total
<b>Gross carrying amount (at cost)</b>			
Balance at 30 June 2004	211,893	3,150,264	3,362,157
Additions	-	646,278	646,278
Disposals	-	(136,058)	(136,058)
Balance at 30 June 2005	211,893	3,660,484	3,872,377
Additions	-	999,959	999,959
Disposals	-	(68,349)	(68,349)
Balance at 30 June 2006	211,893	4,592,094	4,803,987
<b>Accumulated depreciation</b>			
Balance as 30 June 2004	211,893	1,986,663	2,198,556
Depreciation expense	-	305,940	305,940
Disposals	-	(95,979)	(95,979)
Balance at 30 June 2005	211,893	2,196,624	2,408,517
Depreciation expense	-	352,688	352,688
Disposals	-	(47,001)	(47,001)
Balance at 30 June 2006	211,893	2,502,311	2,714,204
<b>Net book value</b>			
As at 30 June 2005	-	1,463,860	1,463,860
<b>As at 30 June 2006</b>	<b>-</b>	<b>2,089,783</b>	<b>2,089,783</b>

	Consolidated		Company	
	2006 \$	2005 \$	2006 \$	2005 \$

## 11. Goodwill

<b>Goodwill at cost</b>	<b>1,529,138</b>	<b>1,529,138</b>	-	-
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Goodwill and brand name has been allocated for impairment testing purposes to one individual cash-generating unit being the Removalist and Storage business.

The recoverable amount of this cash-generating unit was assessed by reference to the cash-generating unit's value in use. A discount factor of 10% (2005: 10%) was applied in the value in use model. This model uses cash flow projections based on the budget, approved by management for the coming year and an extrapolation for the next four years based on historical operating margins. Cash flows beyond that have been extrapolated using a steady 3% growth rate. Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

	Consolidated		Company	
	2006 \$	2005 \$	2006 \$	2005 \$

## 12. Brand name

<b>Brand name at cost</b>	<b>8,000,000</b>	<b>8,000,000</b>	-	-
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The consolidated entity's brand name, Wridgways is assessed as having an indefinite useful life. Refer to Note 1(l). Refer to Note 11 for impairment assessment.

## 13. Other Intangible Assets

	Consolidated Software
<b>Gross carrying amount</b>	
Balance at 1 July 2004	584,422
Additions	189,971
Balance at 1 July 2005	774,393
Additions	172,247
Balance at 30 June 2006	946,640
<b>Accumulated amortisation</b>	
Balance at 1 July 2004	260,935
Amortisation expense (i)	126,802
Balance at 1 July 2005	387,737
Amortisation expense (i)	194,549
Balance at 30 June 2006	582,286
<b>Net book value</b>	
As at 30 June 2005	386,656
<b>As at 30 June 2006</b>	<b>364,354</b>

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

## Notes to the Financial Statements (cont'd)

	Consolidated		Company	
	2006 \$	2005 \$	2006 \$	2005 \$
<b>14. Current Trade and Other Payables</b>				
Trade payables	12,906,781	10,646,982	-	-
Goods and services tax (GST) payable	190,124	143,451	-	-
	<b>13,096,905</b>	<b>10,790,433</b>	-	-
<b>15. Current Provisions</b>				
Employee benefits	1,792,211	1,569,811	275,347	236,741
<b>16. Non-Current Trade and Other Payables</b>				
<b>Unsecured:</b>				
Payable to subsidiaries	-	-	7,475,435	5,065,114
<b>17. Non-Current Borrowings</b>				
<b>Secured:</b>				
Bills of Exchange (i)	-	3,000,000	-	3,000,000
(i) Secured by a fixed and floating charge and guarantees over the assets of the company and its wholly-owned controlled entities.				
<b>18. Non-Current Provisions</b>				
Employee benefits	1,273,753	1,131,767	215,788	201,199
<b>19. Issued Capital</b>				
32,000,000 fully paid ordinary shares (2005: 32,000,000)	1,500,000	1,500,000	1,500,000	1,500,000
<b>20. Retained Earnings</b>				
Balance at beginning of financial year	8,116,797	6,730,213	3,095,473	2,415,534
Net profit attributable to members of the parent entity	4,336,218	2,986,584	2,668,187	2,279,939
Dividends provided for or paid (note 22)	(1,920,001)	(1,600,000)	(1,920,001)	(1,600,000)
<b>Balance at end of financial year</b>	<b>10,533,014</b>	<b>8,116,797</b>	<b>3,843,659</b>	<b>3,095,473</b>

