Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7764
Fax: (03) 9655 0410
Email: kevin.donnellan@airc.gov.au

Mr Ron McKinnis
Chairman
VANA Limited

email: general@vana.com.au

Dear Mr McKinnis

Re: Financial Report for VANA Limited for year ended 30 June 2008 – FR2008/372

I acknowledge receipt of the financial report for VANA Limited for the year ended 30 June 2008. The report was lodged with the Registry on 28 November 2008.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Committee of Management Statement

Compliance with any order for inspection of financial records

The reference to "*Section 272*" contained in item 1.(e)(vi) of the Committee of Management Statement should properly refer to "section 273".

Recovery of Wages Activity

Please note there is no requirement for the VANA Limited to report on recovery of wages activity as contained in item 1.(f) of the above statement.

Income Statement

The reference to "Other expenses from continuing operations" appearing on page 5 and the figure of "$114,993" exceeds the material limit (AASB 1031) where *"When items of income and expense are material, their nature and amount shall be disclosed separately"* (AASB 101 86.). For future reports could you provide a breakdown of the figure where it exceeds the material limit.

If you wish to discuss this, or any related matter, I can be contacted on (03) 8661 7764.

Yours sincerely

Kevin Donnellan
Statutory Services Branch

10 December 2008

FOUNDED 1879.
THE VICTORIAN NEWSAGENTS ASSOCIATION

VANA LTD
ACN 004 238 644
ABN 38 004 238 644
806 - 810 NICHOLSON ST
FITZROY NORTH VIC 3068
PHONE: 03 9482 2911
FAX: 03 9482 1799
EMAIL: general@vana.com.au
WEBSITE: www.vana.com.au

Certificate of Secretary or other Authorised Officer

s268 of Schedule 1 *Workplace Relations Act 1996*

I Robert Wade being the Secretary of VANA Limited certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that the full report was provided to members on the 23rd of October 2008 and
- that the full report was presented to a general meeting of members of the reporting unit on the 25th of November 2008 in accordance with section 266 of the RAO Schedule.

Signature: ....

Date: 25th of November 2008

FINANCIAL REPORT FOR

VANA LIMITED (ABN 38 004 238 644)

FOR THE YEAR ENDED 30 JUNE 2008

VANA LIMITED
ABN 38 004 238 644

CHAIRMAN'S ANNUAL REPORT.

The past year has shown a clear demonstration of the volatility of the retail market that extends through our channel.

Firstly we have seen the fall of Bill Express that has brought financial hardship to many of our members, and suggests the folly of aligning to a single external body to provide an electronic solution for our retailers.

At the time of writing, the issue of the marketing subsidy has still not been resolved. Through our CEO we have been in constant contact with Hank Spier who is spearheading the Class Action initiated in Queensland and New South Wales, as well as being informed of progress through the two Queens Counsel employed by the ANF.

Whilst both parties are hopeful of a positive result for members we await the final outcome.

VANA has been criticised for our seeming inaction on providing advice to members on this matter. Our position has been that as we are in a Memorandum of Understanding (MOU) with the ANF and their role is to attend to national matters, then we will honour our word and abide by that Agreement.

That did not and does not preclude us from demanding from the ANF that they give advice to members nationally, which in my view was not forthcoming.

At a meeting called by Peter De Jong and Mark Fletcher, which I attended, members voted overwhelmingly for VANA to secede from the MOU. The ANF was notified immediately after the meeting of the view of our members.

I would remind you that withdrawal from the MOU requires 12 months notice. We support that newsagents' need representation on National issues and are working through a process to improve what we have had.

Our E-VANA offering to our members has been extended to offer product nationally, and at the request of the ANF, re-badged as N-stock.

We have been very pleased with the acceptance of that by newsagents nationally and look forward to offering a wider range of product at competitive prices.

We had been working for some time to provide a platform for our members' customers to communicate on line. The site would enable delivery advice and payment, and offering the opportunity to purchase products.

To enable that, we have developed Yournewsagent.com.au which has been adopted by the ANF and offered to all newsagents Australia wide.

