



31 August 2009

The Manager
Company Announcements Office
Australian Securities Exchange

Announcement for Immediate Release

The Company encloses its Preliminary Final Report for the 12 months ended 30 June 2009.

Yours faithfully,

A handwritten signature in black ink, appearing to read "F. Licciardello", with a stylized flourish at the end.

Francesco (Frank) Licciardello
Managing Director

Sirius Corporation Limited and Controlled Entities ACN 050 240 330

1 Details of the reporting period and the previous corresponding period.

Reporting Period	Financial Year ending	30 June 2009
Previous Corresponding Period	Financial Year ending	30 June 2008

2 Results for announcement to the market**2.1 The amount and percentage change up or down from the previous corresponding period of revenue from ordinary activities.**

Revenue from continuing operations	\$	5,345,148
Total revenue in reporting period	\$	5,345,148
Previous corresponding period - Revenue from continuing operations	\$	7,545,457
Previous corresponding period - Revenue from discontinuing operations	\$	2,401,784
Previous corresponding period - Total revenue	\$	9,947,241
Percentage change up or down from the previous corresponding period of revenue from ordinary activities	%	-29.16%

2.2 The amount and percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members.

Profit (loss) from continuing operations after tax	\$	(1,239,652)
Total Profit (Loss) in Reporting Period	\$	(1,239,652)
Previous Corresponding Period - Continuing operations	\$	(1,211,661)
Percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members.	%	-2.31%

2.3 The amount and percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members.

Profit (loss) from continuing operations after tax	\$	(1,239,652)
Reporting Period	\$	(1,239,652)
Previous Corresponding Period - Continuing operations	\$	(1,211,661)
Percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members.	%	-2.31%

2.4 The amount per security and franked amount per security of final and interim dividends or a statement that it is not proposed to pay dividends.

No dividends proposed relating to the reporting period

2.5 The record date for determining entitlements to the dividends (if any).

Not applicable

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

Overview

Against the background of a severe domestic and international economic slowdown, the company's performance during the 2008/09 financial year was disappointing, particularly in the first half of the year. The underlying results however (before one-off costs) continue to show operational improvement in the second half and on a full year basis. The company recorded a bottom-line loss for the year of \$1.24 million compared to a \$1.212 million loss in 2007/08. The underlying trend was distorted by one-off acquisition and restructuring costs. These costs derived from the failed acquisition of Mastersoft International Pty Ltd and the cost cutting plan instigated in October 2008. Adding back these one off costs, the company recorded a reduced loss in 2008/09 after tax of \$0.68 million.

There was a major improvement however in the second half of the year. Strong foundations were established for the future through the securing of a number of large contracts which are scheduled to commence in the 2009-10 financial year. In addition the group repaid all its bank debt (over \$0.83 million) and the company is now debt free. The group also recorded an improved cash generation during the year with an operating cash inflow of \$0.193 million compared to \$0.001 million in 2007/08. The group ended the year with a cash (bank) balance of \$0.37 million.

Revenue from continuing operations decreased from \$5.9 million in 2007/08 to \$5.4 million in 2008/09 mainly due to the deferral of the commencement of new contracts in the first half. The InfoMaster division retained all of its maintenance contract revenue of approximately \$1.55 million during the year and this trend is expected to be sustained into the current financial year. In addition, revenues will benefit from the inclusion of maintenance income on new contracts that are being delivered and standard CPI increases on current contracts to be billed.

The one-off costs incurred during the year amounted to \$0.56 million and included:

- The cost cutting initiatives and resignation of chairman \$0.250 m
- Impairment on sale of listed shares/investments \$0.06 m
- Failed acquisition costs \$0.250 m

The 2008/09 financial results, before one-off costs, are summarised in the following table

2008/09 Results Before One-Off Costs (\$ million)

	First Half (6 months to Dec 08)	Second Half (6 months to June 09)	Full Year (2008-09)
Revenue	\$2.530	\$2.815	\$5.345
EBITDA	(\$0.200)	\$0.373	\$0.173
EBIT	(\$0.915)	(\$0.362)	(\$1.277)
Profit before tax	(\$0.927)	(\$0.473)	(\$1.400)
Profit after tax	(\$0.927)	\$0.248	(\$0.680)

Our current business focus is on meeting the needs of large enterprises and local and State government departments. The company serves a loyal and well-established customer base that includes organisations such as Qantas, Civil Aviation Services Australia (CASA), Department of Environment and Heritage, Department of Forestry and Fisheries, Brisbane City Council, Gold Coast City Council, City of Melbourne, Department of Planning, Coffs Harbour City Council, Richmond Valley Council, Cockburn City Council in Western Australia and Thames Coramandel in New Zealand. The group has over 70 customer sites that are currently producing recurrent revenue of over \$1.6 million per annum.