## 21. Earnings Per Share

	Consolidated	
	2006 Cents per share	2005 Cents per share
<b>Basic earnings per share:</b>		
<b>Total basic earnings per share</b>	<b>13.55</b>	<b>9.33</b>

The earnings used in the calculation of basic earnings per share is \$4,336,218 (2005: \$2,986,584).  
The weighted average number of ordinary shares used in the calculation of basic earnings per share is 32,000,000 (2005: 32,000,000).

### Diluted earnings per share

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

	2006		2005	
	Cents per share	Total \$'000	Cents per share	Total \$'000

## 22. Dividends

### Recognised amounts

#### Fully paid ordinary shares

Final dividend in respect of the prior year: Franked to 30% (Prior year: 30%)	3.5	1,120,000	3.0	960,000
Interim dividend in respect of the current year: Franked to 30% (Prior year: 30%)	2.5	800,001	2.0	640,000
	<b>6.0</b>	<b>1,920,001</b>	<b>5.0</b>	<b>1,600,000</b>

### Unrecognised amounts

#### Fully paid ordinary shares

Final dividend in respect of the current year: Franked to 30% (Prior year: 30%)	5.0	1,600,000	3.5	1,120,000
Special dividend in respect of the current year: Franked to 30%	2.0	640,000	-	-
	<b>7.0</b>	<b>2,240,000</b>	<b>3.5</b>	<b>1,120,000</b>

	Company & Consolidated	
	2006 \$	2005 \$
<b>Franking account balance</b>		
Adjusted franking account balance	5,881,089	5,444,616
Impact on franking account balance of dividends not recognised	(960,000)	(480,000)
	<b>4,921,089</b>	<b>4,964,616</b>

## Notes to the Financial Statements (cont'd)

### 23. Contingent Liabilities

Performance guarantees of \$252,353 (2005: \$325,114) are held by Westpac Banking Corporation on behalf of Wridgways Limited and Wridgways Australia Limited.

### 24. Leases

#### Operating leases

Commitments under non-cancellable operating leases contracted for:

	Consolidated		Company	
	2006 \$	2005 \$	2006 \$	2005 \$
<b>Premises (i)</b>				
Not longer than 1 year	4,784,336	4,553,614	-	-
Longer than 1 year and not longer than 5 years	11,847,417	13,472,108	-	-
Longer than 5 years	2,746,077	4,471,651	-	-
	<b>19,377,830</b>	<b>22,497,373</b>	-	-
<b>Plant and equipment (ii)</b>				
Not longer than 1 year	863,081	636,774	363,542	319,169
Longer than 1 year and not longer than 5 years	1,307,918	1,597,508	700,007	739,265
Longer than 5 years	64,084	64,084	64,084	64,084
	<b>2,235,083</b>	<b>2,298,366</b>	<b>1,127,633</b>	<b>1,122,518</b>

#### Leasing arrangements

- (i) The consolidated entity leases a number of premises throughout Australia. The rental period of each individual lease agreement varies between 1 and 10 years with renewal options ranging from 2 to 5 years. The majority of lease agreements are subject to rental adjustments in line with movements in the Consumer Price Index or Market Rentals.
- (ii) Consists of agreements for the leasing of containers, IT equipment, transport fleet and motor vehicles. The lease agreement for containers is for 5 years. At the expiration of the lease agreement, the consolidated entity has the option to renew the lease for a further 2 year term or purchase the containers. The lease agreements for the transport fleet and motor vehicles are for periods ranging from 4 to 7 years. These lease agreements do not include renewal options.

### 25. Subsidiaries

Name of entity	Country of incorporation	Ownership interest	
		2006 %	2005 %
<b>Parent entity</b>			
Wridgways Australia Limited (i)	Australia		
<b>Subsidiaries</b>			
Wridgways Limited (ii)	Australia	100%	100%
Wridgways Business Relocations Pty Limited (ii)	Australia	100%	100%

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

(ii) Members of tax-consolidated group.

### 26. Segment Information

The consolidated entity operates in the transport industry (through the provision of removal and storage services) and operates only in Australia.

