



BCF
BANKERS CREDIT FINANCIAL
SUPERCHEAP
AUTO



NAME OF ENTITY

Super Cheap Auto Group Limited

ABN OR EQUIVALENT COMPANY REFERENCE

81 108 676 204

REGISTERED OFFICE

751 Gympie Road
Lawnton QLD 4501
Telephone (07) 3205 8511
Facsimile (07) 3205 8522

SHARE REGISTRY

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

BANKERS

Australia and New Zealand
Banking Group Limited

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 Pine Rivers Memorial Bowls Club, Cnr. Sparkes and Francis Roads, Bray Park, Queensland on Thursday 26 October 2006 at 12.00 noon.

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





SUPERCHEAP
AUTO





CONTENTS

Chairman's Report	04
Managing Director's Report	06
Board of Directors	16
Senior Management Team	18
Corporate Governance Statement	22
Financial Statements	27
Directors' Report	28
Annual Financial Report	39
Income Statements	41
Balance Sheets	42
Statements of Changes in Equity	43
Cash Flow Statements	44
Notes to the Financial Statements	45
Directors' Declaration	90
Independent Audit Report	91
Shareholder Information	93

WELCOME TO THE 2006 SUPER CHEAP AUTO GROUP LIMITED ANNUAL REPORT

2006 has been a year of change, growth and success for the Group. This report showcases many of our achievements including the opening of our Supercheap Auto concept store at Chermside in Brisbane, the successful establishment of BCF Boating Camping Fishing in the outdoor and leisure market and our sponsorship of the 2005 Supercheap Auto Bathurst 1000.

Once again, we recognise our team members, their achievements and valuable contribution to the success of our company.

We thank all our shareholders and customers for their continued interest and support in our company. We look forward to seeing you in the stores.



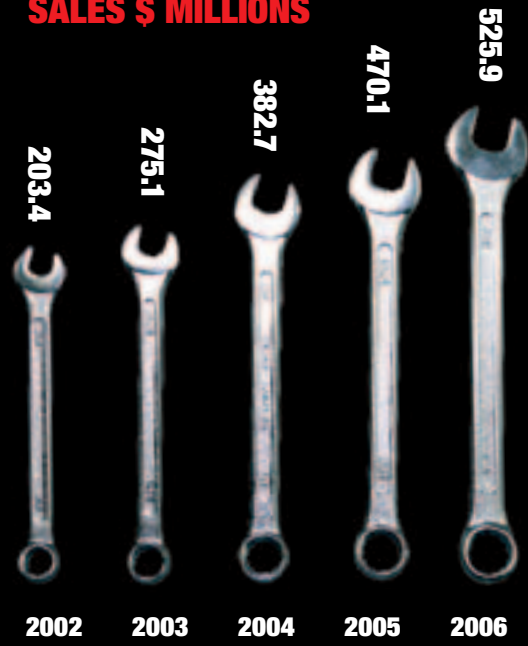
HIGHLIGHTS

- JUL 05** Announced the launch of BCF Boating Camping Fishing – plans to rebrand the recently acquired CampMart business to BCF along with plans to open further stores across Australia and New Zealand.
- OCT 05** Supercheap Auto Bathurst 1000 hugely successful with more than 6 million viewers across Australia and New Zealand and 166,840 motorsports fans attending the great race.
BCF launched with 8 stores.
- JAN 06** Launch of new look branding for Supercheap Auto.
BCF expands over the QLD/NSW border to open its first NSW store in Coffs Harbour - increasing its number of stores to 13.
- MAY 06** Supercheap Auto unveils its new concept store at Chermside, Queensland.
- JUN 06** Group sales exceed \$500 million.
BCF celebrates success at the National Retail Association Awards.
- JUL 06** First BCF store in Western Australia opens in Midland.

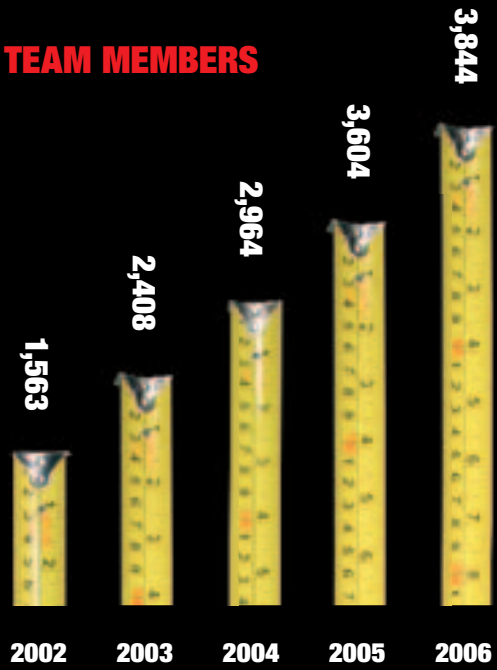
STORE NUMBERS



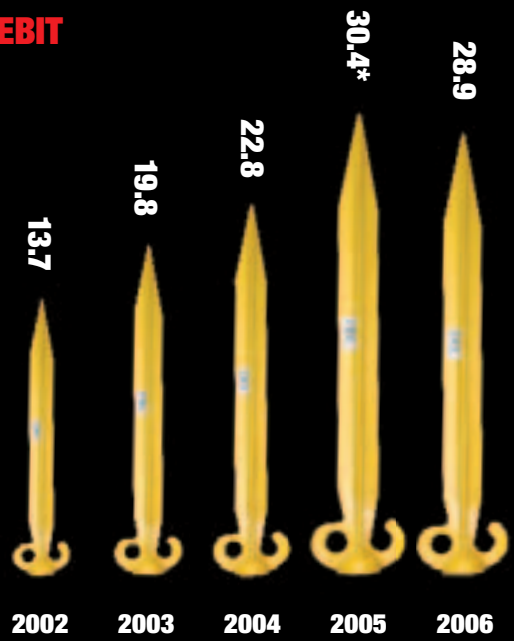
SALES \$ MILLIONS



TEAM MEMBERS



EBIT



* Excludes benefit of one-off inventory revaluation

CHAIRMAN'S REPORT

Fellow Shareholder

All segments of the business grew in the 2005/06 financial year (FY06) with annual sales eclipsing \$500M for the first time. Underlying operating profits (EBITDA), which adjust for one-off inventory revaluation in 2004/05 (\$4.7M) and the impact of the Group's expansion of BCF (\$4.8M), also grew by 15%. On a similar underlying basis, net profit after tax (NPAT) has risen by 9%.

These are pleasing outcomes for a year which has laid the foundation for the inevitable shift away from total reliance on the formula that has underpinned the Group's impressive growth for more than a decade. The changes in FY06 have included the restructuring of the management group, a realisation that the long period of continuous growth through a single retailing model is nearing its potential, and the diversification offered by the ongoing development of the BCF boating fishing and camping format.

The resignation of Bob Thorn precipitated an overhaul of the group's management structure. Bob's contribution to the development of the Supercheap Auto business from 8 stores in 1993 to an Australia and New Zealand-wide leader in the auto after-market, and his unique ability to create a highly motivated team, distinguishes Supercheap Auto from most other retailers.

Peter Birtles and the team have continued the success of the Group. Peter and his chief operating officers, David Ajala and Steve Doyle, have helped to deliver another year of impressive growth in a difficult retailing environment, whilst simultaneously developing the strategies required to re-condition the Supercheap Auto retail format, and begin the CampMart conversion and BCF roll-out.

The refinement and reorientation of the Supercheap Auto model under the leadership of David Ajala recognises that the initial format was not going to produce the economic benefits needed to improve operating profit margins or move into smaller local markets. The re-formatted Chermide store in Brisbane has reduced

inventory and staffing costs, whilst lifting sales. The consequential potential for smaller store footprints has been proven by the work undertaken at Chermide.

Meanwhile, Steve Doyle's sole focus on the BCF diversification strategy is demonstrating that the Company has the opportunity to take greater benefit from its existing infrastructure and skills. BCF has successfully moved beyond being a small reconnaissance effort into a substantive and fast growing participant in the leisure goods market. Expansion in WA and the NT, and additional stores in NSW will strengthen BCF and reduce the Group's total dependence on the auto after-market.

The Company's commitment to growth will not be diminished by a renewed focus on profit margins. The Board does not expect shareholders to accept growth for the sake of growth. The early response to increasing inventory levels, a decision to establish a logistics facility in China and better supplier arrangements are all examples of the increasing importance being placed on maintaining an enduring and sustainable cost structure.

Finally, it has been an important year for the Group. Peter Birtles and his team have handled the uncertainty created by top level management changes and the pressure on sales from a tough retail environment without compromising the BCF roll-out and the need to redefine and re-invigorate the initial Supercheap Auto business model. In many respects, FY06 was a watershed year which has positioned the Company for the longer term.



Dick McIlwain

Chairman
Super Cheap Auto Group Limited

SUPER CHEAP
AUTO

OPEN 7 DAYS

BOCH

MANAGING DIRECTOR'S REPORT

2005/06 has been another significant year in the history of the Super Cheap Auto Group. Much has been achieved with the highlights including:

- Underlying Group EBIT increasing by 11% over the prior year
- Group sales passing through the half billion dollar mark and recording an underlying increase of 14% on the prior year
- The successful launch of BCF with sales and profit exceeding launch expectations
- Supercheap Auto gaining market share and at the same time growing gross margins in difficult trading conditions
- The average inventory investment across Supercheap Auto stores reducing by over 10% whilst improving product availability on shelf.

These achievements highlight the strength of the business model that has been built over the last few years. In particular, we have begun to reap the benefits of our investment in developing our merchandising and supply chain management systems.

In what have been generally acknowledged as the most challenging trading conditions that discretionary retail businesses have faced for a number of years, we have been able to not only grow sales and profit in our primary business, Supercheap Auto, but successfully launch a brand new retail concept, BCF Boating Camping Fishing.

Our management of working capital has allowed us to fully cover the \$37 million invested in opening 23 new Supercheap Auto stores and 13 new BCF stores through funds generated from operating cash flow.

We have established the framework for future growth in our existing formats and through developing new format opportunities.

SUPERCHEAP AUTO

Sales increased from \$465 million to \$482 million during the period. This represents underlying growth of 6% after adjusting for the extra week of trading included in the prior year results.

EBITDA at \$42.5 million and EBIT at \$32.4 million were respectively 10% and 7% higher than the prior comparative period on an underlying basis.

This is a good result in the challenging trading conditions which prevailed during the year. Higher fuel prices have had a negative influence on consumer spending in the auto after-market, resulting in a decline of over 2% in market wide expenditure during the year. Supplier data has confirmed that Supercheap Auto has been successful in growing market share in a number of key categories such as lubricants, car care and interior accessories.

The commitment to a consistent and planned marketing and buying strategy has led to an improvement in gross margins and in the business achieving its targets for a 10% reduction in inventory investment per store whilst improving shelf availability in store. We have secured better cost prices, improved trading terms, and reduced logistics costs and shrinkage.

23 new stores were opened during the period bringing the total number of Supercheap Auto stores to 234 of which 196 were in Australia and 38 in New Zealand. We have opened a further 4 stores so far in the current financial year as at the date of this report.



We now estimate that the current Supercheap Auto format of a 700m² standalone store has a potential for around 270 stores across Australia and New Zealand so we are getting closer to that number. With that in mind, we have commenced work on alternative formats for the Supercheap Auto brand which, if successful, will provide the Group with a flexible footprint to suit local market and demographic conditions. This will open up opportunities for many more Supercheap Auto stores across both countries. We will be trialling these opportunities in the coming months.

We have also completed work on refreshing our marketing strategy for the brand. We have updated our brand logo, redesigned the layout of our catalogues and our in-store signage and more recently launched a new set of television commercials. October 2005 was a proud moment for the business with the first running of the Supercheap Auto Bathurst 1000, the most famous and most viewed motor race in Australia.

We have recently refurbished our store at Chermside in Brisbane as a Concept store to trial new merchandising displays, new store procedures and new products. The early trials have proved very promising and we will commence a programme of refurbishment of our higher trading stores during the coming year, utilising the most successful attributes of the Chermside concept store.

More information on our involvement with the Supercheap Auto Bathurst 1000 and on the Chermside concept store is featured later in this Annual Report.

The business has strengthened its position as the leading retailer of automotive parts and accessories across Australia and New Zealand during the period and we are confident that the strategies outlined above will further consolidate this position over the coming years.

BCF – BOATING CAMPING FISHING

BCF was launched to the general public on 15 October 2005, with eight stores trading under the BCF banner across South East Queensland - three refurbished CampMart stores and five new BCF stores. Over the balance of the year, we refurbished the remaining CampMart store, opened three new BCF stores in Queensland and one in Northern New South Wales. We have opened a further two stores so far this financial year, one at Midland in Western Australia and one at West Gosford in New South Wales.

At the time of the launch, we set targets for the business of sales of \$40 million and an EBIT (pre set up costs) of \$1.2 million. We are very pleased to report that actual sales were \$44 million and that actual EBIT (pre set up costs) was \$1.4 million.

This pleasing profit result was achieved despite the impact of un-forecasted non-cash provisions of \$0.7 million, arising from the impact of accounting for property lease costs in accordance with AIFRS.

Gross margins have been ahead of original expectations and gross inventory investment has been held to an average of \$1.3 million per store compared to the initial target of \$1.5 million per store. We anticipate further improvements in gross margins as we build scale and develop our own brand products and leverage the Group's capabilities in sourcing product from Asia.

All components of the business have performed well with the fishing section being particularly strong. Inventory investment in the boating section has been rebalanced towards higher volume and higher margin product for smaller boats and away from hardware for larger boats and higher value marine electronics to better reflect trading patterns.



We have learnt that the complete Boating, Camping and Fishing offer is most successful in sites that are within 30 minutes of the ocean and we will be concentrating on these type of locations as we move to the next group of new stores. We continue to see an opportunity for up to 60 full BCF stores across Australia and New Zealand. Our experience to date has indicated that there is also the potential to operate successful stores in additional locations using variants of the full offer.

SUPPLY CHAIN OPERATIONS

We have seen continued improvements in our supply chain operations throughout the period. In addition to the reduction in inventory holdings and improvement in on shelf availability highlighted earlier in my report, we have reduced logistics costs as a % of sales.