The response from those who have their own web sites and have joined in has been very positive. The major newspaper publishers and Card Companies have also been very supportive.

We recognised the need for us to have a major stationary supplier involved for newsagents to source to meet customer needs.

We discussed the issue over several months with GNS as they were our preferred stationary supplier for the site. We have recently been advised they launched their own site.

We are now seeking offers to provide that service to the newsagent site.

The ANF study into delivery costs has been completed and the presentation being finalised to commence discussions with publishers. These discussions will be in progress before the presentation of this report.

The results coming from these discussions will be crucial for our delivery network. Those publishers I speak to have expressed a belief that our service is critical to their future sales.

How that belief is translated into actual support for us, we will see.

I also note the further disintegration of our sub agency service by some magazine distributors who in my view fail to recognise the support we give to publishers other than those having major titles.

The continued dilution of our service may bring about a result not necessarily wanted by these magazine publishers. For many years we have been in discussion to have change. Very little has been forthcoming to date.

We know what concerns our members, we need to decide with them, what action we take to bring about that change.

I would like to thank our staff for their support over the year, as well as all those members who have helped us with advice on various projects and issues.

I would also acknowledge the Group Chairpersons and Directors who give unstintingly of their time and energy to support their fellow newsagents.

I would thank those publishers and suppliers who do really support us and recognise that we are an integral part of this Industry.

In these difficult times we at VANA will do our utmost to support each of you as best we can. That is our reason for being.

Ron McKinnis
Chairman

VANA LIMITED
ABN 38 004 238 644

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2008

VANA LIMITED
ABN 38 004 238 644

TABLE OF CONTENTS

VANA LIMITED
ABN 38 004 238 644

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2008.

Directors

The names of the directors in office at any time during or since the end of the financial year are:

Mr R McKinnis
Mr R Wade
Mr B Thomson
Mr G Tribe
Mr P Kennedy
Mrs K McDonald
Mr C Lawlor
Mr D Negri (resigned 24 April 2008)
Mr G Munday (appointed 5 August 2008)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Results

The loss of the company for the financial year after providing for income tax amounted to $106,241.

Review of Operations

A review of the operations of the company during the financial year and the results of those operations found that during the year, the company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant Changes in State of Affairs

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

Principal Activity

The principal activity of the company during the financial year was to operate as a trade association.
No significant change in the nature of these activities occurred during the year.

Office Structure

VANA Limited employed 7 (2007: 7) full-time staff members during the year ended 30 June 2008. VANA Limited staff members continue to hold specific responsibilities through key portfolios. Staff report to the Chief Executive Officer who then reports at Board level. Board discussions and issues are reported to the Membership via the News Bulletin, Hotline and Region Group Meetings. The objectives of the Association remain "to ensure the growth and financial viability of the Newsagency channel".

Membership

At 30 June 2008 VANA Limited had 494 (2007: 493) members.

Resignation

As outlined in Section 11 of Registered Rules of VANA Limited, a member or Associate Member of VANA Limited may resign their respective membership by written notice addressed and delivered to the Treasurer. A notice of resignation from membership or associate membership of VANA Limited will take effect from the day on which the notice is received by VANA Limited or any such later date specified in the notice.

Superannuation Trustees

No directors of VANA Limited are trustees for superannuation funds offered to its membership. Contributions for employees are made to superannuation funds, which are totally independent of VANA Limited.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Likely Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the company's operations.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends Paid or Recommended

The payment of dividends is prohibited by the company's constitution.

