Oceania Capital Partners Limited

(ABN 52 111 554 360)

(formerly Allco Equity Partners Limited)

2009 Financial Report

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The Directors present their report together with the financial report of the Consolidated Entity, comprising Oceania Capital Partners Limited ("the Company" or "OCP") and its controlled entities (together "the Consolidated Entity") for the year ended 30 June 2009 and the Independent Auditor's report thereon. The Company changed its name from Allco Equity Partners Limited after receiving shareholder approval on from 24 June 2009.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Current Directors	Appointed
Ian Tsicalas (Chairman)	25 July 2007
Robert Moran (Managing Director)	25 July 2007
Michael Brogan	10 August 2007
Peter Yates	12 November 2004

Former Directors	Director From	Director Until
David Clarke	5 May 2008	30 April 2009
David Coe	12 November 2004	27 August 2008

Details of the experience and qualifications of the Directors in office at the date of this report are:

Ian Tsicalas (Chairman)
B.A (Syd), B.Com (NSW)

Independent non-executive director
Member of Audit, Finance and Risk Committee
Chairman of Investment Committee
Chairman of Remuneration and Nomination Committee

Ian Tsicalas has significant operational experience having successfully managed both public and private companies.

Ian was Managing Director of Australian Discount Retail Pty Limited (ADR) until May 2007. Prior to this Ian was chief executive of The Warehouse Group Australia and a director of The Warehouse Group Limited (from December 2003 to November 2005).

Ian was also previously Managing Director of Howard Smith Limited, a leading Australian public company and Commander Communications Limited. Ian is a director of STW Communications Group Limited (since 2007) and represents the Company's interests by appointment to the Board of iSOFT Group Limited (since May 2008).

Ian was formerly independent chairman of Allco Managed Investment Funds Limited (until 21 August 2009).

Robert Moran (Managing Director)
LLB, B.Ec, MAICD

Member of Investment Committee

Robert Moran is Managing Director of the Company, having been an executive of the Allco Group. He has been involved as a principal investor for over 10 years at a board and strategic level in a variety of businesses and sectors and taking an active involvement in the underlying businesses. He is experienced in investment banking activities, including financings, capital raisings and mergers and acquisitions and has practiced corporate and commercial law at a senior level.

Robert represents the Company's interests as a director of iSOFT Group Limited (since November 2008), Signature Security Group and Trans Tasman Collections Holdings Group (Baycorp). He acts as Chairman or a member of the Remuneration Committees of each of the investee entities and sits on the Audit Committee of Signature Security Group.

Robert is also a director of Tag Pacific Limited (since 2002), AWA Limited (since 2004) and Krispy Kreme Australia (since 2006).

Michael Brogan

Independent non-executive director
Chairman of Audit, Finance and Risk Committee
Member of Investment Committee
Member of Remuneration and Nomination Committee

Michael is a non-executive director of the FirstRand Banking Group. In that capacity he is Chairman of FirstRand International Limited and the RMB Australia Group. Michael was formerly an independent non-executive director of Allco Managed Investment Funds Limited (AMIFL) and Chair of the AMIFL Audit Committee (until 21 August 2009).

Michael was a senior executive director with Rand Merchant Bank and the FirstRand Banking Group from 1994 to 2005. Prior to joining the FirstRand Group, Michael had eight years international banking experience with Standard Chartered Bank in Hong Kong where he held numerous senior international executive director positions with business development and operational responsibilities ultimately spanning 17 countries. Prior to joining Standard Chartered Bank, Michael spent 14 years as a partner in a firm of chartered accountants in Australia.

Michael has extensive domestic and international business experience in the areas of strategic business development, corporate governance, audit, compliance and risk management.

Michael is Chairman of the Arts and Health Foundation and a Trustee of the Indochina Starfish Foundation (UK), and a director of the Indochina Starfish Foundation (Australia) Limited and AWA Limited.

Michael is a Fellow of The Institute of Chartered Accountants in Australia.

Peter Yates
Master of Science (mgt) (Stanford), B.Com (Melb), MAICD, CFTP, Doctorate of the University (Murdoch)

Non-executive director
Member of Audit, Finance and Risk Committee
Member of Investment Committee

Peter was Managing Director of the Company from November 2004 until July 2007. Peter was Chief Executive Officer of Publishing and Broadcasting Limited from 2001 until 2004. Prior to 2001, Peter worked in the investment banking industry including 15 years with Macquarie Bank. Peter has also worked for Morgan Stanley in Australia and Booz Allen Hamilton in Tokyo.

Peter is Chairman of the Peony Capital General Partnership, the Royal Institution of Australia, the Australian Science Media Centre and the Graduate School of Management, University of Melbourne. Peony Capital is a China based carbon credit fund.

Peter is Deputy Chairman of Asialink and a Board member of the Melbourne International Arts Festival, the Australian Chamber Orchestra, the Royal Children's Hospital Foundation (Victoria) and The Centre for Independent Studies. Peter is also a director of Moko.mobi Limited (since October 2008).

Company Secretary

David Neufeld
B Com (Hons), CA, GAICD

David Neufeld has been Company Secretary and Chief Financial Officer of the Company since July 2005. David has responsibility for financial and management reporting, cash management and corporate compliance. He is also Company Secretary of OCP's subsidiary companies and represents the Company as chairman of the audit committees of the Signature and Baycorp businesses. David's prior experience includes 5 years as a chartered accountant with Ernst & Young and 17 years with the Foster's Group, including 10 years with the Lensworth group where he was Chief Financial Officer and Company Secretary.

David is a member of The Institute of Chartered Accountants in Australia and the Australian Institute of Company Directors.

Director Meetings

The number of Board meetings held, including meetings of Committees of the Board, and the number of meetings attended by each of the directors of the Company during the financial year were:

Director	Full Board Meetings		Independent Directors Meetings[1]		Audit, Finance and Risk Committee		Investment Committee		Remuneration and Nomination Committee	
	A	B	A	B	A	B	A	B	A	B
Michael Brogan	15	15	5	5	5	5	4	4	4	4
David Clarke	14	14	n/a	n/a	n/a	n/a	4	4	4	4
David Coe	2	2	n/a	n/a	n/a	n/a	0	0	0	0
Robert Moran	15	15	n/a	n/a	n/a	n/a	4	4	n/a	n/a
Ian Tsicalas	15	15	5	5	5	5	4	4	4	3
Peter Yates	15	15	5	5	5	5	4	4	n/a	n/a

A - Number of meetings held during the time the director held office during the period.

B - Number of meetings attended.

1 - Meetings attended only by directors independent of the Manager.

Environmental Regulation

The Company and its controlled entities were not subject to any specific environmental regulations during the year.

Principal Activity

The principal activity of the Company during the course of the current and prior reporting years was investment. The Company has invested in operating businesses, whether privately owned or publicly listed, with decisions being based on the fundamental investment characteristics of the business. The primary focus is on investing capital in businesses which will grow over the investment period, enabling a successful profitable exit for the Company.

The Company, either directly or through subsidiary entities, has invested in a number of businesses that operate in the financial services, healthcare technology and security industries.

On 3 April 2009, the Company announced that it would not engage in new investment activity for the time being other than to meet already committed obligations or to invest in value enhancing bolt-on opportunities for the investments currently held. This announcement was made as part of a program endeavouring to maximise shareholder value following the completion of a rigorous strategic review to address the differential between the Company's share price and the underlying value of the Company's net assets. Further detail is contained below in the Likely Developments and Prospects section of this Directors' Report.

Significant Changes in the State of Affairs

On 3 April 2009, the Company proposed to make a return of capital to eligible shareholders of 65.0 cents per share subject to approval by shareholders and the Australian Taxation Office. This announcement was made as part of the program endeavouring to maximise shareholder value referred to above. The required approvals were obtained in June 2009. The return of capital of approximately $59.7 million was paid from the cash reserves of the Company to eligible shareholders on 9 July 2009.

There were no other significant changes in the affairs of the Consolidated Entity during the financial year.

Operating and Financial Review

The net profit after tax of the Consolidated Entity for the financial year ended 30 June 2009 was $12,570,000 (2008 - $19,868,000).

This result reflects:

- interest income earned on funds held on interest bearing deposit with banking institutions of $4.7 million (2008 - $14.8 million);
- net fees and interest income, including fair value accounting for warrants, of $10.0 million earned by the Consolidated Entity for providing funding to iSOFT Group Limited (2008 - $16.9 million);
- a profit before financing costs, depreciation, amortisation and tax of $25.5 million (2008 - $22.3 million) earned by Signature Security Group from total revenue of $74.4 million (2008 - $69.9 million);
- an equity accounted contribution of $10.6 million from the Consolidated Entity's interest in iSOFT Group Limited (2008 - $7.1 million for the period 31 October 2007 to 30 June 2008);
- an equity accounted loss of $0.3 million (2008 - $2.0 million profit) from Baycorp that reflects an accounting standard requirement to recognise changes in expected cash flows from Purchased Debt Ledgers (PDLs) through the profit and loss account (which is further explained below); and
- a cumulative mark to market unrealised loss of $9.4 million before tax (2008 - $nil) on available-for-sale listed securities held at balance date. Effective from 31 December 2008, the directors determined that the cumulative fair value unrealised losses on those securities incurred to that date ($4.0 million) should be taken to the profit and loss account rather than retained in an equity reserve. From 1 January 2009 to 30 June 2009, the market value of the securities declined further. The impact of the further price decrements has also been recognised in the profit and loss account.

The prior period result included a net loss after tax of $8.0 million realised from holding derivative financial instruments over strategic interests accumulated whilst assessing potential opportunities. No such result arose in the 2009 financial year.

PDL accounting impacts for Baycorp

From 1 July 2008, Trans Tasman Collections Holdings Pty Limited (Baycorp) has changed its accounting policy for Purchased Debt Ledgers (PDLs). Baycorp now accounts for PDLs as "Loans and Receivables at amortised cost". Previously the PDLs were accounted for as "Available for sale financial assets". The change in policy means that the fair value of forecast cash flows from PDLs are now assessed using the original effective interest rate implicit to each debt ledger (being the forecast ungeared equity return on the forecast gross cash flows at the time that the PDL was acquired). Under this revised accounting policy, movements in forecast cash flows that impact on the fair value of PDLs are now taken directly to profit and loss rather than through an equity reserve account.

Baycorp re-forecasts its collection expectations on each PDL each six months for the purposes of determining the recoverable amount as at balance date. As at 30 June 2009, Baycorp has again adjusted forecast collections across its portfolio of PDLs. In some cases this has resulted in reducing expected collections based on changed economic circumstances and in some cases this has resulted in increasing expected collections based on the particular characteristics of the relevant PDL. In some cases the period over which the collections are expected to be achieved have also altered.

The result of this re-forecasting exercise has been that the PDL assets continue to be a very prospective portfolio of PDLs, with forecast returns well in excess of 20% per annum. However, as a result of the requirement of the accounting standard to discount those forecast cash flows at the original expected effective interest rate (which across the portfolio is a weighted average rate in excess of 35%), even a small reduction in forecast collections or a small delay in expected timing of collection produces a significant decrement to the accounting recoverable amount

of the PDL. Baycorp is required to account for this notional deficit in the future collections through its profit and loss account, notwithstanding that the business expects to collect well in excess of the purchase price of the debt. The impact on the equity accounted contribution from Baycorp for the financial year ended 30 June 2009 from the re-forecasting exercise was a decrement of $3.2 million before tax (of which $2.3 million was brought to account by OCP at 31 December 2008 and $0.9 million was brought to account at 30 June 2009).

Application of funds

At balance date the Consolidated Entity had:

- cash at bank or on deposit of $100.8 million of which $98.9 million was an asset of the Company. Deposits are interest bearing and held with major Australian banking institutions. A return of capital totalling $59.7 million was paid to eligible shareholders on 9 July 2009;
- approximately $388.5 million of cash funds invested in iSOFT Group, Signature Security Group and Baycorp.; and
- approximately $31.2 million invested in other listed securities with a market value of $21.8 million (2008 – $24.9 million).

Carrying amounts of investments

Investments are carried at fair or recoverable value in the balance sheet. In assessing the appropriateness of carrying amounts, the directors have had regard to a number of factors, including:

- the appropriate valuation methodology and comparative company valuation multiples;
- the business plans and the investment thesis for each transaction;
- financial analysis taking into account current and budgeted earnings;
- independent assessment reports;
- the assessed risks to the forecast outcome being achieved over the expected holding period of each investment; and
- the Company's business model to actively assist and oversee the management of the businesses that the Company has invested in with a view to enhancing the value of those businesses over the expected holding period.

iSOFT Group Limited (iSOFT) is a listed entity and, therefore, has a readily identifiable market value at any point in time. At 30 June 2009, the market value of the shares and convertible notes held in iSOFT, on a fully diluted basis, was $200.7 million which compares with a carrying amount of $293.1 million, a negative difference of $92.4 million. If the directors had considered the investment had been impaired and used the 30 June 2009 readily identifiable market value, OCP would have made a substantial loss for the year under review. However, having regard to the Company's business model and after due consideration of fair value, the directors are of the view that it is not appropriate to measure the fair value of equity accounted listed investments solely by reference to the share price at balance date. Assessment of fair value has been undertaken having regard to the factors outlined in the previous paragraph. Subsequent to 30 June 2009 and up until the date of this report, the iSOFT share price has increased and the gap between market value and carrying amount has lessened.

Included in the equity accounted carrying amount for iSOFT at 30 June 2009 is the Consolidated Entity's share of the movements in certain of the reserves of iSOFT during the financial year ended 30 June 2009 of $4.1 million. The Consolidated Entity's equity accounted share of these reserve movements is $1.2 million before tax effect accounting. This amount includes the movement in iSOFT's foreign currency translation reserve. The movement of the Australian dollar against the British Pound, Euro and other currencies during the period resulted in iSOFT recognising an unrealised gain on translation to Australian dollars of foreign currency financial statements of its controlled entities or

business segments. There was a corresponding increase on translation in the Australian dollar carrying value of the net assets, mainly comprising goodwill and intangibles. Accounting standards require the Consolidated Entity to include its share of this movement in the equity accounted carrying amount. The impact is taken directly to the "Share of reserves of interests in associates and joint ventures using the equity method reserve" where it is also tax effected. While it affects the reported net assets of the Consolidated Entity, this amount is not credited to the Income Statement. The Consolidated Entity is required to account for the effects of these foreign currency movements across each reporting period and, therefore, remains exposed to the impacts of any such currency movements.

Share Buy-back

On 27 August 2008, the Company announced an intention to acquire and cancel up to 5 per cent of its issued shares by way of an on-market share buy-back as part of its capital management program. The buy-back commenced on 15 September 2008. On 21 November 2008, the Company announced an intention to expand the current on-market share buy back, again, up to a number permitted under the Corporations Act without the need for shareholder approval. Under the terms of the buy-back, the buy-back will continue for 12 months or until the maximum number of shares is acquired or until notice is given that the buy-back is concluded (whichever first occurs). A maximum of 3,780,673 ordinary shares remain to be bought back and cancelled under the current terms of the buy-back and the Company may extend the buy-back without requiring shareholder approval by an additional 1,057,289 ordinary shares (the Company is entitled to buy-back on-market a maximum of 10% of the issued capital of the Company in a 12 month period without requiring shareholder approval). The Company has not bought-back any shares since 25 November 2008 but may elect to do so if the Board determines that this would be in the interests of the Company.

Borrowings

The Company had no bank borrowings in place at 30 June 2009.

The Consolidated Entity, through Signature Security Group, had bank borrowings with a balance of $89.3 million, net of unamortised borrowing costs, comprising senior debt, mezzanine debt and amounts drawn under an acquisition facility. These borrowings are recourse only to Signature Security Group and have no recourse to the Company.

Dividends

The 2007/2008 final dividend of $5.8 million (6.0 cents per ordinary share) was paid on 30 October 2008.

The 2008/2009 interim dividend totalling $3.7 million (4.0 cents per ordinary share) was paid on 31 March 2009.

The Directors have declared a final dividend for 2008/2009 of 6.0 cents per share (franked to 4.0 cents per share), totalling $5.5 million.

The dividend reinvestment plan has not been activated.

Events subsequent to reporting date

Payment of a return of capital of 65.0 cents per share (approximately $59.7 million) was made on 9 July 2009. The payment was made from the cash reserves of the Company. A liability for the payment was recognised at 30 June 2009 as all required approvals had been obtained with a corresponding debit against the share capital account.

On 26 August 2009, the Company announced an extension of the on-market share buy-back that was first announced on 27 August 2008. The size of the buy-back has also been increased by 1,057,289 ordinary shares to 4,837,962 ordinary shares being the maximum permitted under the Corporations Act without the need for shareholder approval (being a maximum of 10% of the issued capital of the Company in a 12 month period). The buy-back will continue for

a further 12 months or until the maximum number of shares is acquired or until notice is given that the buy-back is concluded (whichever first occurs).

On 27 July 2009, the Company withdrew its appeal in the NSW Court of Appeal against the decision by the NSW Supreme Court on 9 December 2008 that the Company's notice of 4 November 2008 terminating the Management Agreement with AEPM was not valid. As a result of withdrawing its appeal, the original orders made by the NSW Supreme Court remain in place, which include an order requiring the Company to pay AEPM's legal costs. In addition, the Company is required to meet AEPM's costs of defending the appeal. The Company has not been provided with an estimate of these costs.

On 18 August 2009, the Company served a notice under section 925A of the Corporations Act 2001 (Cth) (**Rescission Notice**) on Allco Equity Partners Management Pty Ltd (in liquidation) (Receivers and Managers appointed) in its capacity as trustee of the AEP Management Trust (AEPM) rescinding the Management Agreement dated 14 December 2004 between the parties. OCP became entitled to serve the Rescission Notice upon AEPM as a result of the Australian Securities and Investments Commission having cancelled AEPM's Australian financial services licence on or about 20 July 2009.

