AstiVita Renewables Limited

Annual Report

For the Year Ended 30 June 2013

ABN: 46 139 461 733
ASX Code: AIR

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Chairman's Review
For the Year Ended 30 June 2013

The 2013 trading loss of over $4million is significantly in excess of the Board's expectations and can only be partially explained by the current poor trading conditions.

This has highlighted the urgent need for AstiVita to complete its restructure to all areas of its business operations. The recent move to our new premises has brought immediate savings to our logistics operations with improved speed in sending orders and receiving goods. Nevertheless more issues have been found recently and are urgently been addressed.

Improved communication with our customers identified much needed changes to our product ranges and marketing material. Our website is currently undergoing a similar review.

On a positive note our number of active customers has increased by 50% and we are finally in a position to take advantage of reporting capabilities of our new accounting system.

We expect to introduce a number of new products and brands within the next 6 months, with selection based on feedback from our customers.

Whilst the Board is optimistic about the future financial results, a number of issues still need to be addressed within the next 6 months, which prevents us from providing specific guidance for the 2014 financial year.

I would like to thank our shareholders for their patience and understanding. I also want to apologise for not identifying early enough that the structural changes within our industry are permanent and fundamental in nature and were not just temporary negative trading conditions.

L Mizikovsky

Mr Lev Mizikovsky
Executive Chairman

Dated 27 September 2013

Directors' Report
For the Year Ended 30 June 2013

The directors present their report, together with the financial statements of the Group, being AstiVita Renewables Limited (the Company) and its controlled entities, for the financial year ended 30 June 2013.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
L Mizikovsky	Executive Chairman	
R Welford	Non-Executive Director	Resigned 8 April 2013
R Dudurovic	Non-Executive Director	
R Lynch	Non-Executive Director	
G Acton	Executive Director	

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company secretary

The following persons held the position of joint company secretary at the end of the financial year:

- Mr Geoff Acton([B.Com, ACA, GAICD))

- Miss Narelle Lynch (Appointed as joint company secretary 24 May 2013)

Principal activities

During the year the principal continuing activities of the Group consisted of import, warehouse and distribution of bathroom, kitchen and solar products for sale to a range of retailers, plumbing merchants, hardware suppliers and licensed dealers.

There were no significant changes in the nature of the Group's principal activities during the financial year.

Operating results

The consolidated loss of the Group amounted to $2.7 million, after providing for income tax and eliminating non-controlling equity interests. Discussion of the Group's operations is provided below.

Review of operations

AstiVita Bathrooms & Kitchens Pty Ltd ("AstiVita B&K") experienced a revenue decline of approximately 47.3%. The revenue decline is the result of the direct impact of the continued restructure within AstiVita and the fundamental and permanent changes within the industry that went far beyond negative housing and trading conditions.

The decline in Solarpower's revenue of 53% was largely attributable to the continued decline in the sales value of solar panels and inverters, and a general decline in sales of PV in the second half of the 2013 financial year with the reduction in Federal Government incentives.

Bompani experienced revenue growth of 161% as a result of continued customer expansion with sales of Bompani cooking appliances gaining traction in the market place.

Review of financial position

The net assets of the Group have decreased from $12.01 million as at 30 June 2012 to $9.85 million at 30 June 2013. This decrease is primarily due to the consolidated loss excluding non-controlling interests, for the year of $2.7 million.

As at 30 June 2013 the Group had working capital of $7.33 million.

Dividends paid or recommended

No dividends were declared or paid during the financial year and the Dividend Reinvestment Plan has been suspended.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of entities in the Group during the year.

Events after the reporting date

Subsequent to 30 June 2013, the Group entered into a short term funding agreement with an entity controlled by Mr Lev Mizikovsky. Access to the credit facility, which has a limit of $1million, was provided to support operating cash flows of the Group should the need arise.

Subsequent to year end, the Group has commenced the process of deregistering its 50% owned Bompani Italia Pty Ltd subsidiary with all appliance sales to merge into AstiVita and a number of additional products to be marketed under the AstiVita brand.

In July 2013, the Group completed settlement of the share buy-back which closed on 26 June 2013. Refer to Note 17 in the financial statements for further information.

Except for the above matters, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Future developments and results

Whilst the Board is optimistic about the future financial results, a number of issues still need to be addressed within the next six months, which prevents us from providing specific guidance for the 2014 financial year.

Environmental issues

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Options

No options over issued shares or interests in the Company or a controlled entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Insurance of officers

During the year, AstiVita paid a premium to insure the Directors, Secretaries and Officers of the Group and its controlled entities. The liabilities insured exclude any criminal, fraudulent, dishonest or malicious act or omission or improper use of information or position to gain a personal advantage.

The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group.

The total amount of insurance contract premiums was $8,000 (2012: $8,567).

Information on directors

Mr Lev Mizikovsky Executive Chairman
FAICD

Lev Mizikovsky is Executive Chairman and major shareholder of AstiVita. AstiVita was part of the Tamawood Group until it was de-merged in December 2009. Lev is the founding Director of Tamawood which started in July 1989 and is still a Non-executive Director and major shareholder. Since 1997, Mr Mizikovsky has been a Fellow of the Australian Institute of Company Directors (AICD). He is a substantial shareholder in a number of other Queensland Companies including Collection House Limited (CLH) and Lindsay Australia Limited (LAU). Lev is a Non-executive Director of Tamawood Limited and was a director of Antaria Limited from October 2011 until May 2013, both of which are listed on the ASX.

Lev is the current Chairman of the Group's Nominations Committee and is a member of the Audit, Remuneration and Risk Management Committees.

Mr Robert Lynch - Non-executive Director
LREA, Justice of the Peace

As Non-Executive Director of AstiVita, Robert has had more than 30 years' experience in residential housing construction and land development. Robert was CEO of Mirvac Homes for 17 years and Clarendon Homes for two years. Robert is a past President of the New South Wales Housing Industry Association and currently is Non-Executive Chairman of Tamawood Limited (listed on the ASX).

Robert has a deep understanding of products required to best service the needs of the residential housing market.

Robert is currently the Chairman of the Group's Remuneration Committee and is a member of the Nomination, Audit and Risk Management Committees.

Mr Rade Dudurovic - Non-executive Director
B Com (Hons), LLB (Hons), CPA

Rade has an extensive background in private equity with strong exposure to industrial and branded consumer manufacturing and distribution businesses particularly in the Asian region. He has qualifications in commerce and law and is a CPA as well as Senior Fellow of FINSIA.

Rade is the Non-executive Chairman of Antaria Limited and a Non-executive Director of Tamawood Limited, both of which are listed on the ASX. He is also Non-executive Chairman of QMI Pty Ltd.

Rade is the current Chairman of the Group's Audit Committee and is also a member of the Nomination and Risk Management Committees.

Mr Geoff Acton
B.Com, ACA, GAICD

Geoff brings to AstiVita a vast amount of capabilities in his 14 year history with the Tamawood Group including Chief Financial Officer and Company Secretary. Further, he has an in depth knowledge of the renewable energy sector as head of the successful Renewable Energy Certificate trading business established in 2004. He has assisted AstiVita in his role as Company Secretary since 2009.

Geoff is a member of the Group's Remuneration and Risk Management Committees.

Details of of each director's relevant interest in shares of the company can be found in Note 25 to the financial statements.

Directors' Report
For the Year Ended 30 June 2013

Meetings of directors

During the financial year, 13 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Audit Committee		Remuneration Committee		Risk Committee		Nomination Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
L Mizikovsky	11	11	2	2	-	-	-	-	-	-
R Welford	9	9	-*	2	-	-	-	-	-	-
R Dudurovic	11	11	2	2	-	-	-	-	-	-
R Lynch	11	10	2	2	-	-	-	-	-	-
G Acton	11	10	-*	2	-	-	-	-	-	-

* Attended by invitation

Non-audit services

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

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees were paid or payable to the Group's external auditors, BDO Audit Pty Ltd (including their related entities), for non-audit services provided during the year ended 30 June 2013:

	2013	2012
Taxation services	**22,847**	30,782
Agreed upon procedures - system change over	**-**	3,383
Other Accounting Services	**10,755**	-
	33,602	34,165

Remuneration report (audited)

This remuneration report for the year ended 30 June 2013 outlines the remuneration arrangements of the key management personnel of the Group, including the Directors, in accordance with the requirements of the Corporations Act 2001 (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

Remuneration policy

The performance of AstiVita Renewables Limited depends upon the quality of its key management personnel. To prosper, the Group must attract, motivate and retain highly skilled Directors and other key management personnel.

To this end, the Group embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high caliber key management personnel
- Link executive rewards to shareholder value

Remuneration structure

In accordance with best practice corporate governance, the structure of Non-executive Director and Executive remuneration is separate and distinct.

Non-executive Director Remuneration

Objective

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain Directors of the highest caliber, and at a remuneration level within market rates.

Structure

No element of Non-executive Director remuneration is directly linked to profit performance. Remuneration is approved at the Annual General Meeting and is currently capped at $250,000 for the aggregate remuneration of Non-executive Directors. Details of remuneration which is linked to performance is detailed in the service agreement note for key management personnel.

Executives and Other Key Management Personnel

Objective

The Group aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group so as to:

- Align the interests of Executives with those of shareholders
- Link rewards with the strategic goals of the Group; and
- Ensure total remuneration is competitive by market standards.

Structure

Remuneration consists of the following key elements:

- Fixed executive remuneration;
- Other remuneration such as superannuation and leave entitlements;
- Commission and bonuses payable.

Remuneration report (audited) (continued)

The following table shows the gross revenue, profits and dividends for the last five years for the Group, as well as the share prices at the end of the respective financial years.

