

.au Domain Administration Limited

[A Company Limited by Guarantee]

079 009 340

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2009**

**Meagher Howard & Wright
Certified Practising Accountants**

**Suite 505
55 Grafton Street
BONDI JUNCTION NSW 2022**

.au Domain Administration Limited

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DIRECTORS' REPORT

Your directors submit the financial accounts of the company for the year ended 30 June 2009.

Directors

The names of the directors who held office during the year, and attendance at meetings are:

	Eligible	Attended	Apologies
Tony STALEY	6	6	0
Kim HEITMAN (Deputy Chair)	6	6	0
Bennett OPRYSA (Resigned 20/10/2008)	1	1	0
Cheryl LANGDON-ORR	6	6	0
Joshua ROWE	6	6	0
Julie HAMMER	6	6	0
Marty DRILL	6	5	1
Chris DISSPAIN	6	6	0
Amin KROLL	6	6	0
Tony STEVEN	6	6	0
Alex WOERNLE	6	6	0
Graham MCDONALD	6	6	0
Dwayne VAREY (Appointed 20/10/2008)	5	5	0

Principal Activities

The principal activities of the company in the course of the year were:

Management of .au Domain name space.

No significant change in the nature of these activities occurred during the year.

Net Profit

The deficit of the company for the financial year amounted to \$415,781. (2008 - \$26,344 deficit).

Dividends paid or recommended

By virtue of its Constitution no dividends are payable by the company.

Members' Guarantee

In accordance with clause 7 of the Constitution of the company, each member has undertaken to contribute towards the assets of the company an amount of one hundred dollars (\$100) in the event the company is wound up whilst they are still a member or within one year after they cease to be a member. As at 30 June 2009, the company had 111 members.

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Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, in subsequent financial years.

Likely Developments

Likely developments in the operations of the company and the expected results of those operations have not been included in this report as the directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the company.

Benefits under contracts with Directors

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or a related body corporate with the director, a firm of which the director is a member or an entity in which the director has a substantial interest.

This statement excludes a benefit included in the aggregate amount of emoluments received, or due and receivable, by directors as shown in the company's financial accounts for the financial year or the fixed salary of a full-time employee of the company or a related body corporate.

Indemnifying Officer or Auditor

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company or of a related body corporate:

* indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in successfully defending legal proceedings.

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

Director _____

Chris DISSPAIN

Director _____

Tony STALEY

Dated this _____ day of _____ 2009

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**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009	2008
		\$	\$
Revenue	2	3,520,609	3,028,170
Depreciation and amortisation expenses		(107,474)	(96,382)
Employee benefits expenses		(948,769)	(698,120)
Finance costs		(13)	-
Other expenses		<u>(2,880,134)</u>	<u>(2,260,012)</u>
Profit (Loss) for the year		(415,781)	(26,344)
Retained earnings at the beginning of the financial year		<u>4,331,537</u>	<u>4,357,881</u>
Profit attributable to members of the company		<u><u>3,915,756</u></u>	<u><u>4,331,537</u></u>

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**BALANCE SHEET AS AT
30 JUNE 2009**

	Note	2009	2008
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	5	3,971,731	4,234,880
Trade and other receivables	6	443,521	445,151
Other current assets	7	21,499	24,533
TOTAL CURRENT ASSETS		<u>4,436,751</u>	<u>4,704,564</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	288,615	292,176
TOTAL NON-CURRENT ASSETS		<u>288,615</u>	<u>292,176</u>
TOTAL ASSETS		<u>4,725,366</u>	<u>4,996,740</u>
CURRENT LIABILITIES			
Trade and other payables	9	711,869	586,676
Provisions	10	97,741	78,527
TOTAL CURRENT LIABILITIES		<u>809,610</u>	<u>665,203</u>
TOTAL LIABILITIES		<u>809,610</u>	<u>665,203</u>
NET ASSETS		<u>3,915,756</u>	<u>4,331,537</u>
EQUITY			
Retained earnings	11	3,915,756	4,331,537
TOTAL EQUITY		<u>3,915,756</u>	<u>4,331,537</u>

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

	Retained Earnings	Reserves	Total
	\$	\$	\$
Balance at 30 June 2007	4,357,881	-	4,357,881
Profit attributable to members	<u>(26,344)</u>	-	<u>(26,344)</u>
Balance at 30 June 2008	4,331,537	-	4,331,537
Profit/(Loss) attributable to members	<u>(415,781)</u>		<u>(415,781)</u>
Balance at 30 June 2009	<u>3,915,756</u>		<u>3,915,756</u>

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**CASH FLOW STATEMENT AS AT
30 JUNE 2009**

	NOTE	2009	2008
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from debtors		3,678,988	2,408,499
Payments to suppliers and employees		(3,930,500)	(3,050,682)
Interest received		188,164	299,983
Goods and Services Tax Paid		(95,875)	(18,994)
		<u>(13)</u>	<u></u>
Net Cash Used in Operating Activities		<u>(159,236)</u>	<u>(361,194)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Plant & Equipment at Cost		(103,913)	(181,927)
		<u></u>	<u></u>
Net Cash used in Investing Activities		<u>(103,913)</u>	<u>(181,927)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Increase (Decrease) in Cash Held		(263,149)	(543,121)
Cash at Beginning of Year		4,234,880	4,778,001
Cash at End of Year		<u>3,971,731</u>	<u>4,234,880</u>

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

The financial report is for .au Domain Administration Ltd as an individual entity, incorporated and domiciled in Australia. .au Domain Administration Ltd is a company limited by guarantee.