## 27. Related party disclosures

### (a) Equity interests in subsidiaries

Details of the percentage of ordinary shares held in subsidiaries are disclosed in note 25 to the financial statements.

### (b) Key management personnel remuneration

Details of key management personnel remuneration are disclosed in note 4 to the financial statements.

### (c) Transactions within the wholly owned group

Details of dividend revenue derived by the parent entity from subsidiaries is disclosed in Note 2 to the financial statements.

During the financial year Wridgways Australia Limited derived management fee income from its subsidiaries, through the provision of administrative services at cost plus 5% to 30% (2005: 5% to 30%) and rental of the transport fleet at commercial rates, as disclosed in Note 2 to the financial statements.

Amounts payable to subsidiaries are disclosed in Note 16 to the financial statements.

### (d) Transactions with key management personnel of the wholly owned group

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

### (e) Key management personnel equity holdings

	Balance at 1/07/05 No.	Net Change (i) No.	Balance at 30/06/06 No.
<b>2006</b>			
A W Whatmore	140,000	60,000	200,000
B D Weir	67,000	3,000	70,000
J A Brown	30,000	30,000	60,000
D F Stickland	3,690,000	-	3,690,000
B C Clarke	1,817,041	(156,900)	1,660,141
D P Sutton	1,500,000	(124,000)	1,376,000
S J Crowle	1,390,165	(237,918)	1,152,247
J V Ford	654,000	(179,000)	475,000
G C Harrang	122,729	(122,729)	-
J L Clayton	2,133,332	(2,133,332)	-
	Balance at 1/07/04 No.	Net Change (i) No.	Balance at 30/06/05 No.
<b>2005</b>			
A W Whatmore	130,000	10,000	140,000
B D Weir	47,000	20,000	67,000
J A Brown	30,000	-	30,000
D F Stickland	3,690,000	-	3,690,000
B C Clarke	1,904,145	(87,104)	1,817,041
D P Sutton	1,535,275	(35,275)	1,500,000
S J Crowle	1,440,165	(50,000)	1,390,165
J V Ford	780,000	(126,000)	654,000
G C Harrang	-	122,729	122,729
J L Clayton	2,133,332	-	2,133,332

(i) No shares were granted as remuneration by the company.

## Notes to the Financial Statements (cont'd)

	Consolidated		Company	
	2006 \$	2005 \$	2006 \$	2005 \$

### 28. Notes to the Cash Flow Statement

#### (a) Reconciliation of cash

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

<b>Cash</b>	<b>5,418,393</b>	<b>4,075,038</b>	<b>159,854</b>	<b>188,536</b>
-------------	------------------	------------------	----------------	----------------

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

Profit for the year	4,336,218	2,986,584	2,668,187	2,279,939
(Gain)/loss on sale or disposal of non-current assets	(57,220)	(110,587)	(49,752)	(50,648)
Depreciation and amortisation of non-current assets	774,820	709,913	352,688	305,940

#### Changes in net assets and liabilities:

##### (Increase)/decrease in assets:

Current receivables	(289,990)	(887,906)	1,618	2,214
Current inventories	5,500	13,699	-	-
Other current assets	(44,422)	(140,382)	16,581	(918)
Deferred tax assets	(175,879)	(234,366)	(28,559)	(52,695)

##### Increase/(decrease) in liabilities:

Current payables	2,306,471	1,707,091	-	-
Current provisions	222,400	252,575	38,605	9,647
Current tax payables	395,898	94,222	395,898	49,939
Non-current payables	-	-	(1,477,632)	-
Non-current provisions	141,986	139,377	14,590	33,988
<b>Net cash from operating activities</b>	<b>7,615,782</b>	<b>4,530,220</b>	<b>1,932,224</b>	<b>2,577,406</b>

#### (c) Financing facilities

##### Secured bill acceptance facility:

Amount used	-	3,000,000	-	3,000,000
Amount unused	7,000,000	4,000,000	7,000,000	4,000,000
	<b>7,000,000</b>	<b>7,000,000</b>	<b>7,000,000</b>	<b>7,000,000</b>

##### Secured bank overdraft facility:

Amount used	-	-	-	-
Amount unused	1,000,000	1,000,000	1,000,000	1,000,000
	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>

## 29. Financial Instruments

### (a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

### (b) Foreign currency risk management

The group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. The consolidated entity does not enter into derivative financial instruments to manage its exposure to foreign exchange rate risk and does not enter into or trade in financial instruments for speculative purposes.