	2009 $'000	2010 $'000	2011 $'000	2012 $'000	2013 $'000
Revenue	13,537	38,637	53,538	24,567	12,850
Net profit/(loss)	694	3,895	3,132	(634)	(2,920)
Dividends paid	-	-	927	939	-
Dividends per share (cents)	-	-	4.0c	4.0c	-
Share price at year-end (not rounded)	N/A	$0.92	$0.93	$0.30	$0.14

Remuneration details for the year ended 30 June 2013

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the key management personnel (KMP) of the Group.

Year Ended 30 June 2013	Short-term benefits				Post employment	Lon-term benefits		
	Cash salary, fees & leave $	Bonus $	Non-monetary $	Other $	Superannu-ation $	LSL $	Termination Benefits $	TOTAL $
Directors								
- L Mizikovsky (Executive Chairman)	50,000	-	-	-	-	-	-	50,000
- R Welford (Non-executive Director)[1]	33,672	-	-	-	-	-	-	33,672
- R Dudurovic (Non-executive Director)	25,000	-	-	-	-	-	-	25,000
- R Lynch (Non-executive Director)	25,000	-	-	-	-	-	-	25,000
- G Acton (Executive Director)	219,165	-	-	-	-	-	-	219,165
Sub-total Directors	**352,837**	**-**	**-**	**-**	**-**	**-**	**-**	**352,837**
Other KMP								
- D Jonathan (General Manager)	94,363	-	-	-	8,466	1,500	-	104,328
- S Ison (Warehouse Operations Manager)	81,301	1,000	-	-	7,364	1,333	-	90,998
- C Jackson (Company Account/Joint Company Secretary)[3]	56,176	-	-	-	7,704	-	29,422	93,302
- M Gaffey (Company Accountant)[2]	36,106	-	-	-	2,250	-	-	38,356
Sub-total Other KMP	**267,946**	**1,000**	**-**	**-**	**25,783**	**2,833**	**29,422**	**326,984**
TOTAL	**620,783**	**1,000**	**-**	**-**	**25,783**	**2,833**	**29,422**	**679,821**

[1] R Welford retired from the Board 5 April 2013
[2] M Gaffey resigned 25 September 2012
[3] C Jackson was made redundant 24 April 2013

Remuneration report (audited) (continued)

Remuneration details for the year (continued) ended 30 June 2013

Year Ended 30 June 2012	Short-term benefits				Post employment	Long-term benefits		
	Cash salary, fees & leave	Bonus	Non-monetary	Other	Superannu-ation	LSL	Termination benefits	TOTAL
	$	$	$	$	$	$	$	$
Directors								
- K Daly (Chairman)[1]	16,667	-	-	-	-	-	-	**16,667**
- L Mizikovsky (Non-executive Chairman)	-	-	-	-	-	-	-	**-**
- R Welford (Non-executive Director)	40,000	-	-	-	-	-	-	**40,000**
- R Dudurovic (Non-executive Director)	25,000	-	-	-	-	-	-	**25,000**
- R Lynch (Non-executive Director)	25,000	-	-	-	-	-	-	**25,000**
- J Beith(Director of Procurement and Marketing)[2]	40,312	-	-	-	-	-	-	**40,312**
- G Acton (Executive Director)[3]	116,667	-	-	-	-	-	-	**116,667**
Sub-total Directors	**263,646**	**-**	**-**	**-**	**-**	**-**	**-**	**263,646**
Other KMP								
- J Cooke (General Manager - Solarpower)[4]	68,480	-	-	-	-	-	-	**68,480**
- S Webber (General Manager - Solarpower)[5]	46,932	5,256	-	-	4,224	299	-	**56,711**
- D Jonathan (General Manager)	83,427	7,500	-	-	7,760	479	-	**99,166**
- S Ison (Warehouse Operations Manager)	73,185	65,000	-	-	12,162	4,103	-	**154,450**
- H Hamilton (Chief Executive Officer)[6]	60,217	-	-	-	5,420	-	-	**65,637**
- A Pierson (National Sales Manager)[7]	74,441	-	-	-	6,231	58	-	**80,730**
- M Gaffey (Company Accountant)[8]	86,812	6,000	-	-	8,301	73	-	**101,186**
Sub-total Other KMP	**493,494**	**83,756**	**-**	**-**	**44,098**	**5,012**	**-**	**626,360**
TOTAL	**757,140**	**83,756**	**-**	**-**	**44,098**	**5,012**	**-**	**890,006**

[1] K Daly resigned on 25 November 2011
[2] J Beith resigned on 4 October 2011
[3] G Acton appointed on 25 November 2011
[4] J Cooke appointed 13 December 2011
[5] S Webber ceased to be classified as key management personnel on 26 November 2011, accordingly only remuneration whilst occupying a key management position has been disclosed
[6] H Hamilton resigned 7 October 2011
[7] A Pierson commenced employment on 16 August 2011
[8] M Gaffey commenced employment on 14 August 2011 and acted as the Chief Financial Officer

Remuneration report (audited) (continued)

Cash performance-related bonuses

None of the key management personnel remuneration paid is performance based, with the exception of personnel detailed below. The terms and conditions relating to bonuses granted as remuneration during the year to key management personnel during the year are as follows:

Bonuses paid and other short-term payments	Amount paid	Proportion of total remuneration related to performance	Proportion of remuneration not related to performance
Key Management Personnel 2013			
S Ison (Warehouse Operations Manager)	1,000	1.2%	98.8%
Key Management Personnel 2012			
D Jonathan (General Manager - AstiVita B&K)	7,500	7.6%	92.4%
S Ison (Warehouse Operations Manager)*	65,000	42.1%	57.9%
S Webber (General Manager - Solarpower)	5,256	9.3%	90.7%
M Gaffey (Company Accountant)	6,000	5.9%	94.1%

* - The bonus paid to S Ison in the 2012 financial year was part of a share contract which related to the 2009 initial public offering.

The bonuses described in the above table were awarded at the discretion of the Remuneration Committee, these bonuses therefore vested 100% during the financial year.

No amounts vest in future financial years in respect of the bonus schemes for the current financial year.

Service Agreements

On appointment to the Board, all non-executive directors enter into a service agreement with the Group in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of director.

The remuneration and other terms of employment for the Executive Director and senior executives are set out in formal service agreements as summarised below.

All service agreements are for an unlimited duration unless specified within the service agreement. The Executive Director's agreement requires three months notice for termination.

In cases of resignation, no separation payment is made to the executives, except for amounts due and payable up to the date of ceasing employment, including accrued leave entitlements.

The following key management personnel have service agreements:

Mr G Acton (Executive Director) had an executive service agreement with an annual remuneration of $200,000 including the provision for his secretary. The remuneration was revised from 1 July 2013 to $120,000 per annum. The agreement states that there is a six month termination period.

Ms D Jonathon (General Manager AstiVita B&K) has an employment contract with with an annual remuneration of $90,000 and on termination, either party is required to give a two week notice period.

Mr S Ison (Warehouse Operations Manager) has an employment contract with an annual remuneration of $80,000 and on termination, either party is required to give a two week notice period.

End of Remuneration Report

Directors' Report
For the Year Ended 30 June 2013

ASIC class order 98/100 rounding of amounts

The Company is an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars unless otherwise stated.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2013 has been received and can be found on page 11 of the financial report.

This director's report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

L Mizikovsky

L Mizikovsky
Executive Chairman

Dated 27 September 2013

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DECLARATION OF INDEPENDENCE BY T J KENDALL TO THE DIRECTORS OF ASTIVITA RENEWABLES LIMITED

As lead auditor of AstiVita Renewables Limited for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

This declaration is in respect AstiVita Renewables Limited and the entities it controlled during the year.

T J Kendall

Director

BDO Audit Pty Ltd

Brisbane; 27 September 2013

Corporate Governance Statement

The objective of the Board of AstiVita Renewables Limited ("AstiVita") is to create and deliver long term shareholder value through the distribution of household products and appliances.

AstiVita and its subsidiaries operate as a single economic entity under a unified Board and management. As such, the Board's corporate governance arrangements apply to all entities within the economic Group.

Copies of AstiVita Renewables Limited's board and board committee charters and key corporate governance policies or summaries are available in the Corporate Governance section of the website at www.astivita.com.

Principle 1: Lay solid foundations for management and oversight

The Board of Directors is responsible for the corporate governance of the Company. The Board provides strategic guidance for the Company, and effective oversight of management. The Board guides and monitors the business and affairs of the Group on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Board has adopted a Charter that details its roles and responsibilities, which is available on our website.

To assist it in carrying out its responsibilities, the Board has established several standing Board Committees of its members. The Chairman of each Board Committee reports on any matters of substance at the next full Board Meeting. Membership of Board Committees and attendance at Board and Board Committee meetings is tabulated in the Directors' Report.

The Board Committees are:

- Audit Committee
- Nominations Committee
- Remuneration Committee
- Risk Management Committee

Principle 2: Structure the Board to add Value

Directors

The Board of AstiVita presently comprises four Directors, two of whom are Independent Non-executive Directors.

The current Directors of the Company are listed in the Directors’ Report with a brief description of their qualifications, experience, special responsibilities and status.

Chairman of the Board

The Chairman of the Board is an Executive Director.

Company Secretary

The Company Secretary is appointed and removed by the Board and is responsible for establishing and maintaining appropriate support mechanisms to enable the Board to function effectively. The Company Secretary is also responsible for ensuring that Board procedures are complied with and advising the Board on governance matters. All Directors have access to the Company Secretary for advice and support services as required.