Sections 925A to 925I of the Corporations Act state that the effects of the service of the Rescission Notice on AEPM include the following:

- the rescission of the Management Agreement;
- AEPM is not entitled to enforce, or to rely upon, the Management Agreement against the Company; and
- AEPM is not entitled to recover by any means, any brokerage, commission or other fee for which the Company would have been liable to AEPM under or in connection with the Management Agreement. This includes any incentive fees under the Management Agreement.

The Company also believes that the rescission of the Management Agreement under the above provisions of the Corporations Act will result in the cessation of the escrow restrictions on the 10,185,185 initial ordinary shares of OCP held by Allco Finance Group.

The Company will now assume direct responsibility for management of its assets. The Company intends to extend offers of employment to certain of the employees of AEPM who had previously been involved in the provision of management services to the Company and taking any other steps thought prudent by the Board.

The directors are not aware of any other matter or circumstance that has occurred since the end of the financial year that has significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

Likely Developments and Prospects

On 3 April 2009, the Company announced a program to endeavour to maximise value for shareholders by addressing the differential between the Company's share price and the underlying value of the Company's net assets. The program includes the following components:

- existing investments will continue to be managed with a view to profitable realisation over an appropriate investment timeframe;
- the directors decided that, in the current economic climate, the Company will not make any new investments prior to a possible shareholder vote, as explained below, other than to meet already committed obligations or to invest in value enhancing bolt-on opportunities for the current investments;
- a return of excess cash to shareholders. This was completed by way of the return of capital that was approved by shareholders on 24 June 2009 and paid on 9 July 2009; and
- shareholders will be given the opportunity to vote on the future direction of the Company should the differential between the Company's share price and the underlying value of the net assets persist. Subject to the Company's shares continuing to trade at a discount to net asset value of more than 15 per cent in April 2011[1], an Extraordinary General Meeting of Shareholders will be convened to consider whether to continue with

the current business strategy or to realise the remaining investments in an orderly manner and distribute available cash reserves. If the meeting is held and shareholders vote to realise the remaining investments, the optimal timeframe for any such realisations will be determined at the time of the shareholder meeting based on prevailing circumstances. If shareholders do not resolve to realise the remaining investments and distribute cash reserves (or if the meeting is not required to be held), the Company would revert to its original business strategy of providing shareholders with the opportunity to access potentially attractive private equity transactions and activist public market situations through an ASX-listed security.

Following the rescission of the Management Agreement, as outlined above, the Company will assume direct responsibility for management of its assets. The Company intends to extend offers of employment to certain of the employees of AEPM who had previously been involved in the provision of management services to the Company and taking any other steps thought prudent by the Board. The employment of these staff is expected to add salary and other overhead costs of between $1.0 million and $1.5 million per annum (prior to any performance related incentive arrangements being agreed).

1 The discount will be determined by reference to the volume-weighted average price of OCP shares for the three months prior to the date of the notice of the meeting and the average stated net asset value during this period. In the event that OCP realises all of its current investments prior to April 2011, the directors will convene a meeting of shareholders at an earlier date than currently envisaged.

Directors' Interests

Shareholdings

The movement during the reporting period in the number of ordinary shares of the Company held, directly or indirectly, by each Director in office at 30 June 2009 was as follows:

Ordinary shares	Balance at 1 July 2008	Purchases/ (Disposals)	Transfers In/ (Transfers Out)[1]	Balance at 30 June 2009
Directors				
Michael Brogan	-	-	-	-
Robert Moran	618,837	-	-	618,837
Ian Tsicalas	-	-	-	-
Peter Yates	1,013,108	193,665	-	1,206,773
Former Directors				
David Clarke	-	-	-	-
David Coe	6,233,994	-	(6,233,994)	-

[1] Transfers in upon becoming a director or transfers out upon ceasing to be a director

Included in the table above, Robert Moran has an interest in 618,837 shares of which 319,369 are fully paid ordinary shares held through his 3.1% interest in the AEP Holding Trust which, through AEPL Nominees Pty Ltd (in liquidation, receivers and managers appointed), holds 10,185,185 fully paid ordinary shares in the Company. For the reasons described above under the section of this Directors' Report entitled "Events subsequent to reporting date", the Company believes that the 10,185,185 fully paid ordinary shares in the Company held by the AEP Holding Trust are no longer subject to any escrow restrictions.

Remuneration Report

The Remuneration Report is set out on pages 14 to 21 and forms part of the Directors' Report for the year ended 30 June 2009.

Indemnification and insurance of officers

The Company's Constitution provides that the Company may indemnify any current or former Director, Secretary or executive officer of the Company or of a subsidiary of the Company out of the property of the Company against every liability incurred by a person in that capacity (except a liability for legal costs) and against all legal costs incurred in defending proceedings, whether civil or criminal or of an administrative or investigatory nature, in which the person becomes involved because of that capacity.

In accordance with the provisions of the Corporations Act 2001, the Company has a Directors and Officers Liability policy which covers all past, present or future Directors, secretaries and executive officers of the Company and its controlled entities. The terms of the policy specifically prohibit disclosure of details of the amount of the insurance cover and the premium paid.

The indemnification and insurances are limited to the extent permitted by law.

Audit services

During the period, KPMG, the Company's auditor, has performed certain other services in addition to their statutory duties. Fees paid or payable by the Consolidated Entity to KPMG for audit and non-audit services were:

	$
Audit Services - Fees paid to KPMG for audit and review of financial reports	307,300
Other services	186,378
Total fees paid or payable	493,678

The Board has considered the non-audit services provided during the year by the auditor and in accordance with written advice endorsed by resolution of the Audit, Finance and Risk Committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Audit, Finance and Risk Committee to ensure they do not impact the integrity and objectivity of the auditor.
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES110 – Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 22 and forms part of the Directors' Report for the year ended 30 June 2009.

Rounding off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

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

I Tsicalas
Chairman

Dated at Sydney this 26th day of August 2009

Remuneration Report – audited

1. Principles used to determine the nature and amount of remuneration

The Consolidated Entity's remuneration policies are designed to align the remuneration of executives with the interests of OCP shareholders.

The OCP Remuneration and Nomination Committee, consisting of non-executive directors, advises the Board on remuneration policies and practices generally and makes specific recommendations on remuneration packages and other terms of employment for all key management personnel of the Company. The remuneration arrangements of key management personnel employed by subsidiaries of the Company are governed by the remuneration committee of the relevant subsidiary. The remuneration policies applied by remuneration committees of subsidiaries are consistent with those of the Company.

Executive remuneration and other terms of employment are reviewed annually by the relevant remuneration committee, having regard to the performance goals set at the start of the year, results of the annual appraisal process, relevant comparative information, and, if necessary, independent expert advice on market compensation levels. As well as a base salary, remuneration packages may include superannuation, termination entitlements, performance related bonuses, long term incentive arrangements and fringe benefits.

Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the Consolidated Entity's operations and achieving the Company's strategic objectives.

Payment of performance related bonuses is linked to the achievement of individual objectives which are relevant to meeting the Consolidated Entity's overall goals. In establishing the level of performance related bonuses, the relevant remuneration committee considers the results of a formal performance appraisal process which is undertaken annually for each employee of the Consolidated Entity.

Remuneration and other terms of employment for executives are formalised in service agreements or letters of employment. Participation in long term incentive plans are separately documented in accordance with applicable plan rules.

(a) Fixed remuneration

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes any fringe benefits tax charges related to non-financial employee benefits) as well as employer contributions to superannuation funds.

(b) Performance linked remuneration

Performance linked remuneration is designed to reward key management personnel for meeting or exceeding their financial and personal objectives. At the end of each financial year the relevant remuneration committee will recommend to the appropriate board for approval of the bonus amount due to each employee, based on the annual appraisal process undertaken. Performance linked remuneration may be settled by cash bonuses and/or participation by eligible employees in long term incentive plans as discussed below.

(c) Non-executive directors

Fees and payments to non-executive directors of the Company 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. Remuneration of non-executive directors is determined by the Board within the maximum amount approved by shareholders from time to time. The maximum amount currently stands at $600,000 per annum in aggregate for all non-executive directors of the Company.

From 27 August 2008, the independent Chairman receives a fee of $160,000 per annum plus superannuation. This amount includes fees for membership of Board Committees.

The fee structure for non-executive directors (other than the Chairman) is:

- Base Fee $80,000 per annum
- Committee Fees (per committee):
  - Chairman $20,000 per annum
  - Member $10,000 per annum

Superannuation entitlements are also payable.

Directors appointed under the terms of the Management Agreement and who are employed by the Allco Finance Group, do not receive any directors' fees from the Consolidated Entity.

The Company's Constitution also allows the Company to remunerate the directors for any additional or special duties undertaken at the request of the Board. For the 2009 financial year, a fee of $60,000 (2008 – $55,000) was paid or payable to Peter Yates for representing the Company as a director of Signature Security Group. This fee is consistent with the remuneration policies of the Signature group. No other additional remuneration amounts were paid or payable to non-executive directors for the 2009 financial year (2008 - $50,000).

Directors' fees are paid in cash. Performance related bonuses are not payable to non-executive directors.

(d) Remuneration of the Manager during the 2009 financial year

The Manager was remunerated by payment of transaction and incentive fees in accordance with the terms of the Management Agreement. During the 2009 financial year, fees totalling $1,161,377 (2008 - $7,159,981) were paid to the Manager as required by the terms of the Management Agreement. Further information is provided in Note 30(b) to the financial statements.

The Company has no involvement in the remuneration arrangements that the Manager has with its employees. The employees of the Manager were remunerated from the resources of the Manager and not by the Company. The Company is aware that, prior to the appointment of Receivers and Managers to the Manager in November 2008, the components of the remuneration packages of the Manager's employees included a base salary, short-term incentive arrangements and, for some employees, long-term incentive arrangements linked to sharing in a percentage of the fee income earned by the Manager from the Company.

2. Remuneration arrangements with directors for the year ended 30 June 2009

Current Directors

Ian Tsicalas, Chairman	In accordance with item 1(c) above. Fees for representing the Consolidated Entity as a director of iSOFT Group Limited (iSOFT) are paid directly to Ian by iSOFT and are not included in this Remuneration Report.
Robert Moran, Managing Director	No remuneration paid by the Company as Robert was a Manager representative to the Board appointed under the terms of the Management Agreement. Appointed as a director on 25 July 2007 and as Managing Director on 5 May 2008. Robert Moran was an employee of a subsidiary of the Allco Finance Group (Receivers and Managers appointed; in liquidation) (AFG) for the year ended 30 June 2009 and his total employment cost for the financial year was met by an AFG employer entity. This cost is not recharged to the

Company.

Robert's employment with AFG will cease effective 31 August 2009. The Company intends making an offer of employment to Robert. Further information is provided in point 5 below.

The Company has been advised that for the year ended 30 June 2009, Robert's remuneration package with AFG included a base salary of $450,000 inclusive of superannuation, a short term incentive and long term participation in any performance fees earned by the Manager. Receivers and Managers were appointed to AFG in November 2008 and the Company understands that Robert will not receive any bonus or other incentive payments for the 2009 financial year.

Michael Brogan	In accordance with item 1(c) above.
Peter Yates	In accordance with item 1(c) above. Additional fees paid or payable to Peter for representing the Consolidated Entity's interests as a director of Signature Holding Company Pty Limited are included in the Remuneration Report as the cost is borne by the Consolidated Entity.

Former Directors

David Clarke	No remuneration paid by the Company whilst a Manager appointed representative and an employee of the Allco Finance Group (until 31 December 2008). From 1 January 2009 until 30 April 2009, David was remunerated in accordance with item 1(c) above.
David Coe	No remuneration paid by the Company as David was a Manager representative to the Board appointed under the terms of the Management Agreement and an employee of the Allco Finance Group.

3. Long Term Incentive Plans

Oceania Capital Partners Limited

The Company did not have any long term incentive arrangements for executives during the 2009 financial year.

Signature Group Employee Equity Incentive Plan

The Signature Group Employee Equity Incentive Plan (the Plan) was established in March 2008 by the shareholders of Signature Holding Company Pty Limited (SHC). Selected eligible employees of Signature Security Group (SSG) have been invited to participate in the Plan which forms part of the overall remuneration structure for senior SSG staff. The objectives of the Plan include:

- to align the interests of the SHC shareholders and the executives of the SSG business so that business activities are planned, conducted and executed having regard to the creation of shareholder value in the longer term;
- to reward senior staff for their efforts in adding value to the SSG business; and
- assisting SSG to attract and retain the highest calibre of employee available.

Operation of the Plan

SHC has and will issue options for allocation under the Plan over a 3 year period of up to 5 per cent of its ordinary shares on issue at the time of commencement of the Plan. The options are and will be held by the Signature Group Employee Incentive Trust (the Trust). It is anticipated that allocations under the Plan will be made to participating employees over a 3 year period. Participating employees will hold units in the Trust. Units are allocated to participating employees by the Trustee of the Trust at the direction of the SHC Remuneration Committee.

The scheme of the Plan operates so that the increase in value in SHC from January 2006, being the date OCP invested in SHC, is shared with the participants in the Plan. The increase in value is measured having regard to the market value of SHC at January 2006. Vesting conditions apply for eligible employees to the Plan.

Any value created that is to be shared with participants will be cash settled upon termination of the Plan, which includes OCP exiting from its investment in SHC.

Howard Watson, SSG's Chief Executive Officer, does not participate in the Plan as he is already a significant shareholder in SHC. Mr Watson has an entitlement to participate alongside the Company in equity raisings by SHC. In December 2008, the Company, through a subsidiary entity, provided an additional $14 million in equity to SHC. A further $3 million is to be contributed by 30 September 2009. Mr Watson has indicated that he will provide his share of the total $17 million capital raising, being $726,200. The Company has agreed to provide $500,000 of funding by way of deferred settlement terms to facilitate this co-contribution. The terms of the arrangement include interest to be charged on the deferred settlement amount at an appropriate commercial rate and security being held over the relevant shares in SHC whilst the deferred settlement amount is outstanding. The agreement forms part of Mr Watson's long term incentive arrangements. Documentation for this arrangement was agreed after balance date.

4. Directors and executive officers remuneration (Company and Consolidated Entity)

Details of the nature and amount of remuneration of each director of the Company receiving remuneration from OCP and each of the five named Company and relevant group executives who receive the highest remuneration are:

(a) For the year ended 30 June 2009

	Short-term			Share-based payments	Post-employment		Other long-term		
	Cash salary and fees	Cash bonus	Non-monetary benefits	Cash settled	Super-annuation	Termination benefits	Long-service leave	Total	Proportion of remuneration performance related
	$	$	$	$	$	$	$	$	%
Directors									
Michael Brogan	120,000	-	-	-	10,800	-	-	130,800	-
Ian Tsicalas	93,238	-	-	-	74,499	-	-	167,737	-
Peter Yates[1]	160,000	-	-	-	-	-	-	160,000	-
David Clarke	33,333	-	-	-	3,000	-	-	36,333	-
Executives									
Howard Watson	422,000	231,630	54,337	-	100,000	-	7,033	815,000	28.42
Marc Killeen	308,750	80,017	-	58,001	17,027	-	19,060	482,855	16.57
Roger Jowett[2]	308,750	66,559	-	44,131	-	-	-	419,440	15.87
David Neufeld	301,255	76,000	-	-	13,729	-	-	390,984	19.44
Frank van Bokhoven	193,500	45,939	-	14,576	13,745	-	4,298	272,058	16.89
	1,940,826	500,145	54,337	116,708	232,800	-	30,391	2,875,207	

[1] Payments made or payable to an employer entity

[2] Paid to an employer agency. The agency was responsible for paying the employee and making superannuation contributions from the cash amount paid

(b) For the year ended 30 June 2008

	Short-term			Share-based payments	Post-employment		Other long-term		
	Cash salary and fees	Cash bonus	Non-monetary benefits	Cash settled	Super-annuation	Termination benefits	Long-service leave	Total	Proportion of remuneration performance related
	$	$	$	$	$	$	$	$	%
Directors									
Michael Brogan	119,634	-	-	-	8,967	-	-	128,601	-
Ian Tsicalas	102,917	-	-	-	39,263	-	-	142,180	-
Peter Yates[1]	160,832	-	-	-	-	-	-	160,832	-
Gregory Woolley	76,429	-	-	-	6,879	-	-	83,308	-
Marcus Derwin[2]	39,442	-	-	-	3,549	-	-	42,991	-
Geoffrey Morgan	-	-	-	-	-	-	-	-	-
Executives									
Howard Watson	422,000	182,700	52,987	-	100,000	-	5,972	763,659	23.92
David Neufeld	288,750	90,000	-	-	13,129	-	-	391,879	22.97
Marc Killeen	288,572	55,685	3,402	8,491	13,856	-	41,787	411,793	13.52
Chris Hay	65,034	-	4,094	-	3,282	198,652	-	271,062	-
Frank van Bokhoven	186,950	45,072	-	2,067	13,129	-	5,650	252,868	17.82
	1,750,560	373,457	60,483	10,558	202,054	198,652	53,409	2,649,173	

[1] Payments made or payable to an employer entity
[2] Includes payments of $38,552 made whilst serving as Managing Director

Payment of cash bonuses are dependent on the satisfaction of performance conditions. All other elements of remuneration are not directly related to performance.

(c) Indemnities and insurance

Amounts disclosed for remuneration of key management personnel exclude insurance premiums paid by the Consolidated Entity during the year ended 30 June 2009 in respect of directors' and officers' liability insurance contracts as the contracts do not specify premiums paid in respect of individual directors and officers. Information relating to the insurance contracts is set out in the Directors' Report. Disclosure of the total amount of the premium and the nature of the potential liabilities in respect of the policy is expressly prohibited by the policy.