Note 1 Statement of Significant Accounting Policies

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report AASB containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

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

Accounting Policies

(a) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Grant revenue is recognised in the income statement when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the balance sheet as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair values as indicated, less, where applicable, accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20%
Computers	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measured at initial recognition (ii) less principal repayments (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(d) Impairment of Assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Income Statement.

Where the future economic benefits of the asset are not primarily dependent upon on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation reserve for that same class of asset.

(e) Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(i) Provisions

Provisions are recognised when the entity 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 recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

(j) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

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

(k) Critical Accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report 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 company.

Key Estimates

(a) Impairment

The company assesses impairment at each reporting date by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(l) New Accounting Standards for application in future periods

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods and which the Company has decided not to early adopt. A discussion of those future requirements and their impact on the Company is as follows:-

* AASB 2008-11: Amendments to Australian Accounting Standard – Business Combinations among Not-for-Profit Entities (applicable to annual reporting periods beginning on or after 1 July 2009). These amendments make the requirements in AASB 3: Business Combinations applicable to business combinations among not-for-profit entities (other than restructures of local governments) that are not commonly controlled, and to include specific recognition, measurement and disclosure requirements in AASB 3 for restructures of local governments.

*AASB 101: Presentation of Financial Statements, AASB 2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefines the composition of financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the Company. If an entity has made a prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.

The Company does not anticipate early adoption of any of the above reporting requirements and does not expect them to have any material effect on the Company's financial statements.

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

2	Revenue	2009	2008
	Operating activities	3,327,913	2,723,482
	Interest	188,164	299,983
	Subscriptions	4,082	4,705
	Sundry Income	450	-
		<u>3,520,609</u>	<u>3,028,170</u>
3	Auditor's Remuneration		
	Auditor's Remuneration - Fees	5,600	4,600
4	Income Tax		
	The company has been deemed a non profit organisation and is not subject to tax.		
5	Cash and Cash Equivalents		
	Reconciliation of cash		
	Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
	Cash in Hand	490	397
	Nat Australia Bank	68,943	161,730
	Cash on Deposit	3,893,817	3,874,038
	USD Account	8,481	198,715
		<u>3,971,731</u>	<u>4,234,880</u>
6	Trade and Other Receivables		
	Current	310,569	378,864
	Other Debtors	22,609	9,857
	GST on acquisitions	110,343	56,430
		<u>443,521</u>	<u>445,151</u>
7	Other Current Assets		
	Deposits	16,470	16,470
	Prepayments	5,029	8,063
		<u>21,499</u>	<u>24,533</u>
8	Property, Plant and Equipment		
	Plant and equipment:		
	At cost	578,799	474,886
	Accumulated depreciation	(290,184)	(182,710)
	Total plant and equipment	<u>288,615</u>	<u>292,176</u>

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

	2009	2008
	\$	\$
Movements in Carrying Amounts		
Plant & Equipment		
Balance at beginning of year	292,176	206,631
Additions (at cost)	103,913	181,927
Disposals	-	-
Depreciation	(107,474)	(96,382)
Balance at End of Year	<u>288,615</u>	<u>292,176</u>
9 Trade and Other Payables		
Current		
Trade Creditors	509,306	365,556
Prepaid Income	51,000	49,375
Payroll Clearing	25,320	38,111
GST on supplies	87,021	128,984
Other Creditors	<u>39,222</u>	<u>4,650</u>
	<u>711,869</u>	<u>586,676</u>
10 Provisions		
Provision for Holiday Pay	22,520	4,975
Prov'n for Long Service Leave	69,621	68,952
Total Prov'n for Employee Entitlement	<u>92,141</u>	<u>73,927</u>
Provision for Audit Fees	<u>5,600</u>	<u>4,600</u>
Total provisions	<u>97,741</u>	<u>78,527</u>
11 Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities		
Profit/(Loss) from Ordinary Activities After Gifts	(415,781)	(26,344)
Non-cash flows in profit from ordinary activities		
Depreciation	107,474	96,382
Change in assets and liabilities,		
(Increase)/Decrease in receivables	1,630	(340,323)
(Increase)/decrease in other assets	3,034	(17,447)
Increase/(decrease) in payables	125,193	(73,264)
(Increase)/decrease in provisions	<u>19,214</u>	<u>(198)</u>
Cash Flows from Operations	<u>159,236</u>	<u>(361,194)</u>

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

12. Credit risk - Trade and Other Receivables

The company does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the company and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount \$	Past due and impaired \$	Past due but not impaired (days overdue)				Within initial trade terms \$
			<30 \$	31 – 60 \$	61 – 90 \$	>90 \$	
2009							
Trade and term receivables	310,569						310,569
Other receivables	132,952						132,952
Total	443,521	-	-	-	-	-	443,521
2008							
Trade and term receivables	378,864	-					378,864
Other receivables	66,287	-					66,287
Total	445,151	-	-	-	-	-	445,151

The company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

There are no balances within trade receivables that contain assets that are impaired and are past due. It is expected that these balances will be received when due.

