SUPERCHEAP AUTO

everything auto & much much more

This is living

BCF

BOATING ▪ CAMPING ▪ FISHING

GOLDCROSS

GET ON YOUR BIKE

SUPER CHEAP AUTO GROUP LIMITED

ANNUAL REPORT 2008

NAME OF ENTITY
Super Cheap Auto Group Limited

ABN OR EQUIVALENT COMPANY REFERENCE
ABN: 81 108 676 204

REGISTERED OFFICE
751 Gympie Road
Lawnton QLD 4501

Tel (07) 3205 8511
Fax (07) 3205 8522

SHARE REGISTRY
Link Market Services
Level 12, 680 George Street
Sydney NSW 2000

BANKERS
Australia and New Zealand Banking Group Limited
Westpac Banking Corporation

AUDITORS
PricewaterhouseCoopers

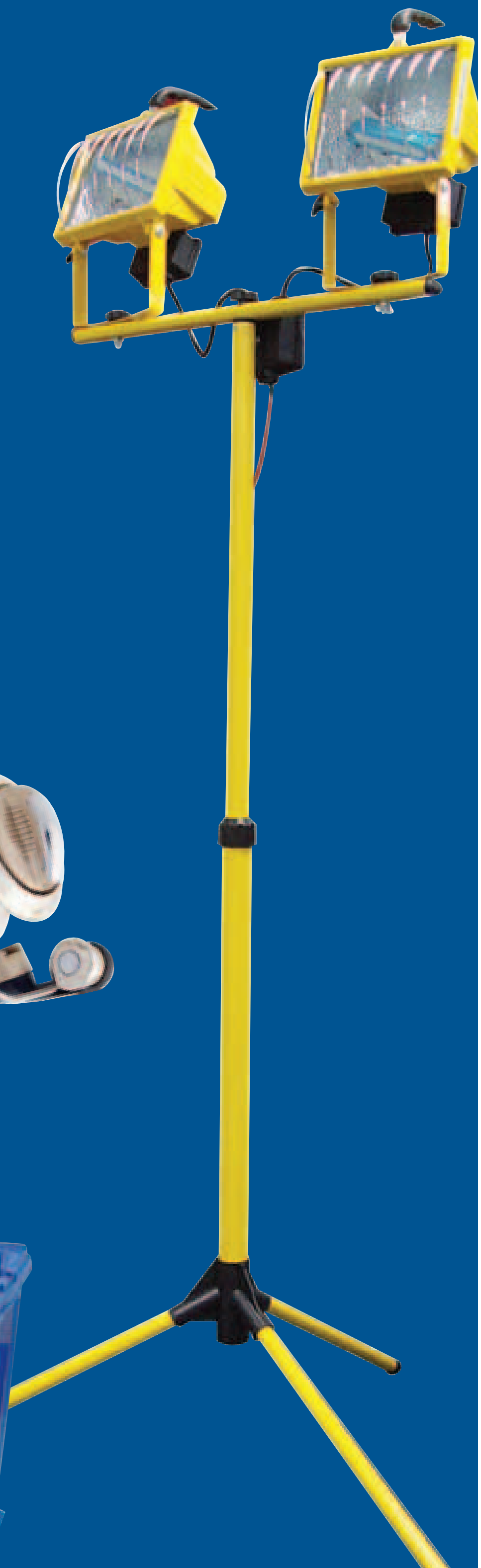
SOLICITORS
Redmond Van De Graaff
Mallesons Stephen Jaques

STOCK EXCHANGE LISTING
Super Cheap Auto Group Limited shares are quoted on the Australian Stock Exchange.

THE ANNUAL GENERAL MEETING

The Annual General Meeting of the Shareholders of Super Cheap Auto Group Limited will be held at the Kedron Wavell Services Club, Long Tan Room, 375 Hamilton Road, Chermside South, Queensland on Wednesday 29 October 2008 at 11.00 am.

Formal notice of this meeting and proxy form are enclosed with this report.



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HIGHLIGHTS

SEP 07 Supercheap Auto Superstore opens at Caboolture.

OCT 07 Melbourne Distribution Centre commences set up of operations at Altona.

Supercheap Auto renews Bathurst 1000 sponsorship for a further three years.

NOV 07 BCF acquires Campbell's ProTackle located in Perth, WA.

FEB 08 Perth Distribution Centre relocates to larger more efficient premises at Forestfield.

BCF acquires retail operations of JV Marine located in Melbourne.

MAY 08 Melbourne Distribution Centre becomes fully operational.

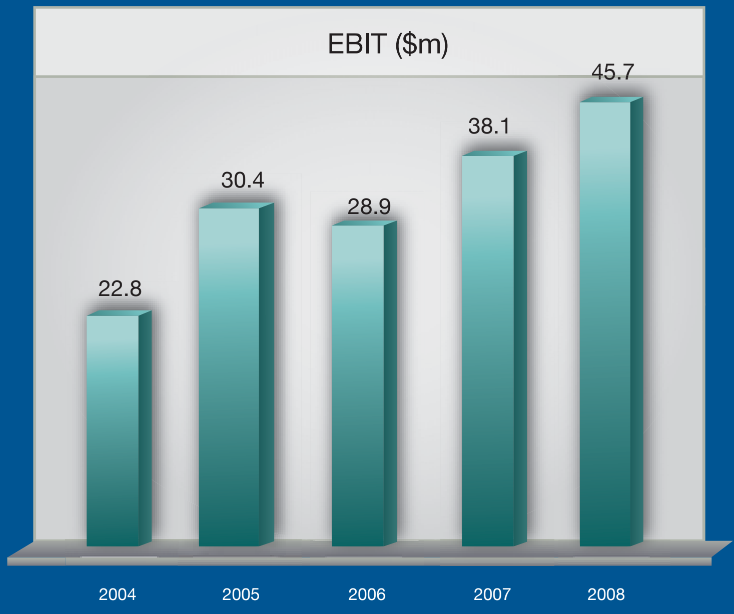
Super Cheap Auto Group announces launch of Bicycle Retailing Business and acquisition of Goldcross Cycles Pty Ltd.

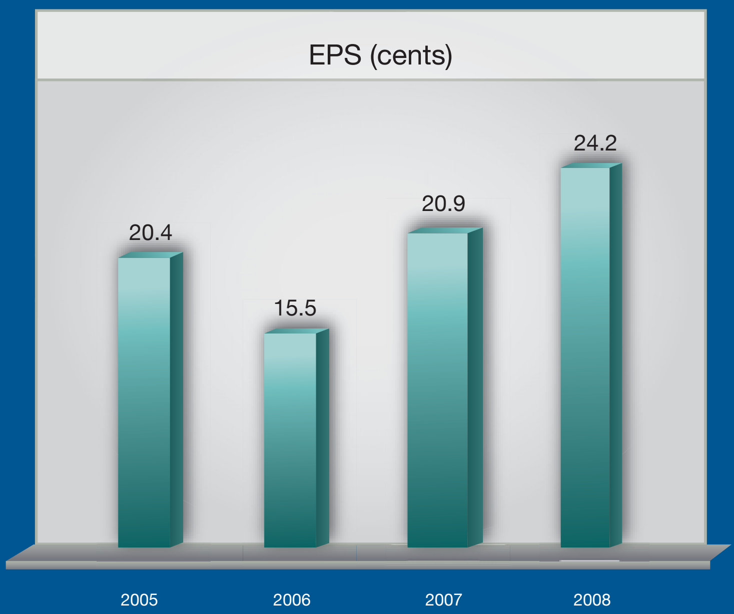
JUNE 08 Supercheap Auto opens its 250th store located at Timaru, New Zealand.

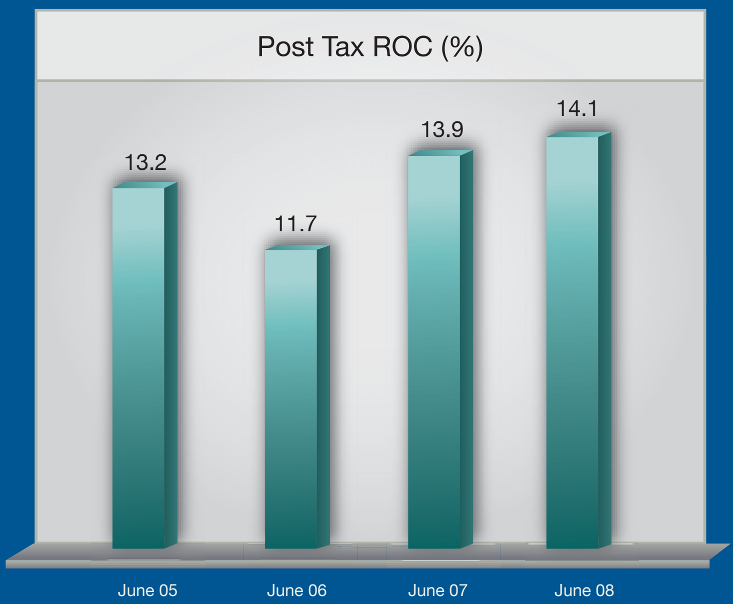
Supercheap Auto again celebrates success at the National Retail Association Awards. Winner of the Best Designed Store Award (Caboolture Superstore) and Winner of Young Retailer of the Year Award (Wade Johnson).

AUG 08 Supercheap Auto crowned the 2008 Australian Retailer of the Year at the Australian Retailers Association Awards.


SALES ($m)
382.7
470.1
525.9
624.8
715.4
2004
2005
2006
2007
2008


EBIT ($m)
22.8
30.4
28.9
38.1
45.7
2004
2005
2006
2007
2008


EPS (cents)
20.4
15.5
20.9
24.2
2005
2006
2007
2008


Post Tax ROC (%)
13.2
11.7
13.9
14.1
June 05
June 06
June 07
June 08


Store Numbers
183
215
247
277
310
2004
2005
2006
2007
2008


Team Members
2964
3604
3844
4004
4608
2004
2005
2006
2007
2008

CHAIRMAN'S REPORT

The relentless effort of the last three years to produce good results and secure ongoing growth within Super Cheap Auto Group has emerged again as the defining feature of the 2008 financial year. This has seen the company lift profits by 15.5% from a revenue increase of 14.5%.

This remarkable effort was achieved whilst investing in an additional five Supercheap Auto and 17 BCF stores. The accounting treatment of these investments reduced operating profit by $6.3 million.

Like for like growth within the Supercheap Auto network of 4.8% was led by the New Zealand stores. They achieved 5.5%. Meanwhile, BCF's network has grown from four Campmart stores in 2005 turning over $14 million annually to 50 stores throughout Australia producing annual sales of $180 million.

New retail formats have underpinned the Super Cheap Auto Group business strategy since it became a public company in 2004. This strategy recognises the risk of relying on a single specialty retailing business within Australia and New Zealand. Expanding the reach of the company's retailing activity has involved careful consideration of management's capacity to take some advantage from the capabilities available within the existing businesses, and the benefits available from the consolidation and aggregation of fragmented retail markets.

The decision to take a position in bicycle retailing through the acquisition of 11 Goldcross Cycle stores follows the well trodden path that Super Cheap Auto Group navigated when it moved into the leisure sector through BCF. Recent shifts in motor vehicle usage, rapidly developing cycling infrastructure by local governments and the opportunity cycling provides for fitness all support the view that there is more room in this retail segment for large scale retailing.

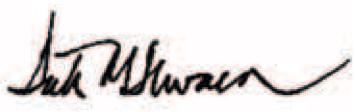
Super Cheap Auto Group is not all about growth through new formats. There is a heightened awareness in the current economic conditions of the need to carefully manage both costs and inventories. Excessive inventory at a time of relatively high interest rates is a concern at a time when higher petrol prices are having an impact on the cost of manufacture and distribution, and the capacity of customers to spend.

Relatively low average transactions at the Supercheap Auto stores add a degree of resilience when economic conditions change. Nevertheless, the company is mindful that price increases, more expensive petrol and any sudden increase in unemployment could overwhelm the benefits available from recent tax cuts and cause consumers to reduce their spending.

The current outlook is reasonably positive for retailers in the space occupied by Supercheap Auto, BCF and Goldcross. The Board and longstanding holders of Super Cheap Auto Group shares recognise that the team under Peter Birtles' leadership continues to demonstrate the capacity to openly and honestly confront and respond to shifts in consumer demand.

The Board has declared a fully franked final dividend of 7.5 cents. This brings the dividend for the full year to 13.0 cents which is an increase of 2.5 cents on the 2007 financial year. It recognises that the company continues to invest in growth. This strategy is the best way to ensure that dividends continue to grow in the future. The dividend will be paid on 14 October 2008.

Finally, John Skippen has accepted an invitation to join the Board in September. His appointment is both welcome and timely. He was formerly the Finance Director at Harvey Norman Holdings Limited. It is the first non-executive director appointment to the Board since the company listed on the ASX in 2004.



R D McIlwain
Chairman
Super Cheap Auto Group Limited

MANAGING DIRECTOR'S REPORT

I am pleased to be able to report another year of significant progress for the Super Cheap Auto Group. We have delivered record sales and profits at the same time as investing in growth opportunities and in building capability and infrastructure across the Group.

The highlights for the year included:

- Earnings per share increasing by 15.5% over the prior comparative period
- Supercheap Auto and BCF growing profits at a faster rate than sales through improvement in retail margins and control of support costs
- Strong like for like sales growth across both businesses
- $44.1 million invested in new and refurbished stores
- The relocation and set up of three distribution centres across Australia
- The acquisition of the Goldcross Cycles business

In early 2006, we established a strategic agenda for the Group which incorporated a balance of initiatives designed to both expand and increase the profitability of our existing businesses, to build the systems and infrastructure necessary to operate an expanded group, to develop and retain our team members and to develop new business opportunities.

Some two and a half years later, we are very pleased with our progress. The Supercheap Auto and BCF businesses are not only performing well but are set for further growth through new stores, merchandising and marketing initiatives and procurement opportunities. The acquisition of Goldcross provides the opportunity to develop the largest chain of bicycle retail stores across Australia and New Zealand.

SUPERCHEAP AUTO

Sales increased by 6.3% to $558.8 million with like for like sales growth in our existing stores of 4.8%. This was the highest level of like for like growth recorded for some five years and was particularly pleasing, given the robust like for like growth of 4.1% in the prior comparative period.

EBIT at $41.5 million was 9.8% higher than the prior comparative period. EBIT margins increased from 7.2% of sales to 7.4% through continued reduction in the cost of doing business. Operating costs as a % of sales have fallen by 0.7% points over the last two years. Gross margins held steady at 39.3% with benefits derived from sourcing initiatives offsetting the impact of the higher sales growth in lower gross margin categories such as in-car navigation and lubricants.

Five new stores were opened during the year, one store was closed and two stores were relocated. 30 stores were refurbished during the year and the Caboolture store was refurbished and reformatted as a Superstore. At the end of June, there were 250 stores trading across Australia and New Zealand. The refurbished stores continue to trade well delivering a significant uplift in sales compared to trend prior to refurbishment. We intend to refurbish another 30 stores in the next financial year.

The two Pitstop shopping centre concept stores are not yet trading at a level that merits further rollout but we will continue to refine store layout and the product offering over the next few months. The Caboolture Superstore is trading very strongly and we expect to convert two existing stores to Superstores in the next 12 months.

We have continued to focus our product range selection around national brand leaders such as Castrol, Bosch, Amorall and Ferodo along with our three tier own brand strategy under our Best Buy, SCA and Calibre own brands. The strengthening performance of Supercheap Auto has attracted leading brands such as Ryco filters and Bendix brake pads which will in turn cement our position as the leading retailer of auto parts and accessories. New products are a key part of our offer to our customers and over the last 12 months over 25% of our products were renewed.

We have supplemented our product offering with service offerings such as car insurance, a trade customer offer and product fitment. At the end of June we were fitting around 1,000 products per week. We see service as a growth opportunity for the business and will increase our marketing of our service offer in the coming year.

Marketing and promotion continues to be a key driver of sales performance. We renewed our sponsorship of the Bathurst 1000 until 2010 and we have entered into a new sponsorship agreement with Paul Morris Motor Sport and Russell Ingall to support a two car team in the V8 Super Car series.

During the year, we commenced work on a customer service development program for our team as we believe that there is an opportunity to more actively engage with our customers in store. We have also introduced the functionality to sell product online through the Supercheap Auto website.

Finally, the Australian Retail Association awarded Supercheap Auto Best Retailer of the Year award for 2008. This award and the performance of the business are worthy recognition of the direction and leadership that David Ajala has provided for Supercheap Auto over the last two and a half years. David and his team have worked tirelessly to drive the business forward in a low growth market. As I said in last year's report, many of the initiatives underway are works in progress and this remains the case again this year. There is much potential for growth for Supercheap Auto over the coming years.

BCF - BOATING CAMPING FISHING

Sales at $156.4 million were 58% higher than the prior comparative period. Like for like growth from stores trading for more than 12 months was 5.7%, a particularly strong result given that sales at a number of existing stores were cannibalised by the opening of new stores.

EBIT at $7.9 million was $6.1 million higher than the prior comparative period with EBIT pre new store set up costs at $11.9 million was $5.3 million higher. Underlying EBIT margins pre new store set up costs have increased from 6.7% to 7.6%.

At the end of June, BCF had 49 stores trading across Queensland, New South Wales, Victoria, Western Australia and the Northern Territory. 17 new BCF stores were opened during the year including two stores acquired from JV Marine in Melbourne. Nine of these new stores are in the smaller 1,200m2 store format in regional towns around Australia.

A smaller specialist Fishing and Tackle store trading as Campbell's ProTackle in Perth was acquired in December and continues to trade under the Campbell's name. This acquisition has provided the opportunity for BCF to gain a deeper understanding of the more specialist end of the Fishing and Tackle market and the opportunity that exists to extend our offer into more specialist products.

BCF is still a very young business and although the business has performed very well we recognise that there remains an opportunity to better tailor the offer to local market demand. We are looking to build our business in Victoria and to launch the business in South Australia in the next 12 months.

We are working on an own brand program for BCF across a range of categories and we see opportunities to further develop our apparel offer. We continue to work closely with our National Brand supply partners on new product development and exclusive product opportunities.

This has been a major driver of the improvement in gross margins which increased from 40.6% in the prior comparative period to 41.6%.

I would like to acknowledge and thank Steve Doyle and his team for their ongoing passion and commitment towards developing the BCF business. 2008/09 is shaping up to be another year of significant growth for BCF with both new stores and new product development opportunities. In recognition of Steve's demonstrated ability to grow new businesses, his responsibilities have been extended to incorporate driving the growth of the Goldcross business.

GOLDCROSS

On 23 June 2008, we completed the acquisition of Goldcross Cycles, an 11 store network of bicycle stores all based in suburban Melbourne. At the same time we acquired a 50 per cent interest in Oceania Bicycles, an importer and distributor of bicycles and bicycle parts and accessories, which provides us with certainty of product supply.

We have been looking at opportunities in the bicycle retail market for some time. The market has grown significantly over the last few years and we believe that a number of factors, including public policy, environmental concerns and demographic changes will continue to drive growth over the coming years.

The bicycle retail market is highly fragmented and we see an opportunity to develop a market leading category killer business. Over the next few years, we plan to grow Goldcross to a chain of around 50 stores across Australia.

We are currently working on updating the store design and marketing activity and in extending the product offer. We aim to relaunch the business prior to the Christmas 08 sales period.

We incurred around $500,000 of due diligence and market research costs associated with the acquisition of Goldcross during the year.

GROUP LOGISTICS AND SHARED SERVICES

2007/08 has been a year of significant investment in building a logistics infrastructure to support the future growth of the company. At the start of the year we had a network of three distribution centres in Brisbane, Perth and Auckland and we also utilised a number of third party facilities in Brisbane, Perth and Melbourne. During the year we have established new distribution centres in Melbourne and Brisbane and relocated our Perth distribution centre. As a result, we have been able to exit all third party facilities.

The new network provides us with approximately 88,000 square metres of warehousing space of which we are currently utilising 53,000. As a result we are currently sub-letting 15,000 square metres of our new Melbourne facility to a third party until we need it. The new network will allow us to increase the efficiency of both our domestic and international freight operations leading to lower unit costs.

We invested around $5 million in establishing the new network of which $2 million was expensed as part of operating costs and $3 million of distribution centre fit-out was capitalised. The disruption to the supply chain through the relocation project has had a short term impact of the efficiency of our Group Logistics operations and led to a short term increase in working capital. These impacts will reverse in 2008/09.

Our Shared Services teams continued to do an excellent job in supporting the growth and operations of our retail businesses and at the same time reduce their operating costs from 3.3% of Group sales in the prior comparative period to 3.1% of Group sales.

REVIEW OF FINANCIAL CONDITION

We have continued to utilise debt facilities to fund the investment in the growth of the Group. During the year we renegotiated our debt facilities with our banker, ANZ, who, despite the wider turmoil in the credit markets, were willing to reinforce their support for our business. We have increased our debt facilities to an overall limit of $200 million with only a minor increase in costs. $80 million of the facilities are in the form of a working capital funding facility which is reviewed on an annual basis. $120 million is in the form of a term debt facility which matures in April 2010.

Net external debt for the Group has increased from $93.5 million to $117.8 million. Under AIFRS a further $1.1 million (2007 - $1.6 million) of net debt relating to a team member share scheme special purpose vehicle has been consolidated into the Group's balance sheet.

Cash flow from operations was $49.6 million, an increase of $15.6 million compared to the prior year. Overall investment in working capital was $7 million of which $19.2 million related to new stores, $10 million related to extra stock carried by the business through the supply chain reconfiguration, offset by a $30 million benefit arising from the earlier period end balance date of 28 June.

Group capital expenditure was $43.5 million with $15.2 million invested in acquisitions, $8.5 million in new store fit-out, $7.9 million in the store refurbishment program, $7.5 million in supply chain and IT projects and $4.4 million in general maintenance projects.

CORPORATE SOCIAL RESPONSIBILITY

We recognise our responsibilities as a member of the wider community and have established a number of initiatives under a social and environmental agenda.