### (c) Interest rate risk

The following table details the consolidated entity's exposure to interest rate risk.

	Average interest rate %	Variable interest rate \$	Fixed maturity dates		Non interest bearing \$	Total \$
			Less than 1 year \$	1 to 5 years \$		
<b>2006</b>						
<b>Financial assets:</b>						
Cash	3.7	5,418,393	-	-	-	5,418,393
Trade receivables	-	-	-	-	7,917,855	7,917,855
		<b>5,418,393</b>	<b>-</b>	<b>-</b>	<b>7,917,855</b>	<b>13,336,248</b>
<b>Financial liabilities:</b>						
Trade payables	-	-	-	-	13,096,905	13,096,905
Current provisions	-	-	-	-	1,792,211	1,792,211
Non-current provisions	-	-	-	-	1,273,753	1,273,753
		<b>-</b>	<b>-</b>	<b>-</b>	<b>16,162,869</b>	<b>16,162,869</b>
<b>2005</b>						
<b>Financial assets:</b>						
Cash	3.9	4,075,038	-	-	-	4,075,038
Trade receivables	-	-	-	-	7,627,865	7,627,865
		<b>4,075,038</b>	<b>-</b>	<b>-</b>	<b>7,627,865</b>	<b>11,702,903</b>
<b>Financial liabilities:</b>						
Trade payables	-	-	-	-	10,790,433	10,790,433
Current provisions	-	-	-	-	1,569,811	1,569,811
Non-current provisions	-	-	-	-	1,131,767	1,131,767
Bills of exchange	5.5	3,000,000	-	-	-	3,000,000
		<b>3,000,000</b>	<b>-</b>	<b>-</b>	<b>13,492,011</b>	<b>16,492,011</b>

### (d) Credit risk management

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

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

### (e) Fair value

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

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

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

Transaction costs are included in the determination of net fair value.

## Notes to the Financial Statements (cont'd)

### 30. Impacts of the Adoption of Australian Equivalents to International Financial Reporting Standards

The consolidated entity changed its accounting policies on 1 July 2005 to comply with Australian equivalents to International Financial Reporting Standards ('A-IFRS'). The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards', with 1 July 2004 as the date of transition.

An explanation of how the transition from superseded policies to A-IFRS has affected the company and consolidated entity's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

#### Effect of A-IFRS on the balance sheet as at 1 July 2004

Note	Consolidated			Company		
	Super-seded policies* \$'000	Effect of transition to A-IFRS \$'000	A-IFRS \$'000	Super-seded policies* \$'000	Effect of transition to A-IFRS \$'000	A-IFRS \$'000
<b>Current assets</b>						
Cash	2,141	-	2,141	-	-	-
Trade & other receivables	6,740	-	6,740	4	-	4
Inventories	260	-	260	-	-	-
Other	1,191	-	1,191	23	-	23
<b>Total current assets</b>	<b>10,332</b>	<b>-</b>	<b>10,332</b>	<b>27</b>	<b>-</b>	<b>27</b>
<b>Non-current assets</b>						
Investments	-	-	-	11,689	-	11,689
Plant and equipment	c 2,416	(324)	2,092	1,164	-	1,164
Deferred tax assets	e 799	(177)	622	118	(70)	48
Goodwill	1,529	-	1,529	-	-	-
Brand name	8,000	-	8,000	-	-	-
Other intangible assets	c -	324	324	-	-	-
<b>Total non-current assets</b>	<b>12,744</b>	<b>(177)</b>	<b>12,567</b>	<b>12,971</b>	<b>(70)</b>	<b>12,901</b>
<b>Total assets</b>	<b>23,076</b>	<b>(177)</b>	<b>22,899</b>	<b>12,998</b>	<b>(70)</b>	<b>12,928</b>
<b>Current liabilities</b>						
Trade & other payables	9,084	-	9,084	-	-	-
Borrowings	-	-	-	90	-	90
Current tax payables	276	-	276	87	-	87
Provisions	1,317	-	1,317	227	-	227
<b>Total current liabilities</b>	<b>10,677</b>	<b>-</b>	<b>10,677</b>	<b>404</b>	<b>-</b>	<b>404</b>
<b>Non-current liabilities</b>						
Trade and other payables	-	-	-	5,441	-	5,441
Borrowings	3,000	-	3,000	3,000	-	3,000
Deferred tax liabilities	e 177	(177)	-	70	(70)	-
Provisions	992	-	992	167	-	167
<b>Total non-current liabilities</b>	<b>4,169</b>	<b>(177)</b>	<b>3,992</b>	<b>8,678</b>	<b>(70)</b>	<b>8,608</b>
<b>Total liabilities</b>	<b>14,846</b>	<b>(177)</b>	<b>14,669</b>	<b>9,082</b>	<b>(70)</b>	<b>9,012</b>
<b>Net assets</b>	<b>8,230</b>	<b>-</b>	<b>8,230</b>	<b>3,916</b>	<b>-</b>	<b>3,916</b>
<b>Equity</b>						
Share capital	1,500	-	1,500	1,500	-	1,500
Retained earnings	6,730	-	6,730	2,416	-	2,416
<b>Total equity</b>	<b>8,230</b>	<b>-</b>	<b>8,230</b>	<b>3,916</b>	<b>-</b>	<b>3,916</b>