(d) Service agreements

Remuneration and other terms of employment for all key management personnel are formalised in service agreements or letters of appointment. Each of these agreements provide for the provision of performance related cash bonuses and other benefits including private health insurance, life insurance premiums, health club fees and motor vehicle allowances. Other major provisions of the agreements relating to remuneration are set out below.

All arrangements with executives may be terminated early by either party, subject to applicable notice periods and termination payments as detailed below.

David Neufeld, Chief Financial Officer and Company Secretary, Oceania Capital Partners Limited

- Term of agreement – commencing 12 July 2005 with no fixed term.
- Base salary for the year ended 30 June 2009 of $301,255 plus superannuation. Remuneration reviewed annually by the relevant remuneration committee.

- Annual bonus is established at the discretion of the relevant remuneration committee based on the performance appraisal process described in 1(b).
- Payment of a termination benefit is at the discretion of the relevant remuneration committee.
- Notice period of six months.

Howard Watson, Chief Executive Officer, Signature Security Group

- Term of current agreement – five year term commencing 13 January 2006.
- Base salary for the year ended 30 June 2009 of $522,000 inclusive of superannuation. Total remuneration inclusive of superannuation and other nominated reasonable benefits are reviewed annually by the relevant remuneration committee.
- Annual bonus is established at the discretion of the relevant remuneration committee based on the performance appraisal process described in 1(b).
- Payment of a termination benefit is at the discretion of the relevant remuneration committee.
- Notice period of six months.

Marc Killeen, Chief Operating Officer – New Zealand, Signature Security Group

- Term of current agreement – 2 year term commencing 1 November 2007.
- Base salary of $300,000 plus superannuation until December 2008. Base salary of $315,000 plus superannuation from December 2008. Remuneration reviewed annually by the relevant remuneration committee.
- Annual bonus is established at the discretion of the relevant remuneration committee based on the performance appraisal process described in 1(b).
- Participant in the Signature Group Employee Incentive Plan. 825,000 units allocated and held at 30 June 2009 (575,000 units held at 30 June 2008).
- Payment of a termination benefit is at the discretion of the relevant remuneration committee.
- Notice period of six months.

Roger Jowett, Chief Operating Officer – Australia, Signature Security Group

- Term of current agreement – commencing 5 December 2007 with no fixed term.
- Base salary of $300,000 inclusive of superannuation until December 2008. Base salary of $315,000 inclusive of superannuation from December 2008. Remuneration reviewed annually by the relevant remuneration committee.
- Annual bonus is established at the discretion of the relevant remuneration committee based on the performance appraisal process described in 1(b).
- Participant in the Signature Group Employee Incentive Plan. 650,000 units allocated and held at 30 June 2009 (400,000 units held at 30 June 2008).
- Payment of a termination benefit is at the discretion of the relevant remuneration committee.
- Notice period of three months.

Frank van Bokhoven, General Manager Finance, Signature Security Group

- Term of current agreement – commencing 1 July 1995 with no fixed term.
- Base salary for the year ended 30 June 2009 of $193,500 plus superannuation. Remuneration reviewed by the relevant remuneration committee.
- Annual bonus is established at the discretion of the relevant remuneration committee based on the performance appraisal process described in 1(b).
- Participant in the Signature Group Employee Incentive Plan. 210,000 units allocated and held at 30 June 2009 (140,000 units held at 30 June 2008).
- Payment of a termination benefit is at the discretion of the relevant remuneration committee.
- Notice period of one month.

5. Intention to offer employment to certain employees of AEPM.

The Company intends to extend offers of employment to certain of the employees of AEPM who had previously been involved in the provision of management services to the Company. The Company intends entering into employment arrangements that will include fixed and performance linked remuneration and which will be appropriate to the business strategy of the Company as announced on 3 April 2009. The employment of the executive staff is expected to add a remuneration cost to the Company of approximately $1.0 million per annum (prior to the cost of any performance linked arrangements and which are still to be agreed).

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Oceania Capital Partners Limited (formerly Allco Equity Partners Limited)

I declare that both the Firm and I were, and remain, independent in accordance with professional rules and statutory requirements on auditor independence in relation to the audit for the financial year ended 30 June 2009 ("the audit"). To the best of my knowledge and belief, in relation to the audit the only matter which requires disclosure in relation to auditor independence requirements as set out in the Act or any applicable code of professional conduct is the situation described below:

- Upon joining the Firm in February 2009 a non-audit partner in the Sydney office of KPMG held, and continued to hold, shares in Oceania Capital Partners Limited ("the Company"). The partner, who has never provided any audit or non-audit services to the Company, has since disposed of the shareholding. Prior to joining the Firm, for the period from 27 July 2007 to 23 May 2008 the partner was an Officer (in particular, from 27 July 2007 to 5 May 2008 he was managing director) of the Company. Effective 1 July 2009, he ceased to be a Partner of KPMG.

KPMG

KPMG

Andrew Dickinson
Partner

Sydney

26 August 2009

Oceania Capital Partners Limited
(formerly Allco Equity Partners Limited)
Income Statements
for the year ended 30 June 2009

	Note	Consolidated		Company	
		2009	2008	2009	2008
		$'000	$'000	$'000	$'000
Sales and associated service revenue	3	74,321	69,803	-	-
Interest income		12,626	20,499	4,568	14,842
Dividends received		1,492	1,011	-	12,687
Total revenue		88,439	91,313	4,568	27,529
Share of profit of associates and joint ventures	16	10,288	9,065	-	-
Other operating income	4	3,744	449	-	2
Total operating income		102,471	100,827	4,568	27,531
Equipment and service materials costs		(7,840)	(7,865)	-	-
Impairment of available-for-sale financial assets	5	(9,433)	-	-	-
Due diligence and transaction costs		(1,455)	(1,468)	(540)	(89)
Employee benefits expense	6	(34,049)	(33,240)	(463)	(505)
Other operating expenses	7	(9,767)	(9,212)	(4,016)	(13,522)
Total profit before financing costs, tax, depreciation and amortisation		39,927	49,042	(451)	13,415
Depreciation		(6,326)	(5,162)	(21)	(19)
Amortisation		(5,120)	(4,337)	-	-
Total profit before financing costs and tax		28,481	39,543	(472)	13,396
Financing costs		(9,012)	(10,854)	-	-
Profit before income tax		19,469	28,689	(472)	13,396
Income tax (expense)/benefit	8	(6,899)	(8,821)	141	(215)
Profit for the period		12,570	19,868	(331)	13,181
Attributable to:					
Equity holders of the parent entity		12,496	19,794	(331)	13,181
Minority interest		74	74	-	-
Profit for the period		12,570	19,868	(331)	13,181
		Cents	Cents		
Basic earnings per share attributable to ordinary equity holders	33	13.37	20.36		
Diluted earnings per share attributable to ordinary equity holders	33	13.37	20.36		

The above Income Statements should be read in conjunction with the accompanying notes.

Oceania Capital Partners Limited
(formerly Allco Equity Partners Limited)
Balance Sheets
as at 30 June 2009

	Note	Consolidated		Company	
		2009	2008	2009	2008
		$'000	$'000	$'000	$'000
Current assets					
Cash and cash equivalents	9	100,781	98,328	98,935	97,780
Receivables	10	7,619	7,603	1,439	14,181
Available-for-sale financial assets	13	21,754	-	-	-
Loan assets held at amortised cost	14	-	57,847	-	-
Inventories	11	1,404	1,416	-	-
Derivative financial instruments	12	-	2,286	-	-
Current tax assets	18	169	3,982	-	3,914
Total current assets		131,727	171,462	100,374	115,875
Non-current assets					
Available-for-sale financial assets	13	-	24,930	-	-
Loan assets held at amortised cost	14	-	-	209,295	322,017
Other financial assets	15	2,033	486	201,859	92,416
Investments accounted for using the equity method	16	337,419	290,141	-	-
Property, plant and equipment	17	18,298	13,175	31	52
Deferred tax assets	18	-	4,609	3,977	4,356
Intangible assets	19	141,686	133,174	-	-
Total non-current assets		499,436	466,515	415,162	418,841
Total assets		631,163	637,977	515,536	534,716
Current liabilities					
Creditors and payables	20	65,835	7,272	60,184	992
Derivative financial instruments	12	3,188	-	-	-
Deferred income	21	890	1,137	-	-
Interest-bearing loans and borrowings	22	5,319	3,840	-	-
Current tax liabilities	18	105	-	105	-
Employee entitlements	23	2,349	2,109	131	136
Total current liabilities		77,686	14,358	60,420	1,128
Non-current liabilities					
Deferred income	21	388	296	-	-
Interest-bearing loans and borrowings	22	84,018	89,020	-	-
Deferred tax liabilities	18	32	-	-	-
Employee entitlements	23	746	480	-	-
Total non-current liabilities		85,184	89,796	-	-
Total liabilities		162,870	104,154	60,420	1,128
Net assets		468,293	533,823	455,116	533,588
Equity					
Issued capital	25	426,216	494,875	426,216	494,875
Reserves	26	20,058	20,017	25,690	25,690
Retained earnings	27	19,761	16,747	3,210	13,023
Total equity attributable to equity holders of the parent entity		466,035	531,639	455,116	533,588
Minority interest		2,258	2,184	-	-
Total equity		468,293	533,823	455,116	533,588

The above Balance Sheets should be read in conjunction with the accompanying notes.

Oceania Capital Partners Limited
(formerly Allco Equity Partners Limited)
Statements of Changes in Equity
for the year ended 30 June 2009

	Note	Consolidated		Company	
		2009	**2008**	**2009**	**2008**
		$'000	**$'000**	**$'000**	**$'000**
Total equity at the beginning of the period		533,823	573,280	533,588	573,047
Fair value adjustments to available-for-sale financial assets, net of tax	26	4,380	(4,380)	-	-
Changes in the fair value of cash flow hedges, net of tax	26	(3,832)	727	-	-
Share of associates reserves	26	(532)	(2,050)	-	-
Foreign exchange translation differences, net of tax	26	25	(982)	-	-
Net income recognised directly in equity		41	(6,685)	-	-
Profit for the period		12,570	19,868	(331)	13,181
Total recognised income and expense for the period		12,611	13,183	(331)	13,181
Transactions with equity holders in their capacity as equity holders:					
Dividends provided for or paid	28	(9,482)	(40,916)	(9,482)	(40,916)
Return of capital to shareholders	25	(59,749)	-	(59,749)	-
Share buy-back	25	(8,910)	(11,724)	(8,910)	(11,724)
		(78,141)	(52,640)	(78,141)	(52,640)
Total equity at the end of the period		468,293	533,823	455,116	533,588
		-			
Total recognised income and expense for the period is attributable to:					
Equity holders of the parent entity		12,679	13,120	(331)	13,181
Minority interest		(68)	63	-	-
Total recognised income and expense for the period		12,611	13,183	(331)	13,181

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

Oceania Capital Partners Limited
(formerly Allco Equity Partners Limited)
Statements of Cash Flows
for the year ended 30 June 2009

	Note	Consolidated		Company	
		2009	2008	2009	2008
		$'000	$'000	$'000	$'000
Cash flows from operating activities					
Receipts from customers		82,158	74,552	-	-
Payments to suppliers and employees		(60,327)	(58,008)	(3,032)	(2,729)
Interest received		4,801	16,051	4,693	15,932
Dividends received		1,492	4,895	-	40,503
Other operating income		-	57	-	2
Income taxes (paid)/refund received		1,066	(19,174)	1,208	(16,746)
Net cash from operating activities	34	29,190	18,373	2,869	36,962
Cash flows from investing activities					
Proceeds from sale of available-for-sale financial assets		-	136,348	-	-
Proceeds from sale of shares in associates	16	8,908	-	-	-
Payments for equity-accounted investments		(7,224)	(237,292)	-	-
Loans to associates and jointly controlled entities		-	(57,564)	-	-
Loan repayment, fees and interest received from associates		34,702	16,733	-	-
Payments for available-for-sale financial assets		-	(31,187)	-	-
Net (payments) proceeds from financial instruments		-	(12,138)	-	-
Payments for property, plant and equipment		(11,515)	(7,538)	-	(11)
Payments for due diligence and other transaction costs		(2,200)	(15,014)	(959)	(3,722)
Payments for dealer line acquisitions		(13,472)	(13,739)	-	-
Equity contribution to subsidiaries		-	-	(14,000)	-
Equity contribution to jointly controlled entities	15	(5,000)	-	(5,000)	-
Net cash from investing activities		4,199	(221,391)	(19,959)	(3,733)
Cash flows from financing activities					
Payment of dividends	28	(9,482)	(40,916)	(9,482)	(40,916)
Payments for on-market share buy-back	25	(8,910)	(13,591)	(8,910)	(13,591)
Proceeds from borrowings		-	12,995	-	-
Repayment of borrowings		(3,840)	(2,750)	-	-
Interest paid		(8,711)	(9,640)	-	-
Loans to controlled entities		-	-	(8,465)	(417,626)
Repayment of loans by controlled entities		-	-	45,102	182,662
Net cash from financing activities		(30,943)	(53,902)	18,245	(289,471)
Net increase in cash and cash equivalents		2,446	(256,920)	1,155	(256,242)
Cash and cash equivalents at 1 July		98,328	355,299	97,780	354,022
Effect of exchange rate fluctuations on cash and cash equivalents		7	(51)	-	-
Cash and cash equivalents at 30 June	9	100,781	98,328	98,935	97,780

The above Statements of Cash Flows should be read in conjunction with the accompanying notes.

1. Significant accounting policies

This general purpose financial report for the year ended 30 June 2009 comprises Oceania Capital Partners Limited ("the Company"), its subsidiaries (together referred to as the "Consolidated Entity") and the Consolidated Entity's interest in associates and jointly controlled entities. The principal accounting policies adopted in the preparation of the consolidated financial report are set out below, and have been consistently applied by each entity in the Consolidated Entity to all periods presented, unless otherwise stated.

The financial statements were approved by the Board of Directors on 26 August 2009.

The Company changed its name to Oceania Capital Partners Limited after receiving shareholder approval on 24 June 2009.

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASB) adopted by the Australian Accounting Standards Board and the Corporations Act 2001. The consolidated financial report of the Consolidated Entity and the financial report of the Company comply with the International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board.

(b) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for the following which are measured at fair value:

- derivative financial instruments
- available-for-sale financial assets
- liabilities for cash-settled share-based payment arrangements
- other financial assets

The methods used to measure fair values are discussed further in note 12.

(c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency and the functional currency of the majority of the entities in the Consolidated Entity. The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998. In accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest thousand dollars unless otherwise stated.

(d) Use of estimates and judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The Consolidated Entity 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 the measurement of the recoverable amount of equity accounted investments (Notes 16 and 24(a)(iii)) and intangible assets (Note 19).

(e) Principles of consolidation

Subsidiaries

The consolidated financial statements of Oceania Capital Partners Limited incorporate the assets and liabilities of all entities controlled by the Company as at 30 June 2009 and the results of all controlled entities for the year then ended. Control exists when the Consolidated Entity has the power to govern the financial and operating policies of an entity so as to obtain benefit from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. Where control of an entity is obtained during a financial year, its results are included in the consolidated income statement 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 year during which control existed. Investments in subsidiaries are carried in the Company's financial statements at their cost of acquisition less impairment provisions, if any.

The financial statements of subsidiaries are prepared for the same reporting period as the Company.

Associates and jointly controlled entities

Associates are those entities in which the Consolidated Entity has significant influence, but not control, over the financial and operating policies. Investments in associates are accounted for in the Company's financial statements at cost, net of any impairment losses, and in the consolidated financial statements using the equity method of accounting. The Consolidated Entity's investments in associates include goodwill identified on acquisition net of impairment losses, if any. The consolidated financial statements include the Consolidated Entity's share of the total recognised gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases. When the Consolidated Entity's share of losses exceeds its interest in an associate, the Consolidated Entity's carrying amount is reduced to $nil and recognition of further losses is discontinued except to the extent that the Consolidated Entity has incurred obligations or made payments on behalf of the associate.

Joint ventures are those entities over whose activities the Consolidated Entity has joint control, established by contractual agreement. These entities are equity accounted on the same basis as associates.

Transactions eliminated on consolidation

All intercompany balances, unrealised income and unrealised expenses arising from intra-group transactions, have been eliminated in full.

Unrealised gains or losses on transactions between the Consolidated Entity and its associates are eliminated to the extent of the Consolidated Entity's interest in the associates.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

(f) Foreign currency translation

Foreign currency transactions and balances

Transactions in foreign currencies are initially translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items that are outstanding at reporting date are translated at the foreign exchange rate prevailing at that date.

Foreign exchange gains and losses arising on translation are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the exchange rates prevailing at the dates the fair value was determined.

Foreign operations
The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Australian dollars at foreign exchange rates ruling at balance date. The income and expenses of foreign operations are translated into Australian dollars 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 revenues and expenses are translated at exchange rates at the dates of the transactions). Any exchange differences arising on translation are taken directly to the Foreign currency translation reserve in equity.

Exchange differences arising from the translation of a net investment in foreign operations, and of related hedges, are taken to the Foreign currency translation reserve and are released into the income statement upon disposal.

(g) Revenue
Revenue is income that arises in the course of ordinary activities of the Consolidated Entity and is recognised at the fair value of the consideration received or receivable. Revenue is recognised when it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably.

Interest income
Interest income is recognised in the income statement on an accruals basis, using the effective interest method.

Dividend income
Dividend income is recognised in the income statement when the entity’s right to receive payment is established.

Sales and associated service revenue
The Consolidated Entity includes a security business which generates sales and associated service revenue from the installation and monitoring of electronic security alarm systems. This category of revenue comprises monitoring revenue, alarm response revenue, service revenue, installation revenue and leasing revenue. The following revenue recognition policies are specifically applied in respect of this business:

Monitoring revenue
Monitoring revenue billed in advance is deferred and recognised on a straight-line basis over the period that the service is provided.