On the social side, the Group is supporting a number of children's healthcare charities through the sale of promotional product in store, change collection and fund raising events. Over the last three years, in excess of $2 million has been raised for these charities.

The Group is a founding partner of the Queensland Leaders Group, an organisation established to assist in the development and mentoring of smaller Queensland based companies.

Supercheap Auto has begun promoting the importance of safe driving. In partnership with Channel 7 and Russell Ingall, the business has developed a series of TV advertisements and the message will also be featured in promotional catalogues. The business has developed a safe driving program in partnership with the Holden Performance Driving Centre which is available through the store network at no profit. All of the Group's managers who have company vehicles undertake this program.

On the environmental side, the Group has established programs to reduce consumption of paper, packaging and power. The Group is working in partnership with PMP to more accurately target catalogue distribution to reduce the number of catalogues issued. The Group is also developing a program to enable customers to return car batteries for recycling and is considering similar programs for paint and oil. The Group will be exploring opportunities to replace customer plastic bags with biodegradable bags in the coming year.

TEAM MEMBERS

At the end of June, total Team Member numbers had grown to just a tick over 4,600. We see that our ability as an organisation to continue to motivate and retain our team members will be critical to our growth plans.

Over the last two years, we have increased our investment in the development of our people and we are pleased that in a very competitive labour market, we have been able to reduce the level of team member turnover across our Group. Moving forward, we will be doing more work on our team member development programs but also enhancing our team member engagement and remuneration and reward arrangements.

We are also very pleased that our focus on a safe working environment is delivering results. For the second year in a row, despite the significant increase in the number of team members working in our business, we have been able to reduce both the number of lost time injuries and the hours lost to injury.

Passion is the first of our team member values and I am always extremely gratified by the number of our team members who have a real passion for their jobs. It is this passion that has enabled the business to grow and develop. Our management teams and our wider group of team members have worked very hard on both our every day business and our strategic initiatives. On behalf of my fellow shareholders I would like to acknowledge and thank all of our team members for their contribution.

LOOKING AHEAD

We anticipate that the trading environment will be challenging for the next few months reflecting the more general slowing in the growth of retail spending. However, we believe that the medium term outlook for retail spending remains strong. Consequently, we will continue to invest in growth opportunities for the Group.

Supercheap Auto is planning to open up to eight stores in the next year depending on property opportunities and will refurbish another 30 existing stores. It also is planning to reconfigure two existing stores as Superstores. Leveraging the reconfigured logistics network provides the opportunity to further improve profit margins.

BCF will be targeting around 10 new stores including the first BCF stores in the ACT and South Australia. The increased scale and sourcing opportunities plus a reduced investment in store opening costs will further improve profit margins.

The development of the Goldcross business will be dependent on property opportunities but the business has the capacity to open around eight stores in the next year. The business will also be refurbishing most of the existing 11 stores. The revenue investment in developing the Goldcross business will result in a negative EBIT contribution of around $2 million in the 2008/09 year.

We have a full agenda of interesting and challenging initiatives to grow and develop our businesses in the 2008/09 year and I look forward to reporting on our progress to you during the year.

Peter Birtles
Managing Director
Super Cheap Auto Group Limited

BOARD OF DIRECTORS

Dick McIlwain, BA, FAICD

Independent Non-Executive Chairman

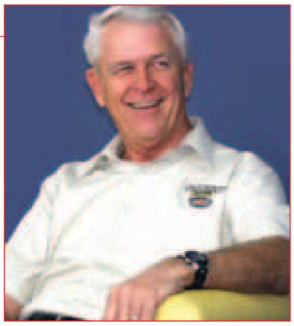
Dick McIlwain, aged 61, was appointed a Director of the Company on 19 May 2004. Dick is also the Managing Director and Chief Executive of Tatts Group Limited, Non-Executive Chairman of Wotif.com Limited and a Fellow of the Australian Institute of Company Directors.

Peter Birtles, BSc, ACA

Managing Director

Peter Birtles, aged 44, was appointed a Director of the Company on 5 January 2006. Peter joined Super Cheap Auto Pty Ltd in April 2001 as Chief Financial Officer and in January 2006 was appointed Managing Director.

Peter is a chartered accountant with over 20 years' experience. Prior to joining Super Cheap Auto, Peter spent 12 years working with The Boots Company in the United Kingdom and Australia in a variety of senior finance, operational and information technology roles where he ultimately held the position of Head of Finance and Planning. Prior to joining The Boots Company, Peter worked for Coopers & Lybrand.



Reg Rowe

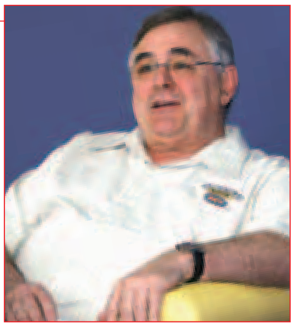
Non-Executive Director

Reg Rowe, aged 64, was appointed a Director of the Company on 8 April 2004. Reg and Hazel Rowe founded an automotive accessories mail order business in 1972 which they ran from their Queensland home. In 1974 they commenced retail operations of the business which evolved into Super Cheap Auto. Reg served as Managing Director of Super Cheap Auto Pty Ltd until 1996 and then Chairman from 1996 to 2004.

Prior to this, Reg had 13 years' experience in various retail roles at Myer Department Stores.

Darryl McDonough, BBus (Acty), LLB (Hons), SJD, FCPA, FAICD

Independent Non-Executive Director



Darryl McDonough, aged 57, was appointed a Director of the Company on 19 May 2004. Darryl is a practicing solicitor with over 20 years of corporate experience. He has served as a director of a number of public companies in the past including Cellnet Group Limited of which he was chairman and Bank of Queensland Limited. Darryl is a Past-President of the Australian Institute of Company Directors, Queensland Division.

Robert Wright, BCom, FCPA, MAICD

Independent Non-Executive Director

Robert Wright, aged 59, was appointed a Director of the Company on 19 May 2004. Robert has 30 years' financial management experience, having held a number of chief financial officer positions, including finance director of David Jones Limited. He is currently the Chairman of Dexion Limited, SAI Global Limited and both Babcock & Brown Residential Land Partners Limited and Babcock & Brown Residential Land Partners Services Limited (jointly Babcock & Brown Residential Land Partners Group). Robert is also a director of Australian Pipeline Limited.

Robert is the Chairman of the Audit and Risk Management Committee.

GROUP LEADERSHIP TEAM

Peter Birtles

Managing Director

Peter joined Super Cheap Auto in 2001 as Chief Financial Officer and was appointed Managing Director in January 2006.

Peter is a chartered accountant with over 20 years' experience. Prior to joining Super Cheap Auto, Peter spent 12 years working with The Boots Company in the United Kingdom and Australia in a variety of senior finance, operations and information technology roles where he ultimately held the position of Head of Finance and Planning. Prior to joining The Boots Company, Peter worked for Coopers & Lybrand.

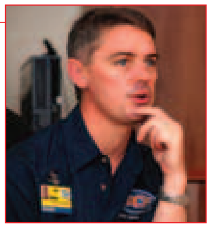
David Ajala

Chief Operating Officer – Supercheap Auto

David joined the Super Cheap Auto Group in July 2005 as the General Manager of Merchandise before taking on his current role as COO in January 2006. David is responsible for Merchandise, Marketing and Retail Operations of the Supercheap Auto business.

David has an extensive background in store operations and merchandise in the retail sector. Prior to joining the Super Cheap Auto Group, David held a number of senior management positions in Coles Myer's supermarket division across several States in a career spanning over 20 years. Roles included Regional Store Operations, National Category, National Promotions and National Business Manager.

Steve Doyle



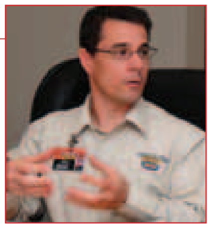
Chief Operating Officer - Leisure Retailing

Steve joined Super Cheap Auto in 2002 as Marketing Manager. He subsequently held the positions of General Manager – Retail and General Manager – Merchandising.

In January 2005, following the acquisition of CampMart, Steve was appointed General Manager – CampMart. CampMart was relaunched as BCF in July 2005. Steve was appointed Chief Operating Officer – BCF in January 2006. Following the acquisition of Goldcross in June 2008, Steve's role has expanded to Chief Operating Officer Leisure Retailing. He is responsible for the merchandising, marketing and retail operations of the BCF and Goldcross businesses.

Prior to joining the Super Cheap Auto Group, Steve was a National Business Manager in Woolworths Limited's merchandise team. In 2004, Steve received the Australian Institute of Management Young Manager of the Year Award for Brisbane.

Gary Carroll



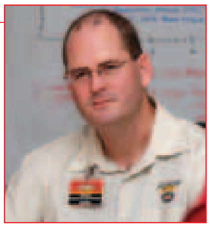
Chief Financial Officer

Gary joined Super Cheap Auto Group in April 2006. He has over 15 years' experience in accounting, treasury and banking areas across a number of industry sectors. He holds an honours degree in Commerce and Law from the University of Queensland, and is a CPA.

After commencing his career with Ernst & Young, Gary held senior management positions with companies such as Citibank, Duke Energy and Flight Centre.

Gary is responsible for the finance, information services, risk management and compliance functions for the Group.

Robert Dawkins



Group Property Manager

Robert has 15 years' experience in property management. Prior to joining Super Cheap Auto in 2001, Robert was the Property Manager for the Bank of Queensland Limited. He holds a degree qualification in Accountancy from Queensland University of Technology.

Robert's key responsibilities include property and facilities management, property leasing and development, project and contract management and asset acquisition and disposal.

Graham Chad

General Manager – Group Logistics

Prior to joining Super Cheap Auto in 2005, Graham spent 19 years with the Masterfoods (Mars) Group in Australia and New Zealand in various senior management roles followed by five years in retail general merchandise. He was Chief Logistics Officer for The Warehouse Group, Auckland and spent several years at Woolworths in the Supply Chain Operations Group for grocery distribution.

Graham is responsible for the logistics functions that support the Group's business units incorporating the management of distribution centres, freight and imports.

Steve Tewkesbury

General Manager – Overseas Sourcing

Steve joined the Super Cheap Auto Group in 2004 as Supply Chain Manager and in 2006 was appointed as General Manager – Overseas Sourcing. He has in excess of 24 years' experience in sales, marketing and logistics. Prior to joining Super Cheap Auto, Steve worked in Global Supply Chain and E-Commerce Strategy for Reckitt & Colman, then as a Supply Chain Consultant within the Australian FMCG sector. He holds a degree qualification in E-Commerce from Monash University.

Steve has been based in China since August 2006, managing our overseas sourcing operations in Hangzhou and Shanghai, coordinating our international shipping negotiations and managing our China logistics partner services at origin.

Sonia La Penna

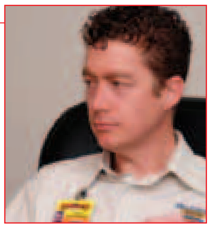
Group Human Resources Manager

Sonia joined Super Cheap Auto Group in December 2005 as the Group Human Resources Manager. Together with her tertiary qualifications, Sonia has over 10 years of Human Resources experience both in Australia and internationally.

Prior to joining Super Cheap Auto Group, Sonia commenced her HR career with Franklins Limited and since then has held senior management positions for companies including Brazin Limited, Royal Caribbean Cruise Lines and Sunglass Hut Australasia.

Sonia is responsible for Human Resources Management across the Group.

David Kelley



Company Secretary

David joined Super Cheap Auto Group in 2005, having held various roles at General Motors – Asia/Pacific, Woolworths Limited and Adelaide Casino. David has a Bachelors Degree in Economics from the University of Adelaide, a Post Graduate Diploma in Applied Corporate Governance and an M.B.A. from the Australian Graduate School of Management.

In addition to serving as Company Secretary, David leads the Group's risk management, compliance, audit, insurance, investigations and loss prevention functions.

Pam Pugsley

General Manager Retail Operations

Pam joined Super Cheap Auto in November 2004. Pam has 23 years of retail experience in Coles Myer Limited. Prior to joining Super Cheap Auto, Pam was a Regional Manager for Coles Supermarkets and Pick'n'Pay and previously held positions in Merchandising, Store Development and State Services Management in a variety of locations across Australia.

In 2002, Pam completed a Post Graduate qualification through Deakin University in Melbourne. Pam has the responsibility for the day-to-day operations of our stores as well as the Store Improvements Department.

Wayne McMahon

Chief Information Officer

Wayne joined Super Cheap Auto Group in 2006. A graduate of Wollongong University, he has over 22 years experience in all areas of Information Technology.

Wayne was previously based in Hong Kong as CIO for Esquel Enterprises Limited and in Singapore as Director Information Technology, Asia Pacific for ModusLink. In total he has over 13 years experience living and working across Asia, with 11 of those years in the eCommerce enabled Supply Chain industry.

Wayne is responsible for process development and information technology across the group.

CORPORATE GOVERNANCE STATEMENT

Super Cheap Auto Group Limited ("the Company") and the Board are committed to achieving and demonstrating high standards of corporate governance. The Directors of Super Cheap Auto Group Limited are accountable to shareholders for the proper management of the business and affairs of the Company.

A description of the Company's main corporate governance practices is set out below. All these practices unless otherwise stated were in place for the reported period.

THE BOARD OF DIRECTORS

The Board of Directors, working with senior management, is responsible to shareholders for the overall management of the Company's business and affairs. The Directors' overriding objective is to increase shareholder value within an appropriate framework which protects the rights and interests of company shareholders and ensures the Company and its controlled entities are properly managed.

The Board delegates responsibility for day-to-day management of the Company to the Managing Director.

Composition of the Board

The constitution of the Company provides that the number of Directors is to be not less than three nor more than eight. The Board is currently comprised of five Directors, four of whom (including the Chairman) hold their positions in a non-executive capacity.

The Board operates in accordance with the broad principles set out in its charter which is available from the Corporate Governance information section of the Company website at www.supercheapauto.com.

The Chairman is responsible for leading the Board, ensuring Directors are properly briefed in all matters relevant to their role and responsibilities, facilitating board discussions and managing the Board's relationship with the Company's senior executives.

The Managing Director is responsible for implementing Group strategies and policies. The Board Charter specifies that these are separate roles to be undertaken by separate people.

The composition of the Board is reviewed annually by the Board Nomination and Remuneration Committee to ensure that it has available an appropriate mix of skills and experience to ensure the interests of shareholders are served.

Details of the members of the Board, their experience, expertise, qualifications and independent status are profiled in the Directors' Report on pages 19 to 28.

Responsibilities

The responsibilities of the Board include:

- approving the Company's goals and strategic direction;
- monitoring financial performance, including adopting annual budgets and approving the Group's financial statements;
- ensuring that adequate systems of internal control exist and are appropriately monitored for compliance;
- selecting the Managing Director and reviewing the performance of senior management; and
- ensuring significant business risks are identified and appropriately managed.

Directors' Independence

As stated there are five Directors, three of whom are Independent Non-Executive Directors (including the Chairman). The predominance of Independent Non-Executive Directors clearly separates the Board from the Company's executive management and enshrines board independence. The structure also provides the Company with the benefit of a diverse range of experience, qualifications and professional skills.

The Board has adopted the independence definition suggested by the ASX Corporate Governance Council and as such three of the Company's Directors (namely Mr Dick McIlwain, Dr Darryl McDonough and Mr Robert Wright) are considered to be independent by reference to that definition.

Independent Professional Advice

The Board (and each individual director) is entitled to seek independent professional advice consistent with Corporate Governance Practices at the Company's expense (subject to the reasonableness of the costs and Board consent) in the conduct of its duties for the Company.

Performance Assessment

The Board undertakes an annual performance evaluation of itself that compares the performance of the Board with the requirements of the Board Charter, sets the goals and objectives of the Board for the upcoming year and effects any improvements to the Board Charter that are necessary or desirable.

This evaluation is conducted by the Board and includes consideration of the annual assessment of the effectiveness of the Board as conducted by the Board Nomination and Remuneration Committee.

This assessment was undertaken during May 2008

Financial Reporting

The Board is provided with monthly reports from management on the financial performance of the Company. The monthly reports include details of all key financial measures reported against budgets approved by the Board. The Company's financial report preparation and approval process for each financial year involves both the Managing Director and the Chief Financial Officer making the following certifications to the Board that:

- The Company's financial reports and accompanying notes represent a true and fair view in all material respects of the Company's financial condition and operational results and are in accordance with relevant accounting standards;

- The above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and

- The Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

Board Committees

The Board has established two Committees to assist it in carrying out its responsibilities, the Board Nomination and Remuneration Committee and the Audit and Risk Committee.

Each Committee has its own written charter setting out its role and responsibilities, composition, structure, membership requirements and the manner in which the Committee is to operate. All matters determined by Committees are submitted to the full Board as recommendations for Board decision.

Minutes of committee meetings are tabled at the subsequent Board meeting. Additional requirements for specific reporting by the committees to the Board are addressed in the charter of the individual committees.

Board Nomination and Remuneration Committee

The current composition of the Board Nomination and Remuneration Committee is the full Board. The Committee Chairman is the Chairman of the Board. The Managing Director does not have voting rights.

The Committee operates in accordance with its charter which is available on the Company's website.

The Board has charged the Board Nomination and Remuneration Committee with responsibility to:

- Assist the Board in ensuring that it is comprised of Directors with the appropriate mix of skills, experiences and competencies to discharge its mandate effectively;

- Establish procedures for the selection and recommendation of candidates suitable for appointment to the Board;

- Ensure that the Company has in place appropriate remuneration policies designed to meet the needs of the Company and to enhance corporate and individual performance;

- Review the succession planning for the Board and senior management and report to the Board on such issues.

The Committee advises the Board on remuneration and incentive policies and practices generally, and makes specific recommendations on remuneration packages and other terms of employment for executive directors, other senior executives and non executive directors.

Each member of the senior executive team signs a formal employment contract at the time of their appointment covering a range of matters including their duties, rights, responsibilities and any entitlements on termination. The standard contract refers to a specific formal job description.

Audit and Risk Committee

The existence of the Audit and Risk Committee is considered by the Company to be a key element of its corporate governance program and part of the Company's commitment to best practice in the area of corporate governance.

The Audit and Risk Committee consists of the following Independent Non-Executive Directors:

R J Wright (Chairman)
R D McIlwain
D D McDonough

All members of the Audit and Risk Committee are financially literate and have the requisite financial expertise. Some members have an in-depth understanding of the industry in which the Company operates.

The Audit and Risk Committee operates in accordance with a charter which is available on the Company's website.

Details of these Directors' qualifications and attendance at Audit and Risk Committee meetings are set out in the Director's Report on pages 19 to 28.

The Audit and Risk Committee supports the full Board and essentially acts in a review and advisory capacity. The Committee is considered to be a more efficient forum than the full Board for focusing on particular issues relevant to:

- Verifying and safeguarding the integrity of the Company's financial reporting including the review, assessment and approval of the half-year financial report, the annual report and all other financial information published by the Company or released to the market;

- Establishing a sound system of risk oversight and management, and internal control;

- Establishing a sound system of compliance with laws and regulations, internal compliance guidelines, policies, procedures and control systems and prescribed internal standards of behaviour.

This committee provides ongoing assurance in the areas of:

- Financial administration and reporting;

- Audit control and independence;

- legal compliance;

- Accounting policies and standards;

- Internal controls; and

- Risk oversight and management.

External Auditors

The Company's Audit and Risk Committee's policy is to appoint external auditors who demonstrate quality and independence.

The Audit and Risk Committee:

- Recommends to the Board the appointment of External Auditors and their fee;

- Reviews the performance of the External Auditors;

- Establishes processes to ensure the independence and competence of the External Auditors' Audit Managers;
- Oversees and appraises the quality of audits conducted by the External Auditors;
- Approves External Audit yearly audit plans for the Company and its subsidiaries and oversees the scope of audits to be conducted;
- Ensuring that no management restrictions are placed upon access to relevant information or personnel by External Auditors.

The performance of the External Auditor is reviewed annually.

An analysis of fees paid to the External Auditors, including a break-down of fees for non-audit services is provided in Note 29 to the financial statements. It is the policy of the External Auditors to provide an annual declaration of their independence to the Audit and Risk Committee.

The External Auditor is requested to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Code of Conduct

The Company has developed a statement of values and a Code of Conduct (the Code) which has been fully endorsed by the Board and applies to all Directors and team members. The Code is reviewed and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in the Company's integrity.

In summary, the Code requires that at all times all company personnel act with the utmost integrity, objectivity and in compliance with the letter and the spirit of the law and company policies.

A copy of the Code is available on the Company's website.

Dealing in Shares

The Company has a formal written policy for Directors and officers with respect to trading in the Company's securities ("Trading Policy"). Directors and senior management (and their associates) are prohibited from engaging in short-term trading of Company securities.

The policy also restricts the selling of Company securities to three "window" periods (between 24 hours and 30 working days following the release of the annual results, the release of the half-yearly results and the close of the annual general meeting) and such other times as the Board permits. In addition, Directors and senior management must notify the Chairman before they buy or sell Company securities and confirm once the transaction is complete.

In all instances buying or selling Super Cheap Auto shares is not permitted at any time by any person who possesses price sensitive information not available to the market.

A copy of the Trading Policy is available on the Company's website.

Continuous Disclosure and Shareholder Communication

The Company has written policies and procedures on information disclosure that focus on continuous disclosure of any information concerning the Company and its controlled entities that a reasonable person would expect to have a material effect on the price of the Company's securities. These policies and procedures also include the arrangements the Company has in place to promote communication with shareholders and encourage effective participation at general meetings. A summary of these policies and procedures is available on the Company's website.

The Company Secretary is the person responsible for communications with the Australian Stock Exchange (ASX).

FINANCIAL STATEMENTS

SUPER CHEAP AUTO GROUP LIMITED

FOR THE PERIOD ENDED

28 JUNE 2008

Directors' Report

Your Directors present their report on the consolidated entity consisting of Super Cheap Auto Group Limited and the entities it controlled at the end of, or during, the period ended 28 June 2008.

Directors

The following persons were Directors of Super Cheap Auto Group Limited during the financial period and up to the date of this report.