During the year, the opening of a third party distribution centre in Melbourne has reduced freight costs as we distribute stock for our stores in Victoria and South Australia from this facility rather than from our Brisbane distribution centre. In June, we moved our logistics operation in New Zealand to larger premises in Auckland. This new distribution centre will facilitate the direct importing of product into New Zealand from Asia rather than indirectly via our Brisbane site.

We have implemented a number of operational improvements at our Brisbane facility which have enhanced productivity and accuracy. We have recently completed installation of additional material handling equipment which will generate further improvements in the coming year.

We are working on a number of initiatives to improve our supply chain and sourcing operations in China:

- Firstly, we have entered into a logistics partnership with Cargo Services Far East, a Hong Kong based business which is responsible for our logistics and freight forwarding arrangements within China. As part of this new relationship, we have implemented new systems which allow us to track product movements from the manufacturer in China through to our distribution centres in Australia and New Zealand. This will enable us to be more flexible with our promotional planning and replenishment.
- Secondly, we have renegotiated our shipping arrangements which have generated significant cost savings.
- Thirdly, we are in the process of establishing our own direct sourcing operation based in Hangzhou, China. We expect this new team to be in place in October and they will have a focus on reducing sourcing costs and lead times, improving product packaging and quality and generating supply chain efficiencies.

REVIEW OF FINANCIAL CONDITION

We continue to fund our investment in growth initiatives through our debt facilities. As highlighted earlier in my report, we have been able to minimise the drawdown of new debt through our management of working capital.

We renegotiated our funding facilities during the year, securing new arrangements which are a mixture of term debt and working capital facilities. These new facilities have been secured at a lower cost and provide significant capacity to fund further growth initiatives over the coming years.

Net debt for the Group has increased from \$75.2 million to \$80.9 million. Under AIFRS a further \$1.8 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 \$26.8 million after accounting for a \$7.0 million increase in working capital. This positive result was achieved even though approximately \$27 million was invested in working capital to stock new stores opened during the year. The working capital usage is a \$26 million improvement on the prior year.

Group Capital Expenditure was \$21.0 million, with \$9.8 million in new store fit-out, \$7.8 million in supply chain and IT projects and \$3.4 million in general maintenance and enhancement projects.

TEAM MEMBERS

I would like to thank all of my fellow team members for their outstanding contribution during the past year. As you can tell from the above, we have a multitude of exciting initiatives in progress across our Group. Each one of these initiatives brings extra workload and new challenges but our team members continue to take these challenges head on.

We now have close to 4,000 team members across the Group. Many of our team members are worthy of individual recognition but we can only feature a small number in our Annual Report, as you will see later on in the Report.

Innovation, customer service, leadership and executing with discipline are the key themes for our Group as we execute our strategy. These themes are all centred on our team members so we are increasing our investment in their development in these areas.

I would also like to take this opportunity to acknowledge the immeasurable contribution of my predecessor, Bob Thorn, to the current success of Super Cheap Auto Group. When Bob joined the business in 1993, he quickly identified the potential to grow Supercheap Auto from a small chain of 8 stores based in

South East Queensland to the Trans Tasman retailer it is today. Bob led from the front and was highly passionate about creating a can-do attitude which set the business apart from its competitors. Setting ever more ambitious targets, he galvanized team members into not only achieving their goals but into exceeding them. Bob created a unique team culture in Supercheap Auto which has been central to its success to date and will be pivotal as we continue to grow the Group into the future. On behalf of the Company and on a personal level, thanks Bob.

LOOKING AHEAD

We anticipate that trading conditions will continue to be quite challenging during the coming year but we are confident that the initiatives we have in place will enable our businesses to continue to grow market share and improve profit margins.

We anticipate that Supercheap Auto will open between 10 and 15 new stores in the coming year of which some stores will be tests of the new formats. BCF is also planning to open between 10 and 15 new stores, extending its network throughout Queensland, New South Wales, Western Australia and the Northern Territory.

I feel very privileged to have been given the opportunity by the Board to lead the Company through this exciting phase in its development and I look forward to discussing our progress with you over the coming years.



Peter Birtles
Managing Director
Super Cheap Auto Group Limited



**WE KNOW CAR
ACCESSORIES
INSIDE & OUT**

Also
with
better
VALUE

Audio Visual

Audio Power

MODEL BMPT1258
DTP 1 1/2" CE
G.W. 2.7kg
REAL VALUE

BMPT1258

\$139

SUPERCHEAP AUTO CHERMSIDE

Supercheap Auto is an exciting and enjoyable place to shop. This environment and culture has been created and supported by a team of dedicated employees that live the core business values and Team Framework Principles.

Throughout the past year, the Brand has undergone a re-vitalisation with the development of a new logo. This logo has been designed to not only improve the quality perception of the Brand, but also increase the focus on Auto, ensuring that the business' core offer to the market is reinforced. Improvements were also made to our catalogue format, in-store ticketing and other marketing and media activities. The team are also looking forward to a smart new team uniform which will be introduced in the early part of this new financial year.

In May, we launched a newly refurbished store in the Brisbane suburb of Chermside which has been used as a test bed for a new-look store format. This 'Concept store' has an increased focus on the customer with some basic fitment services, easy to navigate store layout and signage, a service counter and in-store informational touch screens. The internal and external livery was also updated to be more contemporary. The team has enhanced their customer service skills and product knowledge to provide an exceptional shopping experience for all our customers.

The early results from Chermside have been very pleasing and it is intended that we will use many elements as we begin rolling out our new stores.





SUPERCHEAP AUTO BATHURST 1000

**Over 6 Million Viewers
Tuned Into The Telecast**

**Crowd Attendance –
166,840 Spectators**





Supercheap Auto has a long standing commitment to motorsport and the natural extension of this heritage is epitomised by our involvement with the iconic Bathurst 1000.

The 2005 Supercheap Auto Bathurst 1000 had a television audience in excess of 6 million people and over 166,000 die hard race fans attending the event.

A highlight of the 2005 Supercheap Auto Bathurst 1000 was the hugely successful 'Track Store' that not only showcased the Supercheap Auto product offering but also provided fans with some great entertainment and exclusive Bathurst offers. At Bathurst it is the cars that the fans come to see and with the Supercheap Auto Racing V8 Supercar, SCA1000 Special Edition HSV GTO

and Ben Bray's drag car on display at the Track Store, fans were certainly not disappointed.

Now a high profile team in the V8 Supercar series, the Supercheap Auto Racing Team has earned a reputation as genuine contenders at every race meeting. With many podium finishes throughout the 2005 season and some promising results in 2006, this committed team will strive to have a strong finish to the 2006 season. With plans already emerging for the 2007 season and the introduction of the VE Commodore, the Supercheap Auto Racing Team certainly has the ammunition for a strong 2007 V8 Supercar series.



BCF REPORT

What an incredible year it has been for the company's new brand – BCF Boating Camping Fishing (“BCF”). The 300-strong team can be extremely proud of not only the triumphant launch and operation of the new brand, but also their indispensable role in the successful introduction of a new retailing concept to the Australian market.

The BCF brand is the first to offer Australian consumers an extensive boating, camping and fishing retail experience under one roof. Each store follows a bulk-goods retailing format, stocking a wide range of quality brands from trusted manufacturers.

As a one-stop shop for all your boating, camping and fishing needs, the product range of BCF is extensive including 12,000 lures, 600 reels, 1,000 rods, 20kms of rope, more tents than you can poke a peg at and enough coolers and fridges to keep 20,000 cans cool. Our customers have quickly come to rely on the store for their recreational needs.

Each store is staffed with up to 20 team members who have all received training in boating, camping and fishing, enabling them to adequately address customers' enquiries.

15 October 2005, marked the official launch of the BCF stores, with eight stores opened throughout Queensland, three of which were re-branded CampMart stores. New South Wales welcomed stores at Coffs Harbour and most recently West Gosford with Western Australia also enjoying the BCF experience at Midland - bringing the total number of stores to 15 as at the date of this report.

Marketing, public relations and media campaigns have been integrated to support the opening of each of the stores, ensuring new markets are introduced to the retailing concept of the brand's range, culture and price offering.

The coming year will see the growth strategy continue with plans to open a further 10-15 new stores.





BCF, MY FAVOURITE FISHING SPOT



Tackle

WE'VE GONE OVERBOARD ON BOATING GEAR



BCF, YOU WOULDN'T CATCH ME ANYWHERE ELSE!



TAKE YOUR GEAR AND GO



DO YOUR BEST LIVING OUTSIDE THE LIVING ROOM



RIGHT HERE

HOOK INTO THE LATEST FISHING GEAR



WE MAKE CAMPING BAGS OF FUN



WHY RUN ABOUT? GO STRAIGHT TO BCF



BOARD OF DIRECTORS



Dick McIlwain, BA, FAICD [3]
Independent Non-Executive Chairman

Dick McIlwain, aged 59, was appointed a Director of the Company on 19 May 2004. Dick has been the Chief Executive of UNiTAB Limited since 1989 and the Managing Director and Chief Executive since 1999. Dick is also the Non-Executive Chairman of Wotif.com Limited. He is a Fellow of the Australian Institute of Company Directors.

Peter Birtles, BSc, ACA [2]
Managing Director

Peter Birtles, aged 42, was appointed a Director of the Company on 5 January 2006. Peter joined Super Cheap Auto Pty Ltd in 2001 as Chief Financial Officer and in 2006 was appointed Managing Director.

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.

Reg Rowe [4]
Non-Executive Director

Reg Rowe, aged 62, 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 [1]
Independent Non-Executive Director

Darryl McDonough, aged 55, 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 [5]
Independent Non-Executive Director

Mr Robert Wright, aged 57, 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 and a director of Australian Pipeline Limited, SAI Global Limited, both Babcock & Brown Residential Land Partners Limited and Babcock & Brown Residential Land Partners Services Limited (jointly Babcock & Brown Residential Land Partners Group) and the reconstructed Harris Scarfe Australia Pty Limited.

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

SENIOR MANAGEMENT TEAM

PETER BIRTLES [2]

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 [10]

Chief Operating Officer – Supercheap Auto

David has over 25 years' retail experience in Coles Myer. Prior to joining the Super Cheap Auto Group in July 2005, David held a number of senior management positions across several states in Australia, including National Buyer, National Promotions Manager, Area and Regional Operations Manager and more recently as a National Business Manager for CMF Food and Liquor division, responsible for both the Coles brand and the Bi Lo discount format.

David has completed Post Graduate studies with Deakin University as part of his MBA.

David is responsible for the merchandising, marketing and retail operations of the Supercheap Auto business.

STEVE DOYLE [7]

Chief Operating Officer - BCF

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. He is responsible for the merchandising, marketing and retail operations of the BCF business.

DAVID KELLEY [4]

Company Secretary

David joined Super Cheap Auto Group in 2005. Prior to this, David held various management and Internal Audit positions at Adelaide Casino, Woolworths Limited and General Motors – Asia/Pacific. David has a Bachelors Degree in Economics from the University of Adelaide and an M.B.A. from the Australian Graduate School of Management.

In addition to serving as Company Secretary, David is responsible for the Group's loss prevention, internal audit, stocktake, risk management and compliance functions.

GARY CARROLL [8]

Chief Financial Officer

Gary joined Super Cheap Auto Group in April 2006. He has over 14 years' experience in accounting, treasury and banking areas across a number of industry sectors. He holds honours degrees 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 management of the finance function for the Group.

GRAHAM CHAD [1]

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 5 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 [6]

General Manager – Overseas Sourcing

Steve joined Super Cheap Auto 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. He holds a degree qualification in E-Commerce from Monash University.

Steve is responsible for establishing the Group's overseas sourcing operations including establishing our own direct sourcing operation based in China, negotiating international shipping and co-ordinating China logistics partner services.

SONIA LA PENNA [5]

Group Human Resources Manager

Sonia joined Super Cheap Auto 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, 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.

PAM PUGSLEY [11]

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 and for the set up of new stores.

ROBERT DAWKINS [3]

Group Property Manager

Robert has 15 years' experience in property management. Prior to joining the Super Cheap Auto Group in 2001, Robert was the Property Manager for the Bank of Queensland Limited.

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

WAYNE MCMAHON [9]

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.





1



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4



2005 ANNUAL AWARDS

This year we have much to celebrate with SCA team member awards and BCF being presented with 4 awards by the National Retail Association.

SUPERCHEAP AUTO AWARDS

Each year Supercheap Auto ("SCA") celebrates the achievements of its team members at the annual Managers' Meeting. Throughout the year, team members are nominated by their peers and supervisors as having gone that extra mile, whilst outstanding stores are nominated by their Area Manager leading up to the awards announcement.

The 2005 award winners were:

Mathew Northway, Manager Of The Year (1)

Mathew joined SCA in October 2004 as Manager of the Feilding store in New Zealand. Mathew's award as Manager of the Month in April 2005 came as a result of his ambition for the store to succeed, his integrity, his extensive knowledge of product and willingness to share his skills and knowledge with his peers.

Mathew has recently been seconded to the position of Area Manager Central New Zealand.

Devonport Store – Store Of The Year (2)

In November 2002, Devonport opened as the 113th SCA Store, the third store for Tasmania.

2005 was a great year for the Devonport store. It traded well during the year, sales exceeded budget by 16.9% with a massive 24% increase over the previous year. The Devonport team is committed to very high standards achieving no less than 8/10 store standards at all times.

At the time of the awards, the store was managed by Daniel Crabtree who has now taken on the role of Area Manager for Vic and Tas. Assistant Manager at the time, Greg Creely is now managing the store and fellow team members include Ashton Rossington, Kaella Burgess, Daniel Blahut, Ashley Perkins, Jarrod Pearce, Scott Cannan, Lincoln Aherne.

Doug Love, Team Member Of The Year (3)

Doug Love is a career spare parts expert, having 25 years' previous experience with Rocca Bros when SCA purchased the Marlows business in 2003. Initially Doug worked at the Thebarton store when the store rebranded to SCA. In 2005, Doug moved to the Salisbury store and shortly after won Team Member of the Month.

Whilst Doug is well known for his impressive knowledge of spare parts he is also respected for his positive, professional and passionate approach to his work.

Doug is currently working at Blair Athol, being a member of the new team when it opened its doors for the first time in February 2006.