The First Half: GFC defers spending

In the interim (six months to December 2008) report released in February 2009, the directors advised that budgets for the group had not been achieved, largely because InfoMaster, the largest subsidiary, did not meet its revenue and profit targets. This was due to delays in some large contracts following the deferral of decisions in a number of tender decisions and contracts. In addition, delivery on contracts already won was deferred due to a slow-down in customer internal processes within local and state governments. In response, we instigated a cost cutting program in October 2008 that resulted in a reduction in corporate overheads of a further \$0.25 million per annum. The restructuring program incurred \$0.10 million in one-off costs including redundancies.

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2.6 A brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood. (continued)

The Second Half: Growth + New Tender successes

There was positive progress on a number of fronts in the second half of the year that positioned the company well for further growth. The initiatives undertaken in the Infomaster business in the first half began to produce fruit with a number of tenders being awarded to InfoMaster within the local government sector. Tenders were also won with state government departments, a first for the group. In the second half, the group achieved revenue of \$2.8 million compared to \$2.5 million in the first half, representing growth of 12%. EBITDA from continuing operations in the second half was a profit of \$0.373 million (before one-off costs) compared to a first half loss of \$0.20 million. In the second half, the group was awarded tenders with the following customers:-

- Department of Main Roads Queensland Tender
- South Australian Department of Water, Land, Biodiversity and Conservation Tender
- Local government Association of Tasmania Tender

In addition, InfoMaster was awarded the preferred supplier status in the Wyndham City Council tender and it has executed a contract for the delivery of the first phase of the project which commenced in July 2009.

The large tender wins are a major milestone for the group in a tough market where competition was fierce against much larger competitors. They also demonstrate improving penetration in both the state and local government sectors for our products. The tender wins were achieved in both our core products, MasterPlan and AssetMaster, and demonstrate their growing market acceptance in terms of functionality and technical edge in our market segments. This has led to opportunities, both nationally and internationally, that are now being explored.

The group has a very strong qualified pipeline and has experienced a tender win strike rate of over 70% in the last 12 months. We currently have over 10 submissions awaiting decision and we have been officially short listed to the top two vendors in five submissions. We have recently been advised that we are the successful tender in one of the submissions and we have formally proceeded to contract negotiation phase of the process. We expect to sign contracts in the next 30 days, at which time the company will make an announcement to the market.

Infomaster: Improving Performance in Core business

The Infomaster business continues to be profitable and contributed revenue of \$3.2m and a EBITDA profit of \$0.6 million in 2008/09. This positive result includes minor revenue from the early stages of delivery of contracts awarded in the last 6 months. It is expected that Infomaster will experience a growth rate of around 30% in the next financial year as contracts won are delivered and new orders flow into the group. InfoMaster commences the year with recurrent revenue of \$1.6 million and contract orders of \$1.3 million, not including very recent tender wins yet to be finalised and announced and new ad-hoc customer orders. Infomaster currently services over 70 councils and three state government departments and is continuing to grow its client base. Its products are gaining acceptance in the market as leading edge technology to solve or replace complex business processes within our market segment.

On 12 August 2009, Fraser Coast Regional council launched PD online, an online planning and development application tracking service. The solution delivered by Infomaster using its MasterPlan and MasterView products was the first online HAF project in Australia fully funded by the Federal Government as part of the HAF-eDA programme. HAF-eDa is the Housing Affordability Fund electronic development Assessment programme. The objective of government with the HAF-eDa program is to contribute towards improved housing affordability by delivering a seamless, comprehensive and integrated electronic development assessment process in key high growth councils in Australia. The Federal Government of Australia has allocated more than \$30 million to this project nationally and Infomaster currently has over 60 councils using the service and we are seen as leaders in the market.