R D McIlwain
R A Rowe
D D McDonough
R J Wright
P A Birtles

Information on qualifications and experience of Directors is included on pages 20 to 21.

Principal activities

During the period, the principal continuing activities of the consolidated entity consisted of the retailing of:

- auto parts and accessories, tools and equipment
- boating, camping and fishing equipment

Dividends – Super Cheap Auto Group Limited

The Directors recommended a fully franked dividend of 7.5 cents per share be paid on 14 October 2008 (total dividend, fully franked - $7,997,222). The following fully franked dividends of the parent entity have also been paid, declared or recommended since the end of the preceding financial year:

Dividend	Payment Date	$
2007 final fully franked dividend (6.5¢ per share)	10 October 2007	6,917,925
2008 interim fully franked dividend (5.5¢ per share)	2 April 2008	5,864,629
		12,782,554

Review of operations

Revenue from trading operations for the year was $715,657,000 (2007: $625,187,000). During the period, the consolidated entity opened five new Supercheap Auto stores of which four were in Australia and one in New Zealand. This resulted in Supercheap Auto trading with 250 stores at the end of the period. 18 new BCF stores were opened or acquired during the period taking total trading stores to 49. The Group acquired 11 Goldcross stores on 23 June 2008. At the end of the financial year, the consolidated entity was trading from 310 stores.

The net profit of the consolidated entity for the period ended 28 June 2008, after providing for income tax, amounted to $25,800,000 (2007: $22,332,000).

A review of the operations for the 52 weeks to 28 June 2008 is set out in pages 3 to 7 of this report.

Matters subsequent to the end of the financial period

Subsequent to the end of the period, BCF Australia Pty Ltd completed the acquisition of Jurkiewicz Adventure Store (including the Canberra Ski and Board Centre) for $1.70 million, buying certain assets and assuming certain liabilities.

Environmental regulation

The consolidated entity's environmental obligations are regulated under State, Territory and Federal Law. The consolidated entity has a policy of at least complying with its environmental performance obligations. All environmental performance obligations are monitored by the Board. No environmental breaches have been notified to the consolidated entity during the period ended 28 June 2008.

Directors and Directors' interests

The Directors of Super Cheap Auto Group Limited in office at the date of this report are listed below together with details of their relevant interest in the securities of the Company at that date.

R D McIlwain, BA, FAICD. *Independent Chairman – non-executive.* Age 61.
Experience and expertise
Independent non-executive Chairman for 4 years 3 months. Currently Managing Director and Chief Executive of Tatts Group Limited. Fellow of the Australian Institute of Company Directors.

Other current directorships
Director of Tatts Group Limited
Non-Executive Chairman of Wotif.com Limited since 2006

Former directorships in the last 3 years
None.

Special responsibilities
Chairman of the Board
Chairman of the Nomination and Remuneration Committee
Member of the Audit and Risk Committee.

Interests in shares and options
158,882 ordinary shares in Super Cheap Auto Group Limited.

P A Birtles. BSc, ACA *Managing Director.* Age 44
Experience and expertise
Managing Director for 2 years and 8 months. Previously Chief Financial Officer for 4 years 8 months and Company Secretary for 1 year 5 months.

Other current directorships
None.

Former directorships in the last 3 years
None.

Special responsibilities
Managing Director.
Member of the Nomination and Remuneration Committee.

Interests in shares and options
1,192,089 ordinary shares held on trust and 200,507 ordinary shares in Super Cheap Auto Group Limited.
500,000 options over ordinary shares in Super Cheap Auto Group Limited.

R A Rowe. *Non-Executive Director*. Age 64
Experience and expertise
Founder of the business in 1972. Non-executive director for 4 years 4 months. Previously 8 years as Chairman and 24 years as Managing Director.

Other current directorships
Director of a number of private family companies.

Former directorships in the last 3 years
None.

Special responsibilities
Member of the Nomination and Remuneration Committee.

Interests in shares and options
52,402,159 ordinary shares in Super Cheap Auto Group Limited.

D D McDonough, BBus (Acty), LLB (Hons), SJD, FCPA, FAICD. *Independent Non-Executive Director.* Age 57
Experience and expertise.
Independent Non-Executive Director for 4 years 3 months. Partner of a major legal firm. Past President of the Australian Institute of Company Directors (Queensland Division).

Other current directorships
None

Former directorships in the last 3 years
None

Special responsibilities
Member of the Audit and Risk Committee.
Member of the Nomination and Remuneration Committee.

Interests in shares and options
60,000 ordinary shares in Super Cheap Auto Group Limited

R J Wright, BCom, FCPA, MAICD. *Independent Non-Executive Director.* Age 59
Experience and expertise
Independent Non-Executive Director for 4 years 3 months. Director of a number of major Retail companies over the last 20 years.

Other current directorships
Chairman and Non-executive director of both Babcock & Brown Residential Land Partners Limited and Babcock & Brown Residential Land Partners Services Limited (jointly Babcock & Brown Residential Land Partners Group) (director since 2006). Chairman and non-executive director of Dexion Limited (director since 2005). Chairman and Non-executive director of SAI Global Limited (director since 2003). Non–executive director of Australian Pipeline Limited (director since 2000).

Former directorships in the last 3 years
None.

Special responsibilities
Chairman of the Audit and Risk Committee.
Member of the Nomination and Remuneration Committee.

Interest in shares and options
40,609 ordinary shares in Super Cheap Auto Group Limited.

Company Secretary

The Company Secretary is Mr D J Kelley, B.Ec., Grad. Dip. AppCorpGov, MBA, MIIA, ACIS. Mr Kelley commenced with Super Cheap Auto Group Limited as the Business Audit & Compliance Manager in February 2005 and was appointed Company Secretary in January 2006.

Meetings of directors

The number of meetings of the Company's Board of Directors and each Board Committee held during the period ended 28 June 2008 is set out below:

	Full meetings directors		Meetings of Committees			
			Audit & Risk		Nomination & Remuneration	
	A	B	A	B	A	B
R D McIlwain	10	10	3	3	1	1
P A Birtles	10	10	n/a	n/a	1	1
R A Rowe	10	10	n/a	n/a	1	1
D D McDonough	10	10	3	3	1	1
R J Wright	10	10	3	3	1	1

A = Number of meetings attended
B = Number of meetings held during the time the Director held office or was a member of the Committee during the year

Remuneration report

The remuneration report is set out under the following main headings:-

- Principles used to determine the nature and amount of remuneration;
- Details of remuneration;
- Service agreements;
- Share-based compensation; and
- Additional information.

The information provided in this report has been audited as required by s.308(3c) of the Corporations Act 2001.

Principles used to determine the nature and amount of remuneration

The broad remuneration policy is to ensure remuneration properly reflects the relevant person's duties and responsibilities and that the Group's remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The Board believes that the best way to achieve this objective is to provide Senior Executives with a remuneration package consisting of fixed components (salary and superannuation) which reflect the individual's responsibilities, duties and personal performance and a blend of short and long term incentives which reward both individual and company performance each year. The framework provides a mix of fixed and variable pay. As executives gain seniority within the group, the balance of this mix shifts to a higher proportion of "at risk" rewards.

Non-Executive Directors
Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Directors' fees and payments are reviewed annually by the Board. The Chairman's fees are determined independently to the fees of Non-Executive Directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration. Non-Executive Directors do not receive share options. Non-Executive Directors may opt each year to receive a percentage of their remuneration in Super Cheap Auto Group Limited shares, which would be acquired on-market.

Directors' fees
The current base remuneration was established on 1 July 2007. The Directors' fees are inclusive of Committee fees.

Non-Executive Directors' fees are determined within an aggregate Directors' fee pool limit approved by shareholders.

Executive pay
The executive pay and reward framework has four components:

- base pay and benefits
- short-term performance incentives
- long-term incentives through participation in the Super Cheap Auto Executive Option Plan, and
- other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration.

Base pay
Structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. External remuneration consultants provide analysis and advice to ensure base pay is set to reflect the market for a comparable role. Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There are no guaranteed base pay increases included in any senior executives' contracts.

Benefits
Executives receive benefits including car allowances and salary continuance insurance.

Short-term incentives
Should the Company achieve a pre-determined profit target set by the Nomination and Remuneration Committee then a short-term incentive (STI) pool is available for allocation to executives during the annual review. Cash incentives (bonuses) are payable in September each year. Using a profit target ensures variable reward is only available when value has been created for shareholders and when profit is consistent with the business plan. The incentive pool is leveraged for performance above the threshold to provide an incentive for executive out-performance.

Remuneration report (continued)
Principles used to determine the nature and amount of remuneration (continued)

Each executive has a target STI opportunity depending on the accountabilities of the role and impact on organisation of business unit performance. The maximum target bonus opportunity is between 40% and 50% of total base salary dependent on the seniority of the executive.

Each year, the Nomination and Remuneration Committee considers the appropriate targets and key performance indicators (KPIs) to link the STI plan and the level of payout if targets are met. This includes setting any maximum payout under the STI plan, and minimum levels of performance to trigger payment of STI.

For the period ended 28 June 2008, the KPIs linked to short term incentive plans were based on group, individual business and personal objectives. Depending on the responsibilities of the executive, these KPIs required performance in sales growth, gross profit improvement, reduction of operating costs and improvement in operating procedures. The targets are set to ensure that reward is only available when value has been created for shareholders and when profit is consistent with the business plan.

The Nomination and Remuneration Committee is responsible for assessing whether the KPIs are met. To help make this assessment, the Committee receives reports on performance from management.

The STI target annual payment is reviewed annually.

Key management personnel of the Group

Amounts of remuneration
Details of the remuneration of the directors and key management personnel (as defined in AASB 124 Related Party Disclosures) of Super Cheap Auto Group Limited are set out in the following tables.

The key management personnel of the Group includes the directors and the following executive officers, (being those who have responsibility for directing strategy for the Group):

- P A Birtles, Managing Director
- D F Ajala, Chief Operating Officer, Super Cheap Auto
- S J Doyle, Chief Operating officer, BCF
- G G Carroll, Chief Financial Officer
- G L Chad, General Manager, Group Logistics

The highest paid executives for the period ended 28 June 2008 were as follows:

- P A Birtles
- D F Ajala
- S J Doyle
- G G Carroll
- G L Chad

Remuneration report (continued)
Details of remuneration

Key management personnel of the Group

The following directors are key management personnel of the Group and Super Cheap Auto Group Limited.

2008

	Short-term benefits			Post-employment benefits		Share-based payment	
Name	Cash salary and fees $	Cash bonus $	Non-monetary benefits $	Super-annuation $	Retirement benefits $	Options $	Total $
Non-executive directors							
R D McIlwain *Chairman*	86,871	0	0	13,129	0	0	100,000
R A Rowe	0	0	0	72,000	0	0	72,000
D D McDonough	0	0	0	72,000	0	0	72,000
R J Wright	41,000	0	0	41,000	0	0	82,000
Sub-total non-executive directors	**127,871**	**0**	**0**	**198,129**	**0**	**0**	**326,000**
Executive directors							
P A Birtles	634,456	65,000	2,415	13,129	0	112,025	827,025
Other key management personnel							
D F Ajala	283,204	34,500	24,917	31,879	0	36,137	410,637
S J Doyle	280,936	31,500	20,935	13,129	0	36,137	382,637
G G Carroll	266,871	28,000	0	13,129	0	29,732	337,732
G L Chad	264,910	33,000	22,014	43,076	0	7,807	370,807
Totals	**1,858,248**	**192,000**	**70,281**	**312,471**	**0**	**221,838**	**2,654,838**

2007

	Short-term benefits			Post-employment benefits		Share-based payment	
Name	Cash salary and fees $	Cash bonus $	Non-monetary benefits $	Super-annuation $	Retirement benefits $	Options $	Total $
Non-executive directors							
R D McIlwain *Chairman*	0	0	0	100,000	0	0	100,000
R A Rowe	55,046	0	0	4,954	0	0	60,000
D D McDonough	0	0	0	60,000	0	0	60,000
R J Wright	36,697	0	0	23,303	0	0	60,000
Sub-total non-executive directors	**91,743**	**0**	**0**	**188,257**	**0**	**0**	**280,000**
Executive directors							
P A Birtles	597,502	306,875	2,414	12,686	0	119,533	1,039,010
Other key management personnel							
D F Ajala	235,564	157,500	42,064	37,224	0	36,137	508,489
S J Doyle	251,534	144,375	22,254	12,686	0	36,137	466,986
G G Carroll	249,676	100,397	0	12,686	0	29,732	392,491
G L Chad	250,891	126,000	17,656	43,017	0	7,809	445,373
Totals	**1,676,910**	**835,147**	**84,388**	**306,556**	**0**	**229,348**	**3,132,349**

Remuneration Report (continued)

Service Agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Each of these agreements provide for the provision of performance related cash bonuses, other benefits and when eligible, participation in the Executive Option Plan.

All contracts with executives may be terminated early by either party with three months notice, subject to termination payments as detailed below:-

P A Birtles, Managing Director

Term of Agreement - 5 years commencing 27 January 2006

Base salary, inclusive of superannuation, for the period ended 28 June 2008 of $650,000 to be reviewed annually by the Nomination and Remuneration Committee.

Payment of a termination benefit on early termination by the Company, other than for cause, equal to 12 months base salary if the termination is effective more than 12 months before the expiry date or 9 months base salary if the termination is effective within 12 months before the expiry date.

D F Ajala, Chief Operating Officer, Supercheap Auto

Term of Agreement - 5 years commencing 27 January 2006

Base salary, inclusive of superannuation, for the period ended 28 June 2008 of $340,000 to be reviewed annually by the Nomination and Remuneration Committee.

Payment of a termination benefit on early termination by the Company, other than for cause, equal to 6 months base salary if the termination is effective more than 12 months before the expiry date or 3 months base salary if the termination is effective within 12 months before the expiry date.

S J Doyle, Chief Operating Officer, BCF

Term of Agreement - 5 years commencing 27 January 2006

Base salary, inclusive of superannuation, for the period ended 28 June 2008 of $315,000 to be reviewed annually by the Nomination and Remuneration Committee.

Payment of a termination benefit on early termination by the Company, other than for cause, equal to 6 months base salary if the termination is effective more than 12 months before the expiry date or 3 months base salary if the termination is effective within 12 months before the expiry date.

G G Carroll, Chief Financial Officer

Term of Agreement - 5 1/4 years commencing 17 April 2006

Base salary, inclusive of superannuation, for the period ended 28 June 2008 of $280,000 to be reviewed annually by the Nomination and Remuneration Committee.

Payment of a termination benefit on early termination by the Company, other than for cause, equal to 6 months base salary if the termination is effective more than 12 months before the expiry date or 3 months base salary if the termination is effective within 12 months before the expiry date.

G L Chad, General Manager Group Logistics

Term of Agreement - 5 years commencing 27 January 2006

Base salary, inclusive of superannuation, for the period ended 28 June 2008 of $330,000 to be reviewed annually by the Nomination and Remuneration Committee.

Payment of a termination benefit on early termination by the Company, other than for cause, equal to 6 months base salary if the termination is effective more than 12 months before the expiry date or 3 months base salary if the termination is effective within 12 months before the expiry date.

Remuneration Report (continued)

Share based compensation
Shares under option
Unissued ordinary shares of Super Cheap Auto Group Limited under option at the date of this report are as follows:

Grant date	Exercise date	Exercise Price	Value per option at grant date	Number under option
27 January 2006	5 January 2009	$2.44	$0.29	400,000
27 January 2006	5 January 2010	$2.44	$0.34	200,000
27 January 2006	5 January 2011	$2.44	$0.38	200,000
17 April 2006	17 April 2009	$2.25	$0.43	75,000
17 April 2006	17 April 2010	$2.25	$0.47	75,000
17 April 2006	17 April 2011	$2.25	$0.51	100,000
1 July 2006	1 July 2009	$2.25	$0.19	262,500
1 July 2006	1 July 2010	$2.25	$0.25	262,500
1 July 2006	1 July 2011	$2.25	$0.30	350,000
26 October 2006	1 February 2009	$2.44	$0.63	150,000
26 October 2006	1 February 2010	$2.44	$0.72	150,000
26 October 2006	1 February 2011	$2.44	$0.79	200,000
23 August 2007	24 July 2010	$4.37	$0.93	180,000
				2,605,000

The exercise of the options is subject to the satisfaction of a qualifying hurdle. The qualifying hurdle requires cumulative annual growth of 10% in Earnings Per Share (pre amortisation) from the IPO Prospectus forecast Earnings Per Share (pre amortisation) for the year ending 30 June 2005 (being 17.2 cents) through to each of the years prior to the options being exercised. The options do not have an expiry date.

No option holder has any right under the options to participate in any other share issue of the Company or of any other entity.

Details of options over ordinary shares in the Company provided as remuneration to each Director of Super Cheap Auto Group Limited and each of the key management personnel of the Group are set out below.

Name	Number of options granted during the period	Number of options vested during the period
	2008	2008
Directors of Super Cheap Auto Group		
R D McIlwain	0	0
R A Rowe	0	0
D D McDonough	0	0
R J Wright	0	0
P A Birtles	0	200,000
Other Key Management Personnel		
D F Ajala	0	0
S J Doyle	0	0
G G Carroll	0	0
G L Chad	0	0

The amounts disclosed for emoluments relating to options above is the assessed fair value at grant date of options granted to executive directors and other executives, allocated equally over the period from grant date to vesting date. Fair values at grant date are independently determined using a Binomial option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Additional Information

The level of executive rewards takes into account the performance of the Group with greater emphasis given to the current and future years. Since listing in July 2004 profits have increased by 196% and dividends to shareholders have grown by approximately 185%. Revenue and store numbers have increased by 187% and 170% respectively. On a total basis, key management personnel remuneration (excluding bonus) has increased by 6% over the last 3 years, although notwithstanding certain managers have had their remuneration packages increased in line with performance and additional responsibilities.

Remuneration Report (continued)
Additional Information (continued)

Share-based compensation: Options
Further details relating to options are set out below.

Name	A Remuneration consisting of options	B Value at grant date $	C Value at exercise date $	D Value at lapse date $
R D McIlwain	0%	0	0	0
R A Rowe	0%	0	0	0
D D McDonough	0%	0	0	0
R J Wright	0%	0	0	0
P A Birtles	13.5%	0	394,000	0
D F Ajala	8.7%	0	0	0
S J Doyle	9.3%	0	0	0
G G Carroll	9.1%	0	0	0
G L Chad	2.1%	0	0	0

A = The percentage of the value of remuneration consisting of options, based on the value at grant date set out in column B.
B = The value at grant date calculated in accordance with AASB 2 *Share-based Payment* of options granted during the year as part of remuneration.
C = The value at exercise date of options that were granted as part of remuneration and were exercised during the year.
D = The value at lapse date of options that were granted as part of remuneration and that lapsed during the year.

Details of remuneration: Cash bonuses and options

Cash bonuses are dependent on the satisfaction of performance conditions as set out in the section headed “short term incentives” above. For each cash bonus included in the above tables, the percentage of the available bonus that was paid and the percentage that was forfeited because the person did not meet the performance criteria are set out below. No part of the bonuses are payable in future years.

	Cash Bonus		Options					
Name	Paid %	Forfeited %	Year granted	Vested %	Forfeited %	Financial years in which options may vest	Minimum total value of grant yet to vest	Maximum total value of grant yet to vest ($)
P A Birtles	14.3	85.7	2004	100	-	2008	Nil	135,400
			2007	-	-	2009	Nil	94,950
						2010	Nil	108,000
						2011	Nil	157,600
D F Ajala	20	80	2006	-	-	2009	Nil	58,200
						2010	Nil	34,100
						2011	Nil	38,100
S J Doyle	20	80	2006	-	-	2009	Nil	58,200
						2010	Nil	34,100
						2011	Nil	38,100
G G Carroll	25	75	2006	-	-	2009	Nil	32,175
						2010	Nil	35,475
						2011	Nil	50,800
G L Chad	25	75	2007	-	-	2010	Nil	7,275
						2011	Nil	9,488
						2012	Nil	15,050

Insurance of officers
During the financial year, Super Cheap Auto Group Limited paid a premium of $27,000 to insure the directors and secretaries of the Company and its controlled entities, and the general managers of each of the divisions of the Group.

The liabilities insured are legal costs 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, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Non-Audit Services
The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditor (PricewaterhouseCoopers) for audit and non-audit services provided during the year are set out below.

The Board of Directors has considered the position and, in accordance with the advice received from the Audit and Risk Committee is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Audit and Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

	Consolidated 2008 $'000	Entity 2007 $'000
During the period the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.		
Assurance Services		
PricewaterhouseCoopers Australian firm		
Remuneration for audit services	**281,365**	289,700
Remuneration for other assurance services	**0**	0
Total remuneration for assurance services	**281,365**	289,700
Taxation Services		
Total remuneration for taxation services	**75,532**	92,864
Advisory Services		
Total remuneration for advisory services	**0**	0

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 29.

Rounding of amounts
The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

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

R D McIlwain
Chairman

P A Birtles
Director

Brisbane
27August 2008

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
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Auditor's Independence Declaration

As lead auditor for the audit of Super Cheap Auto Group Ltd for the period ended 28 June 2008 I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Super Cheap Auto Group Limited and the entities it controlled during the period.

B S Delaney
Partner
PricewaterhouseCoopers

Brisbane
27 August 2008

Liability limited by a scheme approved under Professional Standards Legislation

Super Cheap Auto Group Limited ABN 81 108 676 204
Annual financial report - 28 June 2008

Contents

This financial report covers both Super Cheap Auto Group Limited as an individual entity and the consolidated entity consisting of Super Cheap Auto Group Limited and its subsidiaries. The financial report is presented in the Australian currency.

Super Cheap Auto Group Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

751 Gympie Road, Lawnton, Queensland, 4501

A description of the nature of the consolidated entity's operations and its principal activities is included in the directors' report on pages 19 to 28, which is not part of this financial report.

The financial report was authorised for issue by the directors on 28 August 2008. The company has the power to amend and reissue the financial report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the company. All press releases, financial reports and other information are available at our Shareholders' Centre on our website: www.supercheapauto.com.au.