Installation revenue
Installation revenue associated with the installation of leased security systems is deferred and recognised on a straight-line basis over the period of each applicable lease agreement, being from 3 to 5 years. Installation revenue associated with equipment sales is recognised upon completion of the installation.

Leasing revenue
Lease income from operating leases is recognised on a straight-line basis over the lease term.

(h) Financing costs

Financing costs comprise interest expense on borrowings calculated using the effective interest rate method, costs incurred in establishing and maintaining borrowing facilities for use in funding business acquisitions, foreign exchange gains and losses on foreign currency borrowings, unwinding of the discount on provisions, fair value movements on other financial assets at fair value through the profit and loss where considered part of the borrowing cost, and gains and losses on hedging instruments that are recognised in the income statement. Borrowing costs are recognised in profit or loss using the effective interest method unless they relate to a qualifying asset in which case they are capitalised in the relevant asset.

(i) Operating leases

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

(j) Income tax

The income tax expense or benefit on the profit or loss for the year comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is also recognised directly in equity.

Current tax is the expected tax payable on the current period's taxable income, using tax rates enacted or substantially enacted at balance date. Current tax also includes any adjustment to tax payable in respect of previous years.

Deferred tax is measured using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and income tax purposes. The amount of deferred tax recognised is based on the expected manner of realisation or settlement of the underlying items and the tax rates which are enacted or substantially enacted at balance date and expected to apply when the assets are recovered or liabilities are settled. The following temporary differences are not provided for: initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

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.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

Tax consolidation

The Company and its wholly-owned Australian controlled entities formed a tax consolidated group on 1 July 2005. The Company is the head entity of the tax consolidated group.

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax consolidated group using the separate taxpayer within a group approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities or assets and deferred tax assets arising from unused tax losses of subsidiaries are assumed by the head entity in the tax consolidated group and are recognised as amounts payable to/receivable from other entities in the tax consolidated group.

The Company recognises deferred tax assets arising from unused tax losses of the tax consolidated group to the extent that it is probable that future taxable profits of the tax consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recovery are recognised by the head entity only.

Members of the tax consolidated group have entered into a tax funding arrangement which sets out the funding obligations of members of the tax consolidated group. Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The members of the tax consolidated group have also entered into a valid tax sharing agreement under the tax consolidation legislation which sets out the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations and the treatment of entities leaving the tax consolidated group.

Subsidiaries of the Consolidated Entity which are not wholly owned may form separate tax consolidated groups, with agreements between the members of such groups being consistent with those detailed above.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost includes expenditure on bringing the inventories to their existing location and condition. For work in progress and finished goods, cost comprises direct materials, direct labour and commissions, and an appropriate share of overhead expenditure allocated on the basis of normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

(l) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

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

Financial liabilities are recognised if the Consolidated Entity becomes a party to the contractual provisions of a financial instrument. Financial liabilities are derecognised if the Consolidated Entity's obligations specified in the contract expire or are discharged or cancelled.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value though profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Purchases of investments are recognised when the Consolidated Entity is entitled to the risks and rewards of ownership. This is usually on settlement date, being the date on which the asset is delivered to the Consolidated Entity. Sales of investments are recognised when the Consolidated Entity is unconditionally committed to sell the asset and the risks and rewards of ownership have been substantially transferred by the Consolidated Entity.

The Company and Consolidated Entity classify its investments in the following categories: available-for-sale financial assets, loans and receivables at amortised cost and financial assets through profit or loss. 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.

- *Available-for-sale financial assets*
  The Consolidated Entity's investments in certain equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, available-for-sale financial assets are stated at fair value. Any resultant unrealised gain or loss is recognised directly in equity in the 'Available-for-sale investments revaluation reserve', except for impairment losses and any foreign exchange gains and losses on available-for-sale monetary items. When securities classified as available-for-sale financial assets are sold, de-recognised or impaired, the accumulated fair value adjustments are transferred from the reserve to the income statement.

  Where these investments are interest bearing, interest calculated using the effective interest method is recognised in the income statement. Where these investments earn dividends, the revenue is recognised in the income statement when the right to receive the payment has been established.

- *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 Consolidated Entity provides money, goods or services directly to a debtor with no intention of selling the receivable. After initial measurement, loans and receivables are subsequently measured at amortised cost using the effective interest method, less allowance for impairment, if any. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortisation is included in the income statement in interest income. Losses arising from any impairment of such loans and advances are recognised in the income statement.

- *Financial assets at fair value through profit or loss*
  An instrument is classified as at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Financial instruments are designated at fair value through profit or loss if the Consolidated Entity manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's investment strategy. Upon initial recognition, attributable transaction costs are recognised in profit or loss when incurred. Financial instruments that are classified as at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Consolidated Entity's cash management strategy are reported within liabilities in the balance sheet, but included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

Impairment

The Consolidated Entity assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is considered to be impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Evidence of impairment includes observable data that indicates that there is a measurable decrease in the future cash flows expected to be received.

(i) Loans and receivables

For loans and receivables carried at amortised cost, the Consolidated Entity first assesses whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Consolidated Entity determines that no objective evidence of impairment exists for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

(ii) Available-for-sale financial assets

For available-for-sale financial assets, the Consolidated Entity assesses at each balance sheet date whether there is objective evidence that a financial asset or a 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.

(m) Derivative financial instruments

The Consolidated Entity uses derivative financial instruments including interest rate swaps to hedge its exposure to interest rate risks arising from operating, financing and investment activities. In accordance with its treasury policy, the Consolidated Entity does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments are recognised initially at fair value. Attributable transaction costs are recognised in profit and loss when incurred. Subsequent to initial recognition, derivative financial instruments are measured at fair value, and changes therein are accounted for as described below.

At the inception of a hedge relationship, the Consolidated Entity formally designates and documents the hedge relationship to which the Consolidated Entity wishes to apply hedge accounting and the risk management objectives and strategies for undertaking various hedge transactions. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the entity will assess the effectiveness of the hedge instrument in offsetting the exposure to changes in the fair values or cash flows of hedged items attributable to the hedged risk. Such hedges are expected to be highly effective in offsetting changes in fair values or cash flows of hedged items and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. A hedge is regarded as highly effective if the changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated are offset in a range of 80% to 125%. For situations where that hedged item is a forecast transaction, the Consolidated Entity assesses whether the transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect the income statement.

Derivative financial instruments that do not qualify for hedge accounting are recognised at fair value at inception. Subsequent changes in fair value are recognised immediately in profit or loss.

Cash flow hedges
Changes in the fair value of derivative hedging instruments designated as cash flow hedges are recognised directly in equity in the 'Cash flow hedging reserve' to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised directly in the profit and loss account.

Amounts accumulated in equity are transferred to the income statement in the periods when the hedged item will affect profit or loss (for example, when a forecast sale that is hedged takes place).

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 that time remains in equity and is recognised when the underlying transaction is ultimately recognised in the income statement, unless there is evidence of impairment. When an underlying transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is transferred to profit and loss.

Hedges of a net investment
Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a similar way to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised directly in equity while gains and losses relating to the ineffective portion are recognised in profit or loss. On disposal of a foreign operation, the cumulative value of such gains and losses recognised in equity will be transferred to profit or loss.

Fair Values
The fair value of derivative financial instruments is the estimated amount that the Consolidated Entity would receive or pay to terminate the derivative financial instruments at the balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties.

(n) Property, plant and equipment

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses (refer note 1(u)). The carrying amount of an item of property, plant and equipment includes the cost of replacing part of such an item when that cost is incurred if it is probable that future economic benefits embodied within the item will eventuate and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the income statement as incurred.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives in the current and comparative periods are as follows:

- capitalised equipment and installation costs — shorter of lease term or useful life
- leasehold improvements — shorter of lease term or useful life
- furniture and fittings — 5 years

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each balance sheet date.

Capitalised equipment and installation costs
The costs associated with electronic security equipment installed in connection with an extended service agreement where the customer leases the equipment from the company are capitalised. These costs are depreciated on a straight-line basis over the term of the lease applicable to each agreement, being from 3 to 5 years. Costs of installation include the cost of equipment, labour costs and sales commissions directly attributable to an installation.

(o) Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Consolidated Entity's share of the net identifiable assets of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Any goodwill on acquisitions of associates is included in investments in associates. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is allocated to cash-generating units for the purpose of impairment testing. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Monitoring Contracts

An intangible asset is recognised in respect of customer contracts acquired by a security business owned by the Consolidated Entity. Monitoring contracts acquired under a business combination are recognised at fair value on acquisition date, representing the value of the right to the contractual cash flows in respect of the acquired contracts. The Consolidated Entity establishes fair value by using valuation techniques, including reference to the fair values of recent arm's length transactions for similar assets, and discounted cash flow analysis.

Originated customer contracts are recognised at cost less accumulated amortisation and impairment losses, if any (refer note 1(u)).

Other intangible assets

Other intangible assets that are acquired by the Consolidated Entity are stated at fair value initially then at cost less accumulated amortisation (refer below) and accumulated impairment losses, if any (refer note 1(u)).

Amortisation

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life are systematically tested for impairment annually. Other intangible assets are amortised from the date they are available for use. The useful lives of intangible assets are reviewed, and adjusted if appropriate, at each balance date.

(p) Creditors and payables

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the period and which remain outstanding at balance date. Creditors are stated initially at fair value and subsequently at amortised cost, are unsecured, and are usually paid within 30 days of recognition.

(q) Interest-bearing loans and borrowings

Interest-bearing borrowings are recognised initially at fair value net of attributable transaction costs, which include legal and advisory fees, bank charges and any other ancillary borrowing costs. Fair value is calculated based on discounted expected future principal and interest cash flows. Subsequent to initial recognition, interest-bearing loans and borrowings are stated at amortised cost with income/expense recognised on an effective interest basis.

(r) Employee entitlements

Wages and salaries and annual 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 respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The Consolidated Entity's net obligation for long service leave is 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 government bonds that have maturity dates approximating to the terms of the Consolidated Entity's obligations.

Profit-sharing and bonus plans
The Consolidated Entity recognises a provision for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made. The liability is not discounted as it is settled within 12 months.

(s) Employee benefits expense – share based payments
Signature Security Group, a member of the Consolidated Entity, operates an employee incentive scheme in which eligible executives participate. This incentive scheme is settled in cash.

The Consolidated Entity recognises a remuneration expense over the period of service, together with a corresponding increase in a liability for the employee incentive scheme. The fair value of the grant is determined initially, and subsequently adjusted at each reporting date until the end of the vesting period.

Further details regarding the employee incentive scheme are shown in Note 6.

(t) Provisions
Provisions are recognised in the balance sheet when the Consolidated Entity has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount has been reliably estimated. If the effect is material, provisions are determined by discounting expected future cash flows at a market rate.

(u) Impairment of non financial assets
Assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment. Assets that have a definite useful life and 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 of an asset is measured by reference to fair value less costs to sell and value in use. An impairment loss is recognised in the income statement unless the asset has previously been revalued, in which case the loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement.

(v) Issued Capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares, or the collection of instalment amounts that were due from shareholders, are or were accounted for as a deduction from equity, net of any related income tax benefit.

(w) Earnings per share
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 reporting period.

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.

(x) Segment Reporting

A segment is a distinguishable component of the Consolidated Entity that is engaged either in providing products or services (business segment) or in providing products or services within a particular economic environment (geographical segment) and which is subject to risks and rewards that are different from those of other segments.

(y) New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards, and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. The following standards and amendments are available for early adoption but have not been applied by the Consolidated Entity in these financial statements:

- Revised AASB 3 Business Combinations changes the application of acquisition accounting for business combinations and the accounting for non-controlling (minority) interests. Key changes include: the immediate expensing of all transaction costs; measurement of contingent consideration at acquisition date with subsequent changes through the income statement; measurement of non-controlling (minority) interests at full fair value or the proportionate share of the fair value of the underlying net assets; guidance on issues such as reacquired rights and vendor indemnities; and the inclusion of combinations by contract alone and those involving mutuals. The revised standard becomes mandatory for the Consolidated Entity for the year ending 30 June 2010;
- AASB 8 Operating Segments introduces the “management approach” to segment reporting. AASB 8, which becomes mandatory for the Consolidated Entity for the year ending 30 June 2010, will require the disclosure of segment information based on the internal reports regularly reviewed by the Consolidated Entity’s Chief Operating Decision Maker in order to assess each segment’s performance and to allocate resources to them. Currently, the Consolidated Entity presents segment information in respect of its business and geographical segments;
- Revised AASB 101 Presentation of Financial Statements introduces as a financial statement (formerly “primary” statement) the “statement of comprehensive income”. The revised standard does not change the recognition, measurement or disclosure of transactions and events that are required by other AASBs. The revised AASB 101 will become mandatory for the Consolidated Entity for the year ending 30 June 2010;
- Revised AASB 127 Consolidated and Separate Financial Statements changes the accounting for investments in subsidiaries. Key changes include: the re-measurement to fair value of any previous/retained investment when control is obtained/lost, with any resulting gain or loss being recognised in profit or loss; and the treatment of increases in ownership interest after control is obtained as transactions with equity holders in their capacity as equity holders. The revised standard will become mandatory for the Consolidated Entity for the year ending 30 June 2010;
- AASB 2008-1 Amendments to Australian Accounting Standard – Share-Based Payment: Vesting Conditions and Cancellations changes the measurement of share-based payments that contain non-vesting conditions. AASB 2008-1 becomes mandatory for the Consolidated Entity for the year ending 30 June 2010;
- AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Process applicable to annual reporting periods beginning on or after 1 January 2009;
- AASB 123 Borrowing costs removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of the asset. The revised AASB 123 will become mandatory for the Consolidated Entity for the year ending 30 June 2010; and
- IFRIC 16 Hedges of a Net Investment in a Foreign Operation eliminates the possibility of an entity applying hedge accounting for a hedge of the foreign exchange differences between the functional currency of a foreign operation and the presentation currency of the parent’s consolidated financial statements. The interpretation is effective for annual periods beginning on, or after, 1 October 2008 and requires prospective application.

The Consolidated Entity does not plan to early adopt the above standards as they are not expected to have a material impact on the financial results of the Company and the Consolidated Entity.

2. Segment reporting

Segment information is presented in respect of the Consolidated Entity's business segments, which are the primary basis of segment reporting. The business segment reporting format is based on the Consolidated Entity's management and internal reporting structure. Inter-segment pricing is determined on an arm's length basis. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Consolidated Entity comprises the following main business segments, the operations of which are primarily in Australia:

- Corporate — Capital markets investment
- Security — Security system installation and monitoring

	Corporate		Security		Consolidated	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000	2009 $'000	2008 $'000
External revenue	14,010	21,390	74,429	69,923	88,439	91,313
Inter-segment revenue	-	-	-	-	-	-
Segment revenue	14,010	21,390	74,429	69,923	88,439	91,313
Share of net profits of associates and joint ventures using the equity method	10,288	9,065	-	-	10,288	9,065
Other operating income	3,744	449	-	-	3,744	449
Segment operating income	28,042	30,904	74,429	69,923	102,471	100,827
Impairment of available-for-sale financial assets (Note 5)	(9,433)	-	-	-	(9,433)	-
Segment result	14,389	26,787	25,538	22,255	39,927	49,042
Financing costs	-	(945)	(9,012)	(9,909)	(9,012)	(10,854)
Depreciation and amortisation	(21)	(20)	(11,425)	(9,479)	(11,446)	(9,499)
Income tax expense	(3,563)	(7,582)	(3,336)	(1,239)	(6,899)	(8,821)
Profit for the period	10,805	18,240	1,765	1,628	12,570	19,868
Segment assets	123,317	187,401	170,427	160,435	293,744	347,836
Investment in associates	337,419	290,141	-	-	337,419	290,141
Total assets	460,736	477,542	170,427	160,435	631,163	637,977
Segment liabilities	60,508	1,291	102,362	102,863	162,870	104,154
Capital expenditure	-	11	11,521	7,527	11,521	7,538

3. Sales and associated revenue

	Consolidated		Company	
	2009	**2008**	**2009**	**2008**
	$'000	**$'000**	**$'000**	**$'000**
Security services revenue	74,321	69,803	-	-

4. Other operating income

Fees from associates	2,060	11,904	-	-
Profit on sale of shares in associates (Note 16)	1,684	-	-	-
Loss on financial instruments	-	(11,491)	-	-
Directors fees received	-	36	-	2
	3,744	449	-	2

Fees from associates in the current and prior financial years mainly relate to the provision of equity and loan funding to iSOFT Group Limited (formerly IBA Health Group Limited). The fees reported for the 2008 financial year are net of $2.2 million profit eliminated as unrealised in the consolidated financial statements.

5. Impairment of available-for-sale financial assets

Unrealised loss transferred from Available-for-sale investments revaluation reserve (before tax)	(4,043)	-	-	-
Unrealised loss on subsequent mark-to-market fair value adjustments	(5,390)	-	-	-
Total unrealised impairment loss recognised in the income statement	(9,433)	-	-	-

The Consolidated Entity holds listed securities classified as available-for-sale financial assets. The directors determined that these securities be classified as impaired with effect from 31 December 2008. Consequently, the cumulative fair value unrealised losses on these securities incurred to 31 December 2008 was taken to the profit and loss account rather than retained in an equity reserve. From 1 January 2009 to 30 June 2009, the market value of the securities declined further. The impact of the further price decrements has been recognised in the profit and loss account.

If the asset had not been reclassified as impaired, the reserve balance would not have been transferred to the profit and loss account and the subsequent, cumulative unrealised loss incurred between 1 January 2009 and 30 June 2009 of $5.4 million before tax would have been taken directly to the Available-for-sale investments revaluation reserve.