2006 NATIONAL RETAIL ASSOCIATION AWARDS (4)

The Super Cheap Auto Group has always strived for industry excellence and this year's American Express National Retail Association Awards was very successful for the Group.

Congratulations to the BCF team on being successful in 4 categories:

Winner Westfield Best New Retail Business/Store

Winner Bose Best Recreational Retailer

Highly Commended American Express Supreme Reward for Best Retailer

Highly Commended American Express Young Retailer of the Year

Grant Pearce won the individual award (Highly Commended Young Retailer of the Year). Grant is one of BCF's retail trainers with responsibilities extending to all BCF stores. Grant's passion for retail is one of the reasons for his success to date. He thrives on dealing with customers and team members which allows him to maintain his focus on the foundations of retailing - customer service. The NRA acknowledged Grant for his drive to succeed in any environment and commended him for his efforts in the year's competition.

We congratulate Gareth Jones, Manager of the SCA North Parramatta store, on his outstanding performance and succeeding to the top 10 finalists of the Young Retailer of the Year category.

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 29 and 30.

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 Super Cheap Auto’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 2006.

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 29 and 30.

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:

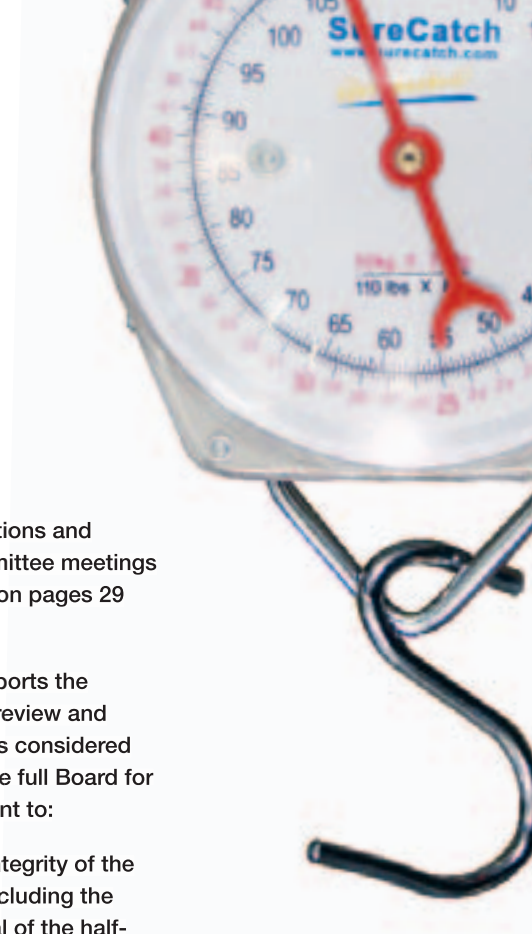
- financial administration and reporting;
- audit control and independence;
- legal compliance;
- accounting policies and standards;
- internal controls; and
- risk oversight and management.

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;
- ensures 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 28 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 Group'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).

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FINANCIAL STATEMENTS

SUPER CHEAP AUTO GROUP LIMITED

**FOR THE PERIOD ENDED:
1 JULY 2006**

DIRECTORS' REPORT

Super Cheap Auto Group Limited

For the period ended 1 July 2006

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 1 July 2006.

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 was appointed a director on 5 January 2006 and became Managing Director on 27 January 2006 and continues in office at the date of this report.

R E Thorn was a director from the beginning of the financial year until his resignation on 27 January 2006.

Information on qualifications and experience of Directors is included on pages 29 and 30.

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 5 cents per share be paid on 11 October 2006 (total dividend, fully franked - \$5,321,481). 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	\$
2005 final fully franked dividend (4.5c per share)	12 October 2005	4,789,333
2006 interim fully franked dividend (3c per share)	5 April 2006	3,192,889
		7,982,222

REVIEW OF OPERATIONS

Revenue from trading operations for the year was \$525,949,000. During the period, the consolidated entity opened 23 new Supercheap Auto stores of which 16 were in Australia and 7 in New Zealand. The consolidated entity also launched the BCF store concept in Australia - rebadging the 4 existing CampMart stores and opening a further 9 new BCF stores. At the end of the financial year, the consolidated entity was trading from 247 stores.

The net profit of the consolidated entity for the period ended 1 July 2006, after providing for income tax, amounted to \$16,510,000.

A review of the operations for the 52 weeks to 1 July 2006 is set out in pages 6 to 9 of this report.

FINANCIAL POSITION

A review of the financial position of the consolidated entity is set out on pages 6 to 9.

Matters subsequent to the end of the financial period

In the opinion of the Directors, there were no significant matters subsequent to the end of the financial period.

Likely developments and expected results of operations

Likely developments in the operations of the consolidated entity in future financial years are referred to in pages 6 to 9.

DIRECTORS' REPORT CONTINUED

Super Cheap Auto Group Limited

For the period ended 1 July 2006

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 1 July 2006.

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 59.

Experience and expertise

Independent non-executive Chairman for 2 years 3 months. Chief Executive Officer of UNiTAB for 10 years to 1999 and then Managing Director and Chief Executive Officer of UNiTAB Limited for 7 years. Fellow of the Australian Institute of Company Directors.

Other current directorships

Managing Director of UNiTAB Limited since 1999.
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 42.

Experience and expertise

Managing Director for 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 507 ordinary shares in Super Cheap Auto Group Limited.

200,000 options over ordinary shares in Super Cheap Auto Group Limited.

R A Rowe.

Non-Executive Director. Age 62.

Experience and expertise

Founder of the business in 1972. Non-executive director for 2 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 55.

Experience and expertise.

Independent Non-Executive Director for 2 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

Chairman and non-executive director of Queensland Competition Authority (director 1998-2005).

Chairman and non-executive director of Cellnet Group Limited (director 2002-2005).

Non-executive director of Bond University Limited from 1998-2003.

Special responsibilities

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

Interests in shares and options

50,000 ordinary shares in Super Cheap Auto Group Limited.

DIRECTORS' REPORT CONTINUED

Super Cheap Auto Group Limited

For the period ended 1 July 2006

R J Wright, BCom, FCPA, MAICD.

Independent Non-Executive Director. Age 57.

Experience and expertise

Independent Non-Executive Director for 2 years 3 months.
Director of a number of major Retail companies over the last 20 years.

Other current directorships

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). Non-executive director of Australian Pipeline Limited (director since 2000), SAI Global Limited (director since 2003) and the reconstructed Harris Scarfe Australia Limited (director since 2001).

Meetings of directors

The number of meetings of the Company's Board of Directors and each Board Committee held during the period ended 1 July 2006 is set out below:

	Meetings of Committees					
	Full meetings directors		Audit & Risk		Nomination & Remuneration	
	A	B	A	B	A	B
R D McIlwain	14	14	3	3	4	4
R E Thorn	8	9	n/a	n/a	1	2
P A Birtles	5	5	n/a	n/a	4	4
R A Rowe	12	14	n/a	n/a	4	4
D D McDonough	13	14	3	3	4	4
R J Wright	14	14	3	3	4	4

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 includes remuneration disclosures that are required under Accounting Standard AASB 124 Related Party Disclosures. These disclosures have been transferred from the financial report and have been audited.

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., MBA, MIIA. 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.

DIRECTORS' REPORT CONTINUED

Super Cheap Auto Group Limited

For the period ended 1 July 2006

PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION (AUDITED)

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 19 May 2004. 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.

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 1 July 2006, 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.

DETAILS OF REMUNERATION (AUDITED)

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.

DIRECTORS' REPORT CONTINUED

Super Cheap Auto Group Limited

For the period ended 1 July 2006

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 1 July 2006 were as follows:

- P A Birtles
- R E Thorn (until 27 January 2006)
- D F Ajala
- S J Doyle
- G L Chad

2006	Short-term benefits			Post-employment benefits		Share-based payment	Total
	Cash salary and fees	Cash bonus	Non-monetary benefits	Super-annuation	Retirement benefits	Options	
Name	\$	\$	\$	\$	\$	\$	\$
Non-executive directors							
R D McIlwain Chairman	25,000	0	0	75,000	0	0	100,000
R A Rowe	55,046	0	0	4,954	0	0	60,000
D D McDonough	20,000	0	0	40,000	0	0	60,000
R J Wright	55,046	0	0	4,954	0	0	60,000
Sub-total non-executive directors	155,092	0	0	124,908	0	0	280,000
Executive directors							
P A Birtles (a)	216,698	0	0	5,121	0	43,626	265,445
R E Thorn (From 3 July 2005 – 27 January 2006) (b)	617,073	0	17,583	13,200	0	(270,326)	377,530
Other key management personnel							
P A Birtles (a)	171,939	0	0	7,019	0	0	178,958
D F Ajala (appointed 18 July 2005)	217,454	0	16,590	13,869	0	15,346	263,259
S J Doyle	234,075	110,000	14,380	12,139	0	15,346	385,940
G G Carroll (appointed 17 April 2006)	47,572	0	0	3,034	0	6,110	56,716
G L Chad (appointed 5 September 2005)	179,979	0	22,138	32,615	0	0	234,732
Totals	1,839,882	110,000	70,691	211,905	0	(189,898)	2,042,580

(a) Mr P A Birtles was appointed a director on 5 January 2006. Before this appointment he was the company's Chief Financial Officer and Company Secretary. Amounts shown above include all remuneration during the reporting period, whether as a director or as Chief Financial Officer and Company Secretary.

(b) Mr R E Thorn resigned as an executive officer of the Company on 27 January 2006. Upon resignation he was paid unused leave entitlements of \$259,140. This is included in the table above in cash salary and fees. All allocated options lapsed upon resignation.

DIRECTORS' REPORT CONTINUED

Super Cheap Auto Group Limited

For the period ended 1 July 2006

2005	Short-term employee benefits			Post-employment benefits		Share-based payment	Total
	Cash salary and fees	Cash bonus	Non monetary benefits	Super-annuation	Retirement benefits	Options	
Name	\$	\$	\$	\$	\$	\$	\$
Non-executive directors							
R D McIlwain Chairman	100,000	0	0	0	0	0	100,000
R A Rowe (a)	188,745	0	0	5,400	0	0	194,145
D D McDonough	54,600	0	0	5,400	0	0	60,000
R J Wright	54,600	0	0	5,400	0	0	60,000
Sub-total non-executive directors	397,945	0	0	16,200	0	0	414,145
Executive directors							
R E Thorn	548,076	275,000	9,342	31,520	0	270,326	1,134,264
Other key management personnel							
P A Birtles	291,150	135,000	3,396	11,585	0	63,502	504,633
S J Doyle	225,038	75,000	20,221	11,585	0	0	331,844
Totals	1,462,209	485,000	32,959	70,890	0	333,828	2,384,886

(a) Mr R A Rowe resigned as an Executive Officer of the Company on 5 July 2004. Upon resignation he was paid unused leave entitlements of \$134,145. This is included in the table above in cash salary and fees.

SERVICE AGREEMENTS (AUDITED)

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 1 July 2006 of \$550,000 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 1 July 2006 of \$300,000 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 1 July 2006 of \$275,000 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 1 July 2006 of \$250,000 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.

DIRECTORS' REPORT CONTINUED

Super Cheap Auto Group Limited

For the period ended 1 July 2006

SHARE BASED COMPENSATION (AUDITED)

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
19 May 2004	1 July 2007	\$1.97	\$0.68	200,000
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
				1,250,000

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	
	2006	2005	2006	2005
Directors of Super Cheap Auto Group				
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	0	0	0	0
Other Key Management Personnel				
D F Ajala	400,000	0	0	0
S J Doyle	400,000	0	0	0
G G Carroll	250,000	0	0	0
G L Chad	0	0	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 Black-Scholes 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.

DIRECTORS' REPORT CONTINUED

Super Cheap Auto Group Limited

For the period ended 1 July 2006

ADDITIONAL INFORMATION (UNAUDITED)

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, dividends to shareholders have grown by approximately 23%, with revenue and store numbers increasing by 45% and 35% respectively. On a total basis, executive management remuneration has decreased by 16% over the last 2 years, although certain managers have had their remuneration packages increased in line with performance and additional responsibilities.

Share-based compensation: Options

Further details relating to options are set out below.

Name	A	B	C	D	E
	Remuneration consisting of options	Value at grant date	Value at exercise date	Value at lapse date	Total of columns B-D
		\$	\$	\$	\$
R D McIlwain	0%	0	0	0	0
R A Rowe	0%	0	0	0	0
D D McDonough	0%	0	0	0	0
R J Wright	0%	0	0	0	0
P A Birtles	9.8%	135,400	0	0	135,400
D F Ajala	6%	130,400	0	0	130,400
S J Doyle	4%	130,400	0	0	130,400
G G Carroll	10.7%	118,450	0	0	118,450
G L Chad	0%	0	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, and the associated share-based payment expense for the period ended 1 July 2006.

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.

Name	Cash Bonus			Options					
	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	0	100	2004	-	-	2008	Nil	135,400	
D F Ajala	0	100	2006	-	-	2009	Nil	58,200	
						2010	Nil	34,100	
						2011	Nil	38,100	
S J Doyle	84	16	2006	-	-	2009	Nil	58,200	
						2010	Nil	34,100	
						2011	Nil	38,100	
G G Carroll	0	100	2006	-	-	2009	Nil	32,175	
						2010	Nil	35,475	
						2011	Nil	50,800	
G L Chad	0	100	-	-	-	-	Nil	-	

DIRECTORS' REPORT CONTINUED

Super Cheap Auto Group Limited

For the period ended 1 July 2006

INSURANCE OF OFFICERS

During the financial year, Super Cheap Auto Group Limited paid a premium of \$70,236 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. During the 2005 year, audit services were provided by a firm other than PricewaterhouseCoopers.

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 Professional Statement F1, 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 Entity	
	2006	2005
	\$'000	\$'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. During the 2005 period, audit services were provided by Grant Thornton:		
Assurance Services		
Remuneration for audit services	211	175
Remuneration for other assurance services	85	-
Total remuneration for assurance services	296	175
Taxation Services		
Total remuneration for taxation services	125	4
Advisory Services		
Total remuneration for advisory services	159	0

DIRECTORS' REPORT CONTINUED

Super Cheap Auto Group Limited

For the period ended 1 July 2006

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 38.