Information on Directors

The information on directors is as follows:

Mr R McKinnis	– Chairman
Experience	– Newsagent for 35 years
Mr R Wade	– Treasurer
Experience	– Newsagent for 5 years
Mr B Thomson	– Vice Chairman
Experience	– Newsagent for 29 years
Mr G Tribe	– Director
Experience	– Newsagent for 24 years
Mr P Kennedy	– Executive Director
Experience	– Newsagent for 15 years
Mrs K McDonald	– Director
Experience	– Newsagent for 10 years
Mr C Lawlor	– Director
Experience	– Newsagent for 9 years
Mr D Negri	– Director
Experience	– Newsagent for 3 years
Mr G Munday	– Director
Experience	– Newsagent for 18 years

DIRECTORS' REPORT (continued)

Meetings of Directors

DIRECTORS	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
Mr R McKinnis	11	11
Mr R Wade	11	9
Mr B Thomson	11	11
Mr G Tribe	11	11
Mr P Kennedy	11	7
Mrs K McDonald	11	9
Mr C Lawlor	11	11
Mr D Negri (resigned 24 April 2008)	8	5
Mr G Munday (appointed 5 August 2008)	-	-

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the end of the financial year.

Indemnification of Officer or Auditor

During or since the end of the financial year, the company has given indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The company has paid premiums to insure each of the following directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of the company, other than conduct involving a wilful breach of duty in relation to the company. The amount of the premium was $3,503.00.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

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

Director ______________________ Mr R McKinnis

Director ______________________ Mr R Wade

Dated: 23rd day of September 2008

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF VANA LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2008 there have been:

i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

HLB Mann Judd

HLB Mann Judd

Jude Lau
Partner

23 September 2008
Melbourne

HLB Mann Judd (VIC Partnership)
Level 1 160 Queen Street Melbourne VIC 3000 | GPO Box 2850 Melbourne VIC 3001 | DX 154 Melbourne | Tel: +61 (0)3 9606 3888 | Fax: +61 (0)3 9606 3800
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VANA LIMITED
ABN 38 004 238 644

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008 $	2007 $
Revenue from continuing operations	2	**853,958**	1,015,386
Employee benefits expense		**(472,125)**	(420,852)
Depreciation and amortisation expenses	3	**(73,908)**	(69,129)
Administration expenses		**(13,058)**	(12,575)
Communication expenses		**(40,552)**	(60,139)
Directors expenses		**(53,678)**	(55,237)
Insurance expenses		**(16,539)**	(17,548)
Meeting and conference expenses		**(25,542)**	(40,392)
Motor vehicle and travel expenses		**(17,389)**	(14,181)
Occupancy expenses		**(9,043)**	(19,111)
Professional fees expenses		**(8,919)**	(35,057)
Special events expenses		**(97,726)**	(72,872)
Subscriptions expenses		**(6,500)**	(8,699)
Other expenses from continuing operations		**(114,993)**	(112,086)
Borrowing costs expense	3	**(10,227)**	(8,936)
Profit/(loss) from continuing operations		**(106,241)**	68,572
Net profit/(loss) attributable to the members of VANA Limited	17	**(106,241)**	68,572

The accompanying notes form part of these financial statements.

VANA LIMITED
ABN 38 004 238 644

BALANCE SHEET
AS AT 30 JUNE 2008

	Notes	2008 $	2007 $
CURRENT ASSETS			
Cash and cash equivalents	4	**508,647**	460,777
Trade and other receivables	5	**98,735**	224,144
Other assets	6	**25,590**	20,802
TOTAL CURRENT ASSETS		**632,972**	705,723
NON-CURRENT ASSETS			
Financial assets	7	**1,397,262**	1,969,384
Property, plant and equipment	8	**2,743,572**	2,785,159
Intangible assets	9	**39,522**	-
TOTAL NON-CURRENT ASSETS		**4,180,356**	4,754,543
TOTAL ASSETS		**4,813,328**	5,460,266
CURRENT LIABILITIES			
Trade and other payables	10	**63,899**	53,629
Financial liabilities	11	**21,331**	19,314
Provisions	12	**31,516**	32,764
Other	13	**87,983**	73,285
TOTAL CURRENT LIABILITIES		**204,729**	178,992
NON-CURRENT LIABILITIES			
Financial liabilities	11	**79,286**	82,140
Provisions	12	**25,948**	17,406
TOTAL NON-CURRENT LIABILITIES		**105,234**	99,546
TOTAL LIABILITIES		**309,963**	278,538
NET ASSETS		**4,503,365**	5,181,728
EQUITY			
Reserves	15	**709,560**	1,281,682
Retained earnings	16	**3,793,805**	3,900,046
TOTAL EQUITY	14	**4,503,365**	5,181,728

The accompanying notes form part of these financial statements.