\* Reported financial position for the year ended 30 June 2004.

### 30. Impacts of the Adoption of Australian Equivalents to International Financial Reporting Standards (cont'd)

#### Effect of A-IFRS on the income statement for the financial year ended 30 June 2005

Note	Consolidated			Company			
	Super- seded policies* \$'000	Effect of transition to A-IFRS \$'000	A-IFRS \$'000	Super- seded policies* \$'000	Effect of transition to A-IFRS \$'000	A-IFRS \$'000	
	90,721	-	90,721	5,771	-	5,771	
Revenue							
Other income	b	165	(55)	110	91	(40)	51
Freight and direct expenses		(61,704)	-	(61,704)	(577)	-	(577)
Occupancy expenses		(4,715)	-	(4,715)	-	-	-
Administration expenses	a,b	(20,089)	170	(19,919)	(2,506)	40	(2,466)
Finance costs		(279)	-	(279)	(279)	-	(279)
Profit before income tax expense		4,099	115	4,214	2,500	-	2,500
Income tax expense		(1,228)	-	(1,228)	(220)	-	(220)
Profit for the year		2,871	115	2,986	2,280	-	2,280
<b>Profit attributable to members of the parent entity</b>		<b>2,871</b>	<b>115</b>	<b>2,986</b>	<b>2,280</b>	<b>-</b>	<b>2,280</b>

\* Reported financial results for the year ended 30 June 2005.

#### Effect of A-IFRS on the balance sheet as at 30 June 2005

Note	Consolidated			Company			
	Super- seded policies* \$'000	Effect of transition to A-IFRS \$'000	A-IFRS \$'000	Super- seded policies* \$'000	Effect of transition to A-IFRS \$'000	A-IFRS \$'000	
<b>Current assets</b>							
Cash	4,075	-	4,075	188	-	188	
Trade & other receivables	7,628	-	7,628	2	-	2	
Inventories	246	-	246	-	-	-	
Other	1,332	-	1,332	24	-	24	
<b>Total current assets</b>	<b>13,281</b>	<b>-</b>	<b>13,281</b>	<b>214</b>	<b>-</b>	<b>214</b>	
<b>Non-current assets</b>							
Investments	-	-	-	11,689	-	11,689	
Plant and equipment	c	2,812	(387)	2,425	1,464	-	1,464
Deferred tax assets	e,d	968	(111)	857	968	(867)	101
Goodwill	a	1,414	115	1,529	-	-	-
Brand name		8,000	-	8,000	-	-	-
Other intangible assets	c	-	387	387	-	-	-
<b>Total non-current assets</b>	<b>13,194</b>	<b>4</b>	<b>13,198</b>	<b>14,121</b>	<b>(867)</b>	<b>13,254</b>	
<b>Total assets</b>	<b>26,475</b>	<b>4</b>	<b>26,479</b>	<b>14,335</b>	<b>(867)</b>	<b>13,468</b>	
<b>Current liabilities</b>							
Trade & other payables	10,791	-	10,791	-	-	-	
Current tax payables	370	-	370	370	-	370	
Provisions	1,570	-	1,570	237	-	237	
<b>Total current liabilities</b>	<b>12,731</b>	<b>-</b>	<b>12,731</b>	<b>607</b>	<b>-</b>	<b>607</b>	
<b>Non-current liabilities</b>							
Trade and other payables	d	-	-	5,821	(756)	5,065	
Borrowings		3,000	-	3,000	-	3,000	
Deferred tax liabilities	e	111	(111)	-	111	(111)	
Provisions		1,132	-	1,132	201	-	201
<b>Total non-current liabilities</b>	<b>4,243</b>	<b>(111)</b>	<b>4,132</b>	<b>9,133</b>	<b>(867)</b>	<b>8,266</b>	
<b>Total liabilities</b>	<b>16,974</b>	<b>(111)</b>	<b>16,863</b>	<b>9,740</b>	<b>(867)</b>	<b>8,873</b>	
<b>Net assets</b>	<b>9,501</b>	<b>115</b>	<b>9,616</b>	<b>4,595</b>	<b>-</b>	<b>4,595</b>	
<b>Equity</b>							
Share capital	1,500	-	1,500	1,500	-	1,500	
Retained earnings	f	8,001	115	8,116	3,095	-	3,095
<b>Total equity</b>	<b>9,501</b>	<b>115</b>	<b>9,616</b>	<b>4,595</b>	<b>-</b>	<b>4,595</b>	