INCOME STATEMENTS
Super Cheap Auto Group Limited
for the period ended 28 June 2008

		Consolidated		Parent entity	
		2008	2007	**2008**	2007
	Notes	**$'000**	$'000	**$'000**	$'000
Revenue from continuing operations	5	**715,657**	625,187	**24,019**	17,013
Other income	6	**320**	129	**4**	2
Total revenues and other income		**715,977**	625,316	**24,023**	17,015
Cost of sales of goods		**(426,299)**	(376,733)	**0**	0
Other expenses from ordinary activities					
- selling and distribution		**(83,697)**	(70,633)	**0**	0
- marketing		**(37,472)**	(35,906)	**0**	0
- occupancy		**(53,171)**	(44,979)	**0**	0
- administration		**(69,416)**	(58,614)	**(2,086)**	(1,602)
Finance costs expense		**(9,116)**	(7,191)	**(8,914)**	(6,662)
Total expenses		**(679,171)**	(594,056)	**(11,000)**	(8,264)
Profit before income tax		**36,806**	31,260	**13,023**	8,751
Income tax (expense)/benefit	8	**(11,006)**	(8,928)	**2,989**	2,633
Profit attributable to Members of Super Cheap Auto Group Limited		**25,800**	22,332	**16,012**	11,384

		Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the company:			
Basic earnings per share	38	**24.2**	21.0
Diluted earnings per share	38	**24.2**	20.9

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

BALANCE SHEETS
Super Cheap Auto Group Limited
As at 28 June 2008

		Consolidated		Parent entity	
		2008	2007	**2008**	2007
	Notes	**$'000**	$'000	**$'000**	$'000
ASSETS					
Current assets					
Cash and cash equivalents	9	**8,709**	6,271	**108**	17
Trade and other receivables	10	**19,282**	14,591	**133,990**	116,290
Inventories	11	**193,975**	159,880	**0**	0
Total current assets		**221,966**	180,742	**134,098**	116,307
Non-current assets					
Other financial assets	12	**0**	0	**95,319**	84,234
Property, plant and equipment	13	**79,552**	67,262	**0**	0
Deferred tax assets	14	**7,629**	7,991	**37**	32
Intangible assets	15	**76,009**	58,613	**0**	0
Total non-current assets		**163,190**	133,866	**95,356**	84,266
Total assets		**385,156**	314,608	**229,454**	200,573
LIABILITIES					
Current liabilities					
Trade and other payables	16	**91,205**	62,243	**250**	1,601
Borrowings	17	**57,393**	31,410	**54,782**	29,729
Current tax liabilities	18	**3,682**	5,611	**3,683**	5,611
Provisions	19	**7,696**	5,800	**224**	0
Total current liabilities		**159,976**	105,064	**58,939**	36,941
Non-current liabilities					
Trade and other payables	20	**10,469**	8,194	**0**	0
Borrowings	21	**70,315**	70,000	**70,000**	70,000
Deferred tax liabilities	23	**0**	0	**0**	0
Provisions	24	**8,635**	6,824	**2,866**	0
Total non-current liabilities		**89,419**	85,018	**72,866**	70,000
Total liabilities		**249,395**	190,082	**131,805**	106,941
Net assets		**135,761**	124,526	**97,649**	93,632
EQUITY					
Contributed equity	25	**84,627**	84,233	**84,627**	84,233
Reserves	26	**(3,344)**	(1,168)	**890**	496
Retained profits	26	**54,478**	41,461	**12,132**	8,903
Capital and reserves attributable to equity holders of Super Cheap Auto Group Limited		**135,761**	124,526	**97,649**	93,632

The above balance sheets should be read in conjunction with the accompanying notes.

STATEMENTS OF CHANGES IN EQUITY
Super Cheap Auto Group Limited
for the period ended 28 June 2008

	Notes	Consolidated 2008 $'000	Consolidated 2007 $'000	Parent entity 2008 $'000	Parent entity 2007 $'000
Total equity at the beginning of the financial year		**124,526**	112,930	**93,632**	91,491
Changes in the fair value of cash flow hedges, net of tax	26	**465**	(1,613)	**76**	(2)
Exchange differences on translation of foreign operations		**(2,959)**	118	**0**	0
Net income recognised directly in equity		**(2,494)**	(1,495)	**76**	(2)
Profit for the year		**25,800**	22,332	**16,012**	11,384
Total recognised income and expense for the year		**23,306**	20,837	**16,088**	11,382
Transactions with equity holders in their capacity as equity holders:					
Dividends provided for or paid	26	**(12,783)**	(9,579)	**(12,783)**	(9,579)
Employee share options		**318**	338	**318**	338
		(12,465)	(9,241)	**(12,465)**	(9,241)
Issue of shares		**394**	0	**394**	0
Total equity at the end of the financial year		**135,761**	124,526	**97,649**	93,632
Total recognised income and expense for the year is attributable to:					
Members of Super Cheap Auto Group Limited		**23,306**	20,837	**16,088**	11,382

The above statements of changes in equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENTS
Super Cheap Auto Group Limited
for the period ended 28 June 2008

	Notes	Consolidated 2008 $'000	Consolidated 2007 $'000	Parent entity 2008 $'000	Parent entity 2007 $'000
Cash flows from operating activities					
Receipts from customers (inclusive of goods and services tax)		**784,645**	689,172	**0**	0
Payments to suppliers and employees (inclusive of goods and services tax)		**(671,250)**	(602,820)	**(2,238)**	(5,888)
Rental payments					
- external		**(42,589)**	(36,597)	**0**	0
- related parties		**(7,626)**	(8,417)	**0**	0
Income taxes paid		**(13,527)**	(7,346)	**(12,769)**	(6,892)
Net cash (outflow) inflow from operating activities	37	**49,653**	33,992	**(15,007)**	(12,780)
Cash flows from investing activities					
Payments for property, plant and equipment		**(28,277)**	(30,605)	**0**	0
Proceeds from sale of property, plant and equipment		**502**	147	**0**	0
Payments for purchase of subsidiary, net of cash acquired		**(15,744)**	0	**(8,221)**	0
Proceeds from sale of service centres		**0**	75	**0**	0
Net cash (outflow) inflow from investing activities		**(43,519)**	(30,383)	**(8,221)**	0
Cash flows from financing activities					
Proceeds from borrowings		**434,365**	255,950	**434,365**	252,500
Payments for borrowings		**(415,451)**	(243,750)	**(414,998)**	(239,750)
Interest paid		**(10,011)**	(6,284)	**(10,141)**	(6,626)
Dividends paid to company's shareholders	26	**(12,783)**	(9,579)	**(12,783)**	(9,579)
Proceeds from issue of shares		**394**	0	**394**	0
Repayment of loans re shares		**0**	0	**0**	0
Advances to related parties		**0**	0	**(430,503)**	(254,710)
Repayments of advances to related parties		**0**	0	**456,985**	270,830
Net cash inflow (outflow) from financing activities		**(3,486)**	(3,663)	**23,319**	12,665
Net increase (decrease) in cash and cash equivalents		**2,648**	(54)	**91**	(115)
Cash and cash equivalents at the beginning of the financial year		**6,271**	6,372	**17**	132
Effects of exchange rate changes on cash and cash equivalents		**(210)**	(47)	**0**	0
Cash and cash equivalents at end of year	9	**8,709**	6,271	**108**	17

The above cash flow statements should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

SUPER CHEAP AUTO GROUP LIMITED

FOR THE PERIOD ENDED
28 JUNE 2008

Contents of the notes to the financial statements

1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes separate financial statements for Super Cheap Auto Group Limited as an individual entity and the consolidated entity consisting of Super Cheap Auto Group Limited and its subsidiaries.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRSs), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001.*

Compliance with IFRS

Australian Accounting Standards include AIFRSs. Compliance with AIFRSs ensures that the consolidated financial statements and notes of Super Cheap Auto Group Limited comply with International Financial Reporting Standards (IFRS). The parent entity financial statements and notes also comply with IFRS except that it has elected to apply the relief provided to parent entities in respect of certain disclosure requirements contained in AASB 132 *Financial Instruments: Presentation and Disclosure.*

Historical cost convention

These financial statements have been prepared under the historical cost convention.

(b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Super Cheap Auto Group Limited (the “Company” or “parent entity”) as at 28 June 2008 and the results of its controlled entities for the period then ended. Super Cheap Auto Group Limited and its controlled entities comprise the “consolidated entity”. The effects of all transactions between entities in the consolidated entity are fully eliminated.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Where control of an entity is acquired during a financial period its results are included in the consolidated statement of financial performance from the date on which control commences. Where control of an entity ceases during a financial year its results are included for that part of the period during which control existed.

(c) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments.

(d) Income tax

The income tax expense or revenue for the period is the tax payable on the current period’s taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arise in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The New Zealand tax rate changes to 30% with effect from 1 July 2008. All current deferred tax balances have been assessed for expected realisation timeframes and will reverse with the rate of 30% (for deferred tax balances) to be applied.

Tax Consolidation Legislation

Super Cheap Auto Group Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation as of 1 July 2003.

The head entity, Super Cheap Auto Group Limited and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand alone taxpayer in its own right.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Super Cheap Auto Group Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary items such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

(f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Amounts disclosed as revenue are net of returns, trade allowances, duties and taxes paid. Revenue from the sale of goods is recognised upon the delivery of goods to customers pursuant to sales orders and when the associated risks and rewards have passed to the carrier or customer. Revenue from rendering a service is recognised upon the delivery of the service to the customer.

(g) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement 30 days from the end of the month after sale. Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs comprise direct purchase costs and an appropriate proportion of supply chain variable and fixed overhead expenditure. Costs are assigned to individual items of stock on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

(i) Provisions

Provisions for legal claims and service warranties are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value 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 passage of time is recognised as interest expense.

(j) Financial assets

Classification
The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss
This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

(ii) 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 when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables in the balance sheet.

(iii) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

(iv) Available-for-sale financial assets
Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale are recognised in equity in the available for sale investments revaluation reserve. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(v) Recognition and derecognition
Regular purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available for sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

(vi) Subsequent measurement
Loans and receivables and held to maturity investments are carried at amortised cost using the effective interest method.

Available for sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when the Group's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available for sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available for sale are recognised in equity.

(k) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in cash flows of hedged items.

(i) Cash flow hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the income periods when the hedged item will affect profit or loss (for instance when the forecast sale that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory) or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the measurement of the initial cost or carrying amount of the asset or liability.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at the time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(ii) Net investment hedges
Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within other income or other expenses.

Gains and losses accumulated in equity are included in the income statement when the foreign operation is partially disposed of or sold.

(iii) Derivatives that do not qualify for hedge accounting
Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement.

(l) Fair value estimation

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

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(m) Property, plant & equipment

Each class of property, plant and equipment is carried at historical cost, less any accumulated depreciation or amortisation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

(n) Business combinations

The purchase method of accounting is used to account for all acquisitions of assets (including business combinations) regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of the acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification or measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(o) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(p) Depreciation and amortisation of property, plant and equipment

Depreciation and amortisation are calculated on a straight line or diminishing value basis to allocate the cost of an item of property, plant and equipment net of residual values over the expected useful life of each asset to the consolidated entity. Estimates of remaining useful lives and residual values are reviewed and adjusted, if appropriate, at each balance sheet date. The depreciation rates used for each class of assets are:

	Depreciation rate
Plant and equipment	10% - 37.5%
Capitalised leased plant and equipment	10% – 37.5%
Motor vehicles	15%
Computer systems	25% – 37.5%

An asset's 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 carrying amount. These are included in the income statement. When revalued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(q) Leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease term.

(r) Intangible assets

(i) Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or business at the date of the acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill acquired in business combinations is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicated that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units represents the Group's investment in each country of operation by each primary reporting segment.

(ii) Identifiable intangibles
Separately identifiable assets such as brand names and supplier agreements that are acquired as part of a business combination are recognised separately from goodwill. These assets are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Brand names are valued using the relief from royalty method. Supplier agreements have been valued using the multi-period excess earnings method. Amortisation is calculated based on the timing of projected cash flows of the assets over their estimated useful lives.

(iii) Other items of expenditure
Significant items of expenditure, such as costs incurred in store set-ups, are expensed in the financial period in which these costs are incurred.

(s) Trade and other payables

Trade and other creditors are payables for goods and services provided to the consolidated entity prior to the end of the financial period and which are unpaid at that date. The amounts are unsecured and are normally paid within sixty days of recognition.

(t) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

(u) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

(v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial period but not distributed at balance date.

(w) Employee benefits

(i) Wages and salaries, annual leave and sick leave
Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Retirement benefit obligations
Contributions are made by the economic entity to an employee superannuation fund and are charged as expenses when incurred.

(iv) Share-based payments
Share-based compensation benefits are provided to certain employees via the Super Cheap Auto Executive Option Plan.

The fair value of options granted under the Super Cheap Auto Group Limited Executive Option Plan is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is determined using a Binomial option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon exercise of the options, the balance of the share-based payments reserve relating to those options is transferred to share capital.

(v) Profit-sharing and bonus plans
The Group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the company’s shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(x) Finance costs

Borrowing costs are recognised in the period in which these are incurred and are expensed in the period to which the costs relate. Generally costs such as discounts and premiums incurred in raising borrowings are amortised on an effective yield basis over the period of the borrowing. Borrowing costs include:

- interest on bank overdrafts and short-term and long-term borrowings;
- amortisation of discounts or premiums relating to borrowings;
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings; and
- finance lease charges;

(y) Cash and cash equivalents

For the purposes of the cash flow statement, cash includes cash on hand, cash at bank and at call deposits with banks or financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(z) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax, except where the amount of goods and services tax incurred is not recoverable from the Australian Tax Office. In these circumstances the goods and services tax is recognised as part of the cost of acquisition of the asset or as part of the item of expense. Receivables and payables in the consolidated balance sheet are shown inclusive of goods and services tax.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flow.

(aa) Make good requirements in relation to leased premises.

Make good costs arising from contractual obligations in lease agreements are recognised as provisions at the inception of the agreement. A corresponding asset is taken up in property, plant and equipment at that time. Expected future payments are discounted using appropriate market yields at reporting date.

(ab) Earnings per share

(i) Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, by the weighted average number of ordinary shares outstanding during the period.

(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of 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 shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(ac) Rounding of amounts

The economic entity is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars.

(ad) New accounting standard and UIG interpretations

Certain new accounting standards and UIG interpretations have been published that are not mandatory for 30 June 2008 reporting periods. The Group's assessment of the impact of these new standards and interpretations is set out below.

Revised AASB 101 *Presentation of Financial Statements*
A revised AASB 101 was issued in September 2006 and is applicable to annual reporting periods beginning on or after 1 January 2009. The Group has not adopted the standard early. Application of the revised standard will not have any impact on the Group's financial statements.

AASB 8 *Operating Segments* and AASB 2007-3 *Amendments to Australian Accounting Standards arising from AASB 8*
AASB 8 and AASB 2007-3 are effective for annual reporting periods commencing on or after 1 January 2009. AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a "management approach" to reporting on the financial performance. The information being reported will be based on what the key decision-makers use internally for evaluating segment performance and deciding how to allocate resources to operating segments. The Group has not yet decided when to adopt AASB 8. Application of AASB 8 may result in different segments, segment results and different type of information being reported in the segment note of the financial report. However, it will not affect any of the amounts recognised in the financial statements.

Revised AASB 123 *Borrowing Costs* and AASB 2007-6 *Amendments to Australian Accounting Standards arising from AASB 123* [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]
The revised AASB 123 is applicable to annual reporting periods commencing on or after 1 January 2009. It has removed the option to expense all borrowing costs and - when adopted - will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. The Group will apply the revised AASB123 from 29 June 2009 but there will be no impact on the financial report of the Group, as the Group already capitalises borrowing costs relating to qualifying assets.

AASB-I 11 *AASB 2 – Group and Treasury Share Transactions* and AASB 2007-1 *Amendments to Australian Accounting Standards arising from AASB Interpretation 11*
AASB-I 11 and AASB 2007-1 are effective for annual reporting periods commencing on or after 1 March 2007. AASB-I 11 addresses whether certain types of share-based payment transactions should be accounted for as equity-settled or as cash settled transactions and specifies the accounting in a subsidiary's financial statements for share-based payment arrangements involving equity instruments of the parent. The Group will apply AASB-I 11 from 29 June 2008, but it is not expected to have any impact on the Group's financial statements.

AASB 2008-1 *Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations*
AASB 2008-1 was issued in February 2008 and will become applicable for annual reporting periods beginning on or after 1 January 2009. The revised standard clarifies that vesting conditions are service conditions and performance conditions only and that other features of a share-based payment are not vesting conditions. It also specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The Group will apply the revised standard from 29 June 2009, but it is not expected to affect the accounting for the Group's share-based payments.

Revised AASB 3 *Business Combinations,* AASB 127 *Consolidated and Separate Financial Statements* and AASB 2008-3 *Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127*
Revised accounting standards for business combinations and consolidated financial statements were issued in March 2008 and are operative for annual reporting periods beginning on or after 1 July 2009, but may be applied earlier. The Group has not yet decided when it will apply the revised standards. However, the new rules generally apply only prospectively to transactions that occur after the application date of the standard. Their impact will therefore depend on whether the Group will enter into any business combinations or other transactions that affect the level of ownership held in the controlled entities in the year of initial application. For example, under the new rules:

- all payments (including contingent consideration) to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments subsequently remeasured at fair value through income;
- all transaction cost will be expensed;
- the Group will need to decide whether to continue calculating goodwill based only on the parent's share of net assets or whether to recognised goodwill also in relation to the non-controlling (minority) interest; and
- when control is lost, any continuing ownership interest in the entity will be measured to fair value and a gain or loss recognised in profit or loss.

Amendments to IFRS 1 and IAS 27 *Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
In May 2008, the IASB made amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards* and IAS27 *Consolidated and Separate Financial Statements*. The new rules will apply to financial reporting periods commencing on or after 1 January 2009. Amendments to the corresponding Australian Accounting Standards are expected to be issued shortly. The Group will apply the revised rules prospectively from 30 June 2009. After that date, all dividends received from investments in subsidiaries, jointly controlled entities or associates will be recognised as revenue, even if they are paid out of pre-acquisition profits, but the investments may need to be tested for impairments as a result of the dividend payment. Furthermore, when a new intermediate parent entity is created in internal reorganisations it will measure its investment in subsidiaries at the carrying amounts of the net assets of the subsidiary rather than the subsidiary's fair value.

2 Financial risk management

The Group's activities expose it to a variety of financial risks; market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board has approved written policies covering specific areas, such as mitigating foreign exchange, interest rate and credit risks, use of derivative financial instruments and investing excess liquidity.

(a) Market risk

(i) Foreign exchange risk
Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group operates internationally and is exposed to foreign exchange risk arising from currency exposures to the United States dollar and New Zealand dollar.

Forward contracts and currency options are used to manage foreign exchange risk.

The Group's risk management policy is to hedge up to 75% of anticipated transactions (purchases) in US dollars for at least the subsequent 4 months.

(ii) Fair value interest rate risk
Refer to (e) below.

	28 June 2008 NZD $'000	30 June 2007 NZD $'000	**28 June 2008 USD $'000**	30 June 2007 USD $'000
Trade receivables	**0**	0	**396**	307
Trade payables	**0**	0	**3,479**	1,326
Forward exchange contracts				
- buy foreign currency (cash flow hedges)	**6,000**	9,000	**30,600**	33,500

The carrying amounts of the parent entity's financial assets and liabilities are denominated in Australian dollars except as set out below:

	2008 USD $'000	**2008 NZD $'000**	2007 USD $'000	2007 NZD $'000
Forward exchange contracts				
- buy foreign currency (cash flow hedges)	**Nil**	**Nil**	Nil	Nil

Group sensitivity

Based on the financial instruments held at 28 June 2008, had the Australian dollar weakened/strengthened by 10% against other currencies with all other variables held constant, the impact on the Group's post-tax profit would have been nil, on the basis that the financial instruments would have been designated as cash flow hedges and the impact upon the foreign exchange movements of other financial assets and liabilities is negligible.

Equity would have been $986,000 lower/$807,000 higher (2007: $1,168,000 lower/$956,000 higher) had the Australian dollar weakened/strengthened by 10% against other currencies, arising mainly from forward foreign exchange contracts designated as cash flow hedges. The impact on other Group assets and liabilities as a result of movements in exchange rates are not material.

A sensitivity of 10% was selected following review of historic trends.

(iii) Cash flow and fair value interest rate risk

Group sensitivity

The Group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During 2008 and 2007, the Group's borrowings were at variable rates and were denominated in Australian dollars.

As at the reporting date, the Group had the following variable rate borrowings:

	28 June 2008 Balance $'000	30 June 2007 Balance $'000
Bank overdrafts and bank loans	**126,650**	101,600

An analysis by maturities is provided in (c) below.

The Group utilises interest rate swaps to hedge its interest rate exposure on borrowings.

At 28 June 2008, if interest rates had changed by +/- 100 basis points from the year-end rates with all other variables held constant, post-tax profit and equity for the year would have been $466,000 lower/higher (2007: $606,000 lower/higher), mainly as a result of higher/lower interest expense on bank loans.

Parent entity sensitivity

As at the reporting date, the Parent had the following variable rate borrowings:

	28 June 2008 Balance $'000	30 June 2007 Balance $'000
Bank overdrafts and bank loans	**125,500**	100,000

The parent entity's main interest rate risk arises from cash equivalents and loans with variable interest rates. At 28 June 2008, if interest rates had changed by +/- 100 basis points from the year-end rates with all other variables held constant, post-tax profit and equity would have been $459,000 lower/higher (2007: $595,000 lower/higher) as a result of lower/higher interest income from cash and cash equivalents and higher/lower interest expense on bank loans.

(b) Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions. Due to the dynamic nature of the underlying businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.