6. Employee benefits expense

Employee benefits	33,876	33,215	463	505
Share based payments	173	25	-	-
	34,049	33,240	463	505

Share based payments relate to the Signature Group Employee Equity Incentive Plan (the Plan) that was established in March 2008 by the shareholders of Signature Holding Company Pty Limited (SHC). Selected eligible employees of Signature Security Group (SSG) have been invited to participate in the Plan which forms part of the overall remuneration structure for senior SSG staff. SHC has and will issue options for allocation under the Plan over a 3 year period of up to 5 per cent of its ordinary shares on issue as at the time of commencement of the Plan. The options are and will be held by the Signature

Group Employee Incentive Trust (the Trust). It is anticipated that allocations under the Plan will be made to participating employees over a 3 year period. Participating employees will hold units in the Trust. Units are allocated to participating employees by the Trustee of the Trust at the direction of the SHC Remuneration Committee. The scheme of the Plan operates so that the increase in value in SHC from January 2006, being the date OCP invested in SHC, is shared with the participants in the Plan. The increase in value is measured having regard to the market value of SHC at January 2006. Vesting conditions apply for eligible employees to the Plan. Any value created that is to be shared with participants will be cash settled upon termination of the Plan, which includes the Company exiting from its investment in SHC.

Fair value of grants made is determined by calculating the post dilution equity value of the share options issued by SHC by reference to fair value less costs to sell and value in use assessments of recoverable amount at the reporting date. This is the same methodology used in assessing the recoverability of goodwill arising from the acquisition of Signature Security Group. Refer note 19.

7. Other operating expenses

	Consolidated		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Bad and doubtful debts expense	884	777	1,708	11,491
Other	8,883	8,435	2,308	2,031
	9,767	9,212	4,016	13,522

8. Income tax expense

(a) Income tax expense recognised in the income statement

	Consolidated 2009 $'000	Consolidated 2008 $'000	Company 2009 $'000	Company 2008 $'000
Current tax	2,904	3,795	(520)	1,801
Deferred tax	4,083	5,726	379	(1,586)
Under/(over) provision in prior years	(88)	(700)	-	-
Income tax expense/(benefit)	6,899	8,821	(141)	215
Deferred income tax expense/(benefit) included in income tax expense comprises:				
Decrease/(increase) in deferred tax assets	894	853	247	(1,586)
(Decrease)/increase in deferred tax liabilities	3,189	4,873	132	-
	4,083	5,726	379	(1,586)

(b) Numerical reconciliation between income tax expense and pre-tax net profit

	Consolidated		Company	
	2009	**2008**	**2009**	**2008**
	$'000	**$'000**	**$'000**	**$'000**
Profit (loss) before income tax expense	19,469	28,689	(472)	13,396
Income tax at the Australian tax rate of 30% (2007: 30%)	5,841	8,607	(142)	4,019
Increase in income tax expense due to:				
- Non-deductible expenses	832	45	1	2
- Tax incentives	(215)	-	-	-
- Difference in overseas tax rates	-	220	-	-
- Current year tax losses for which no deferred tax asset was recognised	1,276	1,203	-	-
- Results of associates	(419)	(554)	-	-
Decrease in income tax expense due to:				
- Tax exempt revenues	(328)	-	-	(3,806)
	6,987	9,521	(141)	215
Under/(over) provision in prior years	(88)	(700)	-	-
	6,899	8,821	(141)	215

(c) Amounts recognised directly in equity

The aggregate current and deferred tax arising in the period and not recognised in net profit or loss but directly debited or credited to equity, is as follows:

Current tax	-	-	-	-
Deferred tax	558	(1,566)	-	-
	558	(1,566)	-	-

(d) Tax losses

Unused tax losses for which no deferred tax asset has been recognised	31,620	27,368	-	-
Potential benefit at 30%	9,486	8,210	-	-

All unused tax losses were incurred by Australian entities.

9. Cash and cash equivalents

Cash at bank and on hand	40,561	3,521	39,715	2,973
Deposits at call	41,668	13,925	41,668	13,925
Term deposits	18,552	80,882	17,552	80,882
	100,781	98,328	98,935	97,780

A return of capital of $59.7 million (65.0 cents per share) was paid to eligible shareholders on 9 July 2009. Refer note 25.

10. Receivables

	Consolidated		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Interest receivable	125	876	125	412
Trade receivables	5,886	5,803	-	-
Provision for doubtful debts	(377)	(365)	-	-
Receivable from subsidiaries	-	-	535	13,223
Other receivables	1,109	536	170	10
Prepayments	876	753	609	536
	7,619	7,603	1,439	14,181

11. Inventories

	Consolidated 2009 $'000	Consolidated 2008 $'000	Company 2009 $'000	Company 2008 $'000
Work in progress, at cost	480	669	-	-
Finished goods, at net realisable value	924	747	-	-
	1,404	1,416	-	-

12. Financial instruments and hedging activities

The Consolidated Entity may enter into derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in interest rates, foreign exchange rates and spot rates on highly probable future transactions.

The following types of hedge relationships are used by the Consolidated Entity:

- hedges of interest rate risk of recognised liabilities or highly probable forecast transactions (cash flow hedges); or
- hedges of a net investment in a foreign operation.

The Consolidated Entity did not have any derivative financial instruments that did not qualify for hedge accounting during the current or comparative reporting periods.

(a) Fair values

The fair value of financial instruments traded in active markets (such as publicly traded securities and available-for-sale securities) are based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Consolidated Entity is the closing bid price at balance date.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) are determined using valuation techniques. The Consolidated Entity uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are also used to analyse market conditions. Other techniques, such as estimated discounted future cash flows, are used, where appropriate.

The fair values of financial assets and liabilities recognised at balance date are not considered to be materially different from their carrying amounts as described below or in the relevant notes to these financial statements.

i) Estimation of fair values

The following summarises the major methods and assumptions used in estimating fair values of financial assets and liabilities.

Available-for-sale financial assets and financial assets at fair value through profit or loss

Fair values are assessed based on or with reference to quoted market prices at the balance sheet date without any deduction for transaction costs.

Derivatives

The fair value of interest rate swaps is based on the present value of the estimated future cash flows.

Loan assets held at amortised cost

The fair values are estimated having regard to the future cash flows expected to be received.

Interest-bearing borrowings

The fair values are estimated using discounted cash flow analysis, based on current rates for similar types of lending arrangements.

Trade and other receivables and payables

The carrying amounts represent fair value due to their short-term to maturity.

ii) Interest rates used for determining fair value

Where applicable, the Consolidated Entity uses the BBSW yield curve as at the reporting date, plus an adequate constant credit spread, to discount financial instruments.

(b) Derivatives and hedging activities

Maturity Analysis of derivatives

The following table indicates the periods in which the undiscounted cash flows associated with derivatives held by the Consolidated Entity that are cash flow hedges are expected to occur. The Company has no derivative financial instruments.

Consolidated	**Carrying Amount $'000**	**Expected Cashflows $'000**	**0-6 months $'000**	**6-12 months $'000**	**1-2 years $'000**	**2-5 years $'000**	**More than 5 years $'000**
2009							
Interest rate swaps	(3,188)	(3,398)	(1,115)	(1,016)	(1,091)	(176)	-
2008							
Interest rate swaps	2,286	2,553	462	507	838	746	-

i) Hedging - interest rate swap contracts - cash flow hedges

Interest bearing borrowings of the Consolidated Entity currently bear an average variable interest rate of 8.2% (2008: 10.3%). The Consolidated Entity’s policy is to protect part of the loans from exposure to increasing interest rates. Accordingly, the Consolidated Entity has entered into interest rate swap contracts by which it receives interest at variable rates and pays interest at fixed rates.

Swaps currently in place cover approximately 75% of the loan principal outstanding on secured borrowings provided by a syndicate including National Australia Bank and BOS International (Australia) Limited for Signature Security Group and are timed to expire as each loan repayment falls due. The fixed interest rate under the Australian dollar swap is 6.42% and on the New Zealand dollar swap is 8.34%. The variable rates are between 1.75% and 2.00% above the 90 day bank bill rate (BBSY) during the year ended 30 June 2009, averaging 7.1% for this period (2008: 9.3%). The settlement dates coincide with the dates of interest payable on the underlying debt. The contracts are settled on a net basis.

The gain or loss from re-measuring the interest rate swap contracts at fair value is deferred in equity in the Cash flow hedging reserve, to the extent that the hedge is effective, and re-classified into profit or loss when the interest expense of the underlying hedged item is recognised.

ii) Forecast transactions designated as hedged items

During the year, there were no discontinued hedge relationships due to forecast transactions no longer expected to occur.

iii) Hedges of net investments of subsidiaries in foreign operations

The Consolidated Entity has exposure to foreign currency risk as a result of Signature Security Group conducting business in New Zealand. This risk is created by the translation of the net assets of the Signature New Zealand entity from its functional currency to Australian dollars. This investment in New Zealand has been partially hedged to mitigate foreign currency exposure by using borrowings denominated in New Zealand dollars.

Gains or losses on re-measurement of financial instruments designated as hedges of foreign operations are recognised in the foreign currency translation reserve in equity to the extent they are effective. During the year net losses after tax of $0.1 million (2008: gain of $0.6 million) on hedging instruments were taken directly to equity in the foreign currency translation reserve in the consolidated balance sheet.

The cumulative amount of the recognised gains or losses included in equity is transferred to the income statement when the foreign operation is sold. Gains or losses on any portion of the hedge determined to be ineffective are recognised in the income statement within other expenses or other revenue.

Each of the other businesses in which OCP has invested, but which do not form part of the Consolidated Entity, also conduct operations outside of Australia and are exposed to foreign currency exchange risk. These entities are responsible for managing their own exposures. The outcomes are reflected in the equity accounted results recognised by the Consolidated Entity.

13. Available-for-sale financial assets

	Consolidated		Company	
	2009	**2008**	**2009**	**2008**
	$'000	**$'000**	**$'000**	**$'000**
Listed equity securities at cost	31,187	-	-	-
Cumulative mark to market fair value adjustment	(9,433)	-		
Current	21,754	-	-	-
Listed equity securities at cost	-	31,187	-	-
Cumulative mark to market fair value adjustment	-	(6,257)		
Non-current	-	24,930	-	-

14. Loan assets held at amortised cost

	Consolidated 2009 $'000	Consolidated 2008 $'000	Company 2009 $'000	Company 2008 $'000
Loans to associates and jointly controlled entities	-	57,847	-	-
Current	-	57,847	-	-
Loans to controlled entities	-	-	222,494	333,508
Provision for impairment	-	-	(13,199)	(11,491)
Non-current	-	-	209,295	322,017

Loans to controlled entities by the Company are denominated in Australian dollars. The loans do not attract interest, have no fixed term and are at call.

An interest bearing loan to iSOFT Group Limited (formerly IBA Health Group Limited) (iSOFT) was settled in March 2009. The loan was settled through a combination of the Company taking up its entitlements under a capital raising undertaken by iSOFT (refer Note 16)) and setting off the acquisition value of those entitlements against the loan amount due with the remaining balance (including accrued interest and fees) being settled for cash.

15. Other financial assets

	Consolidated		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Shares in subsidiaries (Note 31)	-	-	159,135	54,783
Interest in jointly controlled entities (Note 16)	-	-	42,724	37,633
Other financial assets, at fair value through profit or loss	2,033	486	-	-
Non-current	2,033	486	201,859	92,416

During the period, additional equity of $5.0 million was contributed to Trans Tasman Collections Holdings Pty Limited (TTCH), a jointly controlled entity. The Company has committed to providing further additional equity to TTCH of up to $5.0 million subject to conditions for drawdown being met (refer Note 29).

Other financial assets, at fair value through profit or loss represent warrants held in iSOFT Group Limited.

16. Investments accounted for using the equity method

a) Investments in associates and jointly controlled entities

In the financial statements of the Company, investments in jointly controlled entities are accounted for at cost and included in Other financial assets. The Company holds no direct investments in associates at balance date.

The Consolidated Entity accounts for investments in associates and jointly controlled entities using the equity method. Unless otherwise specified, investments are in companies incorporated in Australia. Carrying amounts of investments in associates and jointly controlled entities are as follows:

		Economic ownership interest at balance date			Consolidated		Company	
Name of entity	Principal activity	2009 %	2008 %	Reporting date	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Trans Tasman Collections Holdings Pty Limited	Receivables Management	50.0	50.0	30 June 2009	44,323	40,902	-	-
iSOFT Group Limited	Healthcare Technology	29.1	30.6	30 June 2009	293,096	249,239	-	-
					337,419	290,141	-	-

iSOFT Group Limited

During the period, the Consolidated Entity acquired additional shares and convertible notes in iSOFT Group Limited (formerly IBA Health Group Limited) (iSOFT). The additional shares and convertible notes were acquired by the Consolidated Entity taking up its entitlements under a capital raising undertaken by iSOFT. Shares equivalent to the number of additional

convertible noted acquired were subsequently sold on market and the additional convertible notes were converted to shares in iSOFT so that the Consolidated Entity's holding of shares was unchanged on a net basis post iSOFT's capital raising.

The economic interest at 30 June 2009 reflects both shares and convertible notes held in iSOFT at that date as if the notes had been converted. At 30 June 2009, the Consolidated Entity's shareholding represented 25.9% of iSOFT's issued shares (on an undiluted basis). The carrying value at 30 June 2009 includes capitalised costs of acquisition, the equity accounted profit contribution from iSOFT and the Consolidated Entity's share of the movements in reserves of iSOFT. At 30 June 2009, the Consolidated Entity has an economic interest of 29.1 per cent in the issued shares of iSOFT on a fully diluted basis. The percentage holding in iSOFT reduced during the financial year as a result of shares issued by iSOFT under its approved employee share, loan and incentive plans, the outcome of the iSOFT capital raising and the effect of the sale of shares referred to above. Analysis of the fair value of the investment in iSOFT compared with the market value of the holding at balance date is discussed at Note 24(a)(iii).

At 30 June 2009, the carrying amount of the investment in iSOFT comprises:

	$'000
Shares	232,123
Convertible notes	39,718
Capitalised transaction fees and costs	6,804
Equity accounting impacts	14,451
	293,096

As part of its business model, the Company actively assists and oversees the management of the businesses that it invests in with a view to enhancing the value of those investments. As such, it is not considered appropriate to measure the fair value of listed investments accounted for using the equity method solely by reference to the share price of those investments at balance date. Assessment of fair value, using appropriate methodologies, is undertaken at balance date to confirm the appropriateness of the carrying amount.

In assessing the appropriateness of the carrying amount of the investment in iSOFT, the directors have had regard to a number of factors, including:

- the appropriate valuation methodology and comparative company valuation multiples;
- the business plans and the investment thesis for the transaction;
- financial analysis taking into account current and forecast earnings;
- an independent assessment of the recoverable value based primarily on a value in use methodology;
- the assessed risks to the forecast outcome being achieved over the expected holding period of the investment; and
- the Company's business model to actively assist and oversee the management of the businesses in which the Consolidated Entity has invested in with a view to enhancing the value of those businesses over the expected holding period.

Key estimates used in assessing recoverable value of iSOFT included:

- discount rates, based on weighted average cost of capital, ranging from 11.0% to 15.0% across the various business units of iSOFT;
- revenue growth of between 6.1% and 15.5% across the forecast period based on approved iSOFT budgets and forecasts; and
- terminal year revenue growth rates ranging from 2.0% to 3.0%.

iSOFT is a listed entity and, therefore, has a readily identifiable market value at any point in time. The market value of the shares and convertible notes (if converted) held in iSOFT at the 30 June 2009 iSOFT share price was $200.7 million which

compares with an equity accounted carrying amount of $293.1 million. This equity accounted carrying amount includes $0.6 million arising from movements in the reserves of iSOFT for the period to 30 June 2009, as explained further below. If the directors had considered the investment to be impaired and used the 30 June 2009 readily identifiable market value, the Consolidated Entity would have made a substantial loss for the period under review. However, having regard to the volatility being experienced by equities markets, the Company's business model and after due consideration of fair value, the directors are of the view that it is not appropriate to measure the fair value of equity accounted listed investments solely by reference to the share price at balance date. Assessment of fair value has been undertaken having regard to the factors outlined above. Subsequent to 30 June 2009 and up until the date of this report, the iSOFT share price has increased and the gap between market value and carrying value has lessened.

As noted above, included in the equity accounted carrying amount for iSOFT at 30 June 2009 is the Consolidated Entity's share of the movements in certain of the reserves of iSOFT during the financial year ended 30 June 2009 of $4.1 million. The Consolidated Entity's equity accounted share of these reserve movements is $1.2 million before tax effect accounting. This includes the movement in iSOFT's foreign currency translation reserve. The movement of the Australian dollar against the British Pound, Euro and other currencies during the period resulted in iSOFT recognising an unrealised gain on translation to Australian dollars of foreign currency financial statements of its controlled entities or business segments. There was a corresponding increase on translation in the Australian dollar carrying value of the net assets, mainly comprising goodwill and intangibles. Accounting standards require the Consolidated Entity to include its share of this movement in the equity accounted carrying amount. The impact is taken directly to the "Share of reserves of interests in associates and joint ventures using the equity method reserve" where it is also tax effected (Note 26). While it affects the reported net assets of the Consolidated Entity, this amount is not credited to the Income Statement. The Consolidated Entity is required to account for the effects of these foreign currency movements across each reporting period and, therefore, remains exposed to the impacts of any such currency movements.

Trans Tasman Collections Holdings Pty Limited (Baycorp)

An additional $5.0 million equity contribution was made to Trans Tasman Collections Holdings Pty Limited during the period. Further information is provided in note 15.