Independent Advice

Each Director and Board Committee has the right of access to relevant Group information and the executive management team. Directors may seek independent professional advice at the Group's expense with approval from all Directors at a Directors' meeting. A copy of advice received by the Director is made available to all other members of the Board.

Corporate Governance Statement

Nomination committee

The Board has a Nomination Committee,comprising of three Directors, two of whom are independent:

- Lev Mizikovsky (Chairman)
- Rade Dudurovic
- Robert Lynch

The Nomination Committee did not meet during the year.

The Nomination Committee Charter sets out its role, responsibilities, composition, structure, membership requirements and guidelines and is posted on of the Company's website.

Principle 3: Promote ethical and responsible decision-making

Code of conduct

The Company has a Code of Conduct which sets out the behaviour required of all Board members, senior management, employees and contractors.

Dealing in AstiVita Shares

The Company's Securities Trading Policy, which can be found on our website, places restrictions on the ability of Directors, officers and employees to trade in the Company's shares whilst in the possession of price sensitive information that has not been made public.

Ethical Standards

The Board is committed to its core governance values of integrity, respect, trust and openness among and between Board members, management, employees, customers and suppliers.

Diversity

The Board and senior management have established a group-wide diversity policy to reflect the Company's ongoing commitment to diversity. A copy of the Diversity Policy is available on the Company's website. Women occupy 60% of management positions within the Group. The proportion of women to men employed by AstiVita is currently 58%. We have no female representation on the Board.

Due to declining revenues over the last year, the Group has focused on reskilling and retraining existing staff with no plans to expand current staffing levels including Board representation.

Principle 4: Safeguard integrity in financial reporting

Audit Committee

The Board has established an Audit Committee which operates under a charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the Group.

The Audit Committee Charter sets out its role, responsibilities, composition, structure and membership requirements and is posted on the Corporate Governance section of the Company's website.

At least one member of the Audit Committee must have financial expertise (i.e. is a qualified accountant or other financial professional with expertise in financial and accounting matters).

The Audit Committee comprises three members. The Audit Committee is chaired by an independent Director, who is not the Chairman of the Board.

The members of the Audit Committee were:

- Rade Dudurovic (Chairman)
- Robert Lynch
- Lev Mizikovsky

The names and qualifications of those appointed to the Audit Committee and their attendance at meetings of the committee are included in the directors' report.

The Audit Committee meets at least twice a year with the auditors. The Audit Committee met two times during the year.

External auditor

The Company and the Audit Committee policy is to engage auditors who clearly demonstrate independence.

The performance of the external auditor is reviewed annually.

Principle 5: Make timely and balanced disclosure

A continuous disclosure regime operates throughout the Group. Policies and Procedures are in place to ensure matters that a person could reasonably expect to have a material effect on the share price are announced to the ASX in a timely manner.

These policies and procedures have been formally communicated to all relevant staff. The Company Secretary is the nominated Continuous Disclosure Officer. The Board approves, or is advised of, all releases that are made to the ASX. All announcements made by the Company are posted on the Company's website.

Principle 6: Respect the rights of shareholders

The Company endeavours to keep its Shareholders informed by:

- Reports to the ASX and the press;
- Half and full year profit announcements;
- Annual Reports;
- Continuous disclosure to the ASX pursuant to the ASX Listing Rules; and
- Posting all the above and any other notifications made by the Company to Shareholders on its website.

The External Auditor attends the Company's Annual General Meeting and is available to respond to questions about the conduct of the audit and the preparation and content of the Independent Audit Report.

Corporate Governance Statement

Principle 7: Recognise and manage risk

The Board has ultimate responsibility for risk management, compliance and control functions across the Group. These functions are aligned with the Company's business objectives. The Company has in place internal controls intended to identify and manage significant business risks.

The Board has established a Risk Management Committee to identify those areas of risk which are most likely to cause major disruption and damage to the business of the Group and to implement, with Board approval, plans and procedures which will mitigate any damage.

The Risk Management Committee comprises all the Directors of AstiVita. The Risk Management Committee did not meet during the year.

The Board has received assurance from the Executive Director that the declaration provided in accordance with section 295A of the Corporations Act is founded on a system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Principle 8: Remunerate fairly and responsibly

The Company intends to ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to corporate and individual performance is defined.

The Board has established a Remuneration Committee to review and determine, among other things, remuneration policies and packages applicable to any Executive Directors, the Company Secretary and Senior Executives. The Committee's Charter is available on the Company's web site.

The Remuneration Committee consists of three members, two of whom are independent Directors. The members of the remuneration committee were:

- Robert Lynch (Chairman)
- Lev Mizikovsky
- Geoff Acton

The remuneration committee did not meet during the year.

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2013

	Note	2013 $'000s	2012 $'000s
Revenue	3	**12,850**	24,567
Other income	3	**39**	367
Changes in inventories of finished goods		**(293)**	(2,222)
Raw materials and consumables used		**(9,310)**	(16,606)
Employee benefits expense		**(2,441)**	(2,402)
Depreciation and amortisation expense	12, 13	**(140)**	(82)
Other expenses		**(4,910)**	(4,541)
Finance costs		**(1)**	-
Loss before income tax		**(4,206)**	(919)
Income tax benefit	6	**1,286**	285
Loss for the year		**(2,920)**	(634)
Other comprehensive income			
Other comprehensive income for the year		**-**	-
Total comprehensive income for the year		**(2,920)**	(634)
Loss attributable to:			
Members of the parent entity		**(2,718)**	(577)
Non-controlling interest		**(202)**	(57)
		(2,920)	(634)
Total comprehensive income attributable to:			
Members of the parent entity		**(2,718)**	(577)
Non-controlling interest		**(202)**	(57)
		(2,920)	(634)
Earnings per share			
Basic earnings per share (cents)	18	**(10.34)**	(2.43)
Diluted earnings per share (cents)	18	**(10.34)**	(2.43)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position
As At 30 June 2013

	Note	2013 $'000s	2012 $'000s
ASSETS			
Current Assets			
Cash and cash equivalents	8	**1,169**	2,936
Trade and other receivables	9	**2,232**	3,405
Inventories	10	**5,896**	6,212
Current tax receivable		**-**	204
Other assets	11	**220**	191
Total Current Assets		**9,517**	12,948
Non-Current Assets			
Property, plant and equipment	12	**232**	218
Intangible assets	13	**562**	634
Deferred tax assets	16	**1,742**	456
Total Non-Current Assets		**2,536**	1,308
TOTAL ASSETS		**12,053**	14,256
LIABILITIES			
Current Liabilities			
Trade and other payables	14	**1,678**	1,960
Provisions	15	**509**	263
Total Current Liabilities		**2,187**	2,223
Non-Current Liabilities			
Provisions	15	**15**	22
Total Non-Current Liabilities		**15**	22
TOTAL LIABILITIES		**2,202**	2,245
NET ASSETS		**9,851**	12,011
EQUITY			
Issued capital	17	**7,284**	6,524
Retained earnings		**2,812**	5,530
Total equity attributable to equity holders of AstiVita Renewables Limited		**10,096**	12,054
Non-controlling interest		**(245)**	(43)
TOTAL EQUITY		**9,851**	12,011

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2013

2013

	Note	Issued Capital $'000s	Retained Earnings $'000s	Total attributable to parent $'000s	Non-controlling Interests $'000s	Total $'000s
Balance at 1 July 2012		**6,524**	**5,530**	**12,054**	**(43)**	**12,011**
Comprehensive income for the year						
Loss for the year		**-**	**(2,718)**	**(2,718)**	**(202)**	**(2,920)**
Other comprehensive income for the year		**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year		**-**	**(2,718)**	**(2,718)**	**(202)**	**(2,920)**
Transactions with owners in their capacity as owners						
Shares issued during the year	17	**1,572**	**-**	**1,572**	**-**	**1,572**
Shares bought back during the year	17	**(812)**	**-**	**(812)**	**-**	**(812)**
		760	**-**	**760**	**-**	**760**
Balance at 30 June 2013		**7,284**	**2,812**	**10,096**	**(245)**	**9,851**

2012

	Note	Issued Capital $'000s	Retained Earnings $'000s	Total attributable to parent $'000s	Non-controlling Interests $'000s	Total $'000s
Balance at 1 July 2011		6,206	7,046	13,252	14	13,266
Comprehensive income for the year						
Loss for the year		-	(577)	(577)	(57)	(634)
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	(577)	(577)	(57)	(634)
Transactions with owners in their capacity as owners						
Shares issued during the year		318	-	318	-	318
Dividends paid or provided for	7	-	(939)	(939)	-	(939)
		318	(939)	(621)	-	(621)
Balance at 30 June 2012		6,524	5,530	12,054	(43)	12,011

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows
For the Year Ended 30 June 2013

	Note	2013 $'000s	2012 $'000s
Cash flows from operating activities			
Receipts from customers (including GST)		**15,256**	29,809
Payments to suppliers and employees (including GST)		**(18,734)**	(26,967)
Interest received		**32**	112
Income tax refunded/(paid)		**204**	(1,438)
Insurance recovery		**1**	170
Net cash from operating activities	23	**(3,241)**	1,686
Cash flows from investing activities			
Proceeds from sale of plant and equipment		**41**	-
Payments for property, plant and equipment		**(127)**	(190)
Payment for intangible assets		**(12)**	(433)
Net cash used by investing activities		**(98)**	(623)
Cash flows from financing activities			
Proceeds from issue of shares	17	**1,572**	-
Dividends paid	7	**-**	(621)
Net cash used by financing activities		**1,572**	(621)
Net increase (decrease) in cash and cash equivalents		**(1,767)**	442
Cash and cash equivalents at beginning of year		**2,936**	2,494
Cash and cash equivalents at end of financial year	8	**1,169**	2,936

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

This financial report covers the consolidated financial statements and notes of AstiVita Renewables Limited and Controlled Entities (the 'group'). AstiVita Renewables Limited is a for profit Company incorporated and domiciled in Australia and whose shares are publicly traded on the Australian Securities Exchange Limited. The financial statements were authorised for issue by the Board of Directors on 27 September 2013.