Financing arrangements

The Group and the parent entity had access to the following undrawn borrowing facilities at the reporting date:

	Consolidated		Parent entity	
	2008 $'000	2007 $'000	**2008 $'000**	2007 $'000
Floating rate				
- Commercial Bills and cash advances	**77,759**	27,120	**74,500**	25,000

The overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

Maturities of financial liabilities

The tables below analyse the Group's and the parent entity's financial liabilities and gross settled derivative financial instruments into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. For interest rate swaps the cash flows have been calculated using spot rates applicable at the reporting date.

Group – at 28 June 2008	Less than 6 months $'000	6-12 months	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years	Total contractual cash flows $'000	Carrying amount (assets) / liabilities
Non-derivatives							
Non-interest bearing	91,205	0	0	0	0	91,205	91,205
Variable rate	59,531	2,878	74,833	605	0	137,847	127,907
Total non-derivatives	150,736	2,878	74,833	605	0	229,052	219,112
Derivatives							
Net settled (IRS)	21	21	0	0	0	42	(205)
Gross settled							
- (inflow)	(24,109)	(12,487)	0	0	0	(36,596)	0
- outflow	26,236	12,487	0	0	0	38,723	0
Total derivatives	2,148	21	0	0	0	2,169	(205)

Group – at 30 June 2007	Less than 6 months $'000	6-12 months	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years	Total contractual cash flows $'000	Carrying amount (assets) / liabilities
Non-derivatives							
Non-interest bearing	62,243	0	0	0	0	62,243	62,243
Variable rate	33,837	2,237	74,473	3,728	0	114,274	101,681
Total non-derivatives	96,080	2,237	74,473	3,728	0	176,517	163,924
Derivatives							
Net settled (IRS)	54	27	0	0	0	81	(97)
Gross settled							
- (inflow)	(29,928)	(17,647)	0	0	0	(47,575)	0
- outflow	31,062	17,762	0	0	0	48,824	0
Total derivatives	1,188	142	0	0	0	1,330	(97)

Parent – at 28 June 2008	Less than 6 months $'000	6-12 months	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years	Total contractual cash flows $'000	Carrying amount (assets) / liabilities
Non-derivatives							
Non-interest bearing	250	0	0	0	0	250	250
Variable rate	58,185	2,685	74,473	0	0	135,343	125,500
Total non-derivatives	58,435	2,685	74,473	0	0	135,593	125,750
Derivatives							
Net settled (IRS)	21	21	0	0	0	42	(205)
Gross settled							
- (inflow)	0	0	0	0	0	0	0
- outflow	0	0	0	0	0	0	0
Total derivatives	21	21	0	0	0	42	(205)

Parent – at 30 June 2007	Less than 6 months $'000	6-12 months	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years	Total contractual cash flows $'000	Carrying amount (assets) / liabilities
Non-derivatives							
Non-interest bearing	1,601	0	0	0	0	1,601	1,601
Variable rate	32,237	2,237	74,473	3,728	0	112,674	100,000
Total non-derivatives	33,838	2,237	74,473	3,728	0	114,275	101,601
Derivatives							
Net settled (IRS)	54	27	0	0		81	(97)
Gross settled							
- (inflow)	0	0	0	0	0	0	0
- outflow	0	0	0	0	0	0	0
Total derivatives	54	27	0	0	0	81	(97)

(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 fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(e) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are not materially exposed to changes in market interest rates.

The Group's interest-rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk.

The Group manages its cash flow interest-rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. Generally, the Group raises long-term borrowings at floating rates and swaps them into fixed rates that are lower than those available if the Group borrowed at fixed rates directly. Under the interest-rate swaps, the Group agrees with other parties to exchange, at specified intervals (mainly quarterly), the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimated impairment of goodwill
The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 1(o). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions. Refer to note 15 for details of these assumptions and the potential impact of changes to the assumptions.

(ii) Estimated value of intangible assets relating to acquisitions
The Group has allocated portions of the cost of acquisition to various intangible assets, such as brand names and supply agreements. Brand names have been valued using the relief from royalty method. Supplier agreements have been valued using the multi-period excess earnings method. The calculations require the use of assumptions. In addition, the value of liability of put options granted as part of acquisitions has been estimated.

4 Segment information

The consolidated entity is organised on a global basis into the following business segments:

Supercheap Auto: Retail and distribution of motor vehicle spare parts and accessories, tools and equipment.

BCF Boating, Camping and Fishing: Retail and distribution of boating, camping and fishing equipment.

Goldcross: Wholesale, retail and distribution of bicycles and bicycle accessories.

Primary reporting segment – business segment

2008	Supercheap Auto $'000	BCF $'000	Goldcross $'000	Total continuing operations $'000	Inter-segment eliminations/ unallocated $'000	Consolidated $'000
Sales to external customers	558,802	156,420	217	715,439	0	715,439
Inter segment sales	0	0	0	0	0	0
Total sales revenue	558,802	156,420	217	715,439	0	715,439
Other revenue/income	311	5	0	316	222	538
Total revenue and other income	559,113	156,425	217	715,755	222	715,977
Segment result (pre-borrowing costs)	41,550	7,893	13	49,456	(3,534)	45,922
Borrowing costs					(9,116)	(9,116)
Profit before income tax						36,806
Income tax expense						(11,006)
Profit for the period						25,800
Segment assets	279,537	98,442	6,520	384,499	(493)	384,006
Unallocated assets					1,150	1,150
Total assets						385,156
Segment liabilities	(169,897)	(85,781)	(6,535)	(262,213)	138,738	(123,475)
Unallocated liabilities					(125,920)	(125,920)
Total liabilities						(249,395)
Acquisitions of property, plant and equipment and other non-current segment assets	20,047	12,924	1,890	34,861	13,073	47,934
Depreciation and amortisation expense	(12,990)	(2,934)	0	(15,924)	0	(15,924)
Other non-cash expenses					318	318

4 Segment information (continued)

2007	Supercheap Auto $'000	BCF $'000	Total continuing operations $'000	Inter-segment eliminations/ unallocated $'000	Consolidated $'000
Sales to external customers	525,745	99,070	624,815	0	624,815
Inter segment sales	0	0	0	0	0
Total sales revenue	525,745	99,070	624,815	0	624,815
Other revenue/income	119	8	127	374	501
Total revenue and other income	525,864	99,078	624,942	374	625,316
Segment result (pre-borrowing costs)	37,851	1,827	39,678	(1,227)	38,451
Borrowing costs				(7,191)	(7,191)
Profit before income tax					31,260
Income tax expense					(8,928)
Profit for the period					22,332
Segment assets	250,283	63,779	314,062	(1,054)	313,008
Unallocated assets				1,600	1,600
Total assets					314,608
Segment liabilities	(136,939)	(62,021)	(198,960)	110,147	(88,813)
Unallocated liabilities				(101,269)	(101,269)
Total liabilities					(190,082)
Acquisitions of property, plant and equipment and other non-current segment assets	19,633	10,701	30,334	0	30,334
Depreciation and amortisation expense	11,870	1,390	13,260	0	13,260
Other non-cash expenses	0	0	0	299	299

Geographical segments

The consolidated entity's divisions are operated in two main geographical areas.

Australia

The home country of the parent entity. The three areas of operation are (i) automotive, (ii) boating, camping and fishing, and (iii) bicycles and bicycle accessories.

New Zealand

Only Supercheap Auto operates in New Zealand.

Secondary Segment – Geographical Segments

	Segment Revenues from sales to external customers		Segment Assets		Acquisitions of property, plant and equipment, intangibles and other non-current segment assets	
	2008 $'000	**2007 $'000**	**2008 $'000**	**2007 $'000**	**2008 $'000**	**2007 $'000**
Australia	654,161	565,632	358,848	288,292	46,532	29,225
New Zealand	61,278	59,183	26,308	26,316	1,402	1,109
	715,439	624,815	385,156	314,608	47,934	30,334

5 Revenue

	Consolidated		Parent entity	
	2008 $'000	2007 $'000	**2008 $'000**	2007 $'000
From continuing operations				
Sales revenue				
Sale of goods	**715,439**	624,815	**0**	0
	715,439	624,815	**0**	0
Other revenue				
Interest	**218**	372	**19**	13
Dividends – related party	**0**	0	**24,000**	17,000
	218	372	**24,019**	17,013
	715,657	625,187	**24,019**	17,013

6 Other Income

	Consolidated		Parent entity	
	2008 $'000	2007 $'000	**2008 $'000**	2007 $'000
Net gain on disposal of property, plant and equipment	**0**	0	**0**	0
Other income	**320**	129	**4**	2
	320	129	**4**	2

7 Expenses

	Consolidated		Parent entity	
	2008 $'000	2007 $'000	**2008 $'000**	2007 $'000
Profit before income tax includes the following specific gains and expenses:				
Expenses				
Net loss on disposal of property, plant and equipment	**368**	260	**0**	0
Depreciation				
Computer systems	**4,929**	4,014	**0**	0
Plant and equipment	**7,862**	6,283	**0**	0
Motor vehicles	**383**	311	**0**	0
Total depreciation	**13,174**	10,608	**0**	0
Amortisation				
Computer software	**2,750**	2,652	**0**	0
Finance costs				
Interest and finance charges	**9,116**	7,191	**8,914**	6,662
Amount capitalised	**0**	0	**0**	0
Finance costs expensed	**9,116**	7,191	**8,914**	6,662
Employee benefits expense				
Superannuation expense	**7,314**	6,094	**33**	6
Salaries and wages	**112,655**	98,417	**1,409**	283
	119,969	104,511	**1,442**	289
Rental expense relating to operating leases				
Lease expenses	**51,801**	43,405	**0**	0
Equipment hire	**2,030**	1,274	**0**	0
Total rental expense relating to operating leases	**53,831**	44,679	**0**	0
Foreign exchange gains and losses				
Net foreign exchange (gains)/losses	**2,626**	509	**0**	0

8 Income tax expense

	Consolidated		Parent entity	
	2008 $'000	2007 $'000	**2008 $'000**	2007 $'000
(a) Income tax expense				
Current tax	**11,469**	11,037	**(3,001)**	(2,468)
Deferred tax	**(498)**	(1,922)	**(37)**	(37)
Adjustments for current tax of prior period	**35**	(187)	**49**	(128)
	11,006	8,928	**(2,989)**	(2,633)
Deferred income tax (revenue) expense included in income tax expense comprises:				
Decrease (increase) in deferred tax assets (note 14)	**(432)**	(2,217)	**(37)**	(37)
(Decrease) increase in deferred tax liabilities (note 23)	**(66)**	295	**0**	0
	(498)	(1,922)	**(37)**	(37)
(b) Numerical reconciliation of income tax expense to prima facie tax payable				
Profit from continuing operations before income tax expense	**36,806**	31,260	**13,023**	8,751
Tax at the Australian tax rate of 30% (2007 - 30%)	**11,042**	9,378	**3,907**	2,625
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Non-taxable dividends	**0**	0	**(7,200)**	(5,100)
Tax consolidation adjustments re NZ branch	**(127)**	(342)	**0**	0
Sundry items	**32**	50	**254**	2
	10,947	9,086	**(3,039)**	(2,473)
Difference in overseas tax rates	**14**	(6)	**0**	0
Previously unrecognised tax losses now recouped to reduce current tax expense	**0**	0	**0**	0
Adjustments for current tax of prior periods	**48**	6	**50**	13
Research and development tax credits	**0**	(173)	**0**	(173)
Restatement of New Zealand deferred tax balances to 30%	**(3)**	15	**0**	0
Income tax expense	**11,006**	8,928	**(2,989)**	(2,633)
Amounts recognised directly in equity				
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss but directly debited or credited to equity				
Net deferred tax – debited/(credited) directly to equity (notes 14 and 23)	**200**	(731)	**(32)**	(40)
	200	(731)	**(32)**	(40)

(c) Tax consolidation legislation

Super Cheap Auto Group Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation as of 1 July 2003. The accounting policy in relation to this legislation is set out in note 1(d).

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which, in the opinion of the directors, limits the joint and several liability of the wholly-owned entities in the case of a default by the head entity, Super Cheap Auto Group Limited.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate Super Cheap Auto Group Limited for any current tax payable assumed and are compensated by Super Cheap Auto Group Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Super Cheap Auto Group Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments. The funding amounts are recognised as current intercompany receivables or payables (see note 32).

9 Current assets - Cash and cash equivalents

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Cash at bank and in hand	**8,709**	6,271	**108**	17

10 Current assets - Trade and other receivables

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Trade receivables	**14,107**	5,639	**142**	0
Provision for impairment of receivables (a)	**(165)**	(74)	**0**	0
	13,942	5,565	**142**	0
Loans to related parties (b)	**0**	0	**133,228**	116,194
Other receivables	**3,221**	2,753	**620**	96
Tax receivable	**1,745**	1,176	**0**	0
Prepayments	**374**	5,097	**0**	0
	19,282	14,591	**133,990**	116,290

(a) Impaired trade receivables

As at 28 June 2008 current trade receivables of the Group with a nominal value of $165,000 (2007: $74,000) were impaired. The amount of the provision was $165,000 (2007: $74,000). The individually impaired receivables mainly relate to wholesalers, which are in unexpectedly difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered. There were no impaired trade receivables for the parent in 2008 or 2007.

Movements in the provision for impairment of receivables are as follows:

	Consolidated	
	2008	2007
	$'000	$'000
At 1 July	**(74)**	(26)
Provision for impairment recognised during the year	**(100)**	(100)
Receivables written off during the year as uncollectible	**9**	52
Unused amount reversed	**0**	0
	(165)	(74)

The creation and release of the provision for impaired receivables has been included in ‘other expenses’ in the income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

(b) Past due but not impaired

As of 28 June 2008, trade receivables of $5,176,000 (2007: $2,480,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
0 to 3 months	**2,917**	334	**0**	0
3 to 6 months	**708**	495	**0**	0
Over 6 months	**1,551**	1,651	**0**	0
	5,176	2,480	**0**	0

10 Current assets – Trade and other receivables (continued)

(c) Loans to related parties

Super Cheap Auto Group Limited provides funding to its wholly owned subsidiaries in the form of cash loans. These are repaid by the subsidiaries as the funds become available.

11 Current assets – Inventories

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Finished goods				
- at lower of cost or net realisable value	**193,975**	159,880	**0**	0

(a) Inventory expense

Inventories recognised as expense during the year ended 28 June 2008 amounted to $409,473,000 (2007: $360,970,000).

Write-downs of inventories to net realisable value recognised as an expense during the year ended 30 June 2008 amounted to $2,128,000 (2007: $1,106,000). The expense has been included in 'costs of sales of goods' in the income statement.

12 Non-current assets – Other financial assets

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Shares in subsidiaries at cost				
Name of entity				
Super Cheap Auto Pty Ltd	**0**	0	**84,233**	84,233
BCF Australia Pty Ltd	**0**	0	**1**	1
Super Retail Group Services Pty Ltd	**0**	0	**0**	0
Goldcross Cycles Pty Ltd	**0**	0	**9,636**	0
Oceania Bicycles Pty Ltd	**0**	0	**1,449**	0
Total non-current assets – shares in controlled entities (refer Note 33)	**0**	0	**95,319**	84,234

These financial assets are carried at cost.

13 Non-current assets – Property, plant and equipment

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Plant and equipment, at cost	**94,472**	77,346	**0**	0
Less accumulated depreciation	**(29,253)**	(22,258)	**0**	0
Net plant and equipment	**65,219**	55,088	**0**	0
Motor vehicles, at cost	**750**	1,423	**0**	0
Less accumulated depreciation	**(554)**	(792)	**0**	0
Net motor vehicles	**196**	631	**0**	0
Computer systems, at cost	**33,495**	26,104	**0**	0
Less accumulated depreciation	**(19,358)**	(14,561)	**0**	0
Net computer equipment	**14,137**	11,543	**0**	0
Total net property, plant and equipment	**79,552**	67,262	**0**	0

Assets pledged as security are detailed in Note 21

13 Non-current assets – Property, plant and equipment (continued)

	Plant and equipment $'000	Motor vehicles $'000	Computer systems $'000	Total $'000
Reconciliations - consolidated entity				
Carrying amounts at 1 July 2007	55,088	631	11,543	67,262
Additions	17,041	661	7,742	25,444
Disposals	(491)	(717)	(59)	(1,267)
Business acquisitions	2,102	15	0	2,117
Depreciation and amortisation	(7,862)	(383)	(4,929)	(13,174)
Foreign currency exchange differences	(659)	(11)	(160)	(830)
Carrying amounts at 28 June 2008	65,219	196	14,137	79,552

	Plant and equipment $'000	Motor vehicles $'000	Computer systems $'000	Total $'000
Reconciliations - consolidated entity				
Carrying amounts at 2 July 2006	39,135	697	9,965	49,797
Additions	22,039	298	5,527	27,864
Disposals	(346)	(61)	0	(407)
Depreciation and amortisation	(6,283)	(311)	(4,014)	(10,608)
Foreign currency exchange differences	543	8	65	616
Carrying amounts at 30 June 2007	55,088	631	11,543	67,262

14 Non-current assets - Deferred tax assets

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
The balance comprises temporary differences attributable to:				
Amounts recognised in profit or loss				
Doubtful debts	**32**	129	**0**	0
Employee benefits	**2,341**	2,191	**95**	2
Accruals	**589**	774	**3**	59
Inventories	**1,040**	1,146	**0**	0
Deferred borrowing/consulting costs	**0**	0	**0**	0
Deferred make good provision	**602**	686	**0**	0
Straight line lease adjustment	**3,140**	2,458	**0**	0
Deferred income	**94**	90	**0**	0
Depreciation	**516**	386	**0**	0
Provision for warranties and legal costs	**0**	30	**0**	0
	8,354	7,890	**98**	61
Amounts recognised directly in equity				
Cash flow hedges	**480**	680	**(61)**	(29)
	8,834	8,570	**37**	32
Set off with deferred tax liabilities (note 23)	**(1,205)**	(579)	**0**	0
Net deferred tax assets	**7,629**	7,991	**37**	32
Movements:				
Opening balance	**8,570**	5,633	**32**	24
Credited/(charged) to the income statement	**432**	2,217	**37**	37
Credited/(charged) to equity	**(200)**	662	**(32)**	(29)
Foreign exchange on translation of NZ subsidiary	**(62)**	58	**0**	0
Acquired in acquisition	**94**	0	**0**	0
Closing balance	**8,834**	8,570	**37**	32
Deferred tax assets to be recovered after more than 12 months	**1,334**	1,368	**0**	0
Deferred tax assets to be recovered within 12 months	**7,500**	7,202	**37**	32
	8,834	8,570	**37**	32

15 Non-current assets – Intangible assets

	Consolidated		Parent entity	
	2008 $'000	2007 $'000	**2008 $'000**	2007 $'000
Goodwill at cost	**66,581**	52,112	**0**	0
Less impairment charge	**0**	0	**0**	0
Net goodwill	**66,581**	52,112	**0**	0
Trademarks, at cost	**14**	14	**0**	0
Less accumulated depreciation	**0**	0	**0**	0
Net trademarks	**14**	14	**0**	0
Computer software	**17,977**	15,203	**0**	0
Less accumulated amortisation	**(11,463)**	(8,716)	**0**	0
Net computer software	**6,514**	6,487	**0**	0
Brand names at cost	**2,500**	0	**0**	0
Less impairment	**0**	0	**0**	0
Net brand names	**2,500**	0	**0**	0
Supplier agreement	**400**	0	**0**	0
Less impairment	**0**	0	**0**	0
Net supplier agreement	**400**	0	**0**	0
Total net intangibles	**76,009**	58,613	**0**	0

	Goodwill $'000	**Trademarks $'000**	**Computer Software $'000**	**Brand Name $'000**	**Supplier Agreement $'000**	**Totals $'000**
Reconciliations – consolidated entity - 2008						
Carrying amounts at 1 July 2007	52,112	14	6,487	0	0	58,613
Acquisitions	14,469	0	0	2,500	400	17,369
Additions	0	0	3,004	0	0	3,004
Disposals	0	0	(226)	0	0	(226)
Impairment/amortisation charge	0	0	(2,750)	0	0	(2,750)
Foreign currency exchange differences	0	0	(1)	0	0	(1)
Carrying amounts at 28 June 2008	66,581	14	6,514	2,500	400	76,009

	Goodwill $'000	**Trademarks $'000**	**Computer Software $'000**	**Brand Name $'000**	**Supplier Agreement $'000**	**Totals $'000**
Reconciliations – consolidated entity - 2007						
Carrying amounts at 2 July 2006	52,112	14	6,668	0	0	58,794
Additions	0	0	2,470	0	0	2,470
Impairment/amortisation charge	0	0	(2,652)	0	0	(2,652)
Foreign currency exchange differences	0	0	1	0	0	1
Carrying amounts at 30 June 2007	52,112	14	6,487	0	0	58,613

(a) Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment and country of operation.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

15 Non-current assets – Intangible assets (continued)

(b) Key assumptions used for value-in-use calculations

No impairment loss was recognised in the 2008 financial year.

The following assumptions have been used for the analysis of each CGU within the business segment. Management determined budgeted gross margin based on past performance and its expectations for the future. The weighted average growth rates used are consistent with forecasts included in industry reports. The discount rates used are pre-tax. The factors used by each business segment is shown below.

	Growth rate		Discount rate	
	2008	2007	**2008**	2007
	%	%	**%**	%
Supercheap Auto	**3**	3	**15**	15
BCF	**5**	5	**15**	15

In the initial two year's of a store operating growth rate is assumed to be 10%.

16 Current liabilities - Trade and other payables

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Trade payables	**75,327**	43,138	**0**	25
Other payables	**15,853**	19,105	**250**	1,576
Loans from related parties	**25**	0	**0**	0
	91,205	62,243	**250**	1,601

17 Current liabilities – Borrowings

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Secured				
Finance leases	**1,091**	0	**0**	0
Commercial bill	**56,501**	31,540	**55,351**	29,940
Less borrowing costs capitalised, net	**(581)**	(271)	**(569)**	(211)
Total current liabilities – secured interest bearing liabilities	**57,011**	31,269	**54,782**	29,729
Unsecured				
Related parties	**1**	2	**0**	0
Unsecured bank financing	**381**	139	**0**	0
Total current liabilities – unsecured interest bearing liabilities	**382**	141	**0**	0
Total current liabilities – interest bearing liabilities	**57,393**	31,410	**54,782**	29,729

(a) Bills payable

Bills have been drawn as a source of short-term financing on a needs basis.