From 1 July 2008, Trans Tasman Collections Holdings Pty Limited (Baycorp) has changed its accounting policy for Purchased Debt Ledgers (PDLs) as has the Consolidated Entity. Baycorp now accounts for PDLs as "Loans and Receivables at amortised cost". Previously the PDLs were accounted for as "Available for sale financial assets". The change in policy means that the fair value of forecast cash flows from PDLs are now assessed using the original effective interest rate implicit to each debt ledger (being the forecast ungeared equity return on the forecast gross cashflows at the time that the PDL was acquired). Under this revised accounting policy, any movement in forecast cash flows that impact on the fair value of PDLs is now taken directly to profit and loss rather than through an equity reserve account. Baycorp re-forecasts its collection expectations on each PDL each six months for the purposes of determining the recoverable amount as at balance date. As at 30 June 2009, Baycorp has again adjusted forecast collections across its portfolio of PDLs. In some cases this has resulted in reducing expected collections based on changed economic circumstances and in some cases this has resulted in increasing expected collections based on the particular characteristics of the relevant PDL. In some cases the period over which the collections are expected to be achieved have also altered. The impact on the equity accounted contribution from Baycorp for the financial year ended 30 June 2009 from the re-forecasting exercise was a decrement of $3.2 million before tax (of which $2.3 million was brought to account by OCP at 31 December 2008 and $0.9 million was brought to account at 30 June 2009).

b) Results of associates and jointly controlled entities

	Consolidated	
	2009	**2008**
	$'000	**$'000**
Share of associates and jointly controlled entities profit before income tax	14,697	12,950
Share of income tax expense	(4,409)	(3,885)
Share of associates and jointly controlled entities net profit accounted for using the equity method	10,288	9,065

c) Movements in carrying amounts

	Consolidated	
	2009	**2008**
	$'000	**$'000**
Carrying amount at the beginning of the financial year	290,141	33,659
Investments in associates acquired (including capitalised transaction costs)	39,375	246,583
Equity contribution to jointly controlled entities	5,000	-
Disposal of shares in associates	(8,908)	-
Profit on disposal of shares in associates	1,684	-
Shareholder loan converted to equity	-	5,133
Share of net equity accounted profits after tax	10,288	9,065
Share of associates post acquisition movements in reserves	(161)	(2,050)
Less: unrealised profit eliminated on consolidation (net of tax)	-	(2,249)
Carrying amount at the end of financial year	337,419	290,141

d) Summarised financial information of associates

	Revenues $'000	Profit/ (loss) $'000	Total assets $'000	Total liabilities $'000
2009				
iSOFT Group Limited	540,124	35,086	1,301,189	562,319
2008				
iSOFT Group Limited	360,943	14,656	1,304,521	718,447

e) Summarised financial information of jointly controlled entities

	Current assets $'000	Non-current assets $'000	Total assets $'000	Current liabilities $'000	Non-current liabilities $'000	Total liabilities $'000	Revenues $'000	Expenses $'000	Profit / (loss) $'000
2009									
Trans Tasman Collections Holdings Pty Limited	62,009	100,797	162,806	(14,997)	(57,829)	(72,826)	56,791	(58,151)	(1,360)
2008									
Trans Tasman Collections Holdings Pty Limited	56,281	95,338	151,619	(13,380)	(55,870)	(69,250)	58,213	(55,150)	3,063

17. Property, plant and equipment

	Consolidated				Company		
	Equipment & Installation Costs	**Leasehold Improvements**	**Furniture and Fittings**	**Total**	**Leasehold Improvements**	**Furniture and Fittings**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Cost							
Balance at 1 July 2007	17,056	172	2,649	19,877	73	19	92
Acquisitions - other	6,067	157	1,314	7,538	11	-	11
Disposals	-	-	-	-	-	(1)	(1)
Effect of movements in foreign exchange	(2,729)	(77)	(627)	(3,433)	-	-	-
Balance at 30 June 2008	20,394	252	3,336	23,982	84	18	102
Acquisitions - other	10,286	294	941	11,521	-	-	-
Disposals	-	-	(6)	(6)	-	-	-
Effect of movements in foreign exchange	193	(10)	50	233	-	-	-
Balance at 30 June 2009	30,873	536	4,321	35,730	84	18	102
Depreciation and impairment losses							
Balance at 1 July 2007	7,842	71	736	8,649	24	7	31
Depreciation charge for the year	4,468	49	644	5,161	15	4	19
Effect of movements in foreign exchange	(2,388)	(76)	(539)	(3,003)	-	-	-
Balance at 30 June 2008	9,922	44	841	10,807	39	11	50
Depreciation charge for the year	5,371	60	895	6,326	17	4	21
Effect of movements in foreign exchange	238	8	53	299	-	-	-
Balance at 30 June 2009	15,531	112	1,789	17,432	56	15	71
Carrying amounts							
At 30 June 2008	10,472	208	2,495	13,175	45	7	52
At 30 June 2009	15,342	424	2,532	18,298	28	3	31

18. Tax assets and liabilities

(a) Current tax assets and liabilities

The net current tax asset for the Consolidated Entity of $169,000 (2008: $3,982,000) represents the amount of income taxes recoverable in respect of current and prior periods.

The current tax liability for the Consolidated Entity of $105,000 (2008: $nil) represents the amount of income taxes payable in respect of the current period.

The current tax asset for the Company amounts to $nil (2008: $3,914,000).

The amount of the Company's liability of $105,000 (2008: $nil) for income taxes payable on behalf of subsidiaries that are part of the tax consolidated group that is recoverable from those subsidiaries is included in loan assets held at amortised cost shown in note 14.

(b) Deferred tax assets and liabilities

	Consolidated		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Doubtful debts	113	110	3,960	3,447
Employee entitlements	976	729	39	41
Tax losses	4,073	4,073	-	-
Deductible business related capital costs	(4,016)	729	12	729
Other financial assets at fair value through profit or loss	(27)	(3)	-	-
Investments accounted for using the equity method	(4,943)	(1,878)	-	-
Available-for-sale financial assets marked to fair value	2,830	1,877	-	-
Changes in the fair value of cash flow hedges	956	(685)	-	-
Other items	6	(343)	(34)	139
Net deferred tax assets (liabilities)	(32)	4,609	3,977	4,356

19. Intangible assets

Consolidated	Goodwill	Monitoring contracts	Total
	$'000	$'000	$'000
Opening balance 1 July 2007	115,878	8,740	124,618
Movement during the year ended 30 June 2008			
Cost of originated intangible costs	-	13,739	13,739
Amortisation	-	(4,337)	(4,337)
Effect of movements in foreign exchange	-	(846)	(846)
Closing net carrying amount	115,878	17,296	133,174
Balance as at 30 June 2008			
Cost	115,878	35,440	151,318
Accumulated amortisation and impairment	-	(18,144)	(18,144)
Net carrying amount	115,878	17,296	133,174
Movement during the year ended 30 June 2009			
Cost of originated intangible costs	352	13,472	13,824
Amortisation	-	(5,120)	(5,120)
Effect of movements in foreign exchange	-	(192)	(192)
	352	8,160	8,512
Balance as at 30 June 2009			
Cost	116,230	48,912	165,142
Accumulated amortisation and impairment	-	(23,456)	(23,456)
Net carrying amount	116,230	25,456	141,686

The Company holds no intangible assets.

Impairment tests for goodwill

Goodwill is allocated to the Consolidated Entity's cash-generating units (CGU), identified according to business segment. At 30 June 2009 the entire goodwill balance of $116.2 million (2008: $115.9 million) related to the Consolidated Entity's investment in the Security (security system installation and monitoring) segment. Goodwill is reviewed annually for impairment or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired.

The recoverable amount for goodwill has been assessed by reference to both fair value less costs to sell and value in use methodologies. Where possible, relevant comparable information is used from an active market and where such information is not readily available a combination of market accepted valuation techniques are used to estimate the amount available from the sale of assets in arm's-length transactions between knowledgeable and willing parties.

The carrying value of goodwill in Signature Security Group was assessed using various assumptions including multiple analysis applied to revenue and earnings of identified, recent relevant market transactions. Earnings multiples ranged from 7.5 times and above depending on the measure used.

For value in use assessment, a discounted cash flow model was utilised that:

- covered a 5 year forecast period;
- used discount rates ranging from 10.0% to 13.0% based on weighted average cost of capital;
- revenue growth ranging from 2.0% to 3.0% and
- applying exit multiples ranging from.5.0 to 6.0 times EBITDA.

An independent assessment was obtained to support the analysis prepared by management.

20. Creditors and payables

	Consolidated		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Trade creditors	3,457	3,726	-	-
Return of capital payable to shareholders	59,749	-	59,749	-
Other creditors and accrued expenses	2,567	3,282	373	728
Payable to related parties	62	264	62	264
	65,835	7,272	60,184	992

The return of capital of 65.0 cents per share was paid to eligible shareholders on 9 July 2009. Refer note 25(d).

21. Deferred income

Deferred security services revenue	890	1,137	-	-
Current	890	1,137	-	-
Deferred security services revenue	388	296	-	-
Non-current	388	296	-	-

Deferred income is recognised in respect of a subsidiary's security business which generates sales and associated service revenue from the installation and monitoring of electronic security alarm systems.

22. Interest-bearing loans and borrowings

Secured borrowings	5,319	3,840	-	-
Current	5,319	3,840	-	-
Secured borrowings	59,419	64,461	-	-
Subordinated secured borrowings	24,599	24,559	-	-
Non-current	84,018	89,020	-	-

The above borrowings represent debt facilities of the Signature Security Group. The facilities are secured against the assets of Signature Security Group entities with no recourse to the Company.

Senior secured borrowings are provided by a syndicate including National Australia Bank and BOS International (Australia) Limited. The borrowings are secured by a first ranking fixed and floating charge over the assets of the relevant subsidiary and are denominated in Australian dollars. Interest rates applicable to the various tranches of the facility were between BBSY + 1.75% and BBSY + 2.0% during the year ended 30 June 2009, averaging 7.1% (2008: 9.3%) for this period. The maturity date of the facility is 13 July 2011.

Subordinated secured borrowings are provided by AMP Capital Investors Limited. The borrowings are secured by a fixed and floating charge over the assets of the relevant subsidiary, subordinated to the senior secured borrowings, and are denominated in Australian dollars. Interest repayments for the period were at an average borrowing rate of 11.0% (2008: 13.1%). The maturity date of the subordinated facility is six months after the final repayment of the senior secured borrowings.

At balance date, the Consolidated Entity had also drawn $13.6 million (2008 - $13.6 million) under a $30.0 million acquisition facility that was provided by National Australia Bank and BOS International (Australia) Limited and was available until January

2009. The balance drawn is included in secured borrowings and matures on 13 July 2011. Interest rates for the period were at an average rate of 7.5% (2008 – 8.15%).

A $10.0 million working capital facility provided by National Australia Bank was drawn to $0.2 million at balance date.

The above borrowings are reported net of associated borrowing costs which are amortised over the term of the facilities.

23. Employee entitlements

	Consolidated		Company	
	2009	**2008**	**2009**	**2008**
	$'000	**$'000**	**$'000**	**$'000**
Provision for annual leave	1,214	1,037	51	30
Provision for bonuses	725	668	80	106
Provision for long-service leave	410	404	-	-
Current	2,349	2,109	131	136
Provision for share-based payments	198	25	-	-
Provision for long-service leave	548	455	-	-
Non-current	746	480	-	-

24. Financial instruments

(a) Financial risk management

The Consolidated Entity has exposure to a variety of financial risks, which are categorised as market risk, credit risk, and liquidity risk. This note presents information about the Consolidated Entity's exposure to each of these risks. Additional disclosures are presented throughout this financial report.

The understanding and management of risk, particularly preservation of capital, is critical to the Company. The Board has overall responsibility for ensuring that there is a sound system of risk management and internal compliance and control across the business. Documented policies and processes to enable appropriate management of business and investment risk have been adopted. The Audit, Finance and Risk Committee (AFRC) and the Investment Committee have a key role in overseeing these risk management policies and processes.

Following the strategic review announcement made on 3 April 2009, the financial risk management practices presently employed by the Company focus on:

- preservation of cash resources. Treasury management is overseen by the Managing Director and Chief Financial Officer with ultimate responsibility retained by the Investment Committee, on behalf of the Board; and
- the Board retaining responsibility for all decisions to proceed with any specific investment or divestment proposal. The Board aims to maximise returns for all OCP shareholders by managing each of the Company's current investments with a view to profitable realisation over an appropriate investment timeframe.

Investee entities are responsible for their own risk management. The Company oversees the risk management practices of investee entities through representation on the boards of those entities and involvement in actively assisting and overseeing the management of the businesses.

The risk management policies and analysis described below and throughout this financial report refer to those practices adopted by the entities that are members of the Consolidated Entity.

Market risk

Market risk refers to the potential for changes in the market value of the Consolidated Entity's investment positions or earnings streams. There are various types of market risks including exposures associated with interest rates, foreign currencies and equity market prices. The Consolidated Entity may use derivative financial instruments to hedge certain risk exposures. The methods used to measure the types of risk to which the Consolidated Entity is exposed are described below.

(i) Interest rate risk

The nature of the Company's business has been to invest in listed and unlisted entities. As part of the funding arrangements for transactions, the Board may elect to raise an appropriate level of debt to partially fund the Consolidated Entity's investments. Debt funding exposes the Consolidated Entity to the risk of movements in interest rates. If the debt has a floating interest rate, an increase in interest rates could impact the value of an equity investment and also increase the cost of debt service.

Interest rate swaps are used by the Consolidated Entity to manage exposure to interest rate risk. The majority of the derivative financial instruments are floating-to-fixed interest rate swaps. Such derivative financial instruments have the economic effect of converting assets and liabilities from variable interest rate to fixed interest rate arrangements. Under the interest rate swaps, the relevant subsidiary agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

Interest rate sensitivity

The following table summarises the sensitivity of the Consolidated Entity's financial assets and liabilities to a reasonable possible change in interest rate, with all other variables held constant. It assesses the effect that a 100 basis point increase or decrease in the yield curve in the Australian interest rate at 30 June 2009 would have on equity and profit or loss (before tax) at the reporting date. The analysis is performed on the same basis for 2008.

	Consolidated				Company			
	2009		2008		2009		2008	
	Profit or loss $'000	Equity $'000	Profit or loss $'000	Equity $'000	Profit or loss $'000	Equity $'000	Profit or loss $'000	Equity $'000
100 basis point increase	778	1,120	1,324	1,482	989	-	978	-
100 basis point decrease	(778)	(1,120)	(1,324)	(1,482)	(989)	-	(978)	-

A sensitivity of 100 basis points has been selected as this is considered reasonable given the current level of short-term and long-term interest rates and the volatility observed both on an historical basis and market expectations for future movements.

(ii) Foreign currency risk

The Company has made investments in Australian dollars only. Each of the businesses in which the Consolidated Entity has invested conduct operations outside of Australia and are exposed to foreign currency exchange risk. Each investee entity is responsible for managing its own exposure to these risks.

Signature Security Group, which is a member of the Consolidated Entity, is exposed to foreign currency exchange risk arising from certain transactions denominated in foreign currencies, including the following:

- net investment in a New Zealand operation; and
- borrowings denominated in New Zealand dollars.

Management's policy is to require operating subsidiary companies to manage their foreign exchange risk against their functional currency. Signature Security Group uses natural offsetting positions (such as foreign currency denominated borrowings against its net investment in foreign operations) to manage its foreign currency exposure. As the majority of the New Zealand entity's expenses are denominated in the same currency as the associated revenues, only the net income is exposed to currency

fluctuations. The impact of the movement between the Australian and New Zealand dollars during the financial year was a gain of $0.1 million (2008: loss of $1.6 million). The impact is reflected in the Foreign currency translation reserve.

Sensitivity analysis

The Consolidated Entity is not considered to have any material sensitivity to foreign currency exchange risks as it applies net investment hedging.

For the Consolidated Entity, the foreign currency translation risk associated with foreign investments results in some volatility to the Foreign currency translation reserve. The impact on the Foreign currency translation reserve relates to translation of the net assets of foreign controlled entities including the impact of hedging. The net loss of $0.1 million (2008: loss of $0.6 million) taken to the Foreign currency translation reserve takes into account the related hedges and represents the impact of the unhedged portion.

(iii) Equity Price risk

The Consolidated Entity is exposed to equity securities price risk arising from investments in a number of listed securities. Hedging is not entered into in respect of the risk of a general decline in equity market values. The Consolidated Entity does not actively hedge its exposure to the risk of a general decline in equity market values, believing that such strategies are not cost-effective. Instead, the Consolidated Entity prefers to actively manage the underlying business or asset to ensure that its fundamental value is preserved and enhanced.

The Consolidated Entity may enter into hedges of highly probable forecast transactions for payments for listed equity investments. At the reporting date, no derivatives were held for that purpose.

Equity Pricing Sensitivity

The following table summarises the sensitivity of the Consolidated Entity's financial assets and liabilities to equity price risk at balance date.

	2009		2008	
	Carrying amount $'000	Market value $'000	Carrying amount $'000	Market value $'000
Listed shares (accounted for using the equity method)	293,096	200,715	249,239	145,225

As part of its business model, the Company actively assists and oversees the management of the businesses that it invests in with a view to enhancing the value of those investments. As such it is not considered appropriate to measure fair value of listed investments accounted for using the equity method solely by reference to the share price at balance date. Assessment of fair value, using appropriate methodologies, is undertaken at balance date to confirm the appropriateness of the carrying amount. The carrying amount shown above, representing shares and convertible notes held in iSOFT Group Limited (iSOFT), is not considered to be impaired. In assessing fair value, the directors have had regard to a number of factors, including:

- the appropriate valuation methodology and comparative company valuation multiples;
- the business plans and the investment thesis for iSOFT;
- financial analysis taking into account current and forecast earnings;
- an independent assessment of the recoverable value based primarily on a value in use methodology;
- the assessed risks to the forecast outcome being achieved over the expected holding period; and
- the Company's business model to actively assist and oversee the management of the businesses in which the Consolidated Entity has invested in with a view to enhancing the value of those businesses over the expected holding period.