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

Brisbane, 24 August 2006



P A Birtles

Director

AUDITORS' INDEPENDENCE DECLARATION

Super Cheap Auto Group Limited

For the period ended 1 July 2006



PricewaterhouseCoopers
ABN 52 780 433 757

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Auditors' Independence Declaration

As lead auditor for the audit of Super Cheap Auto Group Limited for the year ended 1 July 2006, 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.

A handwritten signature in black ink, appearing to read 'B. S. Delaney'.

B S Delaney
Partner
PricewaterhouseCoopers

Brisbane
24 August 2006

Liability limited by a scheme approved under Professional Standards Legislation

ANNUAL FINANCIAL REPORT

SUPER CHEAP AUTO GROUP LIMITED

**FOR THE PERIOD ENDED:
1 JULY 2006**

ANNUAL FINANCIAL REPORT

Super Cheap Auto Group Limited ABN 81 108 676 204

For the period ended 1 July 2006

	Page
Income statements	41
Balance sheets	42
Statements of changes in equity	43
Cash flow statements	44
Notes to the financial statements	45
Directors' declaration	90
Independent audit report to the members	91

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 review of operations and activities on pages 6 to 9 and in the directors' report on pages 28 and 29, both of which are not part of this financial report.

The financial report was authorised for issue by the directors on 24 August 2006. 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 3 July 2005 to 1 July 2006

	Notes	Consolidated		Parent entity	
		2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Revenue from continuing operations	5	526,236	470,363	13,000	9,509
Other income	6	268	214	0	0
Total revenues and other income		526,504	470,577	13,000	9,509
Cost of sales of goods		(316,860)	(281,185)	0	0
Other expenses from ordinary activities					
- selling and distribution		(58,959)	(52,091)	0	0
- marketing		(32,586)	(25,965)	0	0
- occupancy		(36,881)	(31,083)	0	0
- administration		(52,017)	(44,938)	(618)	(1,024)
Borrowing costs expense		(5,836)	(4,399)	(4,237)	(1,180)
Total expenses		(503,139)	(439,661)	(4,855)	(2,204)
Profit before income tax		23,365	30,916	8,145	7,305
Income tax expense	8	(6,855)	(9,192)	1,456	327
Profit attributable to Members of Super Cheap Auto Group Limited		16,510	21,724	9,601	7,632
		Cents	Cents		
Earnings per share for profit attributable to the ordinary equity holders of the company:					
Basic earnings per share	36	15.5	20.4		
Diluted earnings per share	36	15.5	20.4		

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

BALANCE SHEETS

Super Cheap Auto Group Limited

As at 1 July 2006

	Notes	Consolidated		Parent entity	
		2006	2005	2006	2005
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and cash equivalents	9	6,372	6,902	132	45
Trade and other receivables	10	14,158	14,156	96,085	65,909
Inventories	11	135,021	123,183	0	0
Total current assets		155,551	144,241	96,217	65,954
Non-current assets					
Other financial assets	12	0	0	84,234	84,234
Property, plant and equipment	13	49,797	41,511	0	0
Deferred tax assets	14	5,355	4,708	0	0
Intangible assets	15	58,794	58,350	0	0
Total non-current assets		113,946	104,569	84,234	84,234
Total assets		269,497	248,810	180,451	150,188
LIABILITIES					
Current liabilities					
Trade and other payables	16	54,925	50,036	213	200
Borrowings	17	19,041	84,528	16,977	59,583
Current tax liabilities	18	1,725	696	1,725	467
Provisions	19	4,681	4,032	0	0
Total current liabilities		80,372	139,292	18,915	60,250
Non-current liabilities					
Borrowings	20	70,000	0	70,000	0
Deferred tax liabilities	22	45	42	45	42
Provisions	23	6,150	4,879	0	0
Total non-current liabilities		76,195	4,921	70,045	42
Total liabilities		156,567	144,213	88,960	60,292
Net assets		112,930	104,597	91,491	89,896
EQUITY					
Contributed equity	24	84,233	84,233	84,233	84,233
Reserves	25	(11)	184	160	184
Retained profits	25	28,708	20,180	7,098	5,479
Total equity		112,930	104,597	91,491	89,896

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 1 July 2006

	Notes	Consolidated		Parent entity	
		2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Total equity at the beginning of the financial year		104,597	84,835	89,896	84,226
Adjustment on adoption of AASB 132 and AASB 139, net of tax, to:					
Retained profits	25	0	0	0	0
Reserves	25	0	0	0	0
Restated total equity at the beginning of the financial year		104,597	84,835	89,896	84,226
Changes in the fair value of cash flow hedges, net of tax	25	28	0	70	0
Exchange differences on translation of foreign operations		(129)	0	0	0
Net income recognised directly in equity		(101)	0	70	0
Profit for the year		16,510	21,724	9,601	7,632
Total recognised income and expense for the year		16,409	21,724	9,671	7,632
Transactions with equity holders in their capacity as equity holders:					
Dividends provided for or paid	26	(7,982)	(2,129)	(7,982)	(2,129)
Employee share options		(94)	167	(94)	167
		(8,076)	(1,962)	(8,076)	(1,962)
Total equity at the end of the financial year		112,930	104,597	91,491	89,896
Total recognised income and expense for the year is attributable to:					
Members of Super Cheap Auto Group Limited		16,409	21,724	9,671	7,632

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 year ended 1 July 2006

	Notes	Consolidated		Parent entity	
		2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Cash flows from operating activities					
Receipts from customers (inclusive of goods and services tax)		581,016	517,279	0	0
Payments to suppliers and employees (inclusive of goods and services tax)		(510,000)	(470,187)	(1,273)	(588)
Rental payments					
- external		(29,253)	(29,024)	0	0
- related parties		(8,103)	(8,002)	0	0
Income taxes paid		(6,889)	(6,018)	(6,549)	354
Net cash (outflow) inflow from operating activities	35	26,771	4,048	(7,822)	(234)
Cash flows from investing activities					
Payment for purchase of subsidiary, net of cash acquired	38	0	(8,019)	0	(6,699)
Payments for property, plant and equipment		(20,994)	(17,812)	0	0
Proceeds from sale of property, plant and equipment		158	45	0	0
Proceeds from sale of service centres		50	1,084	0	0
Net cash (outflow) inflow from investing activities		(20,786)	(24,702)	0	(6,699)
Cash flows from financing activities					
Proceeds from borrowings		264,266	207,724	259,638	134,825
Payments for borrowings		(259,000)	(176,598)	(231,950)	(75,250)
Interest paid		(3,927)	(3,751)	(3,604)	(2,021)
Dividends paid to company's shareholders	26	(7,982)	(7,129)	(7,982)	(2,129)
Repayment of loans re shares		0	(7,183)	0	0
Advances to related parties		0	0	(197,402)	(48,447)
Repayments of advances to related parties		55	856	189,209	0
Net cash inflow (outflow) from financing activities		(6,588)	13,919	7,909	6,978
Net increase (decrease) in cash and cash equivalents					
		(603)	(6,735)	87	45
Cash and cash equivalents at the beginning of the financial year		6,902	13,640	45	0
Effects of exchange rate changes on cash and cash equivalents		73	(3)	0	0
Cash and cash equivalents at end of year	9	6,372	6,902	132	45

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:
1 JULY 2006**

NOTES TO THE FINANCIAL STATEMENTS

Super Cheap Auto Group Limited

For the period ended 1 July 2006

CONTENTS OF THE NOTES TO THE FINANCIAL STATEMENTS

	Page
1 Summary of significant accounting policies	47
2 Financial risk management	54
3 Critical accounting estimates and judgements	54
4 Segment information	55
5 Revenue	57
6 Other income	57
7 Expenses	58
8 Income tax expense	59
9 Current assets - Cash and cash equivalents	60
10 Current assets - Trade and other receivables	60
11 Current assets - Inventories	61
12 Non-current assets - Other financial assets	61
13 Non-current assets - Property, plant and equipment	61
14 Non-current assets - Deferred tax assets	63
15 Non-current assets - Intangible assets	64
16 Current liabilities - Trade and other payables	65
17 Current liabilities - Borrowings	65
18 Current liabilities - Current tax liabilities	66
19 Current liabilities - Provisions	66
20 Non-current liabilities - Borrowings	66
21 Financial instruments	67
22 Non-current liabilities - Deferred tax liabilities	71
23 Non-current liabilities - Provisions	72
24 Contributed equity	72
25 Reserves and retained profits	73
26 Dividends	74
27 Key management personnel disclosures	74
28 Remuneration of auditors	78
29 Contingencies	78
30 Commitments	79
31 Related party transactions	79
32 Investments in controlled entities	80
33 Net tangible asset backing	81
34 Deed of cross guarantee	81
35 Reconciliation of profit from ordinary activities after income tax to net cash inflow from operating activities	81
36 Earnings per share	82
37 Share-based payments	82
38 Business combinations	84
39 Explanation of transition to Australian equivalents to International Financial Reporting Standards ('IFRS')	85

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

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 IFRSs

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 (IFRSs). The parent entity financial statements and notes also comply with IFRSs 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.

Application of AASB1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards

These financial statements are the first Super Cheap Auto Group Limited financial statements to be prepared in accordance with AIFRSs. AASB1 First Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these financial statements.

Financial statements of Super Cheap Auto Group Limited until 2 July 2005 had been prepared in accordance with previous Australian Generally Accepted Accounting Policies (AGAAP). AGAAP differs in certain respects from AIFRS. When preparing the interim financial report for the half year ended 31 December 2005, management amended certain accounting and valuation methods applied in the previous AGAAP financial statements to comply with AIFRS. With the exception of financial instruments, the comparative figures were restated to reflect these adjustments. The Group has taken the exemption available under AASB1 to only apply AASB132 Financial Instruments: Disclosure and Presentation and AASB139 Financial Instruments: Recognition and Measurement from 3 July 2005.

Reconciliations and descriptions of the effect of transition from previous AGAAP to AIFRS on the Group's equity and its net income are given in Note 39.

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 1 July 2006 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

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.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

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

From 26 June 2004 to 2 July 2005

The Group has taken the exemption available under AASB1 to apply AASB132 and AASB139 only from 3 July 2005. The Group has applied previous AGAAP to the comparative information on financial instruments within the scope of AASB132 and AASB 139.

Adjustments on transition date: 3 July 2005

The nature of the main adjustments to make this information comply with AASB132 and AASB139 are that, with the exception of held-to-maturity investments and loans and receivables which are measured at amortised cost (refer below), fair value is the measurement basis. Fair value is exclusive of transaction costs. Changes in fair value are either taken to the income statement or an equity reserve (refer below). At the date of transition (3 July 2005) changes to carrying amounts are taken to retained earnings or reserves.

From 3 July 2005

The Group classifies its investments 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

(k) Derivatives

From 26 June 2004 to 2 July 2005

The Group has taken the exemption available under AASB1 to apply AASB132 and AASB139 from 3 July 2005. The Group has applied previous AGAAP in the comparative information on financial instruments within the scope of AASB132 and AASB139. Under previous AGAAP derivatives were valued on a mark to market basis and any valuation adjustments were recognised in the Income Statement.

Adjustments on transition date: 3 July 2005

The nature of the main adjustments to make this information comply with AASB132 and AASB139 are that derivatives are measured on a fair value basis. Changes in fair value are either taken to the income statement or an equity reserve (refer below). At the date of transition (3 July 2005) changes in the carrying amounts of derivatives are taken to retained earnings or reserves, depending on whether the criteria for hedge accounting are satisfied at the transition date.

From 3 July 2005

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) 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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

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) 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

(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 in other payables 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.

Shares options granted before 7 November 2002 and/or vested before 1 January 2005

No options were granted before 7 November 2002 nor were any vested before 1 January 2005.

Shares options granted after 7 November 2002 and vested after 1 January 2005

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 Black-Scholes 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) Borrowing 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:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

- 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) 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 traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

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.

(ac) 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.

(ad) 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.

(ae) New accounting standard and UIG interpretations

Certain new accounting standards and UIG interpretations have been published that are not mandatory for 30 June 2006 reporting periods. The Group's assessment of the impact of these new standards and interpretations is set out below.

(i) UIG 4 Determining whether an Asset Contains a Lease

UIG 4 is applicable to annual periods beginning on or after 1 January 2006. The Group has not elected to adopt UIG 4 early. It will apply UIG 4 in its 2007 financial statements and the UIG 4 transition provisions. The Group will therefore apply UIG 4 on the basis of facts and circumstances that existed as of 1 July 2006. Implementation of UIG 4 is not expected to change the accounting for any of the Group's current arrangements.

(ii) AASB 2005-9 Amendments to Australian Accounting Standards [AASB 4, AASB 1023, AASB 139 & AASB 132]

AASB 2005-9 is applicable to annual reporting periods beginning on or after 1 January 2006. The amendments relate to the accounting for financial guarantee contracts. The Group has not elected to adopt the amendments early. It will apply the revised standards in its 30 June 2007 financial statements. The new rules will be implemented retrospectively with a restatement of the comparatives as required by AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

(iii) AASB 7 Financial Instruments: Disclosures and AASB 2005-10 Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]

AASB 7 and AASB 2005-10 are applicable to annual reporting periods beginning on or after 1 January 2007. The Group has not

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

adopted the standards early. Application of the standards will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to the Group's financial instruments.

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 provides written principles for overall risk management, as well as 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 the subsequent 4 months.

(ii) Fair value interest rate risk

Refer to (d) below.

(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.

(d) 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

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.