(b) Interest rate risk exposures

Details of the Group's exposure to interest rate changes on borrowings are set out in note 22.

(c) Fair value disclosures

Details of the fair value of borrowings for the Group are set out in note 22.

17 Current liabilities – Borrowings (continued)

(d) Security

Details of the security relating to each of the secured liabilities and further information on the bank overdrafts and bank loans are set out in note 21.

Overdraft and equipment financing facilities are secured by a fixed and floating charge over the assets and undertakings of Goldcross Cycles Pty Ltd.

18 Current liabilities – Current tax liabilities

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Income tax payable	**3,682**	5,611	**3,683**	5,611

19 Current liabilities – Provisions

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Put option provision	**531**	0	**0**	0
Make good provision	**165**	284	**0**	0
Employee benefits	**7,000**	5,516	**224**	0
	7,696	5,800	**224**	0

The put option relates to the acquisition of Oceania Bicycles Pty Ltd. As part of this acquisition, Super Cheap Auto Group Limited has granted the vendor an option to sell the remaining 50% to the Group at an agreed EBITA multiple. This option can be exercised at any time up to 10 years from acquisition.

20 Non-current liabilities – Trade and Other Payables

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Straight line lease adjustment	**10,469**	8,194	**0**	0

21 Non-current liabilities – Borrowings

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Secured				
Cash advance	**70,315**	70,000	**70,000**	70,000
	70,315	70,000	**70,000**	70,000

The facilities are secured by first registered floating company charges over all the assets and undertakings of Super Cheap Auto Group Limited, Super Cheap Auto Pty Ltd, Super Cheap Auto (New Zealand) Pty Ltd, Super Retail Group Services Pty Ltd and BCF Australia Pty Ltd in favour of ANZ Banking Group Limited and by cross guarantees and indemnities between Super Cheap Auto Pty Ltd and Super Cheap Auto (New Zealand) Pty Ltd and between Super Cheap Auto Group Limited, Super Cheap Auto Pty Ltd, Super Retail Group Services Pty Ltd and BCF Australia Pty Ltd in favour of ANZ Banking Group Limited. Financial covenants are provided by Super Cheap Auto Group Limited with respect to leverage, gearing and fixed charges coverage.

21 Non-current liabilities – Borrowings (continued)

The carrying amount of assets pledged as security are equal to those shown in the consolidated balance sheet.

	Consolidated		Parent entity	
	2008 $'000	2007 $'000	**2008 $'000**	2007 $'000
Financing arrangements				
Unrestricted access was available at balance date to the following lines of credit:				
Total facilities				
- Multi-Option Facility (including commercial bill, overdraft and cash advance)	**205,397**	128,720	**200,000**	125,000
- Indemnity/Guarantee Facility	**3,206**	1,342	**2,788**	1,342
Totals	**208,603**	130,062	**202,788**	126,342
Facilities used at balance date				
- Multi-Option Facility (including commercial bill, overdraft and cash advance)	**127,638**	101,600	**125,500**	100,000
- Indemnity/Guarantee Facility	**2,671**	1,251	**1,450**	0
Totals	**130,309**	102,851	**126,950**	100,000
Unused balance of facilities at balance date				
- Multi-Option Facility (including commercial bill, overdraft and cash advance)	**77,759**	27,120	**74,500**	25,000
- Indemnity/Guarantee Facility	**535**	91	**1,338**	1,342
Totals	**78,294**	27,211	**75,838**	26,342

In addition, the Company has access to a $116 million (2007: $112 million) transactional facility for clean credit and foreign currency dealings.

Included in the facility above is an amount of $1.15 million for SCA Equity Plan Pty Ltd. This amount was drawn to $1.15 million (2007: $1.6 million) at 28 June 2008.

The current interest rates on the financing arrangements are:

- Multi Option Facility (including commercial bills, overdraft and cash advance) 7.58%-8.43% (2007: 7.50%-7.59%)

22 Derivative Financial instruments

Derivative financial instruments
The parent entity and its controlled entity are parties to derivative financial instruments in the normal course of business in order to hedge exposures to foreign exchange and interest rate changes.

Foreign exchange contracts
The economic entity retails products including some that have been imported from South East Asia. In order to protect against exchange rate movements, the economic entity has entered into forward exchange rate contracts to purchase United States Dollars. The contracts are timed to mature in line with forecasted payments for imports and cover forecast purchases for the coming four months on a rolling basis.

22 Derivative Financial instruments (continued)

At balance date the following amounts were committed on foreign currency forward exchange contracts:

	Consolidated entity		Parent entity	
	2008 $000	2007 $000	**2008 $000**	2007 $000
Buy United States dollars and sell Australian dollars with maturity				
- 0 to 6 months	**18,600**	18,500	**0**	0
- 7 to 12 months	**12,000**	15,000	**0**	0
Weighted average rate of contracts	**91 cents**	82 cents	**0 cents**	0 cents
Buy Australian dollars and sell New Zealand dollars with maturity				
- 0 to 6 months	**6,000**	9,000	**0**	0
Weighted average rate of contracts	**118 cents**	115 cents	**0 cents**	0 cents

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in equity. When the cash flows occur, the Group adjusts the initial measurement of the component recognised in the balance sheet by the related amount deferred in equity. In the year ended 28 June 2008, no hedges were designated as ineffective (2007: nil).

Gains and losses arising from hedging contracts terminated prior to maturity are also carried forward until the designated hedged transaction occurs.

The following gains, losses and costs have been deferred as at the balance date:				
- realised gains	**0**	0	**0**	0
- unrealised gains	**205**	97	**205**	97
- total gains (b)	**205**	97	**205**	97
- realised losses and costs				
- unrealised losses and costs	**(1,803)**	(2,362)	**0**	0
- total losses and costs (a)	**(1,803)**	(2,362)	**0**	0
Net gains/(losses and costs)	**(1,598)**	(2,265)	**205**	97

(a) Included in other payables under note 16
(b) Included in other receivables under note 10

Interest rate swap contracts
Bank loans of the economic entity currently bear an average variable interest rate of 8.2% (2007: 7.5%). It is policy to protect part of the loans from exposure to increasing interest rates. Accordingly, the economic entity has entered into interest rate swap contracts, under which it is obliged to receive interest at variable rates and to pay interest at fixed rates. The contracts are settled on a net basis and the net amount receivable or payable at the reporting date is included in other debtors or other creditors.

The Group has entered an interest rate swap for nominal value of $60,000,000 (2007: $15,000,000) which expires on 29 May 2009.

The contracts require settlement of net interest receivable or payable each 90 days. The settlement dates coincide with the dates on which interest is payable on the underlying debt. Swaps currently in place cover approximately 47% (2007: 15%) of the loan principal outstanding. The average fixed interest rate is 7.60% (2007: 5.66%).

22 Derivative Financial instruments (continued)

Interest rate risk exposures

The economic entity's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table:

	Notes	Floating interest rate $'000	Fixed interest maturing in: 1 year or less $'000	Over 1 to 5 years $'000	More than 5 years $000	Non-interest bearing $'000	Total $'000
2008							
Financial assets							
Cash and deposits	9	7,937	0	0	0	772	8,709
Receivables	10	0	0	0	0	19,282	19,282
Total financial assets		7,937	0	0	0	20,054	27,991
Weighted average rate of interest		*6.46%*					
Financial liabilities							
Trade and other payables	16, 18	0	0	0	0	94,887	94,887
Related parties	17	0	0	0	0	1	1
Unsecured financing	17	0	381	0	0	0	381
Commercial bill/cash advance	17, 21	67,326	60,000	0	0	0	127,326
Employee entitlements	19, 24	0	0	0	0	7,907	7,907
Total financial liabilities		67,326	60,381	0	0	102,795	230,502
Weighted average rate of interest		*8.0%*	*7.6%*				
Net financial assets/ (liabilities)		(59,389)	(60,381)	0	0	(82,741)	(202,511)

	Notes	Floating interest rate $'000	Fixed interest maturing in: 1 year or less $'000	Over 1 to 5 years $'000	More than 5 years $000	Non-interest bearing $'000	Total $'000
2007							
Financial assets							
Cash and deposits	9	5,237	0	0	0	1,034	6,271
Receivables	10	0	0	0	0	14,591	14,591
Total financial assets		5,237	0	0	0	15,625	20,862
Weighted average rate of interest		*6.2%*					
Financial liabilities							
Trade and other payables	16, 18	0	0	0	0	67,854	67,854
Related parties	17	0	0	0	0	2	2
Unsecured financing	17	0	139	0	0	0	139
Commercial bill/cash advance	17, 21	86,269	15,000	0	0	0	101,269
Employee entitlements	19, 24	0	0	0	0	6,782	6,782
Total financial liabilities		86,269	15,139	0	0	74,638	176,046
Weighted average rate of interest		*7.5%*	*6.56%*				
Net financial assets/ (liabilities)		(81,032)	(15,139)	0	0	(59,013)	(155,184)

22 Derivative Financial instruments (continued)

	Consolidated entity			
	Carrying amount		Net fair value	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Carrying amounts and net fair values of financial assets and financial liabilities at balance sheet date:				
Financial assets				
Cash and deposits	**8,709**	6,271	**8,709**	6,271
Receivables	**19,282**	14,591	**19,282**	14,591
Forward exchange contracts *	**(205)**	97	**0**	0
Non-traded financial assets	**27,786**	20,959	**27,991**	20,862
Financial liabilities				
Trade and other payables	**(94,887)**	(67,854)	**(94,887)**	(67,854)
Commercial bill and other financing	**(127,708)**	(101,410)	**(127,708)**	(101,410)
Forward exchange contracts *	**(1,803)**	(2,362)	**0**	0
Non-traded financial liabilities	**(224,398)**	(171,626)	**(222,595)**	(169,264)

	Parent entity			
	Carrying amount		Net fair value	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Carrying amounts and net fair values of financial assets and financial liabilities at balance sheet date:				
Financial assets				
Cash and deposits	**108**	17	**108**	17
Receivables	**133,990**	116,291	**133,990**	116,291
Forward exchange contracts *	**250**	97	**0**	0
Non-traded financial assets	**134,348**	116,405	**134,098**	116,308
Financial liabilities				
Trade and other payables	**(3,933)**	(7,212)	**(3,933)**	(7,212)
Commercial bill and other financing	**(124,782)**	(99,729)	**(124,782)**	(99,729)
Forward exchange contracts *	**0**	0	**0**	0
Non-traded financial liabilities	**(128,715)**	(106,941)	**(128,715)**	(106,941)

*These amounts are unrealised gains and losses which have been included in the net carrying amount and net fair value of the on-balance sheet financial assets and liabilities.
None of the financial assets and liabilities are readily traded on organised markets in the standardised form.
Where assets are carried at amounts above the net fair value these amounts have not been written down as it is intended to hold these assets to maturity.
Net fair value is exclusive of costs that would be incurred on realisation of an asset and inclusive of costs that would be incurred on settlement of a liability.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts of those assets, as disclosed in the statement of financial position, and notes to the financial statements.

Credit risk for derivative financial instruments arises from the potential failure by counterparties to the contract to meet their obligations. The credit risk exposure to forward exchange contracts and interest rate swaps is the net fair value of these contracts.

23 Non-current liabilities - Deferred tax liabilities

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
The balance comprises temporary differences attributable to:				
Amounts recognised in profit or loss				
Prepayments	**25**	10	**0**	0
Unrealised foreign exchange on inter company balances	**0**	224	**0**	0
Depreciation	**430**	345	**0**	0
Brand values	**750**	0	**0**	0
	1,205	579	**0**	0
Amounts recognised directly in equity				
Foreign exchange revaluation reserve	**0**	0	**0**	0
Cash flow hedges	**0**	0	**0**	0
	1,205	579	**0**	0
Set-off of deferred tax liabilities of parent entity pursuant to set-off provisions	**(1,205)**	(579)	**0**	0
Net deferred tax liabilities	**0**	0	**0**	0
Movements:				
Opening balance	**579**	323	**0**	69
Charged/(credited) to the income statement	**(66)**	295	**0**	0
Charged/(credited) to equity	**0**	(69)	**0**	(69)
Foreign exchange on translation of NZ subsidiary	**(58)**	30	**0**	0
Acquired in acquisition	**750**	0	**0**	0
Closing balance	**1,205**	579	**0**	0
Deferred tax liabilities to be settled after more than 12 months	**1,165**	569	**0**	0
Deferred tax liabilities to be settled within 12 months	**40**	10	**0**	0
	1,205	579	**0**	0

24 Non-current liabilities – Provisions

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Make good provision	**4,954**	5,558	**0**	0
Employee benefits	**907**	1,266	**92**	0
Provision for Goldcross performance incentive	**2,774**	0	**2,774**	0
	8,635	6,824	**2,866**	0

(a) Make good provision

Provision is made for costs arising from contractual obligations in lease agreements at the inception of the agreement.

A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the cost of the leasehold improvements and are amortised over the shorter of the term of the lease or the useful life of the assets.

24 Non-current liabilities – Provisions (continued)

(b) Movements in provisions (consolidated entity) (notes 19 & 24)

	Make good $'000
Opening balance as at 1 July 2007	**5,842**
Additional provisions recognised	**917**
Indexing of provisions	**54**
Provision released	**(1,846)**
Acquisitions	**152**
Closing balance as at 28 June 2008	**5,119**

(c) Provision for Goldcross performance incentive

In the event the stores comprising Goldcross at settlement date achieve a certain EBIT result additional consideration of $3,000,000 may be payable in cash. As this payment is considered probable it has been recorded, at present value, in the total purchase consideration of Goldcross Cycles Pty Ltd.

25 Contributed equity

(a) Share Capital

	Consolidated		Parent entity	
	2008 $'000	2007 $'000	**2008 $'000**	2007 $'000
Ordinary shares fully paid	**84,627**	84,233	**84,627**	84,233

	Number of Shares	Issue Price	$'000
(b) Movement in ordinary share capital			
Issue of shares on incorporation (8 April 2004)	1	1.00	0
Issue of shares on 23 April 2004	49,697,150	1.69	84,233
Share split on 19 May 2004	56,732,471	-	0
Issue of shares on 8 March 2008	200,000	1.97	394
Closing balance 28 June 2008	106,629,622		84,627

The ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present, in person or by proxy, at a meeting of shareholders of the parent entity is entitled to one vote and, upon a poll, each share is entitled to one vote.

Options over 180,000 (2007: 1,375,000) ordinary shares were issued during the period, with 200,000 options being exercised during the period. Information relating to options outstanding at the end of the financial period are set out in Note 39.

(c) Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group and the parent entity monitor overall capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the balance sheet (including minority interest) plus net debt.

During 2008 the Group's strategy, which was unchanged from 2007, was to maintain a gearing ratio within 40% to 50%. This target ratio range excludes the short-term impact of acquisitions. The gearing ratios at 28 June 2008 and 30 June 2007 were as follows:

25 Contributed equity (continued)

	Consolidated	
	2008	2007
	$'000	$'000
Total borrowings	**127,708**	101,410
Less: Cash & cash equivalents	**(8,709)**	(6,271)
Net Debt	**118,999**	95,139
Total Equity	**135,761**	124,526
Total Capital	**254,760**	219,665
Gearing Ratio	**46.8%**	43.3%

The increase in the gearing ratio in 2008 was primarily due to the acquisition of the Goldcross bicycle business, continued expansion of the store network and the establishment of a new distribution centre in Melbourne.

The Group and the parent entity monitor ongoing capital on the basis of the fixed charge cover ratio. The ratio is calculated as earnings before finance costs, tax, depreciation, amortisation and store rental expense divided by fixed charge obligations (being finance costs and rental expenses). Rental expenses are calculated net of straight line lease adjustments.

During 2008 the Group's strategy, which was unchanged from 2007, was to maintain a fixed charge cover ratio of around 2.0 times. The fixed charge cover ratios at 28 June 2008 and 30 June 2007 were as follows:

		Consolidated Entity	
		2008	2007
Earnings		**25,800**	22,332
Add:	Taxation expense	**11,006**	8,928
	Finance costs	**9,116**	7,191
	Depreciation and amortisation	**15,924**	13,260
	Rental expense	**49,532**	40,693
EBITDAR		**111,378**	92,404
	Finance costs	**9,116**	7,191
	Rental expense	**49,532**	40,693
Fixed charges		**58,648**	47,884
Fixed charge cover ratio		**1.90**	1.93

The slight reduction in the fixed charge cover ratio in 2008 is due to costs associated with the establishment of a new distribution centre in Melbourne and continued expansion of the store network, with store sales building over time.

26 Reserves and retained profits

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$'000	$'000	**$'000**	$'000
Reserves				
Foreign currency translation reserve	**(2,970)**	(11)	**0**	0
Share based payments reserve	**746**	428	**746**	428
Hedging reserve	**(1,120)**	(1,585)	**144**	68
	(3,344)	(1,168)	**890**	496
Movements				
Foreign currency translation reserve				
Balance at the beginning of the financial period	**(11)**	(129)	**0**	0
Net exchange difference on translation of foreign controlled Entity	**(2,959)**	118	**0**	0
Balance at the end of the financial period	**(2,970)**	(11)	**0**	0
Share based payments reserve				
Balance at beginning of the financial period	**428**	90	**428**	90
Options lapsed	**0**	0	**0**	0
Option expense	**318**	338	**318**	338
Balance at the end of the financial period	**746**	428	**746**	428
Hedging reserve				
Balance of beginning of the financial period	**(1,585)**	28	**68**	70
Revaluation – gross	**665**	(2,304)	**107**	(3)
Deferred tax	**(200)**	691	**(31)**	1
Balance at the end of the financial period	**(1,120)**	(1,585)	**144**	68
Retained earnings				
Balance at the beginning of the financial period	**41,461**	28,708	**8,903**	7,098
Net profit/(loss) for the financial period attributable to shareholders of Super Cheap Auto Group Limited	**25,800**	22,332	**16,012**	11,384
Dividends provided for or paid	**(12,783)**	(9,579)	**(12,783)**	(9,579)
Retained profits/(losses) at the end of the financial period	**54,478**	41,461	**12,132**	8,903

(c) Nature and purpose of reserves

(i) Hedging reserve - cash flow hedges
The hedging reserve is used to record gains or losses on a hedging instrument in a cash flow hedge that are recognised directly in equity, as described in note 1(k). Amounts are recognised in profit and loss when the associated hedged transaction affects profit and loss.

(ii) Share-based payments reserve
The share-based payments reserve is used to recognise the fair value of options issued but not exercised.

(iii) Foreign currency translation reserve
Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve, as described in note 1(e). The reserve is recognised in profit and loss when the net investment is disposed of.

27 Dividends

	Parent Entity	
	2008 $'000	2007 $'000
Ordinary shares		
Dividends paid by Super Cheap Auto Group Limited during the reporting period were as follows:		
Interim dividend for the period ended 28 June 2008 of 5.5 cents (2007: 4 cents per share) paid on 2 April 2008. Fully franked based on tax paid @ 30%	**5,865**	4,257
Final dividend for the period ended 30 June 2007 of 6.5 cents per share (2007: 5 cents per share) paid on 10 October 2007. Fully franked based on tax paid @ 30%	**6,918**	5,322
Total dividends provided and paid	**12,783**	9,579
Dividends not recognised at year end		
Subsequent to year end, the Directors have recommended the payment of a final dividend of 7.5 cents per ordinary share (2007: 6.5 cents per ordinary share), fully franked based on tax paid at 30%.		
The aggregate amount of the dividend expected to be paid on 14 October 2008, out of retained profits at 28 June 2008, but not recognised as a liability at year end, is	**8,530**	6,918
Franking credits		
The franked portions of dividends paid after 28 June 2008 will be franked out of existing franking credits and out of franking credits arising from the payments of income tax in the years ending after 28 June 2008.		
Franking credits remaining at balance date available for dividends declared after the current balance date based on a tax rate of 30%	**33,619**	25,781

The above amounts represent the balance of the franking account as at the end of the financial period, adjusted for:

- franking credits that will arise from the payment of the current tax liability; and,
- franking debits that will arise from the payment of the dividend as a liability at the reporting date.

The amount recorded above as the franking credit amount is based on the amount of Australian income tax paid or to be paid in respect of the liability for income tax at the balance date.

The impact on the franking account of the dividend recommended by the directors since year end, but not recognised as a liability at year end, will be a reduction in the franking account of $3,427,381 (2007: $2,964,825).

28 Key management personnel disclosures

(a) Key management personnel compensation

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$	$	**$**	$
Short-term employee benefits	**2,120,529**	2,596,445	**127,871**	91,743
Post-employment benefits	**312,471**	306,556	**198,129**	188,257
Share-based payments	**221,838**	229,348	**221,838**	215,519
	2,654,838	3,132,349	**547,838**	495,519

The key management personnel remuneration in some instances has been paid by a subsidiary.

The company has taken advantage of the relief provided by Corporations Regulation 2M.6.04 and has transferred the detailed remuneration disclosures to the directors' report. The relevant information can be found in the remuneration report on pages 22 to 27.

(b) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options
Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in the remuneration report on pages 22 to 27.

(ii) Option holdings
The numbers of options over ordinary shares in the company held during the financial year by each director of Super Cheap Auto Group Limited and other key management personnel of the Group, including their personally related parties, are set out below.

2008 Name	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year	Vested and unexercisable at the end of the year
Directors of Super Cheap Auto Group Limited							
R D McIlwain	-	0	0	0	0	0	0
R A Rowe	-	0	0	0	0	0	0
D D McDonough	-	0	0	0	0	0	0
R J Wright	-	0	0	0	0	0	0
P A Birtles	700,000	0	200,000	0	500,000	0	0
Other key management personnel of the Group							
D F Ajala	400,000	0	0	0	400,000	0	0
S J Doyle	400,000	0	0	0	400,000	0	0
G G Carroll	250,000	0	0	0	250,000	0	0
G L Chad	125,000	0	0	0	125,000	0	0

No options are vested and unexercisable at the end of the year.