The separate financial statements and notes of the parent entity, AstiVita Renewables Limited, have not been presented within this financial report as permitted by amendments made to the Corporations Act 2001. Parent entity summary is included in note 2.

The address of the registered office and principal place of business is 172 Ingram Road, Acacia Ridge, QLD 4110.

1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

These financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs.

Rounding of amounts

The Company is an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars unless otherwise stated.

(a) Principles of Consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

A controlled entity is an entity that AstiVita Renewables Limited has the power to govern the financial and operating policies of so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 19 of the financial statements. All controlled entities have a June financial year end.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities of the group have been eliminated in full for the purpose of these consolidated financial statements.

Appropriate adjustments have been made to a controlled entity's financial statements where the accounting policies used by that entity was different from those adopted in the consolidated financial statements.

Non-controlling interests

Non-controlling interests (i.e. equity in a subsidiary not attributable directly or indirectly to a parent) are presented in the consolidated statement of financial position within equity separately from the equity of the owners of the parent.

1 Summary of Significant Accounting Policies (continued)

(b) Income Tax

The tax expense or benefit recognised in the consolidated statement of profit or loss and other comprehensive income relates to current income tax expense plus deferred tax expense (being the movement in deferred tax assets and liabilities and unused tax losses during the year).

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements.

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

Deferred tax consequences relating to a non-monetary asset carried at fair value are determined using the assumption that the carrying amount of the asset will be recovered through sale.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current tax assets and liabilities are offset where there is a legally enforceable right to set off the recognised amounts and there is an intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset where there is a legal right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

Tax consolidated group

AstiVita Renewables Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidation group under the tax consolidation legislation. AstiVita Renewables Limited is the head entity for the income tax consolidation group. Each entity in the Group recognises its own current and deferred tax amounts which are measured using the "stand-alone" taxpayer approach for allocation. Current and deferred tax assets resulting from unused tax losses and tax credits are immediately assumed by the parent entity. The current tax liability of each Group entity is also subsequently assumed by the parent entity. The Group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 13 October 2009. The tax consolidated group has entered into a tax sharing and funding arrangement.

1 Summary of Significant Accounting Policies (continued)

(b) Income Tax (continued)

Tax consolidated group (continued)

Under the terms of this arrangement, the wholly-owned entities reimburse AstiVita Renewables Limited for any current income tax payable by AstiVita Renewables Limited arising in respect of their activities. The reimbursements are payable at the same time as the associated income tax liability falls due. In the opinion of the Directors, the tax sharing agreement is also a valid arrangement under the tax consolidation legislation and limits the joint and several liabilities of the wholly-owned entities in the case of a default by AstiVita Renewables Limited.

(c) Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening consolidated statement of financial position at the earliest date of the comparative period has been presented.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and are net of any rebates and discounts received. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the Group from the taxing authorities), transport, and other costs directly attributable to the acquisition of inventory.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(e) Property, Plant and Equipment

All classes of property, plant and equipment are measured using the cost model. Under the cost model, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of costs of dismantling and restoring the asset, where applicable.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated on a straight-line method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	3 - 4 years
Motor Vehicles	5 - 8 years
Office Furniture and Equipment	3 years

1 Summary of Significant Accounting Policies (continued)

(e) Property, Plant and Equipment (continued)

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

(f) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are assigned to different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the consolidated statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Group's trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised in profit or loss. When confirmation has been received that the amount is not collectable, the gross carrying value of the asset is written off against the associated impairment provision.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

In some circumstances, the Group renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Group does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

1 Summary of Significant Accounting Policies (continued)

(f) Financial instruments (continued)

Financial liabilities

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included in the income statement line items "finance costs" or "finance income".

Financial liabilities are classified as either financial liabilities ‘at fair value through profit or loss’ or other financial liabilities depending on the purpose for which the liability was acquired.

The Group‘s financial liabilities include trade and other payables, which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the Group assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred , the amount of the loss is measured as the difference between the asset’s carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

(g) Impairment of non-financial assets

At the end of each reporting period, the Group determines whether there is an evidence of an impairment indicator for assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

1 **Summary of Significant Accounting Policies (continued)**

(h) Intangible Assets

Software

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of up to eight years. It is assessed annually for impairment.

(i) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the consolidated statement of financial position.

(j) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(k) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the consolidated statement of profit or loss and other comprehensive income.

(l) Earnings per share

The Group presents basic and diluted earnings per share information for its ordinary shares.

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year.

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

1 Summary of Significant Accounting Policies (continued)

(m) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

(n) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the Group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(o) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest revenue

Interest is recognised using the effective interest method.

(p) Research and development

Research costs are charged against profit or loss as incurred.

Development costs are deferred to future periods to the extent that the project will deliver future economic benefits and these benefits can be measured reliably and other relevant criteria met. Deferred costs are amortised from the commencement of commercial production of the product to which they relate on a straight line basis over the period of the expected benefit.

1 Summary of Significant Accounting Policies (continued)

(q) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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

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

(r) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or where they are deferred directly in equity reserves as "qualifying hedges".

(s) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

1 Summary of Significant Accounting Policies (continued)

(s) Critical accounting estimates and judgments (continued)

Impairment of inventory

A provision of $271,000 (2012: $42,000) has been recognised by the Group for slow moving inventory, which has been deemed impaired as at 30 June 2013. The assessment of this provision required a degree of estimation and judgement. The level of the provision was determined after taking into account the sales history of various product lines, the age of product groups and any other factors that may affect inventory obsolescence. The provision was based on product lines, which were unlikely to be sold in the foreseeable future.

Impairment of receivables

An allowance for doubtful debts of $179,000 (2012: $171,000) has been recognised by the Group as at 30 June 2013. The assessment of this allowance required a degree of estimation and judgement. The level of the allowance was determined after taking into account historical collection rates, specific knowledge of individual debtors' financial positions and past bad debt experiences.

Warranty provision

A provision of $403,000 (2012: $174,000) at 30 June 2013 has been recognised by the Group for estimated warranty claims in respect of products and services which are still under warranty at the end of the reporting period. Management estimates the provision for future warranty claims based on historical warranty claim information over the past 12 months, as well as recent trends that might suggest that the past cost information may differ from future claims. Anticipated future warranty costs were based on a mathematical model of historical costs which was then extrapolated for the anticipated number of claims over the next 12 months. The warranty provision for the 2013 financial year is lower than the incurred warranty expense for 2013 due to the Group’s assessment that claims are more likely to reduce in the future and due to the 2013 year expense including a number of one-off large claims which are not expected to occur again.

The warranty provision for the replacement of defective solar panels is based on the cost of providing new panels only. Labour costs are negligible due to an agreement with a supplier to provide labour free of charge. This method is significantly different from the prior year provision estimate for the Solarpower business which was based on no product cost and only labour costs being expected to be incurred.

The assumptions made in relation to the current period are consistent with those in the prior year except where detailed above. Factors that could impact the estimated claim information include the success of the Group’s quality initiatives, as well as parts and labour costs.

Key judgments - deferred tax assets

Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used and on temporary differences where it is probable that there will be taxable profit against which these can be offset. The Directors have made judgments as to the probability of future taxable profits being generated against which tax losses will be available for offset.

The Group has significantly reduced its overheads and operating expenses which should see an approximate $2million pretax reduction in costs, including approximately $750,000 in payroll savings, for the 2014 financial year. This will have a positive impact to results for the 2014 financial year. The sales within the Group have shown signs of improvement. With the Group's focus on increasing customer accounts nationally, minimising overhead costs and new product development an improved result for 2014 is expected.

1 Summary of Significant Accounting Policies (continued)

(t) Adoption of new and revised accounting standards

During the current year, the Group adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has not impacted the recognition, measurement and disclosure of transactions.

(u) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Group has decided against early adoption of these standards. The following table summarises those future requirements, and their impact on the Group:

Standard Name		Requirements	
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6	30 June 2016	Changes to the classification and measurement requirements for financial assets and financial liabilities. New rules relating to derecognition of financial instruments.	The full impact of AASB 9 has not yet been determined as the entire standard has not been released, however, the impact of this standard is expected to be minimal as the Group does not deal in complex financial instruments.
AASB 10 Consolidated Financial Statements / AASB 11 Joint Arrangements / AASB 12 Disclosures of Interests in Other Entities, AASB 127 Separate Financial Statements, AASB 128 Investments in Associates and AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments	30 June 2014	AASB 10 includes a new definition of control, which is used to determine which entities are consolidated, and describes consolidation procedures. The Standard provides additional guidance to assist in the determination of control where this is difficult to assess.	The Group will review its controlled entities to determine whether they should be consolidated under AASB 10, no changes are anticipated.
		AASB 11 focuses on the rights and obligations of a joint venture arrangement, rather than its legal form (as is currently the case). IFRS 11 requires equity accounting for joint ventures, eliminating proportionate consolidation as an accounting choice.	The Group does not account for any investments as joint ventures therefore no impact is expected due to the adoption of AASB 11.
		AASB 12 includes disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.	Additional disclosures will be required under AASB 12 but there will be no changes to reported position and performance.
AASB 13 Fair Value Measurement. AASB 2011-8 - Amendments to Australian Accounting Standards arising from AASB 13	30 June 2014	AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted. There are a number of additional disclosure requirements.	The application of this standard is not expected to impact upon the Group's fair value measurements or disclosures thereof.