The price risk for unlisted securities is immaterial in terms of the possible impact on profit or loss or total equity. It has therefore not been included in the sensitivity analysis.

The Consolidated Entity is not exposed to commodity price risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company or its subsidiaries. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk arises from all financial assets included in the balance sheet.

The Company has invested in listed and unlisted entities. The Company, or a subsidiary entity, will usually only provide loans to investee entities when it forms part of the overall funding provided for an investment transaction. Approval of such funding is the responsibility of the Board.

Operating businesses that the Company invests in will have their own credit risk policies. The Company is actively involved in assisting and overseeing the managing of the business of investee entities, including overseeing that appropriate policies are in place.

The credit policy of Signature Security Group, a member of the Consolidated Entity, includes the approval of the terms of sales and external credit checks for transactions above set thresholds. The thresholds vary depending on the type of sale transaction. Approval is made in accordance with delegated authorities.

The carrying amounts of the financial assets recognised in the balance sheet best represents the Company's and the Consolidated Entity's maximum exposure to credit risk at the reporting date.

The Company has exposure to loans made to subsidiary entities to enable those entities to fund the investment transactions that the Board has elected to pursue. Repayment of the loans by the subsidiary entities is dependant upon the proceeds realised from the ultimate exit from those investment transactions.

Ageing of Financial assets

The following table summarises the credit risk of the Consolidated Entity's financial assets by assessing the ageing of the carrying amount of financial assets. It also details any financial assets that are individually impaired and a description of collateral held where relevant.

	Total	Neither past due nor impaired	Past due but not impaired				Collectively impaired	Individually impaired
			< 30 days	30-60 days	60-90 days	> 120 days		
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Consolidated								
2009								
Cash and cash equivalents	100,781	100,781	-	-	-	-	-	-
Receivables	7,619	1,733	2,923	1,078	775	733	377	-
Available-for-sale financial assets	21,754	21,754	-	-	-	-	-	-
Other financial assets	2,033	2,033	-	-	-	-	-	-
Total	132,187	126,301	2,923	1,078	775	733	377	-
2008								
Cash and cash equivalents	98,328	98,328	-	-	-	-	-	-
Receivables	7,603	1,800	3,630	1,096	590	122	365	
Loan assets held at amortised cost	57,847	57,847	-	-	-	-	-	-
Derivative financial instruments	2,286	2,286	-	-	-	-	-	-
Available-for-sale financial assets	24,930	24,930	-	-	-	-	-	-
Other financial assets	486	486	-	-	-	-	-	-
Total	191,480	185,677	3,630	1,096	590	122	365	-
Company								
2009								
Cash and cash equivalents	98,935	98,935	-	-	-	-	-	-
Receivables	1,439	1,439	-	-	-	-	-	-
Loan assets held at amortised cost	209,295	179,967	-	-	-	-	-	29,328
Other financial assets	201,859	201,859	-	-	-	-	-	-
Total	511,528	482,200	-	-	-	-	-	29,328
2008								
Cash and cash equivalents	97,780	97,780	-	-	-	-	-	-
Receivables	14,181	14,181	-	-	-	-	-	-
Loan assets held at amortised cost	322,017	294,397	-	-	-	-	-	27,620
Other financial assets	92,416	92,416	-	-	-	-	-	-
Total	526,394	498,774	-	-	-	-	-	27,620

Liquidity risk

Liquidity risk is the risk that the Company or its subsidiaries will not be able to meet financial obligations as they fall due.

The Board has approved a Financial Management Policy applicable to the Company and its wholly owned subsidiaries. The Financial Management Policy includes policies for the investment of surplus cash and monitoring of the liquidity position. The Company and its wholly owned subsidiaries are required to maintain a cash balance, including any undrawn committed debt facilities, of at least $5 million.

The Company has made a pro-rata return of capital totalling $59.7 million (65.0 cents per share) to eligible shareholders that was approved on 24 June 2009 and paid on 9 July 2009. The remaining cash reserves have been retained by the Company to meet working capital requirements, to support existing investments, including capital commitments to those investments and to take advantage of value-enhancing bolt-on acquisitions for those investments.

Operating businesses in which the Company has invested and which are not wholly owned are required to manage their own liquidity requirements so as to meet their financial obligations as they fall due. This includes maintaining an appropriate level of

surplus cash to support the business and having appropriate overdraft and debt facilities available. The Company is represented on the boards of these entities and is able to monitor the liquidity position.

Signature Security Group, a member of the Consolidated Entity, maintains a $10 million overdraft facility which was drawn to $0.2 million at balance date. The facility expires on 13 July 2011.

The liquidity position of the Consolidated Entity is monitored for the impact of potential investment acquisitions or divestments, including any potential borrowing requirements.

The following table analyses the Consolidated Entity's financial liabilities and net settled derivative financial instruments into relevant maturity groupings based on the remaining contractual maturity period at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows (including both interest and principal cash flows), except interest rate swaps which are disclosed on a net basis.

			Residual contract maturities				
	Carrying amount $'000	Contractual cash flows $'000	6 months or less $'000	6-12 months $'000	1-2 years $'000	2-5 years $'000	More than 5 years $'000
Consolidated							
2009							
Creditors and payables	65,835	65,835	65,835	-	-	-	-
Derivative financial instruments	3,188	3,398	1,115	1,016	1,091	176	-
Interest bearing loans and borrowings							
- corporate facilities	89,337	100,725	5,507	5,507	65,112	24,599	-
Total	158,360	169,958	72,457	6,523	66,203	24,775	-
2008							
Creditors and payables	7,272	7,272	7,272	-	-	-	-
Interest bearing loans and borrowings							
- corporate facilities	92,860	121,101	6,446	6,446	14,371	93,838	-
Total	100,132	128,373	13,718	6,446	14,371	93,838	-
Company							
2009							
Creditors and payables	60,184	60,184	60,184	-	-	-	-
Total	60,184	60,184	60,184	-	-	-	-
2008							
Creditors and payables	992	992	992	-	-	-	-
Total	992	992	992	-	-	-	-

Capital risk management

On 3 April 2009, the Company announced a program to endeavour to maximise value for shareholders and address the differential between the Company's share price and the underlying value of the Company's net assets. The program includes the following components:

- existing investments will continue to be managed with a view to profitable realisation over an appropriate investment timeframe;
- the directors decided that, in the current economic climate, the Company will not make any new investments prior to a possible shareholder vote, as explained below, other than to meet already committed obligations or to invest in value enhancing bolt-on opportunities for the current investments;

- a return of excess cash to shareholders. This was completed by way of the return of capital that was paid on 9 July 2009.
- shareholders will be given the opportunity to vote on the future direction of the Company should the differential between the Company's share price and the underlying value of the net assets persist. Subject to the Company's shares continuing to trade at a discount to net asset value of more than 15 per cent in April 2011[1], an Extraordinary General Meeting of Shareholders will be convened to consider whether to continue with the current business strategy or to realise the remaining investments in an orderly manner and distribute available cash reserves. If the meeting is held and shareholders vote to realise the remaining investments, the optimal timeframe for any such realisations will be determined at the time of the shareholder meeting based on prevailing circumstances. If shareholders do not resolve to realise the remaining investments and distribute cash reserves (or if the meeting is not required to be held), the Company would revert to its original business strategy of providing shareholders with the opportunity to access potentially attractive private equity transactions and activist public market situations through an ASX-listed security.

The Company's cash resources are held on interest bearing deposit with major Australian banks.

The Board, through the Investment Committee, reviews the Company's capital plan including dividend policy, share issuance or repurchase programmes and the issuance of debt.

The Company, directly or indirectly, has invested in listed and unlisted operating businesses. In making investment decisions, the Board considers an appropriate level of equity investment and debt for each transaction with the aim of reducing the equity requirement and maximising the return on capital invested. The Board's intention has been that any debt raised is secured against the assets of the underlying business acquired with lenders not having recourse to the Company's capital.

Given the nature of its business, the Company does not expect to pay a regular dividend. The Company has a stated intention of distributing 100 per cent of realised after tax net profits to shareholders in a timely manner. In the announcement made on 3 April 2009, the Board confirmed that this intention is continuing. However, the timing of distributions is variable and dependant upon when investments are realised. If appropriate, dividends will be paid on a six monthly basis. Details of dividends declared and paid are shown in note 28 and the Directors' Report.

During the financial year, the Company commenced an on-market share buy-back to seek to buy-back and cancel a maximum of 8,618,636 shares. At 30 June 2009, a total of 4,837,963 shares had been bought back and cancelled under this buy-back at a cost of $8.9 million. On 26 August 2009, the Company announced an extension to the buy-back period and an increase to the size of the buy-back. Refer Note 25 (c). The Company does not have a defined share buy-back plan.

1 The discount will be determined by reference to the volume-weighted average price of OCP shares for the three months prior to the date of the notice of the meeting and the average stated net asset value during this period. In the event that OCP realises all of its current investments prior to April 2011, the directors will convene a meeting of shareholders at an earlier than currently envisaged.

25. Issued capital

(a) Ordinary share capital

	2009 Shares	Company 2008 Shares	2009 $'000	Company 2008 $'000
Ordinary shares fully paid	96,759,258	99,630,584	494,875	506,599
Ordinary shares bought back and cancelled	(4,837,963)	(2,871,326)	(8,910)	(11,724)
Return of capital paid to shareholders	-	-	(59,749)	-
	91,921,295	96,759,258	426,216	494,875

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

(b) Movements in issued capital

	Number of shares	$'000
Movement in ordinary share capital		
Opening balance 1 July 2007	99,630,584	506,599
Ordinary shares bought back and cancelled	(2,871,326)	(11,724)
Closing balance at 30 June 2008	96,759,258	494,875
Ordinary shares bought back and cancelled	(4,837,963)	(8,910)
Return of capital to be paid to shareholders (refer (d) below)	-	(59,749)
Closing balance at 30 June 2009	91,921,295	426,216

(c) Share buy-back

On 27 August 2008, the Company announced an intention to acquire and cancel up to 5 per cent of its issued shares by way of an on-market share buy-back as part of its capital management program. The buy-back commenced on 15 September 2008. On 21 November 2008, the Company announced an intention to expand the current on-market share buy back, again, up to a number permitted under the Corporations Act without the need for shareholder approval. Under the terms of the buy-back, the buy-back will continue for 12 months or until the maximum number of shares is acquired or until notice is given that the buy-back is concluded (whichever first occurs). A maximum of 3,780,673 ordinary shares remain to be bought back and cancelled under the current terms of the buy-back and the Company may extend the buy-back without requiring shareholder approval by an additional 1,057,289 ordinary shares (the Company is entitled to buy-back on-market a maximum of 10% of the issued capital of the Company in a 12 month period without requiring shareholder approval). The Company has not bought-back any shares since 25 November 2008 but may elect to do so if the Board determines that this would be in the interests of the Company.

(d) Return of capital

On 3 April 2009, the Company proposed a return of capital of 65.0 cents per share be paid to eligible shareholders subject to approval by shareholders and the Australian Taxation Office. Following receipt of the required approvals during June 2009, the return of capital was paid to eligible shareholders on 9 July 2009. The liability for the return of capital has been recognised at 30 June 2009 with a corresponding reduction in the share capital account.

26. Reserves

	Consolidated		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Equity reserve				
Opening balance	25,690	25,690	25,690	25,690
Transfer from retained earnings	-	-	-	-
Total equity reserve	25,690	25,690	25,690	25,690
Available-for-sale investments revaluation reserve				
Opening balance 1 July	(4,380)	-	-	-
Net unrealised gain/(loss) from changes in fair value on available-for-sale investments	2,214	(6,257)	-	-
Transfer to the profit and loss account net of applicable tax	2,830	-	-	-
Tax effect of net gain/(loss)	(664)	1,877	-	-
Total available-for-sale investments revaluation reserve	-	(4,380)	-	-
Cash flow hedging reserve				
Opening balance 1 July	1,600	873	-	-
Net gain/(loss) from changes in fair value on effective portion of cash flow hedges	(5,474)	1,039	-	-
Tax effect of net gain/(loss)	1,642	(312)	-	-
Total cash flow hedging reserve	(2,232)	1,600	-	-
Foreign currency translation reserve				
Opening balance 1 July	(1,743)	(761)	-	-
Currency translation differences arising during the year	(22)	(739)	-	-
Tax effect of net (loss)	47	(243)	-	-
Total foreign currency translation reserve	(1,718)	(1,743)	-	-
Share of reserves of interests in associates and joint ventures using the equity method				
Opening balance 1 July	(1,150)	900	-	-
Share of reserves during the period	(532)	(2,050)	-	-
Total share of reserves of interests in associates and joint ventures using the equity method	(1,682)	(1,150)	-	-
Total reserves	20,058	20,017	25,690	25,690

(a) Equity reserve

In accordance with Accounting Standards, a financial asset was recognised in respect of unpaid share capital receivable from shareholders, discounted to fair value at recognition. This treatment resulted in the recognition of $25.7 million of interest income during the financial years 2005 to 2007 which represented the unwinding of the discount over the term to recovery of the receivable. The directors have determined that this income should not be used to pay future dividends and approved the transfer of this amount to an Equity reserve.

(b) Available-for-sale investments revaluation reserve

Changes in fair value and exchange differences arising on translation of investments classified as available-for-sale financial assets are taken to the Available-for-sale investments revaluation reserve. Amounts are recognised in profit or loss when the associated assets are sold or impaired.

Effective 31 December 2008, an available-for-sale investment was reclassified as impaired and the applicable balance of the reserve was transferred to the profit and loss account. Further detail is provided in Note 5.

(c) Cash flow hedging reserve

The Cash flow hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments recognised directly in equity. Amounts are recognised in profit or loss when the associated hedged transaction affects profit or loss.

(d) Foreign currency translation reserve

Exchange differences arising on translation of foreign controlled entities are taken to the Foreign currency translation reserve. Amounts are recognised in the profit or loss when the net investment is disposed of.

(e) Share of reserves of interests in associates and joint ventures using the equity method

The Consolidated Entity's share of reserves of interests in associates and joint ventures using the equity method are recognised in this reserve.

Included in the equity accounted carrying amount for iSOFT at 30 June 2009 is the Consolidated Entity's share of the movements in certain of the reserves of iSOFT during the financial year ended 30 June 2009 of $4.1 million. OCP's equity accounted share of these reserve movements is $1.2 million before tax effect accounting. This amount mainly reflects the movement in iSOFT's foreign currency translation reserve. The movement of the Australian dollar against the British Pound, Euro and other currencies during the period resulted in iSOFT recognising an unrealised gain on translation to Australian dollars of foreign currency financial statements of its' controlled entities or business segments. There was a corresponding increase on translation in the Australian dollar carrying value of the net assets, mainly comprising goodwill and intangibles. Accounting standards require the Consolidated Entity to include its share of this movement in the equity accounted carrying amount each reporting period (Note 16). The impact is taken directly to the reserve account and is tax effected.

27. Retained earnings

	Consolidated		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Opening balance	16,747	37,869	13,023	40,758
Net profit for the year	12,496	19,794	(331)	13,181
Dividends paid	(9,482)	(40,916)	(9,482)	(40,916)
	19,761	16,747	3,210	13,023

28. Dividends

	Company	
	2009	**2008**
	$'000	**$'000**
Dividends paid		
Dividends provided for or paid during the year	9,482	40,916
Dividends proposed		
Dividends not recognised at the end of the year	5,515	5,806

A dividend of 6.0 cents per share (2008: 6.0 cents per share) has been proposed for payment. The expected payment date is 31 October 2009.

Franking credits available for subsequent financial years based on a tax rate of 30% at dividend proposal date	1,572	6,156

29. Commitments

(a) Lease commitments

Commitments in relation to non-cancellable operating leases, contracted for at the reporting date but not recognised as liabilities, are payable as follows:

	Consolidated		Company	
	2009	**2008**	**2009**	**2008**
	$'000	**$'000**	**$'000**	**$'000**
Within one year	4,926	4,765	228	146
Later than one year but not later than five years	14,376	12,538	38	177
Later than five years	10,246	8,665	-	-
	29,548	25,968	266	323

The lease commitments represent payments due for leased premises under non-cancellable operating leases, and payments for motor vehicles under operating leases.

Included in lease commitments are amounts totalling $22.9 million (2008: $21.1 million) relating to lease commitments of equity accounted associates and jointly controlled entities.

(b) Other commitments

The Company committed in the 2008 financial year to provide an additional $10.0 million of equity funding to Trans Tasman Collections Holdings Pty Ltd (TTCH) to assist with the acquisition of debt ledgers. The funding is being provided as required by TTCH subject to conditions for drawdown being met (including co-contribution by other shareholders of TTCH). An amount of $5.0 million remains committed to be contributed (30 June 2008: $10.0 million).

In December 2008, the shareholders of Signature Security Group committed to provide an additional $17.0 million of equity to the business to fund synergistic, value accretive acquisitions and business growth. An amount of $3.0 million remains to be contributed and is due by 30 September 2009.

30. Related party transactions and key management personnel disclosures

The following were key management personnel of the Consolidated Entity at any time during the reporting period and, unless otherwise indicated, were key management personnel for the entire period:

Directors
Ian Tsicalas (Independent Chairman from 27 August 2008)
Michael Brogan (Independent director)
David Clarke (Non-executive director until 30 April 2009)
David Coe (Non-executive chairman until 27 August 2008)
Robert Moran (Managing Director)
Peter Yates (Non-executive director)

Executives
David Neufeld (Chief Financial Officer and Company Secretary, Oceania Capital Partners Limited)
Howard Watson (Chief Executive Officer, Signature Security Group)

Other than as noted above, there have been no changes in key management personnel in the period after the reporting date and prior to the date when the financial report is authorised for issue.