28 Key management personnel disclosures (continued)

2007 Name	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year	Vested and unexercisable at the end of the year
Directors of Super Cheap Auto Group Limited							
R D McIlwain	0	0	0	0	0	0	0
R A Rowe	0	0	0	0	0	0	0
D D McDonough	0	0	0	0	0	0	0
R J Wright	0	0	0	0	0	0	0
P A Birtles	200,000	500,000	0	0	700,000	0	0
Other key management personnel of the Group							
D F Ajala	400,000	0	0	0	400,000	0	0
S J Doyle	400,000	0	0	0	400,000	0	0
G G Carroll	250,000	0	0	0	250,000	0	0
G L Chad	0	125,000	0	0	125,000	0	0

No options are vested and unexercisable at the end of the year.

28 Key management personnel disclosures (continued)

(iii) Share holdings
The numbers of shares in the company held during the financial year by each director of Super Cheap Auto Group Limited and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2008 Name	Balance at the start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at the end of the year
Directors of Super Cheap Auto Group Limited				
Ordinary shares				
R D McIlwain	158,882	0	0	158,882
R A Rowe	52,402,159	0	0	52,402,159
D D McDonough	60,000	0	0	60,000
R J Wright	40,609	0	0	40,609
P A Birtles	1,192,596	200,000	0	1,392,596
Other key management personnel of the Group				
Ordinary shares				
D F Ajala	281	0	0	281
S J Doyle	143,411	0	0	143,411
G G Carroll	0	0	0	0
G L Chad	0	0	50,000	50,000

2007 Name	Balance at the start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at the end of the year
Directors of Super Cheap Auto Group Limited				
Ordinary shares				
R D McIlwain	158,882	0	0	158,882
R A Rowe	52,402,159	0	0	52,402,159
D D McDonough	50,000	0	10,000	60,000
R J Wright	40,609	0	0	40,609
P A Birtles	1,192,596	0	0	1,192,596
Other key management personnel of the Group				
Ordinary shares				
D F Ajala	0	0	281	281
S J Doyle	493,411	0	(350,000)	143,411
G G Carroll	0	0	0	0
G L Chad	0	0	0	0

Aggregate amounts of each of the above types of other transactions with key management personnel of Super Cheap Auto Group Limited:

	2008 $000	2007 $000
Amounts paid to key management personnel as shareholders		
Dividends	**6,482**	4,877

29 Remuneration of auditors

During the period the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$	$	**$**	$
(a) Assurance services				
Audit services				
PricewaterhouseCoopers Australian firm				
Audit and review of financial reports and other audit work under the *Corporations Act 2001*	**281,365**	289,700	**0**	171,700
Total remuneration for audit services	**281,365**	289,700	**0**	171,700
Other assurance services				
PricewaterhouseCoopers Australian firm				
IFRS accounting services	**0**	0	**0**	0
Total remuneration for other assurance services	**0**	0	**0**	0
Total remuneration for assurance services	**281,365**	289,700	**0**	171,700
(b) Taxation services				
PricewaterhouseCoopers Australian firm				
Tax compliance services, including review of company income tax returns	**75,532**	92,864	**0**	0
Total remuneration for taxation services	**75,532**	92,864	**0**	0
(c) Advisory services				
PricewaterhouseCoopers Australian firm				
Due diligence	**0**	0	**0**	0
Total remuneration for advisory services	**0**	0	**0**	0

It is the Group's policy to employ PricewaterhouseCoopers on assignments additional to their statutory audit duties where PricewaterhouseCoopers' expertise and experience with the Group are important. These assignments are principally tax advice and due diligence reporting on acquisitions, or where PricewaterhouseCoopers is awarded assignments on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects.

30 Contingencies

	Consolidated		Parent entity	
	2008	2007	**2008**	2007
	$000	$000	**$000**	$000
Guarantees				
Guarantees issued by the bankers of Super Cheap Auto Pty Ltd in support of various rental arrangements for certain retail outlets.				
The maximum future rental payments guaranteed amount to:	**2,671**	1,251	**1,450**	0

31 Commitments

	Consolidated		Parent entity	
	2008 $000	2007 $000	**2008 $000**	2007 $000
Capital commitments				
Commitments for the acquisition of plant and equipment contracted for at the reporting date but not recognised as liabilities payable:				
Within one year	**522**	1,736	**0**	0
Later than one year but not later than five years	**0**	0	**0**	0
Later than five years	**0**	0	**0**	0
Total capital commitments	**522**	1,736	**0**	0
Lease commitments				
Commitments in relation to operating lease payments under non-cancellable operating leases are payable as follows:				
Within one year	**55,219**	42,157	**0**	0
Later than one year but not later than five years	**171,032**	131,691	**0**	0
Later than five years	**64,831**	53,928	**0**	0
Less lease straight lining adjustment (note 20)	**(11,174)**	(8,194)	**0**	0
Total lease commitments	**279,908**	219,582	**0**	0
Future minimum lease payments expected to be received in relation to non-cancellable sub-leases of operating leases	**3,319**	2,976	**0**	0
Remuneration commitments				
Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities, payable:				
Within one year	**1,599**	1,480	**1,599**	1,480
Later than one year and not later than five years	**2,602**	4,440	**2,602**	4,440
Later than five years	**0**	0	**0**	0
	4,201	5,920	**4,201**	5,920

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of key management personnel referred to in the remuneration report on pages 22 to 27 that are not recognised as liabilities and are not included in the key management personnel compensation.

Finance leases
The Group leases various plant and equipment with a carrying amount of $1,529,000 (2007: Nil) under finance leases expiring within three to five years.

	Consolidated		Parent entity	
	2008 $000	2007 $000	**2008 $000**	2007 $000
Commitments in relation to finance leases are payable as follows:				
Within one year	**390**	0	**0**	0
Later than one year but not later than five years	**964**	0	**0**	0
Minimum lease payments	**1,354**	0	**0**	0
Future finance charges	**(263)**	0	**0**	0
Total lease liabilities	**1,091**	0	**0**	0
Representing lease liabilities:				
Current (note 17)	**1,091**	0	**0**	0
	1,091	0	**0**	0

32 Related party transactions

Transactions with related parties are at arm's length unless otherwise stated.

(a) Parent entities
The parent entity within the Group is Super Cheap Auto Group Limited, which is the ultimate Australian parent.

(b) Subsidiaries
Interests in subsidiaries are set out in note 33.

(c) Key Management Personnel
Disclosures relating to key management personnel are set out in note 28.

(d) Directors
The names of the persons who were Directors of Super Cheap Auto Group Limited during the financial period are R D McIlwain, R A Rowe, R J Wright, D D McDonough and P A Birtles.

(e) Amounts due from related parties
Amounts due from Directors of the consolidated entity and their director-related entities are as follows:

	Consolidated		Parent entity	
	2008 $'000	2007 $'000	**2008 $'000**	2007 $'000
Director related entities of R A Rowe – store lease costs to be reimbursed by landlord (see below)	**0**	0	**0**	0
	0	0	**0**	0

(f) Transactions with related parties
Aggregate amounts included in the determination of profit from ordinary activities before income tax that resulted from transactions with related parties:

	Consolidated		Parent entity	
	2008 $'000	2007 $'000	**2008 $'000**	2007 $'000
Other Transactions				
- store lease payments – R A Rowe related property entities	**7,625**	7,393	**0**	0
- remuneration paid to directors of the ultimate Australian parent entity	**0**	0	**0**	0
Dividend Revenue				
- dividends from subsidiaries	**0**	0	**24,000**	17,000
Tax Consolidation Legislation				
- current tax payable assumed from wholly owned tax consolidated entities	**0**	0	**14,075**	13,420

(g) Loans to/from Related Parties

	Consolidated		Parent entity	
	2008 $'000	2007 $'000	**2008 $'000**	2007 $'000
Loans to Subsidiaries				
- beginning of the period	**0**	0	**116,194**	95,555
- loans advanced	**0**	0	**468,862**	291,469
- loan repayments received	**0**	0	**(456,985)**	(270,830)
End of year	**0**	0	**128,071**	116,194

33 Investments in controlled entities

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding 2008 %	Equity Holding 2007 %
Super Cheap Auto Pty Ltd[(a)]	Australia	Ordinary	100	100
Super Cheap Auto (New Zealand) Pty Ltd[(b)]	New Zealand	Ordinary	100	100
Super Retail Group Services Pty Ltd[(a),]	Australia	Ordinary	100	100
BCF Australia Pty Ltd[(a)]	Australia	Ordinary	100	100
SCA Equity Plan Pty Ltd[(b)]	Australia	Ordinary	100	100
Goldcross Cycles Pty Ltd	Australia	Ordinary	100	-
Oceania Bicycles Pty Ltd	Australia	Ordinary	50	-

(a) These controlled entities have been granted relief from the necessity to prepare financial reports in accordance with Class Order 98/1418 issued by the Australian Securities and Investments Commission.

(b) Investment is held directly by Super Cheap Auto Pty Ltd.

34 Business Combinations

During the period, the parent entity acquired the Goldcross Cycles business as detailed below at (a). In addition, BCF Australia Pty Ltd acquired certain assets and liabilities of two businesses during the period, Campbells Protackle (see (b) below) and JV Marine (see (c) below).

These acquisitions resulted in the recognition of the following goodwill:

	$'000
Goldcross Cycles	10,174
Campbells Protackle	836
JV Marine	3,459
	14,469

(a) Goldcross Cycles

(i) Summary of acquisition

On 23 June 2008, the parent entity acquired 100% of the issued share capital of Goldcross Cycles Pty Ltd and 50% of the issued share capital of Oceania Bicycles Pty Ltd.

Due to the timing of the acquisition, the contribution to revenues and net profit was not material. If the acquisition had occurred on 1 July 2007, consolidated revenue and consolidated profit for the period ended 28 June 2008 would have been $734,706,000 and $23,786,000 respectively. These amounts have been calculated using the Group's accounting policies and by adjusting the results of the subsidiary to reflect the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from 1 July 2007, together with the consequential tax effects.

Details of the fair value of the assets and liabilities acquired and goodwill are as follows:

	$'000
Purchase consideration	8,041
Additional consideration accrued	2,774
Put option (current value)	531
Direct costs relating to acquisition	267
Total Purchase consideration (refer to (ii) below)	11,613
Less: Fair value of net identifiable assets	1,439
Goodwill recognised on acquisition	10,174

34 Business Combinations (continued)

Super Cheap Auto Group Limited has not recognized a minority interest on acquisition of Oceania Bicycles Pty Ltd, on the basis that Super Cheap Auto Group Limited has elected to deem that control has passed on acquisition due to a put agreement on the remaining 50% of shares. Control is achieved via Supply Agreements as well as the ability of Super Cheap Auto Group Limited to acquire the remaining shares of Oceania Bicycles Pty Ltd in the event of a dispute.

As part of the acquisition of a 50% shareholding in Oceania Bicycles Pty Ltd, Super Cheap Auto Group Limited has granted the vendor an option to sell the remaining 50% to the group at an agreed EBITA multiple. This option can be exercised at any time up to 10 years from acquisition.

In the event the stores comprising Goldcross at settlement date achieve a certain EBIT result additional consideration of $3,000,000 may be payable in cash. As this payment is considered probable it has been recorded, at present value, in the total purchase consideration of Goldcross Cycles Pty Ltd.

(ii) Purchase considerations

	Consolidated	Parent entity
	2008	**2008**
	$'000	**$'000**
Outflow of cash to acquire subsidiary, net of cash acquired		
Total purchase consideration	**11,613**	**11,613**
Less: Consideration payable	**(3,380)**	**(3,380)**
Less: Balances acquired		
Cash	**12**	**12**
	12	**12**
Outflow of cash	**8,221**	**8,221**

In the event that certain pre-determined EBIT targets are achieved by the subsidiary in 2008/09, additional consideration of up to $3 million may be payable in cash. If it becomes probable that additional consideration will be payable, it will be brought to account as a component of the goodwill arising on the acquisition when the amount can be reliably measured.

	Fair Value $'000
Cash	12
Other Receivables	516
Inventory	5,739
Plant & Equipment	1,768
Brand name	2,500
Supplier agreement	400
Deferred make goods	123
Tax Assets	633
Bank Overdraft	(1,209)
Trade Payables	(1,820)
Provision for Employee Entitlements	(247)
Make-good provision	(154)
Other Payables	(326)
Deferred tax liability	(750)
Non-Current Borrowings	(5,746)
Net Identifiable Assets Acquired	1,439

The goodwill is attributable to Goldcross' strong position and profitability in the bicycling market and the synergies expected to arise from the acquisition.

34 Business Combinations (continued)

(b) Campbells Protackle

Acquisition by controlled entity
On 15 November 2007, BCF Australia Pty Ltd acquired certain assets and assumed certain liabilities of the Campbells Pro Tackle business from an entity external to the Group.

	2008 $'000
Net assets acquired and goodwill are as follows:	
Purchase consideration	
Cash Paid	1,500
Direct costs relating to the acquisition	49
Total purchase consideration	1,549
Provisional allocation of Fair value of net identifiable assets acquired (refer below)	713
Goodwill	836

The goodwill is attributable to Campbells Pro Tackle strong position and profitability in the fishing market and synergies expected to arise after the company's acquisition

Fair value of identifiable net assets acquired	
Inventory	700
Plant and equipment	16
Employee entitlements	(4)
Other creditors	(6)
Net deferred tax assets	7
Net identifiable assets acquired	713

The amounts recognised by the vendor immediately before acquisition for each class of asset and liability are not significantly different from the fair values included in the table above.

The acquired business contributed revenues of $1.2 million to the Group for the period 15 November 2007 to 28 June 2008. If the acquisition had occurred on 1 July 2007, the contribution to group revenue would have been $1.9 million. The contribution to group net profit after tax is not significant.

34 Business Combinations (continued)

(c) JV Marine

Acquisition by controlled entity
On 1 February 2008, BCF Australia Pty Ltd acquired certain assets and assumed certain liabilities of the JV Marine business from an entity external to the Group.

Net assets acquired and goodwill are as follows:	**2008 $'000**
Purchase consideration	
Cash Paid	5,908
Direct costs relating to the acquisition	69
Total purchase consideration	5,977
Fair value of net identifiable assets acquired (refer below)	2,518
Goodwill	3,459

The goodwill is attributable to JV Marine's strong position and profitability in the fishing and boating accessories market and synergies expected to arise after the company's acquisition.

Fair value of identifiable net assets acquired	
Inventory	2,140
Other receivables	214
Plant and equipment	210
Employee entitlements	(61)
Other creditors	(3)
Net deferred tax assets	18
Net identifiable assets acquired	2,518

The amounts recognised by the vendor immediately before acquisition for each class of asset and liability are not significantly different from the fair values included in the table above.

The acquired business contributed revenues of $2.4 million to the Group for the period 1 February 2008 to 28 June 2008. If the acquisition had occurred on 1 July 2007, the contribution to group revenue would have been $10.0 million. The contribution to group net profit after tax is not significant.

35 Net tangible asset backing

	Consolidated Entity	
	2008 Cents	2007 Cents
Net tangible asset per ordinary share	50¢	56¢

36 Deed of cross guarantee

Super Cheap Auto Group Limited, Super Cheap Auto Pty Ltd, BCF Australia Pty Ltd, Super Retail Group Services Pty Ltd and SCA Equity Plan Pty Ltd are parties to a Deed of Cross Guarantee under which each company guarantees the debts of the others. By entering into the Deed, the wholly owned entities have been relieved from the requirement to prepare a financial report and directors' report under Class Order 98/1418 (as amended by Class Orders 98/2017, 00/0321, 01/1087, 02/0248 and 02/1017) issued by the Australian Securities and Investments Commission.

36 Deed of cross guarantee (continued)

(a) Consolidated Income Statement and a summary of movements in consolidated retained profits

The above companies represent a 'Closed Group' for the purposes of the Class Order, and as there are no other parties to the Deed of Cross Guarantee that are controlled by Super Cheap Auto Group Limited, they also represent the 'Extended Closed Group'.

Set out below is a consolidated income statement and a summary of movements in consolidated retained profits for the period ended 28 June 2008 of the Closed Group consisting of Super Cheap Auto Group Limited, Super Cheap Auto Pty Ltd, BCF Australia Pty Ltd, Super Retail Group Services Pty Ltd and SCA Equity Plan Pty Ltd.

	Consolidated	
	2008	2007
	$'000	$'000
Revenue from continuing operations	**655,905**	582,105
Other income	**2,131**	129
Total revenues and other income	**658,036**	582,234
Cost of sales of goods		
Other expenses from ordinary activities	**(389,375)**	(351,484)
- selling and distribution	**(76,453)**	(63,886)
- marketing	**(35,654)**	(34,618)
- occupancy	**(47,732)**	(39,733)
- administration	**(63,728)**	(54,773)
Borrowing costs expense	**(10,859)**	(7,253)
Total expenses	**(623,801)**	(551,747)
Profit before income tax	**34,235**	30,487
Income tax (expense)/benefit	**(10,674)**	(8,810)
Profit for the period	**23,561**	21,677
Summary of movements in consolidated retained profits		
Retained profits at the beginning of the financial year	**40,161**	28,063
Profit for the period	**23,561**	21,677
Dividends provided for or paid	**(12,783)**	(9,579)
Retained profits at the end of the financial year	**50,939**	40,161

36 Deed of cross guarantee (continued)

(b) Balance Sheet

Set out below is a consolidated balance sheet as at 28 June 2008 of the Closed Group consisting of Super Cheap Auto Group Limited, Super Cheap Auto Pty Ltd, BCF Australia Pty Ltd, Super Retail Group Services Pty Ltd and SCA Equity Plan Pty Ltd.

	Consolidated	
	2008	2007
	$'000	$'000
ASSETS		
Current assets		
Cash and cash equivalents	**6,664**	5,780
Trade and other receivables	**43,073**	33,758
Inventories	**170,018**	142,677
Total current assets	**219,755**	182,215
Non-current assets		
Other financial assets	**11,085**	1
Property, plant and equipment	**71,894**	60,777
Deferred tax assets	**8,337**	7,837
Intangible assets	**60,154**	58,605
Total non-current assets	**151,470**	127,220
Total assets	**371,225**	309,435
LIABILITIES		
Current liabilities		
Trade and other payables	**84,993**	58,367
Borrowings	**56,605**	31,410
Current tax liabilities	**5,428**	6,786
Provisions	**6,150**	4,617
Total current liabilities	**153,176**	101,180
Non-current liabilities		
Trade and other payables	**10,132**	8,194
Borrowings	**70,000**	70,000
Deferred tax liabilities	**0**	0
Provisions	**5,300**	6,824
Total non-current liabilities	**85,432**	85,018
Total liabilities	**238,608**	186,198
Net assets	**132,617**	123,237
EQUITY		
Contributed equity	**84,763**	84,233
Reserves	**(3,085)**	(1,157)
Retained profits	**50,939**	40,161
Total equity	**132,617**	123,237

37 Reconciliation of profit from ordinary activities after income tax to net cash inflow from operating activities

	Consolidated		Parent entity	
	2008 $000	2007 $000	**2008 $000**	2007 $000
Profit from ordinary activities after related income tax	**25,800**	22,332	**16,012**	11,384
Depreciation and amortisation	**15,924**	13,260	**0**	0
Net (gain)/loss on sale of non-current assets	**368**	260	**0**	0
Non-cash employee benefits expense/share based payments	**318**	299	**318**	299
Net Interest Expense	**8,898**	6,819	**8,894**	6,649
Change in operating assets and liabilities, net of effects from the purchase of controlled entities and the sale of the service entity				
- (increase) in receivables	**(2,527)**	(441)	**(38,273)**	(36,350)
- (increase) in inventories	**(27,905)**	(24,859)	**0**	0
- (decrease)/increase in payables	**26,925**	16,243	**(2,268)**	5,275
- increase in provisions	**2,233**	1,792	**315**	0
- (decrease) in deferred tax	**(381)**	(1,713)	**(5)**	(37)
Net cash inflow from operating activities	**49,653**	33,992	**(15,007)**	(12,780)

38 Earnings per share

	Consolidated Entity	
	2008 Cents	2007 Cents
Basic earnings per share	**24.2**	21.0
Diluted earnings per share	**24.2**	20.9

Weighted average number of shares used as the denominator

	Consolidated Entity	
	2008 Number	2007 Number
Weighted average number of shares used as the denominator in calculating basic earnings per share	**106,479,622**	106,429,622
Adjustments for calculation of diluted earnings per share options	**38,771**	641,363
Weighted average potential ordinary shares used as the denominator in calculating diluted earnings per share	**106,518,393**	107,070,985

	2008 $000	2007 $000
Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
- earnings used in calculating basic earnings per share – net profit after tax	**25,800**	22,332
Diluted earnings per share		
- earnings used in calculating diluted earnings per share – net profit after tax	**25,800**	22,332

(a) Information concerning the classification of securities

(i) Options
Options granted are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

39 Share-based payments

(a) Executive Option Plan

The Company has established the Super Cheap Auto Executive Share Option Plan ("Option Plan") to assist in the retention and motivation of executives of Super Cheap Auto ("Participants"). It is intended that the Option Plan will enable the Company to retain and attract skilled and experienced executives and provide them with the motivation to enhance the success of the Company.

Under the Option Plan, options may be offered to Participants selected by the Board. Unless otherwise determined by the Board, no payment is required for the grant of options under the Option Plan.

Subject to any adjustment in the event of a bonus issue, each option is an option to subscribe for one Share. Upon the exercise of an option by a Participant, each Share issued will rank equally with other Shares of the Company.

Options issued under the Option Plan may not be transferred unless the Board determines otherwise. The Company has no obligation to apply for quotation of the options on ASX. However, the Company must apply to ASX for official quotation of Shares issued on the exercise of the options.

At any one time, the total number of options on issue under the Option Plan that have neither been exercised nor lapsed will not exceed 5.0% of the total number of shares in the capital of the Company on issue.