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2013

1 Summary of Significant Accounting Policies (continued)

(u) New Accounting Standards and Interpretations (continued)

AASB 2011-4 - Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]	30 June 2014	Remove individual key management personnel disclosure requirements (i.e. components of remuneration) for disclosing entities.	No change is expected as the Group was not required to make individual key management personnel disclosure requirements per AASB 124 Aus1.4.1 as it is a group of companies and these disclosures are included in the Directors' Report.
AASB 2011-7 - Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	30 June 2014	This standard provides many consequential changes due to the release of the new consolidation and joint venture standards.	The impact of this standard is expected to be minimal.
AASB 119 Employee Benefits (September 2011) AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	30 June 2014	The main changes in this standard relate to the accounting for defined benefit plans and are as follows: - elimination of the option to defer the recognition of gains and losses (the 'corridor method'); - requiring remeasurements to be presented in other comprehensive income; and - enhancing the disclosure requirements.	Since the entity does not have a defined benefit plan, the adoption of these standards will not have any impact.

2 Parent entity

The following information has been extracted from the books and records of the parent, AstiVita Renewables Limited and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, AstiVita Renewables Limited has been prepared on the same basis as the consolidated financial statements except as disclosed below.

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of the parent entity.

	2013 $'000s	2012 $'000s
Statement of Financial Position		
Assets		
Current assets	**2,080**	3,187
Non-current assets	**8,947**	6,937
Total Assets	**11,027**	10,124
Liabilities		
Current liabilities	**1,079**	172
Non-current liabilities	**15**	112
Total Liabilities	**1,094**	284
Equity		
Issued capital	**7,284**	6,524
Retained earnings	**2,649**	3,316
Total Equity	**9,933**	9,840
Statement of Profit or Loss and Other Comprehensive Income		
Profit for the year after income tax	**667**	997
Other comprehensive income	**-**	-
Total comprehensive income	**667**	997

Guarantees

The parent entity did not have any guarantees as at 30 June 2013 or 30 June 2012.

Contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2013 or 30 June 2012.

Contractual commitments

The parent entity did not have any contractual commitments for the acquisition of property, plant and equipment as at 30 June 2013 or 30 June 2012.

3 Revenue and Other Income

Revenue from continuing operations

	2013 $'000s	2012 $'000s
Sales revenue		
- Bathroom and kitchen products	**4,188**	7,943
- Solarpower products	**7,572**	16,103
- Bompani products	**1,058**	398
Other revenue		
- Interest	**32**	123
Total Revenue	**12,850**	24,567
Other Income		
Insurance recovery	**-**	170
Other income	**39**	73
Net foreign exchange gains	**-**	124
Total other income	**39**	367
Total Revenue and Other Income	**12,889**	24,934

4 Expenses

The result for the year includes the following specific expenses:

	2013 $'000s	2012 $'000s
Loss on disposal of assets	**15**	-
Bad and doubtful debts	**91**	67
Defined contribution superannuation expense	**177**	172
Net foreign exchange loss	**49**	-
Freight out	**592**	807
Inventory write downs	**271**	224
Warranty costs	**686**	163
Rental expense on operating leases		
- minimum lease payments	**388**	527

5 Remuneration of Auditors

	2013	2012
	$	**$**
Remuneration of the auditor of the parent entity,BDO Audit Pty Ltd (including related entities), for:		
- auditing or reviewing the financial report	**67,000**	66,000
- taxation services	**22,847**	30,782
- other accounting services	**10,755**	-
- agreed upon procedures - system change over	**-**	3,383
	100,602	100,165

6 Income Tax Expense

(a) Components of tax expense

The major components of income tax expense comprise:

	2013	2012
	$'000s	**$'000s**
Current tax expense		
Local income tax - current period	**-**	-
Deferred tax expense		
Relating to origination and reversal of temporary differences	**(1,286)**	(285)
Total income tax benefit	**(1,286)**	(285)

(b) Reconciliation of income tax to accounting profit

	2013	2012
Loss before income tax	**(4,206)**	(919)
Prima facie income tax expense/(benefit) at statutory income tax rate of 30% (2012: 30%)	**(1,262)**	(276)
The following items have affected income tax expense for the period:		
Tax effect of:		
- adjustments in respect of current income tax of previous years	**(23)**	-
- sundry items	**(1)**	(9)
Income tax benefit	**(1,286)**	(285)

7 Dividends

Dividends paid

	2013 $'000s	2012 $'000s
Final dividend of nil (2012: 4 cents per fully paid share, fully franked at 30%, paid 2 December 2011)	-	939
Total	-	939

	2013 $'000s	2012 $'000s
Dividends were paid as follows:		
Dividends paid in cash	-	621
Dividend re-investment plan	-	318
Total	-	939

	2013 $'000s	2012 $'000s
Franking account		
Balance of franking account at year end	**1,501**	1,780
Adjusted for franking credits arising from:		
- amount to be refunded post year end	-	(204)
	1,501	1,576

The above available balance is based on the dividend franking account at year-end adjusted for:

(a) Franking credits that will arise from the payment of the current tax liabilities;
(b) Franking debits that will arise from the payment of dividends recognised as a liability at year end;
(c) Franking credits that will arise from the receipt of dividends recognised as receivables at the end of the year.

The ability to use the franking credits is dependent upon the entity's future ability to declare dividends.

8 Cash and cash equivalents

	2013 $'000s	2012 $'000s
Cash at bank	**1,169**	2,936
	1,169	2,936

Reconciliation of cash

Cash and cash equivalents reported in the consolidated statement of cash flows are reconciled to the equivalent items in the consolidated statement of financial position as follows:

	2013 $'000s	2012 $'000s
Cash and cash equivalents	**1,169**	2,936
Balance as per consolidated statement of cash flows	**1,169**	2,936

9 Trade and other receivables

	Note	2013 $'000s	2012 $'000s
CURRENT			
Trade receivables		**2,411**	3,576
Provision for impairment	9(a)	**(179)**	(171)
Total current trade and other receivables		**2,232**	3,405

(a) Impairment of receivables

Reconciliation of changes in the provision for impairment of receivables is as follows:

	2013 $'000s	2012 $'000s
Balance at beginning of the year	**171**	175
Additional impairment loss recognised	**91**	67
Provision used - receivables written off	**(83)**	(71)
Balance at end of the year	**179**	171

(b) Aged analysis

The ageing analysis of receivables is as follows:

	2013 $'000s	2012 $'000s
0-30 days	**1,180**	1,990
31-60 days	**752**	1,161
61-90 days (past due not impaired)	**229**	116
91+ days (past due not impaired)	**71**	138
91+ days (considered impaired)	**179**	171
	2,411	3,576

Current trade receivables are non-interest bearing and are generally on 30 - 60 day terms. An impaired amount is provided for any customers who are facing financial difficulties and may not be able to pay the outstanding account. Management reviews the financial status of new account applicants prior to granting credit trading terms. Management assess credit applicants by reference to their payment history with other suppliers and will only grant credit trading terms to those applicants with a sound payment background. The Group does not take security as part of any payment arrangements with customers. Based on the past payment history of the Group's customers, the Directors believe that the amounts past due date but not impaired are those customers with sound credit history and are therefore not impaired.

10 Inventories

	2013	2012
	$'000s	$'000s
CURRENT		
At cost:		
Finished goods	**5,276**	5,306
Goods in transit	**620**	906
	5,896	6,212

(a) Inventory expense

Inventories recognised as expense during the year ended 30 June 2013 and included in 'raw materials and consumables used' and 'changes in inventories of finished goods' amounted to $9,603,000 (2012: $18,828,000).

Write-downs of inventories to net realisable value recognised as an expense during the year ended 30 June 2013 amounted to $271,000 (2012: $224,000). The expense has been included in 'other expenses' in the consolidated statement of profit or loss and other comprehensive income.

(b) Amounts not expected to be realised within the next 12 months

The entire amount of inventories is presented as current, since the Group expects to realise the assets in its normal operating cycle. However, based on past experience, the Group does not expect approximately $2,013,000 of inventories to be realised within the next 12 months. The directors and management are of the view that the stock will be realised in the future and realised for a value greater than cost in the normal course of the business.

11 Other non-financial assets

	2013	2012
	$'000s	$'000s
CURRENT		
Prepayments	**220**	191
	220	191

As part of the trading requirements of overseas suppliers, the Group pays in advance to suppliers for future supply of inventories.

12 Property, plant and equipment

	2013 $'000s	2012 $'000s
Plant and equipment		
At cost	**386**	263
Accumulated depreciation	**(210)**	(185)
Total plant and equipment	**176**	78
Motor vehicles		
At cost	**55**	123
Accumulated depreciation	**(20)**	(20)
Total motor vehicles	**35**	103
Office furniture & equipment		
At cost	**68**	64
Accumulated depreciation	**(47)**	(27)
Total office equipment	**21**	37
	232	218

(a) Movements in carrying amounts of property, plant and equipment

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

	Plant and Equipment $'000s	Motor Vehicles $'000s	Office Furniture & Equipment $'000s	Total $'000s
Year ended 30 June 2012				
Balance at the beginning of year	29	25	40	94
Additions - cost	84	99	7	190
Disposal - written down value	-	(10)	-	(10)
Depreciation expense	(35)	(11)	(10)	(56)
Balance at the end of the year	78	103	37	218
Year ended 30 June 2013				
Balance at the beginning of year	**78**	**103**	**37**	**218**
Additions - cost	**123**	**-**	**4**	**127**
Disposals - written down value	**-**	**(57)**	**-**	**(57)**
Depreciation expense	**(25)**	**(11)**	**(20)**	**(56)**
Balance at the end of the year	**176**	**35**	**21**	**232**

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13 Intangible Assets

	2013 $'000s	2012 $'000s
Computer software		
Cost	**672**	660
Accumulated amortisation and impairment	**(110)**	(26)
	562	634

(a) Movements in carrying amounts of intangible assets

	Computer software $'000s	Total $'000s
Year ended 30 June 2013		
Balance at the beginning of the year	**634**	**634**
Additions	**12**	**12**
Amortisation	**(84)**	**(84)**
Closing value at 30 June 2013	**562**	**562**
Year ended 30 June 2012		
Balance at the beginning of the year	227	227
Additions	433	433
Amortisation	(26)	(26)
Closing value at 30 June 2012	634	634

The current amortisation charge for intangible assets - computer software, is included under depreciation and amortisation expense in the consolidated statement of profit or loss and other comprehensive income.