Primary reporting segment – business segment

2006	Supercheap Auto	BCF	Total continuing operations	Inter-segment eliminations/ unallocated	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000
Sales to external customers	481,781	44,168	525,949	0	525,949
Inter segment sales	0	0	0	0	0
Total sales revenue	481,781	44,168	525,949	0	525,949
Other revenue/income	519	36	555	0	555
Total revenue and other income	482,300	44,204	526,504	0	526,504
Segment result (pre-borrowing costs)	32,637	(3,436)	29,201	0	29,201
Net borrowing costs				(5,836)	(5,836)
Profit before income tax					23,365
Income tax expense					(6,855)
Profit for the period					16,510
Segment assets	263,465	32,292	295,757	(28,410)	267,347
Unallocated assets				2,150	2,150
Total assets					269,497
Segment liabilities	(61,015)	(35,031)	(96,046)	28,410	(67,636)
Unallocated liabilities				(88,931)	(88,931)
Total liabilities					(156,567)
Acquisitions of property, plant and equipment and other non-current segment assets	13,806	6,341	20,147	0	20,147
Depreciation and amortisation expense	10,096	609	10,705	0	10,705
Other non-cash expenses	(134)	0	(134)	0	(134)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

4 SEGMENT INFORMATION (CONTINUED)

2005	Supercheap Auto	BCF	Total continuing operations	Inter-segment eliminations/ unallocated	Consolidated
	\$'000	\$'000	\$'000	\$'000	\$'000
Sales to external customers	465,048	5,097	470,145	0	470,145
Inter segment sales	0	0	0	0	0
Total sales revenue	465,048	5,097	470,145	0	470,145
Other revenue/income	432	0	432	0	432
Total revenue and other income	465,480	5,097	470,577	0	470,577
Segment result (pre-borrowing costs)	35,758	(443)	35,315	0	35,315
Net borrowing costs				(4,399)	(4,399)
Profit before income tax					30,916
Income tax expense					(9,192)
Profit for the period					21,724
Segment assets	243,943	10,942	254,885	(9,375)	245,510
Unallocated assets				3,300	3,300
Segment liabilities	(58,172)	(11,261)	(69,433)	9,375	(60,058)
Unallocated liabilities				(84,155)	(84,155)
Total liabilities					(144,213)
Acquisitions of property, plant and equipment and other non-current segment assets	17,098	7,529	24,627	0	24,627
Depreciation and amortisation expense	8,317	27	8,344	0	8,344
Other non-cash expenses	239	0	239	0	239

Geographical segments

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

Australia

The home country of the parent entity. The areas of operation are automotive as well as boating, camping and fishing.

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	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Australia	472,851	422,799	245,566	221,598	18,482	21,773
New Zealand	53,098	47,346	23,931	27,212	1,665	2,854
	525,949	470,145	269,497	248,810	20,147	24,627

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

5 REVENUE

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
From continuing operations				
<i>Sales revenue</i>				
Sale of goods	525,949	470,145	0	0
	525,949	470,145	0	0
<i>Other revenue</i>				
Interest	287	218	0	9
Dividends – related party	0	0	13,000	9,500
	287	218	13,000	9,509
	526,236	470,363	13,000	9,509

6 OTHER INCOME

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Net gain on disposal of property, plant and equipment	84	0	0	0
Other income	184	214	0	0
	268	214	0	0

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

7 EXPENSES

	Consolidated		Parent entity	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Profit before income tax includes the following specific gains and expenses:				
Gains				
Change in methodology of inventory valuation to incorporate attributable supply chain costs	0	4,718	0	0
Expenses				
Net loss on disposal of property, plant and equipment	0	147	0	0
Depreciation				
Computer systems	3,434	2,623	0	0
Plant and equipment	4,814	3,832	0	0
Leasehold improvements	0	81	0	0
Motor vehicles	317	268	0	0
Total depreciation	8,565	6,804	0	0
Amortisation				
Computer software	2,140	1,540	0	0
Borrowing costs				
Interest and finance charges	5,933	4,634	4,312	1,415
Amount capitalised	(97)	(235)	(75)	(235)
Borrowing costs expensed	5,836	4,399	4,237	1,180
Employee benefits expense				
Superannuation expense	5,416	4,753	12	15
Salaries and wages	85,419	73,459	280	296
	90,835	78,212	292	311
Rental expense relating to operating leases				
Lease expenses	35,590	31,665	0	0
Equipment hire	991	1,035	0	0
Total rental expense relating to operating leases	36,581	32,700	0	0
Foreign exchange gains and losses				
Net foreign exchange (gains)/losses	745	(356)	9	0

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

8 INCOME TAX EXPENSE

	Consolidated		Parent entity	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
(a) Income tax expense				
Current tax	7,538	8,149	(1,469)	(550)
Deferred tax	(666)	846	13	(37)
Under (over) provided in prior years	(17)	197	0	260
	6,855	9,192	(1,456)	(327)
Deferred income tax (revenue) expense included in income tax expense comprises:				
Decrease (increase) in deferred tax assets (note 14)	(624)	869	13	(37)
(Decrease) increase in deferred tax liabilities (note 22)	(42)	(23)	0	0
	(666)	846	13	(37)
(b) Numerical reconciliation of income tax expense to prima facie tax payable				
Profit from continuing operations before income tax expense	23,365	30,916	8,145	7,305
Tax at the Australian tax rate of 30% (2005 - 30%)	7,010	9,275	2,444	2,192
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Non-taxable dividends	0	0	(3,900)	(2,850)
Tax consolidation adjustments re NZ branch	(177)	(415)	0	0
Sundry items	22	88	0	71
	6,855	8,948	(1,456)	(587)
Difference in overseas tax rates	17	47	0	0
Under (over) provision in prior years	(17)	197	0	260
Income tax expense	6,855	9,192	(1,456)	(327)
(c) 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 22)	28	(72)	10	(72)
	28	(72)	10	(72)
(d) 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

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 31).

9 CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Cash at bank and in hand	6,372	6,850	132	45
Deposits at call	0	52	0	0
	6,372	6,902	132	45

The prior year deposits at call bore interest at variable rates of between 5.2% and 5.6%

10 CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Trade receivables	6,653	5,988	0	0
Provision for doubtful receivables (a)	(26)	0	0	0
	6,627	5,988	0	0
Loans to related parties (b)	0	0	95,554	65,046
Loans to key management personnel	0	44	0	0
Other receivables	2,188	3,399	102	0
Tax receivable	564	0	0	0
Prepayments	4,779	4,725	429	863
	14,158	14,156	96,085	65,909

Further information relating to loans to key management personnel is set out in note 27.

(a) Bad and doubtful trade receivables

The Group has recognised a loss of \$27,000 (2005: \$88,000) in respect of bad and doubtful trade receivables during the period ended 1 July 2006. The loss has been included in 'other expenses' in the income statement.

(b) Loan's 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

11 CURRENT ASSETS – INVENTORIES

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Finished goods - at cost	135,021	123,183	0	0

12 NON-CURRENT ASSETS – OTHER FINANCIAL ASSETS

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'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
Total non-current assets – shares in controlled entities (refer Note 32)	0	0	84,234	84,234

13 NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Plant and equipment, at cost	55,498	43,274	0	0
Less accumulated depreciation	(16,363)	(11,774)	0	0
Net plant and equipment	39,135	31,500	0	0
Motor vehicles, at cost	1,342	1,139	0	0
Less accumulated depreciation	(645)	(487)	0	0
Net motor vehicles	697	652	0	0
Computer systems, at cost	20,468	16,467	0	0
Less accumulated depreciation	(10,503)	(7,108)	0	0
Net computer equipment	9,965	9,359	0	0
Total net property, plant and equipment	49,797	41,511	0	0

Assets pledged as security are detailed in Note 20

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

	Plant and equipment	Capitalised leased plant and equipment	Motor vehicles	Computer systems	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Reconciliations – consolidated entity – 2006					
Carrying amounts at 3 July 2005	31,500	0	652	9,359	41,511
Additions	13,024	0	412	4,127	17,563
Disposals	(17)	0	(40)	(15)	(72)
Depreciation and amortisation	(4,814)	0	(317)	(3,434)	(8,565)
Foreign currency exchange differences	(558)	0	(10)	(72)	(640)
Carrying amounts at 1 July 2006	39,135	0	697	9,965	49,797

	Plant and equipment	Capitalised leased plant and equipment	Motor vehicles	Computer systems	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Reconciliations – consolidated entity – 2005					
Carrying amounts at 27 June 2004	26,569	81	600	7,087	34,337
Additions	8,712	0	353	4,893	13,958
Disposals	(130)	0	(58)	(1)	(189)
Additions through acquisition	175	0	25	3	203
Depreciation and amortisation	(3,832)	(81)	(268)	(2,623)	(6,804)
Foreign currency exchange differences	6	0	0	0	6
Carrying amounts at 2 July 2005	31,500	0	652	9,359	41,511

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

14 NON-CURRENT ASSETS – DEFERRED TAX ASSETS

	Consolidated		Parent entity	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
The balance comprises temporary differences attributable to:				
<i>Amounts recognised in profit or loss</i>				
Doubtful debts	214	139	0	0
Employee benefits	1,785	1,545	0	0
Accruals	419	721	24	37
Inventories	889	1,081	0	0
Deferred borrowing/consulting costs	2	4	0	0
Deferred make good provision	550	353	0	0
Straight line lease adjustment	1,658	1,145	0	0
Deferred income	78	78	0	0
Provision for warranties and legal costs	20	20	0	0
	5,615	5,086	24	37
<i>Amounts recognised directly in equity</i>				
Cash flow hedges	18	0	0	0
	5,633	5,086	24	37
Set off with deferred tax liabilities (note 22)	(278)	(378)	(24)	(37)
Net deferred tax assets	5,355	4,708	0	0
Movements:				
Opening balance	5,086	5,955	37	0
Change on adoption of AASB 132 and AASB 139	0	0	0	0
Credited/(charged) to the income statement	624	(869)	(13)	37
Foreign exchange on translation of NZ subsidiary	(95)	0	0	0
Credited/(charged) to equity	18	0	0	0
Closing balance	5,633	5,086	24	37
Deferred tax assets to be recovered after more than 12 months	2,560	1,498	0	0
Deferred tax assets to be recovered within 12 months	3,073	3,588	24	37
	5,633	5,086	24	37

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

15 NON-CURRENT ASSETS – INTANGIBLE ASSETS

	Consolidated		Parent entity	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Goodwill at cost	52,112	52,112	0	0
Less impairment charge	0	0	0	0
Net goodwill	52,112	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	12,732	10,143	0	0
Less accumulated amortisation	(6,064)	(3,919)	0	0
	6,668	6,224	0	0
Total net intangibles	58,794	58,350	0	0

	Goodwill \$'000	Trademarks \$'000	Computer Software \$'000	Totals \$'000
Reconciliations – consolidated entity - 2006				
Carrying amounts at 3 July 2005	52,112	14	6,224	58,350
Additions	0	0	2,584	2,584
Impairment/amortisation charge	0	0	(2,140)	(2,140)
Carrying amounts at 1 July 2006	52,112	14	6,668	58,794

	Goodwill \$'000	Trademarks \$'000	Computer Software \$'000	Totals \$'000
Reconciliations – consolidated entity - 2005				
Carrying amounts at 27 June 2004	45,335	14	3,873	49,222
Additions	6,777	0	3,892	10,669
Impairment/amortisation charge	0	0	(1,541)	(1,541)
Carrying amounts at 2 July 2005	52,112	14	6,224	58,350

(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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

(b) Key assumptions used for value in use calculations

No impairment loss was recognised in the 2006 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	
	2006	2005	2006	2005
	%	%	%	%
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	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Trade payables	36,412	33,001	8	31
Straight line lease adjustment	5,482	3,733	0	0
Other payables	13,031	13,302	205	169
	54,925	50,036	213	200

17 CURRENT LIABILITIES – BORROWINGS

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Secured				
Commercial bill	19,400	84,550	17,250	59,650
Less borrowing costs capitalised, net	(469)	(395)	(273)	(67)
Total current liabilities – secured interest bearing liabilities	18,931	84,155	16,977	59,583
Unsecured				
Related parties	1	1	0	0
Unsecured bank financing	109	372	0	0
Total current liabilities – unsecured interest bearing liabilities	110	373	0	0
Total current liabilities – interest bearing liabilities	19,041	84,528	16,977	59,583

(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 21.

(c) Fair value disclosures

Details of the fair value of borrowings for the Group are set out in note 21.

(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 20.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

18 CURRENT LIABILITIES – CURRENT TAX LIABILITIES

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Income tax payable	1,725	696	1,725	467

19 CURRENT LIABILITIES – PROVISIONS

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Employee benefits - long service leave	4,681	4,032	0	0

20 NON-CURRENT LIABILITIES – BORROWINGS

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Secured				
Cash advance	70,000	0	70,000	0
	70,000	0	70,000	0

The facilities are secured by first registered 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 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, SCA Equity Plan 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.

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

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'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)	128,720	93,720	125,000	90,000
- Indemnity/Guarantee Facility	1,338	1,338	1,338	1,338
Totals	130,058	95,058	126,338	91,338
Facilities used at balance date				
- Multi-Option Facility (including commercial bill, overdraft and cash advance)	89,400	84,550	87,250	59,650
- Indemnity/Guarantee Facility	1,287	1,287	0	0
Totals	90,687	85,837	87,250	59,650
Unused balance of facilities at balance date				
- Multi-Option Facility (including commercial bill, overdraft and cash advance)	39,320	9,170	37,750	30,350
- Indemnity/Guarantee Facility	51	51	1,338	1,338
Totals	39,371	9,221	39,088	31,688

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

20 NON-CURRENT LIABILITIES – BORROWINGS (CONTINUED)

In addition, the Company has access to a \$37.5 million (2005: \$35.3 million) transactional facility for clean credit and foreign currency dealings.

Super Cheap Auto Pty Ltd has commercial bills of \$17.25 million (2005: \$21.6 million) outstanding at year end which are drawn as part of the group facility. The bank facilities may be drawn at any time.

Included in the facility above is an amount of \$3.72 million for SCA Equity Plan Pty Ltd. This amount was drawn to \$2.15 million (2005: \$3.3 million) at 1 July 2006.

The current interest rates on the financing arrangements are:

- Multi Option Facility (including commercial bills, overdraft and cash advance) 6.93%–7.13% (2005: 5.99%–7.23%)

21 FINANCIAL INSTRUMENTS

Transition to AASB 132 and AASB 139

The Group has taken the exemption available under AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards to apply AASB 132 Financial Instruments: Disclosure and Presentation and AASB 139 Financial Instruments: Recognition and Measurement from 1 July 2005.

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.

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

	Consolidated		Parent entity	
	2006	2005	2006	2005
Buy United States Dollars and sell Australian Dollars with maturity	\$'000	\$'000	\$'000	\$'000
- 0 to 6 months	3,000	4,000	0	0
- 7 to 12 months	0	0	0	0
Weighted average rate of contracts	70 cents	75 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.