VANA LIMITED
ABN 38 004 238 644

STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008 $	2007 $
Profit/(loss) from continuing operations	16	(106,241)	68,572
Total recognised income and expense for the year		(106,241)	68,572

The accompanying notes form part of these financial statements.

VANA LIMITED
ABN 38 004 238 644

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008 $	2007 $
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from member subscriptions		**470,703**	465,089
Other operating receipts		**311,167**	154,105
Payments to suppliers and employees		**(934,367)**	(951,983)
Interest received		**277,511**	307,312
Borrowing costs		**(10,227)**	(8,936)
Net cash provided by/(used in) operating activities	23(b)	**114,787**	(34,413)
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		**14,091**	15,181
Payment for property, plant, equipment and intangibles		**(45,496)**	(81,690)
Payment for investments		**-**	(1,800,000)
Net cash provided by/(used in) investing activities		**(31,405)**	(1,866,509)
CASH FLOW FROM FINANCING ACTIVITIES			
Net proceeds from/(repayments of) borrowings		**(35,512)**	47,277
Net cash provided by/(used in) financing activities		**(35,512)**	47,277
Net increase/(decrease) in cash and cash equivalents held		**47,870**	(1,853,645)
Cash and cash equivalents at beginning of financial year		**460,777**	2,314,422
Cash and cash equivalents at end of financial year	23 (a)	**508,647**	460,777

The accompanying notes form part of these financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

VANA Limited ("the company") is a company incorporated and domiciled in Victoria, Australia. It is a company limited by guarantee as described in note 21.

Basis for Preparation

This financial report is a general purpose financial report that has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB) and the *Workplace Relations Act 1996.*

During the period 2004 - 2007, the AASB used the term Australian equivalents to International Financial Reporting Standards ("A-IFRS") to refer to standards which were based on the IFRS. However, in 2007 the AASB decided to remove reference to A-IFRS and the term Australian Accounting Standards ("AAS").

Compliance with IFRS

A statement of compliance cannot be made due to the company applying the not for profit sector requirements contained in AAS.

Historical cost convention

These financial statements have been prepared on an accrual basis under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and certain non-current assets (as stated), at fair value.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2008 reporting period. The company's assessment of the impact of these new standards and interpretations which are applicable to the company is set out below.

Amendment	Summary	Impact	Application date of standard	Application date for company
AASB 101R Presentation of Financial Statements	Disclosure changes ranging from changes in presentation, introduction of the total comprehensive income concept.	Disclosure issues and re-formatting of the company's future financial statements.	1 January 2009	Year ending 30 June 2010
AASB123R Borrowing costs	Removal of option to immediately expense borrowing costs related to construction of qualifying assets	No impact on the Company expected.	1 January 2009	Year ending 30 June 2010
AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123	Amendments arising from the issuance in June 2007 of a revised AASB 123 Borrowing Costs, which is the Australian equivalent to a revised IAS 23 Borrowing Costs.	No impact on the Company expected.	1 January 2009	Year ending 30 June 2010

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

AASB 2007- 8 Amendments to Australian Accounting Standards arising from AASB 101	Amendments arising from the issuance in September 2007 of a revised AASB 101 Presentation of Financial Statements, as a result of the issuance by the IASB of a revised IAS 1 Presentation of Financial Statements.	Disclosure issues and re-formatting of the company's future financial statements.	1 January 2009	Year ending 30 June 2010

(b) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The company recognises revenue when the amount can be reliably measured and it is probable that future economic benefits will flow to the company.

Membership subscriptions are recognised on straight-line basis over the subscription period which is based on the financial year. Any amounts received for future subscription years is recognised as unearned income.

Commission and management fees are recognised upon completion on the work.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.
Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets using the effective interest rate method.