14 Trade and other payables

	2013 $'000s	2012 $'000s
CURRENT		
Unsecured liabilities		
Trade and other payables	**1,678**	1,960
	1,678	1,960

15 Provisions

	2013	2012
	$'000s	$'000s
CURRENT		
Warranties	**403**	174
Employee benefits	**106**	89
	509	263
NON-CURRENT		
Employee benefits	**15**	22
	15	22

	Warranties	Short Term Employee Benefits	Long Term Employee Benefits	Total
	$'000s	$'000s	$'000s	$'000s
Opening balance at 1 July 2012	**174**	**89**	**22**	**285**
Additional provisions	**686**	**17**	**-**	**703**
Provisions used	**(457)**	**-**	**-**	**(457)**
Provisions reversed	**-**	**-**	**(7)**	**(7)**
Balance at 30 June 2013	**403**	**106**	**15**	**524**

Provision for Warranties

A provision of $403,000 at 30 June 2013 (2012: $174,000) has been recognised for estimated warranty claims in respect of products and services which are still under warranty at the end of the reporting period. The provision was assessed by reference to the actual warranty costs incurred over the prior 12 months, this amount was then adjusted to reflect the anticipated future group warranty costs.

Refer to Note 1(k) for the relevant accounting policy and Note 1(s) for a discussion of the estimations and assumptions applied in the measurement of this provision.

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave. The measurement and recognition criteria relating to employee benefits have been discussed at Note 1(j).

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current as the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

16 Tax

(a) Recognised deferred tax assets and liabilities

	Note	2013 $'000s	2012 $'000s
Deferred tax assets	16(b)	**1,742**	456
		1,742	456

(b) Deferred tax assets

	Opening Balance $'000s	Charged to Income $'000s	Closing Balance $'000s
Deferred tax assets			
Provisions	87	62	149
Employee benefits	34	(30)	4
Accrued expenses	17	(7)	10
Unused tax losses	-	284	284
Other	33	(24)	9
Balance at 30 June 2012	171	285	456
Provisions	**149**	**94**	**243**
Employee benefits	**4**	**23**	**27**
Accrued expenses	**10**	**85**	**95**
Unused tax losses	**284**	**1,093**	**1,377**
Other	**9**	**(9)**	**-**
Balance at 30 June 2013	**456**	**1,286**	**1,742**

17 Issued Capital

	2013 $'000s	2012 $'000s
31,114,866 (2012: 23,952,979) Ordinary shares fully paid	**7,284**	6,524
	7,284	6,524

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the parent entity. At shareholder's meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The parent entity does not have authorised capital or par value in respect of its shares.

(a) Movements in ordinary shares

	2013 $'000s	2012 $'000s
At the beginning of the reporting period	**6,524**	6,206
Dividend reinvestment plan issue	**-**	318
Rights issue	**1,572**	-
Shares bought back on-market and cancelled	**(812)**	-
	7,284	6,524

	2013 No.	2012 No.
At the beginning of the reporting period	**23,952,979**	23,478,707
Shares issued during the year:		
- Dividend reinvestment plan issue	**-**	474,272
- Rights Issue	**12,086,455**	-
Shares bought back during the year and cancelled:		
- On-market share buy-back	**(4,924,568)**	-
At the end of the reporting period	**31,114,866**	23,952,979

On 13 March 2013 the company invited its shareholders to subscribe to a non-renouncable rights issue of ordinary shares at an issue price of $0.13 per share on a one for one basis of 1 share for every fully or partly paid ordinary shares held, with such shares to be issued on 19 April 2013. The offer was approximately 50% subscribed.

Management completed an on-market share buy-back of 4,924,568 shares on 26 June 2013 as approved at an Extraordinary General meeting on 25 June 2013. Shares on issue after the buy-back and cancellation amounted to 31,114,866. Shares were bought back at $0.16 cents. The completion of this on-market share buy-back resulted in the reduction of ordinary shares on issue by 14%. Settlement of the share buy-back was completed in July 2013.

17 Issued Capital (continued)

(b) Capital Management

Management controls the capital of the Group in order to maintain a conservative working capital position, provide the shareholders with appropriate returns and ensure that the Group can fund its operations and meet its obligations as and when they fall due.

The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued share capital, reserves and retained earnings as disclosed in the consolidated statement of financial position.

Management controls the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks. These responses include adjustments to working capital, decisions whether or not to make distributions to shareholders and capital raising if required. The Board may consider accessing debt facilities if the need arises.

During the financial year the Group completed the following capital transactions:

- A successful rights issue completed on 12 April 2013 which raised $1,571,239 and issued 12,086,455 new ordinary shares. The total shares on issue after the rights issue was 36,039,434.
- The successful completion of an on-market share buy-back approved by shareholders on 25 June 2013. Approval enabled the Group to acquire and cancel 4,924,568 shares. The number of ordinary shares on issues is now 31,114,866.

There are no externally imposed capital requirements.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

(c) Dividend Re-investment Plan

The Group established a Dividend Re-investment Plan under which holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than being paid in cash. Shares are issued under the plan at 3% discount to the weighted average ex-dividend quoted market price for the five business days following ex-dividend quotation.

The Dividend Re-investment Plan was operational for the dividend which was paid on 2 December 2011. The Dividend Re-investment Plan has since been suspended in the short term.

(d) Share Options

At 30 June 2013 there were no share options on issue (2012: Nil).

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18 Earnings per Share

(a) Earnings used to calculate overall earnings per share

	2013 $'000s	2012 $'000s
Profit attributable to members of the parent entity used in the calculation of basic and diluted EPS	**(2,718)**	(577)

(b) Weighted average number of shares used

	2013 No.	2012 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic and diluted EPS	**26,289,590**	23,753,422

There are no potential ordinary shares outstanding.

19 Controlled Entities

	Country of Incorporation	Percentage Owned (%) 2013	Percentage Owned (%) 2012
Parent Entity:			
AstiVita Renewables Limited	Australia		
Subsidiaries:			
AstiVita Bathrooms and Kitchens Pty Ltd	Australia	**100%**	100%
Solarpower Pty Ltd	Australia	**100%**	100%
Bompani Italia Pty Ltd [1]	Australia	**50%**	50%
Indent Manufacturing Pty Ltd	Australia	**100%**	100%
Thermasol Pty Ltd	Australia	**100%**	100%

[1] Bompani Italia Pty Ltd

The Group controls Bompani Italia Pty Ltd as the Director representing the Group on the Board of Bompani has the casting vote under the shareholders agreement.

Subsequent to year end, the Group has commenced the process of deregistering Bompani Italia Pty Ltd with all appliance sales to merge into AstiVita and a number of additional products to be marketed under the AstiVita brand.

20 Capital and Leasing Commitments

Operating Leases

	2013 $'000s	2012 $'000s
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	390	-
- later than one year but not later than five years	815	-
	1,205	-

During the 2013 financial year, the Group moved to its new premises at 172 Ingram Road, Acacia Ridge. The lease for the premises has a term of three years with no further options. During the 2012 financial year, the Group had an agreement to lease 15 Suscatand Street, Rocklea for such period as was necessary while a decision was being made whether or not to relocate. The only other leased property is situated at 58/60 Alex Avenue, Moorabbin, Victoria and is leased on a month to month basis.

The Group had no other significant capital expenditure or lease commitments at the reporting date (2012: none).

21 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2013 (30 June 2012:None).

22 Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

Description of segments

The Board monitors the business based on the business segments as identified below.

- **AstiVita B&K**

AstiVita Bathrooms and Kitchens Pty Ltd ("AstiVita B&K") - the import, warehousing and distribution of bathroom and kitchen related products such as tapware, toilets and vanities.

- **Solarpower**

Solarpower Pty Ltd ("Solarpower") - the import, warehousing and distribution of solar related products such as photovoltaic panels and energy efficient hot water systems.;

- **Bompani**

Bompani Italia Pty Ltd ("Bompani") - a 50% owned joint venture company involved in the import, warehousing and distribution of Italian home appliances such as cooktops, ovens and rangehoods.

22 Operating Segments (continued)

Basis of accounting for purposes of reporting by operating segments

(a) Accounting policies adopted

Unless stated below, all amounts reported to the Board of Directors, being the chief operating decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Segment revenue and expenses are those directly attributable to the segment and can include allocated group expense.

(b) Inter-segment transactions

Segment revenues and expenses do not include transfers between segments.

Employee benefit expenses are allocated to reportable segments, based on a fixed percentage employee cost basis. The fixed employee percentage is reviewed annually or adjusted for if an employee's role is amended.

(c) Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment assets include all assets used by a segment and consist principally of cash, receivables and inventories.