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2.6 A brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood. (continued)

Sirius Managed Services: Profitable niche business

The Sirius Managed Services (SMS) business continues to be profitable and contributed revenue of \$2.0 million and an EBITDA of \$0.87 million in 2008/09. The division now consists of the legacy messaging and Canberra based labour hire business. The small Games division was divested during the year. The directors expect this division to remain profitable in the next year.

Strategic Plan & Acquisitions: Plan unchanged despite slight setback

Overall, Sirius is probably 12 months behind the scheduled implementation of its agreed strategic plan set in 2007, having only completed one acquisition in the last two years compared to the target of one acquisition a year. The economic and financial market downturn during the year meant that vendors of businesses were looking for cash rich exits. Sirius was not able to take advantage of this and instead paid down senior bank debt to consolidate its position for the future. As the economy and share market recovers, our debt free status will improve our capacity to complete larger acquisitions that may emerge.

In the interim (six months to December 2008) report, the directors advised that further scale is required to attain critical mass and that a further three profitable acquisitions will be required in the next three years to achieve the scale required to maintain and justify the company's publicly listed status to shareholders.

The acquisition led growth strategy developed in the last year will not change. The board has previously indicated that the vista has been widened to include not only acquisitions for cash and scrip but potentially also an acquisition of a much larger business, which may result in a change in control. This will assist in providing the scale and size the group requires. An attempt was made to complete such a transaction with the acquisition of MasterSoft. While this failed to complete for a variety of reasons, the objective has not been forgotten and the board remain committed to this process.

The board is committed to reviewing several acquisition targets and is focused on building shareholder wealth in the coming year.

The board is conscious of the fact that the worsening in financial and share market conditions makes it more difficult to raise capital to fund acquisitions. However, current investor support for Sirius has been good and we remain positive about the future growth prospects and the company currently is now debt free which provides greater options for the future.

Outlook: Much improved

We have undertaken a great deal of activity during the past year. Sirius is much better positioned, has large contracts that will be delivered in the next years, and is debt free. A lot of hard work is still required in the next year to continue to mitigate the risk of being a small operating business in a volatile international financial climate. The company is in the early stages of its strategic journey, and has suffered a set back with the failed acquisition of Mastersoft International Pty Ltd. There is much work to do in the coming few years to build and retain shareholder value but we now have a much better base.

3 *An income statement together with notes to the statement, prepared in compliance with AASB 101.***Income Statement**

For the year ended 30 June 2009

	Notes	Consolidated 2009	2008
Revenue from continuing operations	1	5,345,148	5,919,021
Other income - Gain on Acquisition	1	-	1,626,436
Cost of goods sold		(275,780)	(297,645)
Facilities management operational leases		(13,440)	(195,030)
Telecommunication carrier costs		(102,683)	(112,431)
Employee benefits and related expenses		(3,606,939)	(3,811,962)
Occupancy expenses		(489,929)	(424,120)
Travel, accommodation & entertainment		(197,281)	(313,868)
Professional Fees - (non Director related)		(235,761)	(195,335)
Insurance		(80,425)	(138,259)
Finance costs	2	(85,372)	(34,750)
Other expenses from operating activities		(317,642)	(294,101)
Marketing		(141,688)	(141,783)
Depreciation and amortisation expenses	2	(1,449,954)	(1,477,649)
Impairment expense	2	(60,000)	(498,087)
Acquisition expenses		(248,373)	-
Profit (loss) from continuing operations before income tax expense		(1,960,119)	(389,562)
Income tax expense/(benefit)	3	(720,467)	822,099
Profit (loss) from continuing operations		(1,239,652)	(1,211,661)
Profit (loss) from discontinued operations	14. a)	-	1,221,692
Net profit (loss) attributable to members of Sirius Corporation Limited		(1,239,652)	10,031
Total changes in equity other than those resulting from transactions with owners as owners		(1,239,652)	10,031

The above income statement should be read in conjunction with the accompanying notes

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- 4 *A balance sheet together with notes to the statement. The balance sheet may be condensed but must report as line items each significant class of asset, liability, and equity element with appropriate sub-totals.*