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	60	0	0	0
- total gains (a)	60	0	0	0
- realised losses and costs	0	0	0	0
- unrealised losses and costs	(101)	(7)	(101)	0
- total losses and costs (b)	(101)	(7)	(101)	0
Net gains/(losses and costs)	(41)	(7)	(101)	0

(a) Included in other payables under note 16

(b) Included in other receivables under note 10

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

21 FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate swap contracts

Bank loans of the economic entity currently bear an average variable interest rate of 6.97% (2005: 7.09%). 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 \$15,000,000 which expires on 18 January 2008.

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 17% (2005: 45%) of the loan principal outstanding. The average fixed interest rate is 6.56% (2005: 6.24%).

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	Fixed interest maturing in					Non-interest bearing	Total
		Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years			
		\$'000	\$'000	\$'000	\$'000	\$'000		
2006								
Financial assets								
Cash and deposits	9	5,438	0	0	0	934	6,372	
Receivables	10	0	0	0	0	14,158	14,158	
Total financial assets		5,438	0	0	0	15,092	20,530	
<i>Weighted average rate of interest</i>		<i>5.00%</i>						
Financial liabilities								
Trade and other payables	16, 18	0	0	0	0	51,168	51,168	
Related parties	17	0	0	0	0	1	1	
Unsecured financing	17	0	109	0	0	0	109	
Commercial bill	17, 20	73,931	0	15,000	0	0	88,931	
Employee entitlements	19, 23	0	0	0	0	5,902	5,902	
Total financial liabilities		73,931	109	15,000	0	57,071	146,111	
<i>Weighted average rate of interest</i>		<i>6.97%</i>		<i>6.56%</i>				
Net financial assets/ (liabilities)		(68,493)	(109)	(15,000)	0	(41,979)	(125,581)	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

21 FINANCIAL INSTRUMENTS (CONTINUED)

	Notes	Floating interest rate \$'000	Fixed interest maturing in			Non- interest bearing \$'000	Total \$'000
			1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
2005							
Financial assets							
Cash and deposits	9	5,855	0	0	0	1,047	6,902
Receivables	10	0	0	0	0	14,156	14,156
Total financial assets		5,855	0	0	0	15,203	21,058
<i>Weighted average rate of interest</i>		<i>5.11%</i>					
Financial liabilities							
Trade and other payables	16, 18	0	0	0	0	46,999	46,999
Related parties	17	0	0	0	0	1	1
Unsecured financing	17	0	372	0	0	0	372
Commercial bill	17, 20	58,883	25,272	0	0	0	84,155
Employee entitlements	19, 23	0	0	0	0	5,016	5,016
Total financial liabilities		58,883	25,644	0	0	52,016	136,543
<i>Weighted average rate of interest</i>		<i>7.09%</i>	<i>6.24%</i>				
Net financial assets/(liabilities)		(53,028)	(25,644)	0	0	(36,813)	(115,485)

Net fair value of financial assets and liabilities

On-balance sheet items

The net fair values of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the consolidated entity approximate the carrying amounts.

The net fair values of other monetary financial assets and financial liabilities of the consolidated entity are based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

Derivative financial instruments

The net fair values of forward exchange contracts is taken as the unrealised gain or loss at balance date calculated by reference to the current forward rates for contracts with similar maturity profiles.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

21 FINANCIAL INSTRUMENTS (CONTINUED)

	Consolidated entity			
	Carrying amount		Net fair value	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Carrying amounts and net fair values of financial assets and financial liabilities at balance sheet date:				
On-balance sheet financial instruments				
Financial assets				
Cash and deposits	6,372	6,902	6,372	6,902
Receivables	14,158	14,156	14,158	14,156
Non-traded financial assets	20,530	21,058	20,530	21,058
Financial liabilities				
Trade and other payables	(51,168)	(46,999)	(51,168)	(46,999)
Commercial bill and other financing	(89,041)	(84,528)	(89,041)	(84,528)
Non-traded financial liabilities	(140,209)	(131,527)	(140,209)	(131,527)
Off-balance sheet financial instruments				
Financial assets				
Forward exchange contracts *	60	0	0	0
Financial liabilities				
Forward exchange contracts *	(101)	(7)	0	0

*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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

22 NON-CURRENT LIABILITIES – DEFERRED TAX LIABILITIES

	Consolidated		Parent entity	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
The balance comprises temporary differences attributable to:				
Amounts recognised in profit or loss				
Prepayments	6	0	0	0
Depreciation	248	341	0	0
	254	341	0	0
Amounts recognised directly in equity				
Share based payments	39	79	39	79
Cash flow hedges	30	0	30	0
	323	420	69	79
Set-off of deferred tax liabilities of parent entity pursuant to set-off provisions	(278)	(378)	(24)	(37)
Net deferred tax liabilities	45	42	45	42
Movements:				
Opening balance	420	371	79	7
Change on adoption of AASB 132 and AASB 139	0	0	0	0
Charged/(credited) to the income statement	(42)	(23)	0	0
Charged/(credited) to equity	(10)	72	(10)	72
Foreign exchange on translation of NZ subsidiary	(45)	0	0	0
Closing balance	323	420	69	79
Deferred tax liabilities to be settled after more than 12 months	317	420	69	79
Deferred tax liabilities to be settled within 12 months	6	0	0	0
	323	420	69	79

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

23 NON-CURRENT LIABILITIES – PROVISIONS

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Make good provision	4,929	3,895	0	0
Employee benefits - long service leave	1,221	984	0	0
	6,150	4,879	0	0

(a) Make good provision

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

(b) Movements in provisions (consolidated entity)

	Make good
	\$'000
Opening balance as at 3 July 2005	3,895
Additional provisions recognised	808
Indexing of provisions	287
Provision released	(61)
Closing balance as at 1 July 2006	4,929

24 CONTRIBUTED EQUITY

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
Ordinary shares fully paid	84,233	84,233	84,233	84,233

	Number of Shares	Issue Price	\$'000
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
Closing balance 1 July 2006	106,429,622		84,233

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 1,050,000 ordinary shares were issued during the period, with no options being exercised during the period. Options over 1,000,000 shares lapsed during the period. Information relating to options outstanding at the end of the financial period are set out in Note 27.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

25 RESERVES AND RETAINED PROFITS

	Consolidated		Parent entity	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
Reserves				
Foreign currency translation reserve	(129)	0	0	0
Share based payments reserve	90	184	90	184
Hedging reserve	28	0	70	0
	(11)	184	160	184
Movements				
Foreign currency translation reserve				
Balance at the beginning of the financial period	0	0	0	0
Net exchange difference on translation of foreign controlled Entity	(129)	0	0	0
Balance at the end of the financial period	(129)	0	0	0
Share based payments reserve				
Balance at beginning of the financial period	184	17	184	17
Options lapsed	(270)	0	(270)	0
Option expense	176	167	176	167
Balance at the end of the financial period	90	184	90	184
Hedging reserve				
Balance of beginning of the financial period	0	0	0	0
Movement in reserve	28	0	70	0
Balance at the end of the financial period	28	0	70	0
Retained earnings				
Balance at the beginning of the financial period	20,180	585	5,479	(24)
Net profit/(loss) for the financial period attributable to shareholders of Super Cheap Auto Group Limited	16,510	21,724	9,601	7,632
Dividends provided for or paid	(7,982)	(2,129)	(7,982)	(2,129)
Retained profits/(losses) at the end of the financial period	28,708	20,180	7,098	5,479

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

26 DIVIDENDS

	Parent Entity	
	2006	2005
	\$'000	\$'000
Ordinary shares		
Dividends paid by Super Cheap Auto Group Limited during the reporting period were as follows:		
Interim dividend for the period ended 31 December 2005 of 3 cents (2005: 2 cents per share) paid on 5 April 2006. Fully franked based on tax paid @ 30%	3,193	2,129
Final dividend for the period ended 2 July 2005 of 4.5 cents per share paid on 12 October 2005. Fully franked based on tax paid @ 30%	4,789	0
Total dividends provided and paid	7,982	2,129
Dividends not recognised at year end		
Subsequent to year end, the Directors have recommended the payment of a final dividend of 5 cents per ordinary share (2005: 4.5 cents per ordinary share), fully franked based on tax paid at 30%.		
The aggregate amount of the dividend expected to be paid on 11 October 2006, out of retained profits at 1 July 2006, but not recognised as a liability at year end, is		
	5,321	4,789
Franking credits		
The franked portions of dividends paid after 1 July 2006 will be franked out of existing franking credits and out of franking credits arising from the payments of income tax in the periods ending after 1 July 2006.		
Franking credits remaining at balance date available for dividends declared after the current balance date based on a tax rate of 30%	22,805	20,397

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 \$2,280,635 (2005: \$2,053,573).

27 KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Directors

The following persons were directors of Super Cheap Auto Group Limited during the financial year:

(i) Chairman (non executive)

Richard McIlwain

(ii) Executive directors

Peter Birtles, Managing Director (director from 5 January 2006)

Robert Thorn, Managing Director (from 3 July 2005 – 27 January 2006)

(iii) Non executive directors

Reginald Rowe

Robert Wright

Darryl McDonough

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

27 KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(b) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the financial year:

Name	Position	Employer
David Ajala	Chief Operating Officer – Supercheap Auto	Super Cheap Auto Group Limited
Steven Doyle	Chief Operating Officer – BCF	Super Cheap Auto Group Limited
Gary Carroll	Chief Financial Officer	Super Cheap Auto Group Limited
Graham Chad	General Manager – Group Logistics	Super Cheap Auto Pty Limited

(c) Key management personnel compensation

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
Short-term employee benefits	1,982,635	1,980,168	155,092	397,945
Post-employment benefits	208,636	70,890	124,908	16,200
Share-based payments	(189,898)	333,828	0	0
	2,001,373	2,384,886	280,000	414,145

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

The company has taken advantage of the relief provided by ASIC Class Order 06/50 and has transferred the detailed remuneration disclosures to the directors' report. The relevant information can be found in the remuneration report on pages 31 to 35.

(d) 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 31 to 35.

(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.

2006 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
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 E Thorn	1,000,000	0	0	(1,000,000)	0	0
R J Wright	0	0	0	0	0	0
P A Birtles	200,000	0	0	0	200,000	0
Other key management personnel of the Group						
D F Ajala	0	400,000	0	0	400,000	0
S J Doyle	0	400,000	0	0	400,000	0
G G Carroll	0	250,000	0	0	250,000	0
G L Chad	0	0	0	0	0	0

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

27 KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

2005 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
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
R E Thorn	1,000,000	0	0	0	1,000,000	0
D D McDonough	0	0	0	0	0	0
R J Wright	0	0	0	0	0	0
Other key management personnel of the Group						
P A Birtles	200,000	0	0	0	200,000	0
S J Doyle	0	0	0	0	0	0

(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.

2006 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	0	50,000
R J Wright	40,609	0	0	40,609
R E Thorn (resigned 27 January 2006)	4,899,078	0	(835,120)	4,063,958
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	0	0
S J Doyle	536,948	0	(43,537)	493,411
G G Carroll	0	0	0	0
G L Chad	0	0	0	0

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

27 KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

2005	Balance at	Received	Other	Balance at
Name	the start of	during the year	changes	the end of
	the year	on the exercise	during the	the year
		of options	year	the year
Directors of Super Cheap Auto Group Limited				
Ordinary shares				
R D McIlwain	0	0	158,882	158,882
R A Rowe	93,909,727	0	(41,507,568)	52,402,159
D D McDonough	0	0	50,000	50,000
R J Wright	0	0	40,609	40,609
R E Thorn	4,835,120	0	63,958	4,899,078
Other key management personnel of the Group				
Ordinary shares				
P A Birtles	1,192,089	0	507	1,192,596
S J Doyle	536,441	0	507	536,948

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

	2006	2005
	\$000	\$000
Amounts paid to key management personnel as shareholders		
Dividends	4,382	1,175

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

28 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. During the 2005 period, audit services were provided by Grant Thornton.

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$	\$	\$	\$
(a) Assurance Services				
Audit Services				
Audit and review of financial reports and other audit work under the Corporations Act 2001	211,437	175,468	211,437	143,208
Related practices of PricewaterhouseCoopers Australian firm				
Non-PricewaterhouseCoopers audit firms for the audit or review of financial reports of any entity in the Group	0	0	0	0
Total remuneration for audit services	211,437	175,468	211,437	143,208
Other assurance services				
PricewaterhouseCoopers Australian firm				
IFRS accounting services	85,230	0	85,230	0
Total remuneration for other assurance services	85,230	0	85,230	0
Total remuneration for assurance services	296,667	175,468	296,667	143,208
(b) Taxation services				
PricewaterhouseCoopers Australian firm				
Tax compliance services, including review of company income tax returns	125,012	3,500	125,012	0
Total remuneration for taxation services	125,012	3,500	125,012	0
(c) Advisory services				
PricewaterhouseCoopers Australian firm				
Due diligence	159,000	0	159,000	0
Total remuneration for advisory services	159,000	0	159,000	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.

29 CONTINGENCIES

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$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:	1,287	1,287	0	0

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

30 COMMITMENTS

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$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	895	1,694	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	895	1,694	0	0
Lease commitments				
Commitments in relation to operating lease payments under non-cancellable operating leases are payable as follows:				
Within one year	35,222	28,694	0	0
Later than one year but not later than five years	108,548	87,217	0	0
Later than five years	44,136	45,140	0	0
Less lease straight lining adjustment (note 16)	(5,482)	(3,733)	0	0
Total lease commitments	182,424	157,318	0	0
Future minimum lease payments expected to be received in relation to non-cancellable sub-leases of operating leases	3,641	3,889	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	1,375	850	1,375	850
Later than one year and not later than five years	5,500	1,950	5,500	1,950
Later than five years	0	0	0	0
	6,875	2,800	6,875	2,800

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of key management personnel referred to in the remuneration report on pages 31 to 35 that are not recognised as liabilities and are not included in the key management personnel compensation.

31 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 32.

(c) Key Management Personnel

Disclosures relating to key management personnel are set out in note 27.