(d) Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and provisions.

(e) Unallocated items

The following items are not allocated to operating segments as they are not considered part of the core operations of any segment:

- property, plant and equipment
- intangible assets
- income tax expense
- deferred tax assets and liabilities
- current tax assets and liabilities
- annual leave and long service leave provisions

22 Operating Segments (continued)

(f) Geographical information

The Group attributes revenue to individual countries based on the country to which the product is delivered to. External revenue attributed to foreign countries for the year ended 30 June 2013 amounted to $10,620 (2012: $10,000). All other revenue was attributed to entities domiciled in Australia.

All assets of the group are located in Australia.

(g) Major customers

Revenues of approximately $5,736,000 (2012: $10,091,000) are derived from two customers (2012: one customer). These revenues are across each of the following segments - AstiVita B&K, Solarpower and Bompani.

(h) Segment performance

	AstiVita B&K		Solarpower		Bompani		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s
Revenue								
Revenue from external customers	**4,188**	7,943	**7,572**	16,103	**1,059**	398	**12,819**	24,444
Inter-segment revenue	**116**	-	**-**	-	**-**	-	**116**	-
Interest revenue	**13**	32	**15**	91	**-**	-	**28**	123
Total segment revenue	**4,317**	7,975	**7,587**	16,194	**1,059**	398	**12,963**	24,567
Other income	**5**	59	**2**	81	**-**	8	**7**	148
Other income - insurance recoveries	**-**	170	**-**	-	**-**	-	**-**	170
Total segment revenue & other income	**4,322**	8,204	**7,589**	16,275	**1,059**	406	**12,970**	24,885
Segment net profit/(loss) before tax	**(1,801)**	(827)	**(802)**	1,493	**(578)**	(163)	**(3,181)**	503
Segment assets								
Total segment assets	**3,132**	5,771	**4,388**	7,999	**1,590**	1,101	**9,110**	14,871
Segment liabilities								
Total segment liabilities	**1,081**	1,920	**1,310**	4,119	**2,304**	1,236	**4,695**	7,275

22 Operating Segments (continued)

(i) Reconciliations

Reconciliation of segment revenue to consolidated statement of profit or loss and other comprehensive income

	2013	2012
	$'000s	$'000s
Total segment revenue	**12,970**	24,885
Intersegment eliminations	**(116)**	-
Other revenue	**35**	49
Total revenue	**12,889**	24,934

Reconciliation of segment operating (loss)/profit to the consolidated statement of profit or loss and other comprehensive income

	2013	2012
Segment net operating profit	**(3,181)**	503
Corporate expenses	**(863)**	(1,340)
Depreciation and amortisation	**(140)**	(82)
Intersegment eliminations	**(22)**	-
Total net (loss)/profit before tax	**(4,206)**	(919)

Reconciliation of segment assets to the consolidated statement of financial position

	2013	2012
Segment assets	**9,110**	14,871
Intersegment eliminations	**(22)**	(2,280)
Other unallocated assets		
- Cash and cash equivalents	**422**	152
- Trade and other receivables	**-**	1
- Other assets	**7**	-
- Current tax asset	**-**	204
- Property, plant and equipment	**232**	218
- Intangible assets	**562**	634
- Deferred tax assets	**1,742**	456
Total assets per the consolidated statement of financial position	**12,053**	14,256

Reconciliation of segment liabilities to the consolidated statement of financial position.

	2013	2012
Segment liabilities	**4,695**	7,275
Intersegment eliminations	**(3,586)**	(5,314)
Other unallocated liabilities		
- Trade and other payables	**972**	173
- Provisions	**121**	111
Total liabilities per the consolidated statement of financial position	**2,202**	2,245

23 Cash Flow Information

Reconciliation of loss for the year to net cash from operating activities

	2013 $'000s	2012 $'000s
Loss for the year	**(2,920)**	(634)
Adjustments for non-cash items in profit:		
- amortisation	**84**	26
- depreciation	**56**	56
- stock impairment	**271**	224
- net loss on disposal of property, plant and equipment	**15**	-
Change in operating assets and liabilities:		
- (increase)/decrease in trade and other receivables	**1,173**	3,704
- (increase)/decrease in inventories	**45**	1,998
- (increase)/decrease in deferred tax receivable	**(1,286)**	(285)
- (increase)/decrease in other assets	**(29)**	259
- (increase)/decrease in current tax receivables	**204**	-
- increase/(decrease) in trade and other payables	**(1,093)**	(2,224)
- increase/(decrease) in income taxes payable	**-**	(1,438)
- increase/(decrease) in provisions	**239**	-
Net cash from operating activities	**(3,241)**	1,686

24 Related Parties

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

(a) The Group's main related parties are as follows:

(i) Key management personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note 25: Interests of Key Management Personnel (KMP) and the remuneration report in the Directors' Report.

Other transactions with KMP and their related entities are shown below.

Tamawood Limited and its controlled entities ("Tamawood") are deemed to be a related party to AstiVita Renewables Limited by virtue of Mr L Mizikovsky, the Chairman of AstiVita Renewables Limited, having a controlling interest in Tamawood Limited. Transactions between AstiVita Renewables Limited and Tamawood are disclosed below.

24 Related Parties (continued)

(b) Transactions with related parties

(i) Sale of goods and services

	2013 $	2012 $
Tamawood		
- Sales to Tamawood Limited[1]	**2,291,323**	2,444,387

[1] Sales mainly consisted of bathroom and kitchen products and solar systems.

(ii) Purchase of goods and services

	2013 $	2012 $
Tamawood		
- Recharge of shared and joint costs	**558,868**	438,217
Mr L Mizikovsky		
- Rent and outgoings payments for premises leased from an entity controlled by Mr L Mizikovsky	**351,050**	-
Mr G Acton		
- Administration and payroll processing services provided by an entity controlled by Mr Acton	**37,757**	-

[1] Purchases consisted of various overhead costs including rent, rates and other recharges, marketing charges, motor vehicle costs, office printing and stationery, computer consumables and telephone recharges.

(iii) Outstanding balances

	2013 $	2012 $
Tamawood		
- Amounts receivable from Tamawood for sales	**212,734**	157,670
- Amounts payable to Tamawood for purchases	**97,063**	-

Amounts receivable from and amounts payable to related parties for the sale and purchase of goods and services are unsecured and interest free and are included in the balances of trade and other receivables and trade and other payables respectively. Balances are settled within trading terms or as per agreement with the Board. No provisions for doubtful debts have been recognised on these outstanding balances, nor have any bad debt expenses been incurred.

(c) Other related party transactions

Subsequent to 30 June 2013, the Group entered into a short term funding agreement with an entity controlled by Mr L Mizikovsky. Access to the credit facility which has a limit of $1million, was provided to support operating cash flows of the Group should the need arise.

25 Key Management Personnel Disclosures

(a) Key management personnel remuneration

	2013	2012
	$	$
Short-term employee benefits	**621,783**	840,896
Long-term benefits	**2,833**	5,012
Post-employment benefits	**25,783**	44,098
Termination benefits	**29,422**	-
	679,821	890,006

Detailed remuneration disclosures are provided in the remuneration report on pages 6 to 9.

(b) Key management personnel shareholdings

The number of ordinary shares in AstiVita Renewables Limited held by each key management person of the Group during the financial year is as follows:

	Balance at beginning of year	Purchased / (Sold)	Other changes during the year	Balance at end of year
	No.	No.	No.	No.
30 June 2013				
Directors				
L Mizikovsky	9,332,475	9,332,475	-	18,664,950
R Lynch	64,020	64,020	-	128,040
G Acton	101,213	39,100	-	140,313
R Dudurovic	230,000	235,250	5,250	470,500
R Welford *	201,195	-	-	201,195
Other KMP				
D Jonathan	1,313	-	-	1,313
S Ison	131,056	-	15,606	146,662
C Jackson ^	74,681	-	-	74,681
	10,135,953	9,670,845	20,856	19,827,654
30 June 2012				
Directors				
L Mizikovsky	8,262,220	1,070,255	-	9,332,475
R Lynch	64,020	-	-	64,020
G Acton	101,213	-	-	101,213
R Dudurovic	230,000	-	-	230,000
R Welford	200,000	1,195	-	201,195
Other KMP				
D Jonathan	1,313	-	-	1,313
S Ison	66,206	64,850	-	131,056
	8,924,972	1,136,300	-	10,061,272

* R Welford resigned from the Board of AstiVita Renewables Limited as at 5 April 2013. The shareholdings detailed above for the 2013 financial year are presented up to the date R Welfod ceased to be a director.

^ C Jackson was made redundant from 24 April 2013. The shareholdings detailed above for the 2013 financial year are presented up to 24 April 2013.

25 Key Management Personnel Disclosures (continued)

(c) Other key management personnel transactions

For details of other transactions with key management personnel, refer to Note 24: Related Party Transactions.

26 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments. This note discloses the Company's objectives, policies and processes for managing and measuring these risks.

The Company does not speculate in financial assets.

The Group is primarily exposed to the following financial risks:

- Market risk - currency risk and cash flow interest rate risk
- Credit risk
- Liquidity risk

Specific information regarding the mitigation of each financial risk to which Company is exposed is provided below.

Objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and whilst remaining ultimately responsible for them, it has delegated the authority to management for developing and operating processes that ensure the effective implementation of the objectives and policies of the Group's finance function. The Group's risk management policies and objectives are therefore designed to minimise the potential impact of these risks on the results of the Group where such impact may be material.

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payables.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

For the Group, credit risk primarily arises from outstanding receivables due from its customers and deposits with banks.