Balance Sheet

As at 30 June 2009

	Notes	Consolidated 2009	2008
Current Assets			
Cash and Cash Equivalents	5	368,947	1,564,791
Trade and Other Receivables	6	1,431,373	1,275,125
Other		477,020	837,226
Total Current Assets		2,277,340	3,677,142
Non Current Assets			
Investments		-	240,000
Property Plant & Equipment	7	455,442	615,363
Intangible Assets	8	3,942,511	4,449,348
Investments on Deposit		144,771	-
Total Non Current Assets		4,542,724	5,304,711
TOTAL ASSETS		6,820,064	8,981,853
Current Liabilities			
Trade and Other Payables	9	2,084,219	1,888,537
Other	10	1,790,324	1,606,832
Total Current Liabilities		3,874,543	3,495,369
Non Current Liabilities			
Other	11	12,593	560,504
Provisions	12	95,928	128,861
Deferred Tax Liability		3,184	723,652
Total Non Current Liabilities		111,705	1,413,017
TOTAL LIABILITIES		3,986,248	4,908,386
NET ASSETS		2,833,816	4,073,467
Equity			
Contributed Equity		10,337,947	10,337,947
Accumulated Losses		(7,504,132)	(6,264,480)
TOTAL EQUITY		2,833,815	4,073,467

- 5 a) *A statement of changes in equity together with notes to the statement. The statement of changes in equity may be condensed but must comply with the disclosure requirements of AASB 101*

Statement of Changes in Equity

For the year ended 30 June 2009

	Consolidated 2009	2008
Total equity at the beginning of the financial year	4,073,467	1,519,315
Profit/(Loss) for the financial year	(1,239,652)	10,031
Issued capital (net of transaction costs)	-	2,558,694
Movement in share options reserve	-	(14,573)
Total equity at the end of the financial year	2,833,815	4,073,467

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- 5 b) *A cash flow statement together with notes to the statement. The cash flow statement may be condensed but must report as line items each significant form of cash flow and comply with the disclosure requirements of AASB 107 Cash Flow Statements, or for foreign entities, the equivalent foreign accounting standard.*

Cash Flow Statement
For the year ended 30 June 2009

	Consolidated 2009	2008
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	6,842,669	9,877,767
Payments to suppliers and employees (inclusive of GST)	<u>(6,643,598)</u>	<u>(9,872,041)</u>
	199,071	5,726
Interest received	46,122	30,517
Finance costs	<u>(52,118)</u>	<u>(34,750)</u>
Net cash inflow from operating activities	<u>193,075</u>	<u>1,493</u>
Cash flows from investing activities		
Investments	(144,771)	-
Payments for purchase of subsidiary, net of cash acquired	-	(2,762,551)
Proceeds from sale of discontinued operations	200,000	1,363,381
Payments for development costs	(767,687)	(539,204)
Payments for property plant and equipment	(25,461)	(29,444)
Proceeds from sale of investment	<u>180,000</u>	<u>-</u>
Net cash (outflow) from investing activities	<u>(557,919)</u>	<u>(1,967,818)</u>
Cash flows from financing activities		
Repayment of borrowings	(831,000)	(275,000)
Proceeds from borrowings	-	1,081,000
Proceeds from rights issue (net of transaction costs)	-	2,558,692
Net cash inflow/(outflow) from financing activities	<u>(831,000)</u>	<u>3,364,692</u>
Net increase/(decrease) in cash held	<u>(1,195,844)</u>	<u>1,398,367</u>
Cash at the beginning of the financial year	1,564,791	166,424
Cash at the end of the financial year	<u>368,947</u>	<u>1,564,791</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Notes to Sections 3, 4 & 5.

	Consolidated 2009	2008
1 Revenue		
Revenue		
Services	<u>5,299,026</u>	<u>5,888,504</u>
	5,299,026	5,888,504
Other Revenue		
Interest received	46,122	30,517
Revenue from continuing operations	<u>5,345,148</u>	<u>5,919,021</u>
Other Income		
Gain on acquisition	-	1,626,436
Revenue from discontinuing operations	-	2,401,784
	14. a)	
Total Revenue	<u>5,345,148</u>	<u>9,947,241</u>

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Notes to Sections 3, 4 & 5.