Investment income is recognised when the income is earned.

Other revenue (such as dividend) is recognised when the right to receive the revenue has been established.
The net gain/(loss) on sale of non-current assets is included as revenue/(expense) at that date control passes to the buyer. The gain/(loss) is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

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

(c) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the company are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred as they approximate the pattern of consumption.

Lease incentives received under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(d) Income Tax

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Trade and Other Receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement. Bad debts are written off when identified.

(f) Property, Plant and Equipment

Property

Freehold land and buildings are measured at cost.

Plant and equipment

Plant and equipment is measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is determined in accordance with the policies outlined in note (g) below.

Depreciation

The depreciable amount of all property, plant and equipment excluding land are depreciated over their estimated useful lives to the company commencing from the time the asset is held ready for use.

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

Class of fixed asset	Depreciation rates/useful lives	Depreciation basis
Buildings	2.5 %	Straight Line
Plant and Equipment	10 - 30 %	Straight Line
Motor Vehicles	20 %	Straight Line

There has been no change in the depreciation rates used from the prior year. Gains and losses on disposals are determined by comparing proceeds with carrying amount and these are included in the income statement.

(g) Impairment of Assets

All of the company's assets other than financial instruments (trade and other receivables; Available for sale financial assets) are assessed annually for indications of impairment (refer to note (h)).

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the income statement.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell. It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments

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

1) Loans and receivables, and
2) Available for sale financial assets.

Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are designated in this category. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchase and sale of investments are recognised on trade date (the date on which the company commits to purchase or sell the asset). Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit and loss. Financial assets are de-recognised when the rights to receive cash flow from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When securities classified as available for sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains or losses from investment securities.

Fair value

The fair value of quoted investments is based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models making maximum use of market inputs and relying as little as possible on entity specific inputs.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement. In the case of available for sale financial assets, a significant or prolonged decline in the fair value of a security below its costs is considered as an indicator that the securities are 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) is removed from equity and recognised in income statement. Impairment losses recognised in the income statement on equity instruments classified as available for sales are not reversed through the income statement.

(i) Trade and Other Payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid and arise when the company becomes obliged to make future payments in respect of the purchase of these goods and services.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Employee Benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to reporting date.

Classification of employee benefits as current and non-current liabilities

Employee benefits provisions are reported as current where the company does not have an unconditional right to defer settlement for at least 12 months. Consequently, the current portion of the employee benefit provision can include both short-term benefits, that are measured at nominal values, and long-term benefits, that are measured at present values.

Employee benefits provisions that are reported as non-current liabilities also include long-term benefits such as non-vested long service leave (that is, where the employee does not have a present entitlement to the benefit) that do not qualify for recognition as a current liability, and are measured at present values.

Contributions to defined contribution superannuation plans are expensed when incurred.

(k) Goods and Services Tax (GST)

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

(l) Comparative Figures

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

(m) Financial Assets

Non-current investments held in NewsPower (Australia) Pty Ltd are measured using the cost basis. The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed based on the underlying net assets of the investment company.

(n) Intangibles

Intangible assets represent identifiable non-monetary assets without physical substance such as patents, trademarks, computer software and development costs (where applicable). They are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the company.

Amortisation is allocated to intangible assets with finite useful lives on a systematic (typically straight-line) basis over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

Intangible assets with finite useful lives are amortised over a 3 to 5 year period.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.

(p) Significant Accounting Judgements, Estimates and Assumptions

For the year ended 30 June 2008, the company made a significant judgement about the impairment of its available-for-sale financial assets. The company observed the guidance set out in AASB 139 Financial Instruments: Recognition and Measurement in determining whether when its suite of available-for-sale financial asset has been impaired. This determination requires significant judgement.

In making this judgement, the company formulated a set of criterion used to evaluate, among other factors, the duration and extent to which fair value of an investment is less than its cost and the financial health of and near term business outlook for the investments, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

If the decline in fair value below cost was considered significant or prolonged, the company would have incurred an additional expense of $402,740 (2007: Nil) in its financial statements, being the transfer of accumulated fair value adjustments recognised in equity on the impaired available-for-sale financial assets to the operating statement.