\* Reported financial position for the year ended 30 June 2005.

## Notes to the Financial Statements (cont'd)

### 30. Impacts of the Adoption of Australian Equivalents to International Financial Reporting Standards (cont'd)

#### Effect of A-IFRS on the cash flow statement for the financial year ended 30 June 2005

There are no material differences between the cash flow statement presented under A-IFRS and the cash flow statement presented under the superseded policies.

#### Notes to the reconciliations of income and equity

##### (a) Goodwill

The consolidated entity has elected not to restate business combinations that occurred prior to the date of transition to A-IFRS, and accordingly, the carrying amount of goodwill at the date of transition has not changed.

However, goodwill, which was amortised under superseded policies, is not amortised under A-IFRS from the date of transition. The effect of the change is an increase in the carrying amount of goodwill by \$115 thousand (company: nil) and an increase in net profit before tax of \$115 thousand for the financial year ended 30 June 2005. There is no tax effect as deferred taxes are not recognised for temporary differences arising from goodwill for which amortisation is not deductible for tax purposes.

##### (b) Revenue

Under superseded policies, the consolidated entity recognised the gain or loss on disposal of property, plant and equipment on a 'gross' basis by recognising the proceeds from sale as revenue, and the carrying amount of the property, plant and equipment disposed as an expense. Under A-IFRS, the gain or loss on disposal is recognised on a 'net' basis, and is classified as other income, rather than revenue. Accordingly, the 'gross' amounts have been reclassified within the income statement for A-IFRS reporting purposes.

##### (c) Other intangible assets

Adjustment represents the reclassification of software from plant and equipment.

##### (d) Tax consolidation accounting

Under A-IFRS, deferred tax balances of wholly-owned subsidiaries in a tax-consolidated group are not recognised by the head entity. These balances were recognised under superseded policies.

##### (e) Offsetting of deferred tax balances

Under A-IFRS, deferred tax assets and liabilities relating to income taxes levied by the same taxation authority are offset.

##### (f) Retained earnings

The increase in retained earnings in the consolidated entity as at 30 June 2005 is due to goodwill no longer being amortised.

### 31. Net Tangible Assets per Share

	2006 \$	2005 \$
Consolidated net tangible assets per share	0.07	(0.01)

Net tangible assets of \$2,139,522 [2005: (\$298,997)] consists of Net Assets of \$12,033,014 [2005: \$9,616,797] less Intangible Assets of \$9,893,492 [2005: \$9,915,794]

### 32. Additional Company Information

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

#### Registered office

93 Heatherdale Road, Ringwood, Victoria 3134

#### Principal place of business

93 Heatherdale Road, Ringwood, Victoria 3134

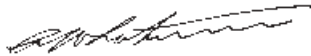
## Directors' Declaration

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and
- (c) the directors have been given the declarations required by s.295A of the Corporations Act 2001.