2	Operating profit (loss)	Consolidated 2009	2008
	Net profit (loss) and expenses		
	Profit (loss) before income tax includes the following specific expenses:		
	Depreciation		
	Plant and equipment	<u>175,429</u>	<u>405,907</u>
	Impairment		
	Intellectual Property	-	438,087
	Investment	<u>60,000</u>	<u>60,000</u>
	Total Impairment	<u>60,000</u>	<u>498,087</u>
	Amortisation		
	Deferred IT development	279,158	133,363
	Customer maintenance contracts	369,867	369,867
	Software	<u>625,500</u>	<u>568,512</u>
	Total amortisation	<u>1,274,525</u>	<u>1,071,742</u>
	Other charges against assets		
	Bad and doubtful debts	<u>33,254</u>	<u>1,000</u>
		<u>33,254</u>	<u>1,000</u>
	Net loss on disposal of fixed assets	<u>552</u>	<u>25,817</u>
	Finance costs		
	Interest and finance charges paid/payable	<u>85,372</u>	<u>34,750</u>
	Rental expense relating to operating leases		
	Minimum lease payments	<u>501,386</u>	<u>424,120</u>
	3 Income Tax		
		Consolidated	
		2009	2008
		\$'000	\$'000
3 a)	The income tax expense for the financial year differs from the amount calculated on the profit (loss). The differences are reconciled as follows:		
	Profit (loss) from continuing operations before income tax expense	(1,960,119)	(389,562)
	Profit (loss) from discontinuing operations before income tax expense	-	1,221,692
		<u>(1,960,119)</u>	<u>832,130</u>
	Income tax calculated @ 30%	(588,036)	249,639
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income		-
	Deferred tax assets written off	-	572,460
	Deferred tax asset not brought to account	588,036	-
	Deferred tax liability not brought to account	<u>(720,467)</u>	<u>-</u>
	Income tax expense/(benefit)	<u>(720,467)</u>	<u>822,099</u>
3 b)	Tax losses		
	Approximate unused tax losses for which no deferred tax asset has been recognised	-	1,908,200
	Potential tax benefit	<u>-</u>	<u>572,460</u>

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Notes to Sections 3, 4 & 5.

4 Accumulated losses

	Consolidated 2009	2008
Accumulated losses at the beginning of the financial year	(6,264,480)	(6,274,511)
Net profit/(loss) attributable to members of Sirius Corporation Limited	(1,239,652)	10,031
Accumulated losses at the end of the financial year	<u>(7,504,132)</u>	<u>(6,264,480)</u>

5 Current assets - Cash and cash equivalents

	Consolidated 2009	2008
Cash at bank and on hand	<u>368,947</u>	<u>1,564,791</u>

6 Current assets - Trade and other receivables

	Consolidated 2009	2008
Trade debtors	1,467,578	1,306,125
Less Provision for impairment of trade debtors	(36,205)	(31,000)
	<u>1,431,373</u>	<u>1,275,125</u>

7 Non-current assets - Property, plant and equipment

	Consolidated 2009	2007
Leasehold improvements		
At cost	154,570	140,070
Less: Accumulated amortisation	(29,993)	(22,949)
Total leasehold improvements	<u>124,577</u>	<u>117,121</u>
Plant and equipment		
At cost	4,307,921	4,309,643
Less: Accumulated depreciation	(3,977,056)	(3,811,401)
	<u>330,865</u>	<u>498,242</u>
Plant and equipment under finance lease	-	-
Less: Accumulated amortisation	-	-
	<u>-</u>	<u>-</u>
Total plant and equipment	<u>330,865</u>	<u>498,242</u>
	<u>455,442</u>	<u>615,363</u>

Notes to Sections 3, 4 & 5.**8 Non-current assets - Intangible assets**

	Consolidated 2009	2008
IT Development	1,450,864	683,177
Less: Accumulated amortisation	<u>(412,520)</u>	<u>(133,363)</u>
	<u>1,038,344</u>	<u>549,814</u>
Customer maintenance contracts	2,773,917	2,773,917
Less: Accumulated amortisation	<u>(957,556)</u>	<u>(369,856)</u>
	<u>1,816,361</u>	<u>2,404,061</u>
Software	2,502,083	2,502,083
Less: Accumulated amortisation	<u>(1,414,277)</u>	<u>(1,006,610)</u>
	<u>1,087,806</u>	<u>1,495,473</u>
Total Intangible	<u><u>3,942,511</u></u>	<u><u>4,449,348</u></u>