(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 E Thorn (from 3 July 2005 to 27 January 2006), R A Rowe, R J Wright, D D McDonough and P A Birtles (appointed 5 January 2006).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

31 RELATED PARTY TRANSACTIONS (CONTINUED)

(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	
	2006 \$000	2005 \$000	2006 \$000	2005 \$000
Amount due from:				
Director – R E Thorn				
- expenses to be reimbursed	0	18	0	0
Director related entities of R A Rowe				
- store lease costs to be reimbursed by landlord	0	26	0	0
	0	44	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:

Other Transactions

- store lease payments – R A Rowe related property entities	7,324	6,960	0	0
- remuneration paid to directors of the ultimate Australian parent entity	883	1,548	883	1,548
Dividend Revenue				
- dividends from subsidiaries	0	0	13,000	9,500
Tax Consolidation Legislation				
- current tax payable assumed from wholly owned tax consolidated entities	0	0	8,558	6,469

(g) Loans to/from Related Parties

Loans to Subsidiaries

- beginning of the period	0	0	62,116	(6,199)
- loans advanced	0	0	235,834	151,754
- loan repayments received	0	0	(202,395)	(83,439)
End of year	0	0	95,555	62,116

32 INVESTMENTS IN CONTROLLED ENTITIES

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding	
			2006 %	2005 %
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 (previously SCA Purchasing Pty Ltd)(b) (c)	Australia	Ordinary	100	100
BCF Australia Pty Ltd(a)	Australia	Ordinary	100	100
SCA Equity Plan Pty Ltd(b)	Australia	Ordinary	100	100

(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.

(c) During the period SCA Purchasing Pty Ltd changed its name to Super Retail Group Services Pty Ltd.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

33 NET TANGIBLE ASSET BACKING

	Consolidated Entity	
	2006	2005
	Cents	Cents
Net tangible asset per ordinary share	51¢	43¢

34 DEED OF CROSS GUARANTEE

Super Cheap Auto Group Limited, Super Cheap Auto Pty Ltd, BCF Australia 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.

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'.

As the consolidated financial statements cover all parties to the Deed of Cross Guarantee and the members of the Extended Closed Group are the same as the Closed Group, no separate disclosure of consolidated information for the Closed Group has been shown.

35 RECONCILIATION OF PROFIT FROM ORDINARY ACTIVITIES AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Consolidated		Parent entity	
	2006	2005	2006	2005
	\$000	\$000	\$000	\$000
Profit from ordinary activities after related income tax	16,510	21,724	9,601	7,632
Depreciation and amortisation	10,705	8,344	0	0
Net (gain)/loss on sale of non-current assets	(84)	147	0	0
Non-cash employee benefits expense/share based payments	(134)	239	(134)	239
Net Interest Expense	5,549	4,181	4,237	1,180
Change in operating assets and liabilities, net of effects from the purchase of controlled entities				
- (increase)/decrease in receivables	52	431	(22,800)	(8,308)
- (increase)/decrease in inventories	(11,838)	(28,669)	0	0
- increase/(decrease) in payables	4,735	130	1,271	(1,011)
- increase/(decrease) in provisions	1,920	(3,397)	0	0
- increase/(decrease) in deferred tax	(644)	918	3	34
Net cash inflow from operating activities	26,771	4,048	(7,822)	(234)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

36 EARNINGS PER SHARE

	Consolidated Entity	
	2006	2005
	Cents	Cents
Basic earnings per share	15.5	20.4
Diluted earnings per share	15.5	20.4
Weighted average number of shares used as the denominator		
	Consolidated Entity	
	2006	2005
	Number	Number
Weighted average number of shares used as the denominator in calculating basic earnings per share	106,429,622	106,429,622
Adjustments for calculation of diluted earnings per share options	49,188	0
Weighted average potential ordinary shares used as the denominator in calculating diluted earnings per share	106,478,810	106,429,622
	2006	2005
	\$000	\$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	16,510	21,724
Diluted earnings per share		
- earnings used in calculating diluted earnings per share – net profit after tax	16,510	21,724

(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.

37 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

37 SHARE-BASED PAYMENTS (CONTINUED)

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

Grant Date	Expiry 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	Exercisable at end of the year Number
Consolidated and parent entity - 2006								
19 May 2004	1 July 2007	\$1.97	700,000	0	0	500,000	200,000	200,000
19 May 2004	1 July 2008	\$1.97	250,000	0	0	250,000	0	0
19 May 2004	1 July 2009	\$1.97	250,000	0	0	250,000	0	0
27 Jan 2006	5 Jan 2009	\$2.44	0	400,000	0	0	400,000	400,000
27 Jan 2006	5 Jan 2010	\$2.44	0	200,000	0	0	200,000	200,000
27 Jan 2006	5 Jan 2011	\$2.44	0	200,000	0	0	200,000	200,000
17 April 2006	17 April 2009	\$2.25	0	75,000	0	0	75,000	75,000
17 April 2006	17 April 2010	\$2.25	0	75,000	0	0	75,000	75,000
17 April 2006	17 April 2011	\$2.25	0	100,000	0	0	100,000	100,000
Total			1,200,000	1,050,000	0	1,000,000	1,250,000	1,250,000
Weighted average exercise price			\$1.97	\$2.39	0	\$1.97	\$2.25	\$2.25
Consolidated and parent entity - 2005								
19 May 2004	1 July 2007	\$1.97	700,000	0	0	0	700,000	700,000
19 May 2004	1 July 2008	\$1.97	250,000	0	0	0	250,000	250,000
19 May 2004	1 July 2009	\$1.97	250,000	0	0	0	250,000	250,000
Total			1,200,000	0	0	0	1,200,000	1,200,000
Weighted average exercise price			\$1.97	0	0	0	\$1.97	\$1.97

There were no options exercised during the period.

The weighted average remaining contractual life of share options outstanding at the end of the period was 3.01 years.

Fair value of options granted

The assessed fair value at grant date of options granted during the period ended 1 July 2006 was 29 to 68 cents per option. The fair value at grant date is independently determined using a Black-Scholes 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 1 July 2006 included:

- options are granted for no consideration
- exercise price: \$2.25, \$2.44 (2005: nil)
- grant date: 27 January 2006 and 17 April 2006 (2005: nil)
- expiry date: 5 January 2009, 17 April 2009, 5 January 2010, 17 April 2010, 5 January 2011, 17 April 2011 (2005: nil)
- share price at grant date: \$2.41, \$2.32 (2005: nil)
- expected price volatility of the company's shares: 20% (2005: nil)
- expected dividend yield: 3.5% (2005: nil)
- risk free interest rate: 5.6% (2005: nil).

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

38 BUSINESS COMBINATIONS

Acquisition by controlled entity

On 17 January 2005, BCF Australia Pty Ltd acquired certain assets and assumed certain liabilities of the CampMart business from an entity external to the Group.

Details of the acquisition are as follows:

	2005
	\$'000
Fair value of identifiable net assets acquired:	
Inventory	2,000
Plant and equipment	203
Trade creditors	(914)
Employee entitlements	(46)
	1,243
Goodwill	6,776
Cash consideration (a)	8,019

(a) Cash consideration of \$6,699,000 was paid by the parent, with the remaining \$1,320,000 paid by a subsidiary.

Goodwill on acquisition relates to the retail footprint and associated customer catchment area of the acquired business.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

39 EXPLANATION OF TRANSITION TO AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

a. Reconciliation of equity reported under previous Australian Generally Accepted Accounting Principles (AGAAP) to equity under Australian equivalents to IFRS (AIFRS).

(i) At the date of transition to AIFRS : 27 June 2004

	Notes	Consolidated			Parent entity		
		Previous AGAAP \$'000	Effect of Transition to AIFRS \$'000	AIFRS \$'000	Previous AGAAP \$'000	Effect of Transition to AIFRS \$'000	AIFRS \$'000
Current assets							
Cash assets	(xi)	13,640	28	13,668	0	0	0
Receivables	(xi)	5,394	5,270	10,664	0	0	0
Inventories		92,513	0	92,513	0	0	0
Tax Assets		1,633	0	1,633	1,678	0	1,678
Other		1,206	0	1,206	0	0	0
Total current assets		114,386	5,298	119,684	1,678	0	1,678
Non-current assets							
Property, plant and equipment	(ii)(vii)	36,257	(1,920)	34,337	0	0	0
Intangible assets	(vi)(vii)	45,349	3,873	49,222	0	0	0
Investments		0	0	0	84,233	0	84,233
Deferred tax assets	(x)	5,006	585	5,591	4,876	(4,876)	0
Other non-current assets		0	0	0	0	0	0
Total non-current assets		86,612	2,538	89,150	89,109	(4,876)	84,233
Total assets		200,998	7,836	208,834	90,787	(4,876)	85,911
Current liabilities							
Payables	(x)(iii)(iv)	46,857	2,231	49,088	6,199	(4,521)	1,678
Interest bearing liabilities	(viii)(xi)	35,744	5,298	41,042	0	0	0
Current tax liabilities		0	0	0	0	0	0
Provisions	(ii)	8,643	0	8,643	0	0	0
Total current liabilities		91,244	7,529	98,773	6,199	(4,521)	1,678
Non-current liabilities							
Deferred tax liabilities	(x)	355	(348)	7	355	(348)	7
Interest bearing liabilities		21,600	0	21,600	0	0	0
Provisions	(ii)	797	2,822	3,619	0	0	0
Total non-current liabilities		22,752	2,474	25,226	355	(348)	7
Total liabilities		113,996	10,003	123,999	6,554	(4,869)	1,685
Net assets		87,002	(2,167)	84,835	84,233	(7)	84,226
Equity							
Contributed equity		84,233	0	84,233	84,233	0	84,233
Reserves	(x)(i)(v)	2	15	17	0	17	17
Retained profits	(xii)	2,767	(2,182)	585	0	(24)	(24)
Total Equity		87,002	(2,167)	84,835	84,233	(7)	84,226

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

39 EXPLANATION OF TRANSITION TO AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") (CONTINUED)

(ii) At the end of last reporting period under previous AGAAP : 2 July 2005

	Notes	Consolidated			Parent entity		
		Previous AGAAP \$'000	Effect of Transition to AIFRS \$'000	AIFRS \$'000	Previous AGAAP \$'000	Effect of Transition to AIFRS \$'000	AIFRS \$'000
Current assets							
Cash assets	(xi)	6,426	476	6,902	45	0	45
Receivables	(x)(xi)	6,607	2,824	9,431	62,979	2,930	65,909
Inventories		123,183	0	123,183	0	0	0
Tax Assets		0	0	0	0	0	0
Other		4,725	0	4,725	0	0	0
Total current assets		140,941	3,300	144,241	63,024	2,930	65,954
Non-current assets							
Property, plant and equipment	(ii)(vii)	45,016	(3,505)	41,511	0	0	0
Intangible assets	(vi)(vii)	49,294	9,056	58,350	0	0	0
Investments		0	0	0	84,234	0	84,234
Deferred tax assets	(x)	3,509	1,199	4,708	3,142	(3,142)	0
Other non-current assets		0	0	0	0	0	0
Total non-current assets		97,819	6,750	104,569	87,376	(3,142)	84,234
Total assets		238,760	10,050	248,810	150,400	(212)	150,188
Current liabilities							
Payables	(iii)(iv)	46,045	3,991	50,036	200	0	200
Interest bearing liabilities	(viii)(xi)	81,228	3,300	84,528	59,583	0	59,583
Current tax liabilities		696	0	696	467	0	467
Provisions	(ii)	4,032	0	4,032	0	0	0
Total current liabilities		132,001	7,291	139,292	60,250	0	60,250
Non-current liabilities							
Deferred tax liabilities	(x)	341	(299)	42	175	(133)	42
Interest bearing liabilities		0	0	0	0	0	0
Provisions	(ii)	984	3,895	4,879	0	0	0
Total non-current liabilities		1,325	3,596	4,921	175	(133)	42
Total liabilities		133,326	10,887	144,213	60,425	(133)	60,292
Net assets		105,434	(837)	104,597	89,975	(79)	89,896
Equity							
Contributed equity		84,233	0	84,233	84,233	0	84,233
Reserves	(x)(i)(v)	2	182	184	0	184	184
Retained profits	(xii)	21,199	(1,019)	20,180	5,742	(263)	5,479
Total Equity		105,434	(837)	104,597	89,975	(79)	89,896

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

39 EXPLANATION OF TRANSITION TO AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") (CONTINUED)

b. Reconciliation of profit under previous AGAAP to profit under Australian equivalents to IFRS (AIFRS)

(i) Reconciliation of profit for the 53 weeks ended 2 July 2005

	Consolidated			Parent entity			
	Notes	Previous AGAAP \$'000	Effect of Transition to AIFRS \$'000	AIFRS \$'000	Previous AGAAP \$'000	Effect of Transition to AIFRS \$'000	AIFRS \$'000
Revenue from ordinary activities							
Sale of goods	(iv)	470,279	84	470,363	0	0	0
Other income		214	0	214	9,509	0	9,509
Total revenues		470,493	84	470,577	9,509	0	9,509
Expenses from ordinary activities							
Cost of sales of goods	(iv)	281,135	50	281,185	0	0	0
Other expenses from ordinary activities							
- selling and distribution		52,091	0	52,091	0	0	0
- marketing		25,965	0	25,965	0	0	0
- occupancy	(ii)(iii)	29,139	1,944	31,083	0	0	0
- administration	(v)(vi)	47,530	(2,592)	44,938	785	239	1,024
Borrowing costs expense	(ii)	4,239	160	4,399	1,180	0	1,180
Total expenses		440,099	(438)	439,661	1,965	239	2,204
Profit from continuing operations before income tax							
		30,394	522	30,916	7,544	(239)	7,305
Income tax expense relating to ordinary activities	(x)	(9,831)	639	(9,192)	327	0	327
Profit attributable to members of Super Cheap Auto Group Limited							
		20,563	1,161	21,724	7,871	(239)	7,632

c. Reconciliation of cash flow statement for the 53 weeks ended 2 July 2005.

The adoption of AIFRS has not resulted in any material adjustments to the cash flow statement.

d. Notes to the reconciliations

(i) Foreign currency translation reserve – consolidated only

The Group has elected to apply the exemption in AASB1 First Time Adoption of Australian Equivalents to International Financial Reporting Standards. The cumulative translation differences for all foreign operations are deemed to be zero at the date of transition to AIFRS. The effect is:

(a) At 27 June 2004

For the Group, the balance of the \$2,000 credit in the foreign currency translation reserve is reduced to nil. Retained earnings is increased by \$2,000.