The utilisation of credit limits by customers is regularly monitored by management. Trade receivables consist of a large number of customers. The Group has one large debtor which represent 33% (2012: 71%) of the Solarpower business' trade debtors which at 30 June 2013 had a total amount outstanding of $452,924 (2012: $1,800,359). The Directors believe all outstanding amounts will be received. The Group has identified slow paying customers and is satisfied that the $179,000 (2012: $171,000) allowance for doubtful debts is adequate in the event the customers may not be able to meet their repayment commitment to the Group.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of sound credit quality, including those that are past due.

26 Financial Risk Management (continued)

(a) Credit risk (continued)

Debtors by business are:

	2013 $'000s	2012 $'000s
AstiVita B&K debtors	**828**	1,025
Solarpower debtors	**1,360**	2,516
Bompani debtors	**223**	34
Other	**-**	1
	2,411	3,576

Credit risk related to balances with banks and other financial institutions is managed by a policy requiring that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-. The following table provides information regarding credit risk relating to cash at bank based on Standard & Poor's counter party credit ratings. The Group banks with the Commonwealth Bank of Australia.

	Note	2013 $'000s	2012 $'000s
Cash and cash equivalents			
AA- rated	8	**1,169**	2,936
		1,169	2,936

(b) Liquidity risk

Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Group's objective is to ensure as much as possible that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions. The Group achieves this by holding sufficient cash in liquid form, and monitors the timing of commitments.

	2013 $'000s	2012 $'000s
Current assets	**9,517**	12,948
Current liabilities	**(2,187)**	(2,223)
Working capital	**7,330**	10,725

26 Financial Risk Management (continued)

(b) Liquidity risk (continued)

Liquidity risk is further mitigated due to the $1million facility provided by Mr Lev Mizikovsky, the Executive Chairman and substantial shareholder of the Group, as disclosed in Note 24(c).

The table below reflects an undiscounted contractual maturity analysis for financial liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the consolidated statement of financial position due to the effect of discounting.

	Not later than 6 months		6 to 12 months		1 to 5 years		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s
Trade and other payables	**1,678**	1,960	**-**	-	**-**	-	**1,678**	1,960
Total contractual outflows *	**1,678**	1,960	**-**	-	**-**	-	**1,678**	1,960

* Contractual cashflows approximate the carrying amounts as presented in the consolidated statement of financial position.

(c) Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will effect future cash flows or the fair value of fixed rate financial instruments.

The Group adopts a policy of minimising exposure to interest rate risk. This is achieved by holding minimal external borrowings and using fixed rate cash deposits. A +/-1% change in interest rates would change the net interest revenue by +/-$12,000 per annum (2012 - +/-$29,000) on cash held at year end.

(ii) Foreign currency risk

Exposures to currency exchange rates arise from the Group's overseas sales and purchases, which are primarily denominated in US dollars and Euro.

The Group's policy is that all foreign currency transactions are settled on a spot rate basis. There are no hedge facilities or other forward contract facilities in place.

In order to monitor the continuing effectiveness of the policy, the Board receives reports on its product pricing strategy together with data relating to any major fluctuations in foreign currencies. The Group's policy to mitigate foreign currency risk is to adjust selling prices for its products to reflect movements in foreign currencies.

26 Financial Risk Management (continued)

Foreign currency denominated financial assets and liabilities, translated into Australian Dollars at the closing rate, are as follows:

	2013 $'000s	2012 $'000s
Financial assets		
Trade receivables denominated in USD	**-**	**814**
US Dollar bank account (cash at bank)	**9**	**936**
Euro bank account (cash at bank)	**57**	**-**
USD monies on deposit	**213**	**198**
Financial liabilities		
Trade payables denominated in USD	**(188)**	**(881)**
Net exposure	**91**	**1,067**

Spot rate at year end		
US Dollar	0.9239	0.9982
Euro	0.7063	-

Foreign currency sensitivity analysis

The following table illustrates the sensitivity of the net result for the year and equity in regards to the Group's financial assets and financial liabilities and the US Dollar – Australian Dollar exchange rate and the Euro – Australian Dollar exchange rate. There have been no changes in the assumptions calculating this sensitivity from prior years. The sensitivity analysis is based on the foreign currency financial instruments held at the reporting date.

It assumes a +/- 5% change of the Australian Dollar / US Dollar exchange rate for the year ended 30 June 2013 (30 June 2012: 5%). A +/- 5% change is considered for the Australian Dollar / Euro exchange rate (30 June 2012: 5%). Both of these percentages have been determined based on the historical market volatility in exchange rates.

2013	**USD**	**Euro**	**Total AUD**
Net result for the year			
Australian dollar weakened 5%	**2**	**3**	5
Australian dollar strengthened 5%	**(2)**	**(3)**	(5)
Equity			
Australian dollar weakened 5%	**2**	**3**	5
Australian dollar strengthened 5%	**(2)**	**(3)**	(5)
2012			
Net result for the year			
Australian dollar weakened 5%	**53**	**-**	53
Australian dollar strengthened 5%	**(53)**	**-**	(53)
Equity			
Australian dollar weakened 5%	**53**	**-**	53
Australian dollar strengthened 5%	**(53)**	**-**	(53)

26 Financial Risk Management (continued)

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Company's exposure to foreign currency risk.

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The Group's financial assets and financial liabilities consist only of short-term trade receivables and payables. Due to the short-term nature of trade receivables and payables, the carrying amounts as presented in the consolidated statement of financial position are assumed to approximate their fair values.

27 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years except for matters disclosed in Notes 19 and 24(c).

Directors' Declaration
For the Year Ended 30 June 2013

The directors of the Company declare that:

1. the financial statements and notes for the year ended 30 June 2013 are in accordance with the *Corporations Act 2001*, the *Corporations Regulations 2001*, other mandatory professional reporting requirements and:

    a. comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

    b. give a true and fair view of the financial position and performance of the consolidated group;

2. the Executive Director has given the declarations required by Section 295A that:

    a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;

    b. the financial statements and notes for the financial year comply with the Accounting Standards; and

    c. the financial statements and notes for the financial year give a true and fair view.

3. 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; and

4. The remuneration disclosures contained in the Remuneration Report in the Director's Report comply with section 300A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.

L Mizikovsky

L Mizikovsky
Executive Chairman

Dated 27 September 2013

BDO

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INDEPENDENT AUDITOR'S REPORT

To the members of AstiVita Renewables Limited

Report on the Financial Report

We have audited the accompanying financial report of AstiVita Renewables Limited, which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

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

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

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

BDO

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of AstiVita Renewables Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of AstiVita Renewables Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial positions as at 30 June 2013 and of its performance for the year ended on that date;

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on Other Legal and Regulatory Requirements

We have audited the Remuneration Report included in pages 6 to 9 of the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of AstiVita Renewables Limited for the year ended 30 June 2013 complies with section 300A of the *Corporations Act 2001*.

BDO Audit Pty Ltd

BDO

Tim Kendall

T J Kendall

Director

Brisbane; 27 September 2013

Document1

Shareholder Information

ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 10 September 2013.

Substantial shareholders

The number of substantial shareholders and their associates are set out below:

Shareholders	Number of shares
ANKLA PTY LTD	12,192,624
NOWCASTLE PTY LTD	3,280,338
ODALREACH PTY LTD	2,784,662

Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

Voting rights of shareholders are governed by the Company's Rules. In summary, a shareholder is entitled to exercise one vote for each shareholder on any question arising from a meeting of the Group.

Members wishing to appoint proxies may do so in accordance with the Corporations Act 2001 and Rules of the Group.

Distribution of equity security holders

Holding	No. of Shares	No. of Holders
1 - 1,000	43,351	116.00
1,001 - 5,000	834,955	274.00
5,001 - 10,000	830,359	107.00
10,001 - 100,000	5,054,363	163.00
100,000 and over	24,351,838	28.00
Total	**31,114,866**	**688.00**

There were 402 holders of less than a marketable parcel (5,682 shares based on the market price of $0.088 as at 10 September 2013) of ordinary shares and they held 943,562 shares.

Shareholder Information

Twenty largest shareholders

	Number held	% of issued shares
ANKLA PTY LTD	12,192,624	39.19
NOWCASTLE PTY LTD	3,280,338	10.54
ODALREACH PTY LTD	2,784,662	8.95
STODDART BUILDING PRODUCTS PTY LTD	661,179	2.12
K R KHATRI (DENTAL) PTY LTD	558,500	1.79
RIPELAND PTY LTD	511,686	1.64
MR RADE & MRS JACQUELINE DUDUROVIC	460,000	1.48
MRS WENDY LAURA HOPSICK	409,711	1.32
BEOWULF PTY LTD	341,318	1.10
THE L AND R SUPER FUND PTY LTD	326,758	1.05
MUZBIRD PTY LTD	252,426	0.81
MR STUART KEITH ANDERSON	250,000	0.80
MR JOHN PEARCE & MRS SANDRA PEARCE	200,000	0.64
THE PURPLE ONION PTY LTD	200,000	0.64
LEOPARD CAPITAL PTY LTD	180,000	0.58
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	160,253	0.52
THE I & J COMPANY PTY LIMITED	150,000	0.48
MR SCOTT GILCHRIST	149,416	0.48
MR GEORGE YANNIS & MRS THELMA YANNIS	144,487	0.46
MR RICK KOWITZ & MS JANELLE KOWITZ	135,600	0.44
Total	**23,348,958**	**75.03**

Securities exchange

The Company is listed on the Australian Securities Exchange.

Share registry

The register of holders of ordinary shares of the Company is kept at the office of Link Market Services Limited, ANZ Building, Level 15, 324 Queen Street, Brisbane Queensland 4000.