(a) Details of remuneration

Details of the total remuneration of all key management personnel, including their personally related entities, are as follows:

	Consolidated		Company	
	2009	2008	2009	2008
	$	$	$	$
Short-term employee benefits	1,491,793	1,535,691	783,826	878,004
Other long-term benefits	7,033	5,972	-	-
Post-employment benefits	202,028	171,787	102,028	71,787
	1,700,854	1,713,450	885,854	949,791

There were no termination benefits and share-based payments for members of key management personnel during the reporting and comparative periods.

Equity instrument disclosures relating to key management personnel

The number of shares in the Company held during the financial year by key management personnel of the Consolidated Entity, including their personally related entities, are set out below:

2009

Ordinary shares	Balance at 1 July 2008	Purchases/ (Disposals)	Transfers In/ (Transfers Out)[1]	Balance at 30 June 2009
Directors				
Michael Brogan	-	-	-	-
David Clarke	-	-	-	-
David Coe	6,233,994	-	(6,233,994)	-
Robert Moran	618,837	-	-	618,837
Ian Tsicalas	-	-	-	-
Peter Yates	1,013,108	193,665	-	1,206,773
Executives				
David Neufeld	4,000	-	-	4,000

2008

Ordinary shares	Balance at 1 July 2007	Purchases/ (Disposals)	Transfers In/ (Transfers Out)[1]	Balance at 30 June 2008
Directors				
Michael Brogan	-	-	-	-
David Clarke	-	-	-	-
David Coe	6,233,994	-	-	6,233,994
Marcus Derwin	62,150	46,000	(108,150)	-
Robert Moran	-	-	618,837	618,837
Geoffrey Morgan	1,000,000	-	(1,000,000)	-
Ian Tsicalas	-	-	-	-
Gregory Woolley	756,667	(756,667)	-	-
Peter Yates	938,333	74,775	-	1,013,108
				-
Executives				-
David Neufeld	4,000	-	-	4,000

[1] Transfers in upon becoming a director or transfers out upon ceasing to be a director

Included in the table above, Robert Moran has an interest in 618,837 shares of which 319,369 are fully paid ordinary shares held through a 3.1% interest in the AEP Holding Trust which, through its trustee AEPL Nominees Pty Ltd (Receivers and Managers appointed)(In Liquidation), holds 10,185,185 fully paid ordinary shares in the Company. . For the reasons described in Note 35, the Company believes that the 10,185,185 fully paid ordinary shares in the Company held by the AEP Holding Trust are no longer subject to any escrow restrictions.

(b) Other transactions with key management personnel

A number of key management persons, or their related parties, hold or held positions in other entities that result or resulted in them having control or significant influence over the financial or operating policies of those entities.

A number of those entities transacted with the Company or its subsidiaries in the reporting period. The terms and conditions of the transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's-length basis.

In December 2004, the Company entered into an exclusive 25 year Management Agreement with Allco Equity Partners Management Pty Limited (now in liquidation; Receivers and Managers appointed) (AEPM or the Manager). AEPM is indirectly wholly owned by Allco Finance Group Limited (in liquidation; Receivers and Managers appointed). During the financial year, David Coe, David Clarke and Robert Moran are or were executives of Allco Finance Group.

On 18 August 2009, the Company served a notice under S925A of the Corporations Act 2001 (Cth) on Allco Equity Partners Management Pty Ltd (in liquidation) (Receivers and Managers appointed) (AEPM) rescinding the Management Agreement between the parties. OCP became entitled to serve the Rescission Notice upon AEPM as a result of the Australian Securities and Investments Commission having cancelled AEPM's Australian financial services licence on or about 20 July 2009. Further detail is provided in Note 35.

Under the terms of the Management Agreement, the Manager was required to:

- Work with the Board to develop the Company's investment strategy and assist in reviewing that strategy from time to time;
- Develop investment proposals for consideration by the Board;
- Assist in the preparation of Board papers pertaining to such proposals;
- Assist the Company in the implementation of investments that the Board chose to pursue;
- Manage the Company's investments including developing proposals for the realisation of the Company's investments and assisting the Company in the implementation of any disposal decisions;
- Assist the Company to comply with its obligations with respect to keeping of accounting records, preparation of financial statements, company secretarial functions such as arranging meetings of shareholders and liaison with the share registry;
- Provide information in its possession to assist the Company Secretary in their role;
- Consult with the Company in relation to all investor related public announcements; and
- Establish and maintain a website for the Company and provide all necessary IT support if requested to do so by the Board. All costs of providing such support were recoverable by the Manager from the Company.

Under the Management Agreement the Manager was entitled to a transaction fee on completed transactions and an incentive fee for individual investments generating, on realisation, an internal rate of return in excess of 15%. Transaction fees paid or payable to the Manager for the year ended 30 June 2009 totalled $1,161,377 (2008: $7,159,981). Incentive fees paid or payable for the year ended 30 June 2009 amounted to $nil (2008: $nil).

The Manager was able to delegate its functions to certain entities as stipulated in the Management Agreement provided that the Manager remained responsible at all times for any acts or omissions of the delegate. In accordance with the Management Agreement, the provision of administrative services and functions has been delegated by the Manager to the Allco Finance Group Limited group. The cost of providing these services is recovered by Allco Finance Group from the Company on a cost recovery only basis. For the period ended 30 June 2009, costs paid and payable to Allco Finance Group amounted to $243,400 (2008: $311,764).

The Consolidated Entity has a $25.0 million subordinated debt facility provided by AMP Capital Investors Limited, a subsidiary of AMP Limited. David Clarke was a director of AMP Limited during the time that he was also a director of the Company. The terms and conditions of this borrowing are detailed in note 22. The facility remains in place at 30 June 2009.

Howard Watson, SSG's Chief Executive Officer, does not participate in the Plan as he is already a significant shareholder in SHC. Mr Watson has an entitlement to participate alongside the Company in equity raisings by SHC. In December 2008, the Company, through a subsidiary entity, provided an additional $14 million in equity to SHC. A further $3 million is to be contributed by 30 September 2009. Mr Watson has indicated that he will provide his share of the total $17 million capital raising, being $726,200. The Company has agreed to provide $500,000 of funding by way of deferred settlement terms to facilitate this co-contribution. The terms of the arrangement include interest to be charged on the deferred settlement amount

at an appropriate commercial rate and security being held over the relevant shares in SHC whilst the deferred settlement amount is outstanding. The agreement forms part of Mr Watson's long term incentive arrangements. Documentation for this arrangement was agreed after balance date.

Aggregate amounts of each of the above types of other transactions with key management personnel and the Consolidated Entity:

	Consolidated		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Amounts recognised as expense				
Fees for provision of administrative services and functions	243	312	243	312
Transaction fees paid to AEPM expensed	939	1,234	-	-
	1,182	1,546	243	312

Aggregate amounts of assets and liabilities at balance date relating to the above transactions with key management personnel of the Consolidated Entity:

	Consolidated		Company	
	2009	2008	2009	2008
	$'000	$'000	$'000	$'000
Amounts recognised as assets				
Transaction fees paid to AEPM capitalised	6,824	6,381	-	-
	6,824	6,381	-	-
Amounts recognised as liabilities				
Payable to Allco Finance Group for provision of administrative services and functions	39	78	39	78
	39	78	39	78

Apart from the details disclosed in this note, no key management personnel have entered into a material contract with the Company or the Consolidated Entity since the end of the previous financial year and there were no material contracts involving key management personnel interests existing at balance date.

(c) Other transactions with associates and jointly controlled entities

During the year, the Consolidated Entity earned fees from iSOFT Group Limited (formerly IBA Health Group Limited) (iSOFT), an associate. Fees totalling $2,060,066 were received. The fees relate to a loan extension fee $1,560,066 in connection with a subordinated loan iSOFT (refer Note 14) and a $500,000 fee for providing assistance with the equity raising undertaken by iSOFT. In the previous financial year, the Consolidated Entity received fees totalling $14,189,186 for providing funding for the acquisition of iSOFT plc by iSOFT Group Limited. An amount of $2,249,106 was eliminated from the 2008 financial result as an unrealised profit on consolidation when preparing the consolidated financial statements.

Company representatives to the iSOFT Group Limited board and its committees have an entitlement to receive directors' fees which are paid to the Consolidated Entity (other than for Mr Tsicalas who receives his fees directly). The Consolidated Entity has an entitlement to receive $90,000 in respect of fees for the 2009 financial year (2008 - $34,375).

31. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(e).

Name of entity	Country Incorporation	Class of Shares	Equity Holding (%) 2009	2008
AEP Aurora Pty Limited[1]	Australia	Ordinary	100.0	100.0
AEP Financial Investments Pty Limited	Australia	Ordinary	100.0	100.0
AEP Signature Holdings Pty Limited	Australia	Ordinary	100.0	100.0
AEP Signature Trust	Australia	Ordinary	99.7	99.7
Banksia Trust	Australia	Ordinary	100.0	100.0
CATD Investments Pty Limited	Australia	Ordinary	100.0	100.0
Electronic Security Pty Limited [2]	Australia	Ordinary	-	95.8
Oceania Healthcare Technology Investments Pty Limited (formerly AEP Financial Services Holdings Pty Limited)	Australia	Ordinary	100.0	100.0
Signature EIOS Pty Limited [3]	Australia	Ordinary	96.7	95.8
Signature Holding Company Pty Limited [3]	Australia	Ordinary	96.7	95.8
Signature Security Group Holdings Pty Limited [3]	Australia	Ordinary	96.7	95.8
Signature Security Group Limited [3]	New Zealand	Ordinary	96.7	95.8
Signature Security Group Pty Limited [3]	Australia	Ordinary	96.7	95.8

[1] Deregistered 12 August 2009
[2] Deregistered 24 June 2009
[3] The movement in the percentage ownership of the Signature Security group of companies reflects the equity co-contribution due from Howard Watson that had not been received at balance date and had been contributed by the Consolidated Entity in the interim. Refer Note 30(b).

32. Auditor remuneration

During the year the following fees were paid or payable for services provided by the auditor of the Company and its related practices:

	Consolidated 2009 $	Consolidated 2008 $	Company 2009 $	Company 2008 $
Audit services				
KPMG Australia				
- audit and review of financial reports	307,300	272,646	160,200	125,546
	307,300	272,646	160,200	125,546
Other services				
KPMG Australia				
- tax compliance services	159,828	56,343	25,500	13,213
- transaction due-diligence services	26,550	-	-	-
	186,378	56,343	25,500	13,213
Total	493,678	328,989	185,700	138,759

33. Earnings per share

	Consolidated	
	2009	**2008**
	Cents	**Cents**
Basic earnings per share	13.37	20.36
Diluted earnings per share	13.37	20.36
	$'000	**$'000**
Reconciliation of earnings used in the calculation of basic earnings per share		
Profit for the year	12,570	19,868
(Profit)/Loss attributable to minority interests	(74)	(74)
Total earnings used in the calculation of basic earnings per share	12,496	19,794
Reconciliation of earnings used in the calculation of diluted earnings per share		
Earnings used in the calculation of basic earnings per share	12,496	19,794
Non-discretionary changes in earnings arising from dilutive potential ordinary shares	-	-
Total earnings used in the calculation of diluted earnings per share	12,496	19,794
	Number of shares	
Weighted average number of ordinary shares used in the calculation of basic earnings per share	93,482,102	97,243,045
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	93,482,102	97,243,045

34. Reconciliation of cash flows from operating activities

	Consolidated		Company	
	2009	**2008**	**2009**	**2008**
	$'000	**$'000**	**$'000**	**$'000**
Net profit (loss) for the year after related income tax expense	12,570	19,868	(331)	13,181
Depreciation and amortisation	11,446	9,499	21	19
Fair value (gains) losses on available-for-sale financial assets through profit or loss	9,433	-	-	-
Interest paid shown as financing activities	8,711	9,640	-	-
Investment associated cost write-offs (classified as investing activities)	1,455	1,468	540	89
Net loss on financial instruments	-	11,491	-	-
Interest income on loan (classified as investing activities)	(7,950)	(5,239)	-	-
Fee income from associates (classified as investing activities)	(3,744)	(11,904)	-	-
Debt issuance cost amortisation	160	-	-	-
Share of profit of associates and joint ventures	(10,288)	(9,065)	-	-
Changes in operating assets and liabilities				
- (Increase) decrease in receivables	(371)	5,617	(366)	41,644
- (Increase) decrease in inventories	12	(178)	-	-
- (Increase) decrease in current and deferred tax assets	8,422	541	3,914	(5,500)
- (Increase) decrease In other operating assets	(123)	60	(73)	60
- Increase (decrease) in creditors	(1,186)	(587)	(557)	(270)
- Increase (decrease) in employee entitlements	506	(561)	(5)	16
- Increase (decrease) in current and deferred tax liabilities	137	(12,277)	(274)	(12,277)
Net cash from operating activities	29,190	18,373	2,869	36,962

35. Events subsequent to balance date

Payment of a return of capital of 65.0 cents per share (approximately $59.7 million) was made on 9 July 2009. The payment was made from the cash reserves of the Company. A liability for the payment was recognised at 30 June 2009 as all required approvals had been obtained with a corresponding debit against the share capital account.

On 26 August 2009, the Company announced an extension of the on-market share buy-back that was first announced on 27 August 2008. The size of the buy-back has also been increased by 1,057,289 ordinary shares to 4,837,962 ordinary shares being the maximum permitted under the Corporations Act without the need for shareholder approval (being a maximum of 10% of the issued capital of the Company in a 12 month period). The buy-back will continue for a further 12 months or until the maximum number of shares is acquired or until notice is given that the buy-back is concluded (whichever first occurs).

On 27 July 2009, the Company withdrew its appeal in the NSW Court of Appeal against the decision by the NSW Supreme Court on 9 December 2008 that the Company's notice of 4 November 2008 terminating the Management Agreement with AEPM was not valid. As a result of withdrawing its appeal, the original orders made by the NSW Supreme Court remain in place, which include an order requiring the Company to pay AEPM's legal costs. In addition, the Company is required to meet AEPM's costs of defending the appeal. The Company has not been provided with an estimate of these costs.

On 18 August 2009, the Company served a notice under section 925A of the Corporations Act 2001 (Cth) (**Rescission Notice**) on Allco Equity Partners Management Pty Ltd (in liquidation) (Receivers and Managers appointed) in its capacity as trustee of the AEP Management Trust (AEPM) rescinding the Management Agreement dated 14 December 2004 between the parties. OCP became entitled to serve the Rescission Notice upon AEPM as a result of the Australian Securities and Investments Commission having cancelled AEPM's Australian financial services licence on or about 20 July 2009.

Sections 925A to 925I of the Corporations Act state that the effects of the service of the Rescission Notice on AEPM include the following:

- the rescission of the Management Agreement;
- AEPM is not entitled to enforce, or to rely upon, the Management Agreement against the Company; and
- AEPM is not entitled to recover by any means, any brokerage, commission or other fee for which the Company would have been liable to AEPM under or in connection with the Management Agreement. This includes any incentive fees under the Management Agreement.

The Company also believes that the rescission of the Management Agreement under the above provisions of the Corporations Act will result in the cessation of the escrow restrictions on the 10,185,185 initial ordinary shares of OCP held by Allco Finance Group.

The Company will now assume direct responsibility for management of its assets. The Company intends to extend offers of employment to certain of the employees of AEPM who had previously been involved in the provision of management services to the Company and taking any other steps thought prudent by the Board.

The directors are not aware of any other matter or circumstance that has occurred since the end of the financial year that has significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

Directors' Declaration
for the year ended 30 June 2009

In the opinion of the Directors of Oceania Capital Partners Limited ("the Company"):

(a) the financial statements and notes set out on pages 23 to 72, and the remuneration disclosures that are contained in pages 14 to 21 of the Directors' Report, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the financial position of the Company and the Consolidated Entity as at 30 June 2009 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date; and

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

(b) the remuneration disclosures set out on pages 14 to 21 of the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures and Corporations Regulations 2001.

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the Corporations Act 2001 for the financial year ended 30 June 2009.

Signed in accordance with a resolution of the Directors.

I Tsicalas
Chairman

Dated at Sydney this 26th day of August 2009.

Independent auditor's report to the members of Oceania Capital Partners Limited (formerly Allco Equity Partners Limited)

Report on the financial report

We have audited the accompanying financial report of Oceania Capital Partners Limited (formerly Allco Equity Partners Limited) (the Company), which comprises the balance sheets as at 30 June 2009, and the income statements, statements of changes in equity and cash flow statements for the year ended on that date, a summary of significant accounting policies and other explanatory notes 1 to 35 and the directors' declaration set out on pages 23 to 73 of the Group comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 1(a), the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

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

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

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We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the Company's and the Group's financial position and of their performance.

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

Independence

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

Auditor's opinion

In our opinion:

(a) the financial report of Oceania Capital Partners Limited (formerly Allco Equity Partners Limited) is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's and the Group's financial position as at 30 June 2009 and of their performance for the year ended on that date; and

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

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

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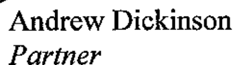
Report on the remuneration report

We have audited the Remuneration Report included in pages 14 to 21 of the directors' report for the year ended 30 June 2009. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with auditing standards.

Auditor's opinion

In our opinion, the remuneration report of Oceania Capital Partners Limited (formerly Allco Equity Partners Limited) for the year ended 30 June 2009, complies with Section 300A of the *Corporations Act 2001*.



KPMG

Andrew Dickinson
Partner

Sydney

26 August 2009

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