(q) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred.

Borrowing costs include interest on bank overdraft and finance lease liabilities.

	Note	2008 $	2007 $
NOTE 2: REVENUE			
Operating activities			
- commissions and management fees		**79,360**	84,258
- interest	2(a)	**140,945**	307,312
- rent		**68,538**	60,861
- member subscriptions		**427,912**	422,808
- other revenue		**131,440**	140,147
		848,195	1,015,386
Non - operating activities			
- gain on sale of property, plant and equipment		**5,763**	-
Total Revenue		**853,958**	1,015,386
(a) Interest from:			
- other persons		**140,945**	307,312

	Note	2008 $	2007 $
NOTE 3: PROFIT FROM ORDINARY ACTIVITIES			
Profit from ordinary activities has been determined after:			
(a) Expenses			
Borrowing costs:			
- other persons		10,227	8,936
Depreciation of non-current assets			
- Buildings		43,846	43,846
- Motor vehicles		21,319	18,377
- plant & equipment		6,440	6,906
Total Depreciation		71,605	69,129
Amortisation of non-current assets			
- intangible assets		2,303	-
Bad and doubtful debts:			
- trade debtors		1,340	-
Remuneration of the auditors for			
- audit or review services		7,589	36,720
- other services		4,890	5,501
Rental expense on operating leases			
- minimum lease payments		6,760	8,760
Rental expense on operating leases		6,760	8,760
Net loss on disposal of non-current assets			
- Property, plant and equipment		-	4,892
(b) Revenue and Net Gains			
Net gain/(loss) on disposal of non-current assets			
- other non-current assets		5,763	(4,356)
NOTE 4: CASH AND CASH EQUIVALENTS			
Cash on hand		1,500	1,050
Cash at bank		157,147	254,326
Deposits at call		350,000	205,401
		508,647	460,777
NOTE 5: TRADE AND OTHER RECEIVABLES			
CURRENT			
Trade receivables		56,006	44,849
Less provision for doubtful debts		(4,888)	(4,888)
		51,118	39,961
Other receivables		47,617	184,183
		98,735	224,144

	Note	2008 $	2007 $
NOTE 6: OTHER ASSETS			
CURRENT			
Prepayments		**14,630**	10,077
Security deposits		**10,960**	10,725
		25,590	20,802
NOTE 7: FINANCIAL ASSETS			
NON-CURRENT			
Shares in other corporations			
- at cost (a)		**2**	2
Available for sale financial assets			
- at fair value		**1,397,260**	1,969,382
		1,397,262	1,969,384

(a) The company holds 2 (2006: 2) fully paid shares in NewsPower (Australia) Pty Ltd.

		2008 $	2007 $
NOTE 8: PROPERTY, PLANT AND EQUIPMENT			
LAND			
Freehold land:			
At cost		**1,026,000**	1,026,000
BUILDINGS			
At cost		**1,753,837**	1,753,837
Less accumulated depreciation		**(126,971)**	(83,125)
		1,626,866	1,670,712
Total land and buildings		**2,652,866**	2,696,712
PLANT AND EQUIPMENT			
(a) Plant & equipment			
At cost		**42,344**	38,672
Less accumulated depreciation		**(34,645)**	(28,205)
		7,699	10,467
(b) Motor vehicles			
Under lease		**111,435**	106,152
Less accumulated depreciation		**(28,428)**	(28,172)
		83,007	77,980
Total plant and equipment		**90,706**	88,447
Total property, plant and equipment		**2,743,572**	2,785,159

NOTE 8: PROPERTY, PLANT AND EQUIPMENT (Continued)

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current and previous financial years:

	Freehold land	Buildings	Plant & equipment	Motor vehicles
	$	$	$	$
Balance at the beginning of the year	1,026,000	1,670,712	10,467	77,980
Additions	-	-	3,672	34,675
Disposals	-	-	-	(8,329)
Depreciation expense	-	(43,846)	(6,440)	(21,319)
Carrying amount at end of year	1,026,000	1,626,866	7,699	83,007