9 Current liabilities - Trade and other payables

	Consolidated 2009	2008
Trade payables	1,282,300	1,306,416
Other payables	<u>801,919</u>	<u>582,121</u>
	<u><u>2,084,219</u></u>	<u><u>1,888,537</u></u>

10 Current liabilities - Other

	Consolidated 2009	2008
Income in advance	1,513,025	1,274,367
Lease Liability	35,564	32,465
Loans	<u>241,735</u>	<u>300,000</u>
	<u><u>1,790,324</u></u>	<u><u>1,606,832</u></u>

11 Non - Current liabilities - Other

	Consolidated 2009	2008
Lease Liability	12,594	48,158
Other	-	6,346
Loans	-	506,000
	<u><u>12,594</u></u>	<u><u>560,504</u></u>

12 Non - Current liabilities - Provisions

	Consolidated 2009	2008
Employee benefits - long service leave	95,928	128,861
	<u><u>95,928</u></u>	<u><u>128,861</u></u>

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Notes to Sections 3, 4 & 5.**13 Business combination****a) Summary of acquisition**

On 1 July 2007 the parent entity acquired 100% of the issued share capital of IFMA Pty Ltd.

The acquired business contributed revenues of \$3,248,959 and net profit of \$303,456 to the Group for the period 1 July 2007 to 30 June 2008.

Details of the fair value of the assets and liabilities acquired and gain on acquisition are as follows

	\$
Purchase consideration (refer to (b) below):	
Cash Paid	2,887,368
Fair values of shares issued	100,000
Direct costs relating to the acquisition	550,396
Total purchase consideration	<u>3,537,764</u>
Fair value of net identifiable assets acquired (refer to (c) below)	5,164,200
Gain on Acquisition	<u>1,626,436</u>

b) Purchase consideration

	\$
Outflow of cash to acquire subsidiary, net of cash acquired:	
Cash consideration	3,437,764
Less: Balances acquired	
Cash	<u>364,649</u>
	<u>3,073,115</u>
Outflow of Cash	<u>3,073,115</u>

c) Assets and Liabilities acquired

The assets & liabilities arising from the acquisition are as follows:

	Acquiree's carrying amount	Fair Value
	\$	\$
Cash	364,649	364,649
Trade Receivables	834,966	834,966
Other Assets	199,809	199,809
Plant & Equipment	327,011	327,011
Trade Payables	(515,986)	(515,986)
Other Liabilities	(184,019)	(184,019)
Borrowings	(149,929)	(149,929)
Employee benefits liabilities	(270,133)	(270,133)
Intellectual Property – Software & Maintenance	-	5,276,000
Deferred Tax Asset	-	113,832
Deferred Tax Liability	-	(832,000)
Net Assets	<u>606,368</u>	<u>5,164,200</u>

At the date of this financial report, no additional payments are anticipated

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Notes to Sections 3, 4 & 5.**14 Discontinued operations****14. a) Discontinued operations - Asset Sale of Phoneware Communication Systems Pty Ltd****i) Description**

On 1 May 2008, Sirius Corporation Limited executed an asset sale agreement for its subsidiary company, Phoneware Communication Systems Pty Ltd, which provided Telecom Expense Management (TEM) services to large enterprises.

Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

ii) Financial performance and cash flow information

The financial performance and cash flow information presented are for the period 1 July 2007 to 30 April 2008, being the date of disposal and the year ended 30 June 2007

	Consolidated 2009	2008
	\$	\$
Revenue	-	2,401,784
Expenses	-	(3,266,235)
Profit/(loss) before income tax	-	(864,451)
Income tax expense	-	-
Profit/(loss) after income tax of discontinued operations	-	(864,451)
Gain on sale of division before income tax	-	2,086,143
Income tax expense	-	-
Gain on sale of division after income tax	-	2,086,143
Profit/(loss) after income tax of discontinued operations	-	1,221,692
Net cash inflow from operating activities	-	101,308
Net cash inflow (outflow) from investing activities	-	1,363,381
Net cash (outflow) from financing activities	-	-
Net increase in cash generated by the division	-	1,464,689

iii) Carrying amount of assets and liabilities

The carrying amounts of assets and liabilities as at 30 April 2008 (date of sale) and 30 June 2007 were:

	Consolidated 2009	2008
	\$	\$
Trade receivables	-	79,534
Other current assets	-	54,378
Property, plant and equipment	-	89,176
Capitalised software costs	-	303,617
Total assets	-	526,705
Unearned income and other current liabilities	-	558,109
Provision for employee benefits	-	64,262
Total liabilities	-	622,371
Net assets	-	(95,666)

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Notes to Sections 3, 4 & 5.**14. a) Discontinued operations (continued)****iv) Details of the sale of the division**

	Consolidated 2009	2008
	\$	\$
Consideration received or receivable:		
Cash	-	2,200,000
Shares issued as consideration	-	300,000
	<hr/>	<hr/>
	-	2,500,000
Adjustments	-	(436,619)
Total disposal consideration	-	2,063,381
Carrying amount of net assets sold	-	95,666
Costs associated with sale of division	-	(72,904)
Gain on sale before income tax	-	2,086,143
Income tax expense	-	-
Gain on sale before after tax	<hr/> <hr/>	<hr/> <hr/>
	-	2,086,143

6 *Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable and (if known) the amount per security of foreign sourced dividend or distribution.*

No payments made.

7 *Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.*

No plans approved.

8 *A statement of retained earnings showing movements.*

See Statement of Changes in Equity

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

Reporting Period	Cents	(1.10)
Previous Corresponding Period	Cents	0.35

10 *Details of entities over which control has been gained or lost during the period.*

10.1 *Name of the entity.*

Not Applicable

10.2 *The date of the gain or loss of control.*

Not Applicable

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- 10.3** *Where material to an understanding of the report – the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period.*

Not Applicable

- 11** *Details of associates and joint venture entities including the following.*

- 11.1** *Name of the associate or joint venture entity.*

Not applicable

- 11.2** *Details of the reporting entity's percentage holding in each of these entities.*

Not applicable

- 11.3** *Where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.*

Reporting Period	\$'000	
Previous Corresponding Period	\$'000	

N/A
N/A

- 12** *Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.*

Refer to explanatory notes above & refer 2.6.

- 13** *For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).*

Not applicable

- 14** *A commentary on the results for the period. The commentary must be sufficient for the user to be able to compare the information presented with equivalent information for previous periods. The commentary must include any significant information needed by an investor to make an informed assessment of the entity's activities and results, which would include but not be limited to discussion of the following.*

- 14.1** *The earnings per security and the nature of any dilution aspects.*

	Consolidated 2009 Cents	2008 Cents
Basic earnings per share (continuing operations)	(1.24)	(1.21)
Basic earnings per share (discontinuing operations)	-	1.22
	<u>(1.24)</u>	<u>0.01</u>
Diluted earnings per share (continuing operations)	(i)	(i)
Weighted average number of shares used as the denominator		
Weighted average number of shares used as the denominator in calculating basic earnings per share	100,232,727	100,232,727
Diluted Earnings per share		
Weighted average number of shares used as the denominator in calculating diluted earnings per share	(i)	(i)
(i) Not materially different to basic earnings per share		

14.2 Returns to shareholders including distributions and buy backs.

None made

14.3 Significant features of operating performance.

Refer to section 2.6

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

Segment information

The consolidated entity and all its controlled entities operate in the information technology industry and are considered by the Board to operate within a single segment of that industry, being the field of software and services.

The activities of the consolidated entity are carried out wholly from within the Australasian region which is considered by the Board to represent one geographical market.

14.5 A discussion of trends in performance.

Refer to section 2.6

14.6 Any other factors which have affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified.

Refer to section 2.6

15 A statement as to whether the report is based on accounts which have been audited or subject to review, are in the process of being audited or reviewed, or have not yet been audited or reviewed

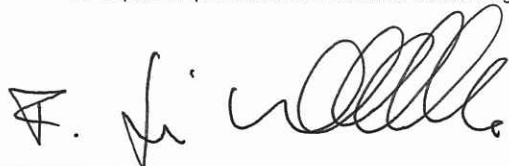
This report is based on accounts that are in the process of being audited.

16 If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification.

No change anticipated from the results reported.

17 If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification.

No dispute or qualification known at the date of lodgement of this report.



Francesco Liccardello
Managing Director

Date: 31 August 2009
Melbourne