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

On behalf of the Directors



Mr A W Whatmore  
Chairman

Melbourne  
Date: 24 August 2006



Mr D F Stickland  
Managing Director

# Independent Audit Report

# Deloitte.

Deloitte Touche Tohmatsu  
A.B.N. 74 490 121 060

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Melbourne VIC 3000  
GPO Box 78B  
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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
WRIDGWAYS AUSTRALIA LTD

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## Scope

### The financial report and directors' responsibility

The financial report comprises the income statement, balance sheet, cash flow statement, statement of recognised income and expense, a summary of significant accounting policies and other explanatory notes and the directors' declaration for both Wridgways Australia Ltd (the company) and the consolidated entity, for the financial year ended 30 June 2006 as set out on pages 18 to 41. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with Accounting Standards in Australia and the Corporations Act 2001. This includes responsibility for the maintenance of adequate financial records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

### Audit approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards in Australia and the Corporations Act 2001 so as to present a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and performance as represented by the results of their operations, their changes in equity and their cash flows.

Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.


The audit opinion expressed in this report has been formed on the above basis.

## Audit Opinion

In our opinion, the financial report of Wridgways Australia Ltd is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2006 and of their performance for the year ended on that date; and
- (b) complying with Accounting Standards in Australia and the Corporations Regulations 2001.

  
DELOITTE TOUCHE TOHMATSU

  
S PELUSI  
Partner  
Chartered Accountants  
24 August 2006

## Additional Stock Exchange Information as at 8 August 2006

### Number of holders of equity securities

32,000,000 fully paid ordinary shares are held by 1723 individual shareholders.  
All issued ordinary shares carry one vote per share.

### Distribution of holders of equity securities

	Fully Paid Ordinary Shares
1 – 1,000	115
1,001 – 5,000	678
5,001 – 10,000	457
10,001 – 100,000	447
100,001 and over	26
	<b>1723</b>
<b>Holding less than a marketable parcel</b>	<b>13</b>

### Substantial shareholders

Ordinary shareholders	Fully paid	
	Number	Percentage
D F & J Stickland	3,690,000	11.53
B C & C A Clarke Investments Pty Ltd	1,660,141	5.19
	<b>5,350,141</b>	<b>16.72</b>

### Twenty largest holders of quoted equity securities

	Fully paid	
	Number	Percentage
D F & J Stickland	3,690,000	11.53
B C & C A Clarke Investments Pty Ltd	1,660,141	5.19
D P Sutton	1,376,000	4.30
ANZ Nominees Ltd	1,175,832	3.67
S J & H N Crowle Pty Ltd	1,152,247	3.60
Questor Financial Services Ltd	1,001,234	3.13
Starbrite Consultants Pty Ltd	1,000,000	3.13
W C Anderson	500,910	1.57
Pook Investments Pty Ltd	475,000	1.48
Trust Company Superannuation Services Ltd	245,000	0.77
Milne Investments Pty Ltd	200,000	0.63
A W Whatmore	200,000	0.63
Dawson Corporate Investments Pty Ltd	170,000	0.53
Serendipity Investments Pty Ltd	170,000	0.53
R T Francis	163,000	0.51
H Lee	162,200	0.51
C Lovett	160,000	0.50
Wilmar Enterprises Pty Ltd	150,000	0.47
Griffith Management Pty Ltd	145,000	0.45
M M Horsfield	140,000	0.44
	<b>13,936,564</b>	<b>43.57</b>

# WRIDGWAYS

ABN 82 079 887 728

## Company Secretary

Mr Brian C Clarke

## Principal Registered Office

93 Heatherdale Road, Ringwood, Victoria 3134

Telephone: 03 9837 1700

## Principal Administration Office

93 Heatherdale Road, Ringwood, Victoria 3134

Telephone: 03 9837 1700

Facsimile: 03 9872 4063

Email: [moving@wridgways.com.au](mailto:moving@wridgways.com.au)

Website: [www.wridgways.com.au](http://www.wridgways.com.au)

## Share Registry

C/- Computershare Investor Services Pty Limited

Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067

Telephone: 03 9415 5000

Facsimilie: 03 9473 2500

## Shock Exchange Listings

Wridgways Australia Limited's ordinary shares are quoted by the Australian Stock Exchange Limited.