Financial Risk Management Policies

Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements.

Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:-

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- investing surplus cash only with major financial institutions
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 years		Over 5 years		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade and other payables (excl. est. annual leave and deferred income)	711,869	586,676	-	-	-	-	711,869	586,676
Total expected outflows	711,869	586,676	-	-	-	-	711,869	586,676
	Within 1 Year		1 to 5 years		Over 5 years		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets - cash flows realisable								
Cash and cash equivalents	3,971,731	4,234,880	-	-	-	-	3,971,731	4,234,880
Trade, term and loans receivables			-	-	-	-	-	-
Other investments							-	-
Total anticipated inflows	3,971,731	4,234,880	-	-	-	-	3,971,731	4,234,880
Net (outflow) / inflow on financial instruments	3,259,862	3,648,204	-	-	-	-	3,259,862	3,648,204

c. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the company.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and removal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counter parties), ensuring to the extent possible, that customers and counter parties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms are generally 7 to 30 days from the invoice date.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating, or in entities that the finance committee has otherwise cleared as being financially sound. Where the company is unable to ascertain a satisfactory credit risk profile in relation to a customer or counterparty, then risk may be further managed by retention clauses over goods or obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 6

The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company. The trade receivables balances at 30 June 2009 and 30 June 2008 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counter parties with a Standard and Poor's (S&P) rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on S&P counter party credit ratings.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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	Note	2009 \$	2008 \$
Cash and cash equivalents - AA Rated		3,971,731	4,234,880
	4	3,971,731	4,234,880

	Salary & Fees \$	Superannuation Contribution \$	Total \$
13 Directors and Key Management Personnel Compensation			
2009			
Total Compensation	402,525	108,710	493,285
2008			
Total Compensation	425,462	35,035	460,497

Additional Information

Registered Office

114 Cardigan Street
Carlton Victoria 3053

Principal Place of Business

114 Cardigan Street
Carlton Victoria 3053

.au Domain Administration Limited

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**PROFIT & LOSS
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
INCOME		
Subscriptions received	4,082	4,705
Interest Received	188,164	299,983
Registry licence Fees	590,946	463,788
Domain Name Fees	2,651,592	2,192,094
Registrar Fees	85,375	67,600
	<hr/>	<hr/>
TOTAL INCOME	3,520,159	3,028,170
EXPENSES		
Accountancy	90,000	84,250
Auditors Remuneration - Fees	6,500	4,600
Bank Charges	2,294	1,924
AGM & Committee Meetings	34,900	103,606
Computer Expenses	211,494	262,942
Conference Expenses	-	15,000
Depreciation	107,474	96,382
Directors Fees	99,924	144,586
Directors Expenses	143,520	82,436
Donations	20,500	-
Entertainment	32,187	18,130
Education & Media	273,192	246,727
Fringe Benefits Tax	57,835	50,654
General Expenses	378	1,526
Geographics	8,910	3,420
Holiday Pay Provision	17,545	22,500
Insurance	11,395	12,578
Interest on Leases	13	23,570
Legal Costs	900,050	278,447
License Fee-ICAA/CCTLD	246,904	218,851
Long Service Leave	669	18,520
Office Expenses	24,101	20,635

.au Domain Administration Limited

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079 009 340

**PROFIT & LOSS FOR
THE YEAR ENDED 30 JUNE 2009**

	2009	2008
Payroll Tax	24,386	16,250
Postage, Printing & Stationery	10,855	14,283
Rent	54,981	62,553
Salaries & Wages	930,555	658,016
Security	102,541	101,271
Staff Amenities	10,801	10,072
Staff Training	14,751	39,226
Sponsorship	-	7,935
Subscriptions	9,125	10,952
Technical Support	137,976	115,111
Telephone	37,289	30,779
Travelling Expenses	<u>313,345</u>	<u>268,604</u>
TOTAL EXPENSES	<u>3,936,390</u>	<u>3,046,401</u>
OPERATING PROFIT/(LOSS)	<u>(416,231)</u>	<u>(18,231)</u>
NON-OPERATING INCOME AND EXPENSES		
Non Operating Expenses		
Unrealised Foreign Exchange Gain/(Loss)	450	(8,113)
OPERATING PROFIT FOR THE YEAR	<u>(415,781)</u>	<u>(26,344)</u>

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DIRECTOR'S DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 20 present fairly the company's financial position as at 30 June 2009 and its performance for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements;
2. 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.

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

Director: _____
Tony Staley

Director: _____
Chris Disspain

Dated this day of

.au Domain Administration Limited

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**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF
THE CORPORATIONS ACT 2001**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2009 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit;
and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm Meagher Howard & Wright

Name of Partner Ken Wright

Date 08/09/2009

Address Suite 505 No 55 Grafton Street

BONDI JUNCTION NSW 2022