Set out below are summaries of options granted under the plan:

Grant Date	Exercise date	Exercise price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of the year Number	Unvested at end of the year Number
Consolidated and parent entity – 2008								
19 May 2004	1 July 2007	$1.97	200,000	0	(200,000)	0	0	0
27 Jan 2006	5 Jan 2009	$2.44	400,000	0	0	0	400,000	400,000
27 Jan 2006	5 Jan 2010	$2.44	200,000	0	0	0	200,000	200,000
27 Jan 2006	5 Jan 2011	$2.44	200,000	0	0	0	200,000	200,000
17 April 2006	17 April 2009	$2.25	75,000	0	0	0	75,000	75,000
17 April 2006	17 April 2010	$2.25	75,000	0	0	0	75,000	75,000
17 April 2006	17 April 2011	$2.25	100,000	0	0	0	100,000	100,000
1 July 2006	1 July 2009	$2.25	262,500	0	0	0	262,500	262,500
1 July 2006	1 July 2010	$2.25	262,500	0	0	0	262,500	262,500
1 July 2006	1 July 2011	$2.25	350,000	0	0	0	350,000	350,000
26 Oct 2006	1 Feb 2009	$2.44	150,000	0	0	0	150,000	150,000
26 Oct 2006	1 Feb 2010	$2.44	150,000	0	0	0	150,000	150,000
26 Oct 2006	1 Feb 2011	$2.44	200,000	0	0	0	200,000	200,000
23 Aug 2007	24 Jul 2010	$4.37	0	180,000	0	0	180,000	180,000
Total			2,625,000	180,000	(200,000)	0	2,605,000	2,605,000
Weighted average exercise price			$2.32	$2.49	$1.97		$2.49	$2.49
Consolidated and parent entity – 2007								
19 May 2004	1 July 2007	$1.97	200,000	0	0	0	200,000	200,000
27 Jan 2006	5 Jan 2009	$2.44	400,000	0	0	0	400,000	400,000
27 Jan 2006	5 Jan 2010	$2.44	200,000	0	0	0	200,000	200,000
27 Jan 2006	5 Jan 2011	$2.44	200,000	0	0	0	200,000	200,000
17 April 2006	17 April 2009	$2.25	75,000	0	0	0	75,000	75,000
17 April 2006	17 April 2010	$2.25	75,000	0	0	0	75,000	75,000
17 April 2006	17 April 2011	$2.25	100,000	0	0	0	100,000	100,000
1 July 2006	1 July 2009	$2.25	0	262,500	0	0	262,500	262,500
1 July 2006	1 July 2010	$2.25	0	262,500	0	0	262,500	262,500
1 July 2006	1 July 2011	$2.25	0	350,000	0	0	350,000	350,000
26 Oct 2006	1 Feb 2009	$2.44	0	150,000	0	0	150,000	150,000
26 Oct 2006	1 Feb 2010	$2.44	0	150,000	0	0	150,000	150,000
26 Oct 2006	1 Feb 2011	$2.44	0	200,000	0	0	200,000	200,000
Total			1,250,000	1,375,000	0	0	2,625,000	2,625,000
Weighted average exercise price			$2.25	$2.32	0	0	$2.32	$2.32

39 Share-based payments (continued)

Fair value of options granted
The assessed fair value at grant date of options granted during the period ended 28 June 2008 was 38 to 57 cents per option. The fair value at grant date is independently determined using a Binomial option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the period ended 28 June 2008 included:

(a) options are granted for no consideration

(b) exercise price: \$4.37 (2007: \$2.25, \$2.44)

(c) grant date: 23 August 2007 (2007: 1 July 2006 and 26 October 2006)

(d) expiry date: 24 July 2010 (2007: 1 February 2009, 1 July 2009, 1 February 2010, 1 July 2010, 1 February 2011 and 1 July 2011)

(e) share price at grant date: \$4.40 (2007: \$1.59, \$2.65)

(f) expected price volatility of the company's shares: 33% (2007: 33%)

(g) expected dividend yield: 3.5% (2007: 3.5%)

(h) risk-free interest rate: 6.0% (2007: 6.0%).

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

40 Events occurring after the balance sheet date

Subsequent to the end of the period, BCF Australia Pty Ltd completed the acquisition of Jurkiewicz Adventure Store (including Canberra Ski and Board Centre) for \$1.70 million, buying certain assets and assuming certain liabilities.

The financial effects of the above transaction have not been brought to account at 28 June 2008. The operating results and assets and liabilities of the company will be brought to account from 31 July 2008.

In the directors' opinion:

(a) the financial statements and notes set out on pages 30 to 85 are in accordance with the *Corporations Act 2001,* including:
   (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
   (ii) giving a true and fair view of the company's and consolidated entity's financial position as at 28 June 2008 and of its performance, as represented by the results of their operations, changes in equity and their cash flows, for the financial period ended on that date; and

(b) 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

(c) at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in note 36 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 36.

The directors have been given the declarations by the managing director and chief financial officer required by section 295A of the *Corporations Act 2001.*

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

R D McIlwain
Director

P A Birtles
Director

Brisbane
27August 2008

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Independent auditor's report to the members of Super Cheap Auto Group Limited

Report on the financial report

We have audited the accompanying financial report of Super Cheap Auto Group Limited (the company), which comprises the balance sheet as at 28 June 2008, and the income statement, statement of changes in equity and cash flow statement for the period ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for both Super Cheap Auto Group Limited and Super Cheap Auto Group Limited (the consolidated entity). The consolidated entity comprises the company and the entities it controlled at the period's end or from time to time during the financial period.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies 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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 entity's preparation and fair presentation of the financial report 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 entity'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.

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

For further explanation of an audit, visit our website http://www.pwc.com/au/financialstatementaudit.

Independent auditor's report to the members of Super Cheap Auto Group Limited (continued)

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001.*

Auditor's opinion

In our opinion:

(a) the financial report of Super Cheap Auto Group Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the company's and consolidated entity's financial position as at 28 June 2008 and of their performance for the period ended on that date; and

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

(b) the consolidated financial statements and notes also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 22 to 27 of the directors' report for the period ended 28 June 2008. 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.

Auditor's opinion

In our opinion, the Remuneration Report of Super Cheap Auto Group Limited for the period ended 28 June 2008, complies with section 300A of the *Corporations Act 2001*.

PricewaterhouseCoopers

Brett Delaney
Partner

Brisbane
27 August 2008

The shareholder information set out below was applicable as at 27 August 2008.

A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	Ordinary Shareholders	Option holders
1-1000	1,007	
1,001-5,000	1,053	
5,001-10,000	210	
10,001-100,000	150	
100,001 and over	40	21

There were 79 holders of less than a marketable parcel of ordinary shares.

B. Equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

Name	Ordinary shares Number held	Ordinary shares Percentage of issued shares
SCA FT Pty Ltd	52,402,159	49.14%
J P Morgan Nominees Australia Limited	11,258,117	10.56%
National Nominees Limited	6,350,214	5.96%
HSBC Custody Nominees (Australia) Limited	4,248,371	3.98%
Citicorp Nominees Pty Limited <CFSIL CFS WS Small Comp A/c>	2,270,904	2.13%
Suncorp Custodian Services Pty Ltd <AET>	2,265,656	2.12%
Cogent Nominees Pty Limited	2,026,033	1.90%
Cogent Nominees Pty Limited <SMP Accounts>	1,809,843	1.70%
Geomar Superannuation Pty Ltd	1,570,000	1.47%
SCA Equity Plan Pty Ltd	1,479,941	1.39%
ANZ Nominees Limited <Cash Income A/C>	1,389,879	1.30%
Citicorp Nominees Pty Limited <CFS Developng Companies A/C>	1,374,009	1.29%
Mr Robert Edward Thorn	1,026,285	0.96%
Citicorp Nominees Pty Limited	959,610	0.90%
Citicorp Nominees Pty Limited <CFSIL CWLTH Small Co 7 A/C>	711,366	0.67%
AMP Life Limited	621,538	0.58%
Citicorp Nominees Pty Limited <CFSIL CWLTH SML COS 1 A/C>	557,380	0.52%
Equitas Nominees Pty Limited <PB-600241 A/C>	535,391	0.50%
Equitas Nominees Pty Limited <PB-600242 A/C>	535,391	0.50%
Equitas Nominees Pty Limited <PB-600243 A/C>	535,391	0.50%
	93,927,478	**88.09%**


HOLDEN
39
SUPERCHEAP AUTO
SIRROMET
Master Lock
SUPERCHEAP AUTO
Castrol
SIRROMET

SUPERCHEAP AUTO

AUSTRALIAN CAPITAL TERRITORY

BELCONNEN (02) 6253 5660
FYSHWICK (02) 6239 2333
TUGGERANONG (02) 6293 2233

NEW SOUTH WALES

ALBURY (02) 6041 1866
ARMIDALE (02) 6771 1955
AUBURN (02) 9648 5722
BALLINA (02) 6681 4755
BANKSTOWN (02) 9709 6500
BATHURST (02) 6331 7122
BELLA VISTA (02) 8814 6335
BENNETTS GREEN (02) 4947 4088
BLACKTOWN (02) 9676 1444
BONDI JUNCTION (02) 9389 3968
BROOKVALE (02) 9905 5666
CAMPBELLTOWN (02) 4625 9000
COFFS HARBOUR (02) 6651 8550
DAPTO (02) 4260 9120
DUBBO (02) 6882 0611
ERINA (02) 4367 4850
FAIRY MEADOW (02) 4225 2366
GLENDALE (02) 4954 6066
GOULBURN (02) 4822 9190
GRAFTON (02) 6642 7222
GRIFFITH (02) 6962 9566
HURSTVILLE (02) 9580 1722
INVERELL (02) 6722 5466
KOTARA (02) 4965 5488
LAKE HAVEN (02) 4392 7077
LAKE ROAD (02) 6581 5778
LAKEMBA (02) 9740 9999
LISMORE (02) 6622 7797
LIVERPOOL (02) 9600 7100
MAITLAND (02) 4933 5133
MCGRATHS HILL (02) 4577 8822
MENAI (02) 9543 3577
MOREE (02) 6752 4755
MT DRUITT (02) 9677 1400
MUDGEE (02) 6372 7055
NARELLAN (02) 4647 4533
NEWCASTLE (02) 4968 9833
NORTH PARRAMATTA (02) 9683 4188
NOWRA (02) 4422 9700
ORANGE (02) 6369 1066
PENRITH (02) 4733 3322
PORT MACQUARIE (02) 6583 2099
QUEANBEYAN (02) 6299 4099
ROCKDALE (02) 9567 0966
SHELLHARBOUR (02) 4297 6899
SINGLETON (02) 6571 5955
TAMWORTH (02) 6762 4433
TAREE (02) 6551 6211
TUGGERAH (02) 4355 4055
TWEED HEADS (07) 5524 8911
ULLADULLA (02) 4455 3488
VILLAWOOD (02) 9632 0877
WAGGA WAGGA (02) 6921 6922
WARWICK FARM (02) 9822 7299
WENTWORTHVILLE (02) 9896 0166
WEST GOSFORD (02) 4323 2044
WETHERILL PARK (02) 9604 9622

NORTHERN TERRITORY

ALICE SPRINGS (08) 8952 7455
BERRIMAH (08) 8932 9866
DARWIN (08) 8985 4898

QUEENSLAND

ACACIA RIDGE (07) 3274 6311
AIRLIE BEACH (07) 4948 3644
ASHMORE (07) 5539 2033
AYR (07) 4783 7377
BEENLEIGH (07) 3287 2777
BILOELA (07) 4992 5299
BOOVAL (07) 3282 6356
BROWNS PLAINS (07) 3806 8177
BUNDABERG (07) 4151 1111
BURLEIGH (07) 5576 6000
BURPENGARY (07) 3888 9366
CABOOLTURE (07) 5499 0488
CAIRNS (Earlville) (07) 4033 0600
CANNON HILL (07) 3395 8622
CAPALABA (07) 3823 1677
CARSELDINE (07) 3261 4777
CHERMSIDE (07) 3359 4930
CLEVELAND (07) 3286 5777
CURRIMUNDI (07) 5437 7400
DALBY (07) 4662 2933
DECEPTION BAY (07) 3204 8100
ENOGGERA (07) 3855 3188
GLADSTONE (07) 4976 9133
GOODNA (07) 3818 0722
GYMPIE (07) 5482 7566
HERMIT PARK (07) 4721 6488
HERVEY BAY (Pialba) (07) 4124 1211
INNISFAIL (07) 4061 4788
IPSWICH (07) 3812 2366
KALLANGUR (07) 3204 4922
KAWANA WATERS (07) 5478 3555
KEPERRA (07) 3851 3611
KINGAROY (07) 4162 5733
LABRADOR (07) 5537 7977
LAWNTON (07) 3881 2800
LOGANHOLME (07) 3209 9322
LOGANLEA (07) 3805 2688
MACGREGOR (07) 3849 6822
MACKAY (07) 4942 2344
MACKAY CITY (07) 4951 0944
MANUNDA (07) 4053 6912
MAROOCHYDORE (07) 5479 4844
MARYBOROUGH (07) 4121 3332
MERMAID BEACH (07) 5554 6233
MOOROOKA (07) 3892 2565
MT ISA (07) 4749 3785
NERANG (07) 5527 3988
NOOSA (07) 5455 5444
NUNDAH (07) 3256 7600
OXENFORD (07) 5573 4422
REDCLIFFE (07) 3284 2055
ROBINA (07) 5578 8477
ROCKHAMPTON (07) 4922 5433
SMITHFIELD (Cairns) (07) 4038 1588
SOUTHPORT (07) 5527 0666
STONES CORNER (07) 3394 4844
TAIGUM (07) 3265 7211
TARINGA (07) 3871 3808
THE PINES (07) 5534 5633
THURINGOWA (07) 4773 9000
TOOWOOMBA CITY (07) 4632 0799
TOOWOOMBA SOUTH (07) 4635 7577
TOWNSVILLE (Garbutt) (07) 4725 6866
UNDERWOOD (07) 3841 3400
VICTORIA POINT (07) 3207 9262
WARWICK (07) 4661 7633
WINDSOR (07) 3857 0677
WYNNUM (07) 3348 2044
YAMANTO (07) 3294 1033

SOUTH AUSTRALIA

BLAIR ATHOL (08) 8269 7122
DARLINGTON (08) 8358 3566
ELIZABETH (08) 8287 6533
KILKENNY (08) 8347 2214
MARION (08) 8296 2210
MUNNO PARA (08) 8254 7999
NOARLUNGA (08) 8384 2833
PARA HILLS (08) 8258 2760
PORT ADELAIDE (08) 8447 6088
SALISBURY (08) 8258 4811
THEBARTON (08) 8354 0666
WHYALLA (08) 8645 5159

TASMANIA

BURNIE (03) 6432 4855
DEVONPORT (03) 6424 3244
GLENORCHY (03) 6272 9200
LAUNCESTON (03) 6333 0511

WESTERN AUSTRALIA

ALBANY (08) 9842 5400
BALCATTA (08) 9240 1566
BELMONT (08) 9477 5699
BUNBURY (08) 9721 9977
CANNING VALE (08) 9455 3411
CANNINGTON HOMETOWN (08) 9258 7294
CLARKSON (08) 9407 9533
GERALDTON (08) 9921 8244
GOSNELLS (08) 9398 4822
JOONDALUP (08) 9300 0744
KALGOORLIE (08) 9021 7145
MANDURAH (08) 9581 8588
MIDLAND (08) 9274 5422
MIRRABOOKA (08) 9344 3255
MORLEY (08) 9375 6933
MYAREE (08) 9317 7699
O'CONNOR (08) 9314 3822
OSBORNE PARK (08) 9443 3711
ROCKINGHAM (08) 9592 7999
SPEARWOOD (08) 9494 2144
VICTORIA PARK (08) 9361 8422
WHITFORD (08) 9403 0444

VICTORIA

BAIRNSDALE (03) 5153 2799
BALLARAT (03) 5339 9455
BENDIGO (03) 5442 7877
BRIMBANK (03) 8390 2611
BROADMEADOWS (03) 9309 2799
CARRUM DOWNS (03) 9782 8305
CRANBOURNE (03) 5995 7299
DANDENONG (03) 9706 7788
ECHUCA (03) 5480 6788
EPPING (03) 9408 4288
ESSENDON (03) 9379 3600
FRANKSTON (03) 9781 2288
HOPPERS CROSSING (03) 9748 7277
HORSHAM (03) 5382 5000
KANGAROO FLAT (03) 5447 9144
KEYSBOROUGH (03) 9798 8466
KNOX CITY (03) 9800 4722
MARIBYRNONG (03) 9318 8444
MENTONE (03) 9585 0399
MILDURA (03) 5022 2588
MOE (03) 5126 1755
MORNINGTON (03) 9976 4611
NARRE WARREN (03) 9705 9199
NORTH GEELONG (03) 5272 3277
PRESTON (03) 9484 6006
RINGWOOD (03) 9847 0055
ROWVILLE (03) 9764 1677
ROXBURGH PARK (03) 8339 0765
SALE (03) 5144 3466
SHEPPARTON (03) 5831 3944
SUNBURY (03) 9746 3610
SUNSHINE (03) 9310 2488
THOMASTOWN (03) 9466 3699
TRARALGON (03) 5174 9755
WANGARATTA (03) 5722 3244
WARRAGUL (03) 5623 5699
WARRNAMBOOL (03) 5561 7660
WATERGARDENS (03) 9390 9699
WAURN PONDS (03) 5241 8947
WERRIBEE (03) 9748 0055
YARRAVILLE (03) 9318 9928

NEW ZEALAND

ALBANY 0011 64 9 448 2461
ALICETOWN 0011 64 4 569 1576
BLENHEIM 0011 64 3 579 3480
BOTANY 0011 64 9 273 8160
CAMBRIDGE 0011 64 7 823 7618
DUNEDIN 0011 64 3 477 2590
FEILDING 0011 64 6 323 2074
GISBORNE 0011 64 6 868 3760
HAMILTON 0011 64 7 834 3586
HASTINGS 0011 64 6 870 4521
HAWERA 0011 64 6 278 3641
INVERCARGILL 0011 64 3 214 4385
KELSTON 0011 64 9 813 2091
LEVIN 0011 64 6 368 3195
LYALL BAY 0011 64 4 387 1092
MANUKAU 0011 64 9 250 4392
MASTERTON 0011 64 6 370 3308
MT MAUNGANUI 0011 64 7 574 1593
MT WELLINGTON 0011 64 9 574 6435
NAPIER 0011 64 6 842 1461
NEW PLYMOUTH 0011 64 6 758 3882
PALMERSTON NORTH 0011 64 6 354 1743
PAPANUI 0011 64 3 354 8123
PARAPARAUMU 0011 64 4 298 1523
PORIRUA 0011 64 4 238 2641
PUKEKOHE 0011 64 9 239 2073
RICCARTON 0011 64 3 341 5087
ROTORUA 0011 64 7 348 5275
STOKE 0011 64 3 547 8394
TAKANINI 0011 64 9 299 8615
TAUPO 0011 64 7 376 5023
TAURANGA 0011 64 7 579 5436
TIMARU 0011 64 3 686 9068
UPPER HUTT 0011 64 4 528 0278
WAIRAU PARK 0011 64 9 442 1905
WANGANUI 0011 64 6 348 9407
WHAKATANE 0011 64 7 308 9072
WHANGAREI 0011 64 9 459 6440
WOOLSTON 0011 64 3 389 1249

BCF

NEW SOUTH WALES

ALBURY (02) 6023 6877
AUBURN (02) 9648 4366
BATHURST (02) 6331 4188
BENNETTS GREEN (02) 4947 4066
CAMPBELLTOWN (02) 4620 4855
CASTLE HILL (02) 9680 7833
COFFS HARBOUR (02) 6651 6500
PORT MACQUARIE (02) 6583 2455
PENRITH (02) 4733 0110
TUGGERAH (02) 4351 7655
WAGGA WAGGA (02) 6921 2155
WEST GOSFORD (02) 4322 5833

NORTHERN TERRITORY

DARWIN (08) 8948 0099

QUEENSLAND

BROWNS PLAINS (07) 3800 1733
BUNDABERG (07) 4151 6566
BURLEIGH (07) 5593 8600
CAIRNS (07) 4051 8155
CALOUNDRA (07) 5438 9400
CAPALABA (07) 3245 2220
CANNON HILL (07) 3890 2744
GLADSTONE (07) 4978 0611
HERVEY BAY (07) 4194 1366
IPSWICH (07) 3202 4455
KEPERRA (07) 3851 4625
LABRADOR (07) 5500 5700
LAWNTON (07) 3889 2911
LOGANHOLME (07) 3801 3900
MACKAY (07) 4942 3499
MAROOCHYDORE (07) 5479 2390
NOOSA (07) 5440 5866
ROCKHAMPTON (07) 4926 5055
SPRINGWOOD (07) 3808 2405
TOOWOOMBA (07) 4638 7511
TOWNSVILLE (07) 4775 6300
VIRGINIA (07) 3216 5077

WESTERN AUSTRALIA

ALBANY (08) 9841 2133
BALCATTA (08) 9240 1700
BUNBURY (08) 9791 5233
CAMPBELL'S PROTACKLE (08) 9444 3710
CANNINGTON (08) 9350 5888
GERALDTON (08) 9921 3144
JOONDALUP (08) 9301 4011
MANDURAH (08) 9581 6399
MIDLAND (08) 9250 2166
MYAREE (08) 9317 6011
ROCKINGHAM (08) 9527 9005

VICTORIA

BALLARAT (03) 5339 8011
BRAESIDE (03) 9701 8200
SHEPPARTON (03) 5822 4963
LAVERTON (03) 9360 9433

GOLDCROSS

VICTORIA

CAMBERWELL (03) 9882 0400
CHADSTONE (03) 9563 2322
CHIRNSIDE PARK (03) 9727 3110
CRANBOURNE (03) 5991 4550
EPPING (03) 9408 0011
FOUNTAIN GATE (03) 9705 3333
HOPPERS CROSSING (03) 9369 9556
KNOX CITY (03) 9887 0833
MOONEE PONDS (03) 9370 7033
RICHMOND (03) 9427 8844
WAURN PONDS (03) 5245 7222