(b) At 2 July 2005

For the Group, the balance of the \$2,000 credit in the foreign currency translation reserve is reduced to nil. Retained earnings is increased by \$2,000.

(ii) Provision for 'make-good' requirements in relation to leased premises – consolidated only

Under previous AGAAP, the group accounted for make good costs in relation to leased premises as they were incurred. Under AASB137 Provisions, Contingent Liabilities and Contingent Assets, estimates of the costs of make-good provisions that are contractually required as part of lease agreements should be appropriately estimated and provided for. The effect is:

(a) At 27 June 2004

For the Group there has been an increase in property, plant and equipment of \$1,953,000, an increase in liabilities of \$2,822,000 and a decrease in retained earnings of \$869,000.

(b) At 2 July 2005

For the Group there has been an increase in property, plant and equipment of \$2,719,000 and an increase in liabilities of \$3,895,000 and a decrease in retained earnings of \$869,000, an increase in occupancy costs of \$147,000 and an increase in borrowing costs of \$160,000.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

39 EXPLANATION OF TRANSITION TO AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") (CONTINUED)

(iii) Leases – consolidated only

Under AASB117 Leases, there is a requirement to account for fixed rate increases in operating leases on a straight line basis. The effect is:

(a) At 27 June 2004

For the Group there has been an increase in straight line lease adjustment of \$1,939,000 and a decrease in retained earnings of \$1,939,000.

(b) At 2 July 2005

For the Group there has been an increase in straight line lease adjustment of \$3,733,000 and a decrease in retained earnings of \$1,949,000, and an increase in occupancy costs of \$1,794,000.

(iv) Deferred revenue – consolidated only

Under AASB118 Revenue, revenue from the sale of goods shall be recognised if an entity retains only an insignificant risk of ownership. Under AIFRS, it is appropriate to recognise a liability for future returns based on previous experience and other relevant factors. The effect is:

(a) At 27 June 2004

For the Group there has been an increase in deferred revenue liability of \$292,000 and a decrease in retained earnings of \$292,000.

(b) At 2 July 2005

For the Group there has been an increase in deferred revenue liability of \$258,000 and a decrease in retained earnings of \$92,000, a decrease in sales of \$84,000 and a decrease in cost of sales of goods of \$50,000.

(v) Share-based payments – consolidated and parent

Under AASB2 Share-based Payment, from 1 July 2004 the Group is required to recognise an expense for those options that were issued to employees under the Share Option Plan. The effect is:

(a) At 27 June 2004

For the Group and parent there has been an increase in reserves of \$24,000 and a decrease in retained earnings of \$24,000.

(b) At 2 July 2005

For the Group and parent there has been an increase in reserves of \$263,000 and a decrease in retained earnings of \$24,000, and an increase in administration costs of \$239,000.

(vi) Intangible assets – goodwill impairment – consolidated only

Under AASB3 Business Combinations, amortisation of goodwill is prohibited and is replaced by annual impairment testing focussing on the cash flows of the related cash generating unit. The effect is:

(a) At 27 June 2004

No impact.

(b) At 2 July 2005

For the Group there has been an increase in intangibles of \$2,832,000 and a decrease in administration costs of \$2,832,000.

(vii) Intangible assets – software capitalised – consolidated only

Under AASB138 Intangible Assets, software costs are to be shown as intangibles. The effect is:

(a) At 27 June 2004

For the Group there has been an increase in intangibles of \$3,873,000 and a decrease in property, plant and equipment of \$3,873,000.

(b) At 2 July 2005

For the Group there has been an increase in intangibles of \$6,224,000 and a decrease in property, plant and equipment of \$6,224,000.

(viii) Interest bearing liabilities – borrowings – consolidated and parent

The Group has elected to apply the exemption from restatement of comparatives for AASB 132 Financial Instruments: Disclosure and Presentation and AASB 139 Financial Instruments: Recognition and Measurement. It has therefore continued to apply the previous AGAAP rules to derivatives, financial assets and financial liabilities and also to hedge relationships for the period ended 2 July 2005. The adjustments required for differences between previous AGAAP and AASB 132 and AASB 139 have been determined and recognised at 2 July 2005.

In accordance with AASB139 Financial Instruments, prepaid interest expense and capitalised transaction costs have been netted against gross borrowings. The effect is:

(a) At 27 June 2004

No impact.

(b) At 2 July 2005

No impact.

(c) At 3 July 2005

For the Group there has been decrease in borrowings of \$1,450,000 and a decrease in prepayments of \$1,450,000.

(ix) Business combinations

In accordance with AASB3 Business Combinations, the group has elected not to restate business combinations occurring prior to the transition date.

(x) Deferred tax assets and deferred tax liabilities – consolidated and parent

Under AASB112 Income Taxes, deferred tax balances are determined using the balance sheet method which calculates temporary differences based on the carrying amounts of an entity's assets and liabilities in the balance sheet and their associated tax basis. The effect is:

(a) At 27 June 2004

For the Group there has been an increase in deferred tax assets of \$1,542,000, an increase in deferred tax liabilities of \$609,000, an increase in retained earnings of \$940,000 and an increase in reserves of \$7,000.

For the parent there has been an increase in deferred tax liabilities of \$7,000 and a decrease in reserves of \$7,000.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006

(b) At 2 July 2005

For the Group there has been an increase in deferred tax assets of \$2,422,000, an increase in deferred tax liabilities of \$924,000, an increase in retained earnings of \$940,000 and decrease in reserves of \$79,000, and a decrease in tax expense of \$639,000.

For the parent there has been an increase in deferred tax liabilities of \$79,000 and a decrease in reserves of \$79,000.

Super Cheap Auto Group Limited and its wholly-owned Australian controlled entities implemented the tax consolidation legislation as of 1 July 2003. Under previous AGAAP, the parent entity recognised current and deferred tax amounts relating to transactions, events and balances of the tax consolidated entities as if those transactions, events and balances were its own.

Under AIFRS, the parent entity only recognises the current tax payable and deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group. The effect is:

(a) At 27 June 2004

There is no effect on the Group. For the parent entity, deferred tax liabilities decreased by \$355,000, deferred tax assets decreased by \$4,876,000 and inter company payables decreased by \$4,521,000.

(b) At 2 July 2005

There is no effect on the Group. For the parent entity, deferred tax liabilities decreased by \$1,750,000, deferred tax assets decreased by \$3,105,000 and inter company receivables increased by \$2,930,000.

Under AIFRS, deferred tax assets and liabilities are offset for matching tax jurisdictions. The effect of this is as follows:

(a) At 27 June 2004

For the Group, deferred tax liabilities decreased by \$957,000 and deferred tax assets decreased by \$957,000.

For the parent, there was no effect.

(b) At 2 July 2005

For the Group, deferred tax liabilities decreased by \$378,000 and deferred tax assets decreased by \$378,000.

For the parent, deferred tax liabilities decreased by \$37,000 and deferred tax assets decreased by \$37,000.

(xi) SCA Equity Plan Pty Ltd – consolidated only

Under UIG112, SCA Equity Plan Pty Ltd is required to be included in the Group consolidation. The effect is:

(a) At 27 June 2004

Increase in cash of \$28,000, increase in receivables of \$5,270,000, and an increase in interest bearing liabilities of \$5,298,000.

(b) At 2 July 2005

Increase in cash of \$476,000, increase in receivables of \$2,824,000 and an increase in interest bearing liabilities of \$3,300,000.

(xii) Retained earnings.

The effect on retained earnings of the charges set out above are as follows:

	Notes	Group		Parent	
		26 June 2004 \$'000	2 July 2005 \$'000	26 June 2004 \$'000	2 July 2005 \$'000
Foreign currency translation reserve	(i)	2	2	0	0
Straight line lease provision	(iii)	(1,939)	(3,733)	0	0
Lease make-good provisions	(ii)	(869)	(1,176)	0	0
Share-based payments	(v)(x)	(17)	(184)	(17)	(184)
Deferred tax balances	(x)	933	1,498	(7)	(79)
Deferred revenue	(iv)	(292)	(258)	0	0
Goodwill	(vi)	0	2,832	0	0
Total adjustment		(2,182)	(1,019)	(24)	(263)

DIRECTOR'S DECLARATION

Super Cheap Auto Group Limited

For the period ended 1 July 2006

In the directors' opinion:

- (a) the financial statements and notes set out on pages 39 to 89 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 1 July 2006 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) the audited remuneration disclosures set out on pages 31 to 35 of the directors' report comply with Accounting Standards AASB 124 *Related Party Disclosures* and the *Corporations Regulations 2001*; and
- (d) at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in note 34 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 34.

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.



RD McIlwain
Director



P A Birtles
Director

Brisbane, 24 August 2006

AUDIT REPORT

Super Cheap Auto Group Limited

For the period ended 1 July 2006



Independent audit report to the members of Super Cheap Auto Group Limited

PricewaterhouseCoopers
ABN 52 780 433 757

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Audit opinion

In our opinion,

1. The financial report of Super Cheap Auto Group Limited:
 - gives a true and fair view, as required by the *Corporations Act 2001* in Australia, of the financial position of Super Cheap Auto Group Limited and the Super Cheap Auto Group (defined below) as at 1 July 2006, and of their performance for the year ended on that date, and
 - is presented in accordance with the *Corporations Act 2001*, Accounting Standards and other mandatory financial reporting requirements in Australia, and the *Corporations Regulations 2001*.
2. The audited remuneration disclosures that are contained on pages 30 to 35 of the directors' report comply with Accounting Standard AASB 124 *Related Party Disclosures* (AASB 124) and the *Corporations Regulations 2001*.

This opinion must be read in conjunction with the rest of our audit report.

Scope

The financial report and directors' responsibility

The financial report comprises the balance sheets, income statements, cash flow statements, statements of changes in equity, accompanying notes to the financial statements, and the directors' declaration for both Super Cheap Auto Group Limited (the company) and the Super Cheap Auto Group (the consolidated entity), for the year ended 1 July 2006. The consolidated entity comprises both the company and the entities it controlled during that year.

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

Liability limited by a scheme approved under Professional Standards Legislation

AUDIT REPORT (CONTINUED)

Super Cheap Auto Group Limited

For the period ended 1 July 2006



Audit approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement and the remuneration disclosures comply with AASB 124 and the *Corporations Regulations 2001*. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. For further explanation of an audit, visit our website <http://www.pwc.com/au/financialstatementaudit>.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations, changes in equity and cash flows. We also performed procedures to assess whether the remuneration disclosures comply with AASB 124 and the *Corporations Regulations 2001*.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report and remuneration disclosures, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

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

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

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read 'B. S. Delaney'.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'B. S. Delaney'.

B S Delaney
Partner

Brisbane
24 August 2006

SHAREHOLDER INFORMATION

Super Cheap Auto Group Limited

For the period ended 1 July 2006

The shareholder information set out below was applicable as at 24 August 2006.

A. Distribution of equity securities

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

	Ordinary Shareholders	Optionholders
1 – 1000	983	
1,001 – 5,000	1,336	
5, 001 – 10,000	314	
10, 001 – 100,000	269	
100, 001 and over	49	3
	2,951	3

There were 81 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	Percentage of issued shares
SCA FT Pty Ltd	52,402,159	49.24%
Westpac Custodian Nominees Limited	4,125,523	3.88%
ANZ Nominees Limited (Cash Income A/C)	3,889,803	3.65%
J P Morgan Nominees Australia Limited	3,440,353	3.23%
National Nominees Limited	3,387,796	3.18%
Suncorp Custodian Services Pty Limited (AET)	3,311,930	3.11%
SCA Equity Plan Pty Ltd	2,719,628	2.56%
Robert Edward Thorn	2,499,493	2.35%
Citicorp Nominees Pty Ltd (CFS Developing Companies A/C)	1,703,720	1.60%
UBS Wealth Management Australia Nominees Pty Ltd	1,620,000	1.52%
Geomar Superannuation Pty Ltd	1,470,000	1.38%
Cogent Nominees Pty Limited (SMP Accounts)	1,329,569	1.25%
HSBC Custody Nominees (Australia) Limited	970,220	0.91%
Victorian Workcover Authority	712,800	0.67%
Mr Rakesh Tulshyan & Mrs Seema Tulshyan (BTML A/C)	709,637	0.67%
Ankit Pty Ltd (Tulshyan Family Account)	703,918	0.66%
Bond Street Custodians Limited (SJM - 143800 A/C)	535,391	0.50%
Bond Street Custodians Limited (SJM - 143796 A/C)	535,391	0.50%
Bond Street Custodians Limited (SJM - 143825 A/C)	535,391	0.50%
Bond Street Custodians Limited (SJM - 143812 A/C)	535,391	0.50%
	87,138,113	81.87%



SUPERCHEAP AUTO

AUSTRALIAN CAPITAL TERRITORY

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Fyshwick (02) 6239 2333
Tuggeranong (02) 6293 2233

NEW SOUTH WALES

Albury (02) 6041 1866
Auburn (02) 9648 5722
Bankstown (02) 9709 6500
Bathurst (02) 6331 7122
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
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
Tweed Heads (02) 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
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
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
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

VICTORIA

Bairnsdale (03) 5153 2799
Ballarat (03) 5339 9455
Bendigo (03) 5442 7877
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
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
Waurm Ponds (03) 5241 8947
Werribee (03) 9748 0055
Yarraville (03) 9318 9928

WESTERN AUSTRALIA

Balcatta (08) 9240 1566
Belmont (08) 9477 5699
Bunbury (08) 9721 9977
Canning Vale (08) 9455 3411
Cannington (08) 9258 7294
Fremantle (08) 9335 8633
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 8478
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

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
Highland Park 0011 64 9 533 3201
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
Tauranga 0011 64 7 579 5436
Tory Street 0011 64 4 801 6072
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

Coffs Harbour (02) 6651 6500
West Gosford (02) 4322 5833

QUEENSLAND

Browns Plains (07) 3800 1733
Cairns (07) 4051 8155
Capalaba (07) 3245 2220
Cannon Hill (07) 3890 2744
Keperra (07) 3851 4625
Labrador (07) 5500 5700
Lawnton (07) 3889 2911
Mackay (07) 4942 3499
Maroochydore (07) 5479 2390
Springwood (07) 3808 2405
Toowoomba (07) 4638 7511
Townsville (07) 4775 6300

WESTERN AUSTRALIA

Midland (08) 9250 2166