	Total
	$
Balance at the beginning of the year	2,785,159
Additions	38,347
Disposals	(8,329)
Depreciation expense	(71,605)
Carrying amount at end of year	2,743,572

	Freehold land	Buildings	Plant & equipment	Motor vehicles
	$	$	$	$
2007				
Carrying amount at the beginning of the year	1,026,000	1,714,558	12,443	39,132
Additions	-	-	4,930	76,763
Disposals	-	-	-	(19,538)
Depreciation expense	-	(43,846)	(6,906)	(18,377)
Carrying amount at the end of year	1,026,000	1,670,712	10,467	77,980

	Total
	$
2007	
Carrying amount at the beginning of the year	2,792,133
Additions	81,693
Disposals	(19,538)
Depreciation expense	(69,129)
Carrying amount at the end of year	2,785,159

	Note	2008 $	2007 $

NOTE 9: INTANGIBLE ASSETS

	Note	2008 $	2007 $
Other intangibles at cost		**41,825**	-
Less accumulated amortisation		**(2,303)**	-
		39,522	-

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of intangible asset between the beginning and the end of the current financial year:

	Website costs & computer software $	Total $
Balance at 30 June 2007	-	-
Additions	41,825	41,825
Balance at 30 June 2008	41,825	41,825
Balance at 30 June 2007	-	-
Amortisation expense	(2,303)	(2,303)
Balance at 30 June 2008	(2,303)	(2,303)
Net book value		
As at 30 June 2008	39,522	39,522

NOTE 10: TRADE AND OTHER PAYABLES

	Note	2008 $	2007 $
CURRENT			
Unsecured liabilities			
Trade payables		**27,068**	32,143
Sundry payables and accruals		**36,831**	21,486
		63,899	53,629

NOTE 11: FINANCIAL LIABILITIES

	Note	2008 $	2007 $
CURRENT			
Secured liabilities			
Finance lease liability	18	**21,331**	19,314
NON-CURRENT			
Secured liabilities			
Finance lease liability	18	**79,286**	82,141

The finance liabilities are secured by the motor vehicles to which they relate. The carrying value of the motor vehicles is disclosed in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 $	2007 $
NOTE 12: PROVISIONS			
CURRENT			
Employee benefits - annual leave	12(a)	**31,516**	32,764
NON-CURRENT			
Employee benefits - long service leave	12(a)	**25,948**	17,405
(a) Aggregate employee benefits liability		**57,464**	50,169
(b) Number of employees at year end		**7**	7
NOTE 13: OTHER LIABILITIES			
CURRENT			
Deferred income		**87,983**	73,285
NOTE 14: EQUITY			
Total equity at the beginning of the financial year		**5,181,728**	4,943,774
Total changes in equity recognised in the income statement		**(106,241)**	68,572
Total changes in equity resulting from asset revaluation reserve		**(572,122)**	169,382
Total equity at the reporting date		**4,503,365**	5,181,728
NOTE 15: RESERVES			
Available for sale financial assets reserve	(a)	**(402,740)**	169,382
General reserve	(b)	**1,112,300**	1,112,300
		709,560	1,281,682
(a) Asset revaluation reserve			
Movements during the financial year:			
Opening balance		**169,382**	-
Revaluation of available-for-sale assets		**(572,122)**	169,382
Closing balance		**(402,740)**	169,382

The available for sale financial asset reserve records revaluations of available-for-sale assets.

(b) General reserve
The general reserve was used in prior years to record amounts set aside to fund the future expansion of the company.

NOTE 16: RETAINED EARNINGS

	2008 $	2007 $
Retained earnings at the beginning of the financial year	**3,900,046**	3,831,474
Net profit/(loss) attributable to members of the entity	**(106,241)**	68,572
Retained earnings at the end of the financial year	**3,793,805**	3,900,046

NOTE 17: FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

Risk management policies

This note presents information about the company's financial instrument risk management objectives, policies and processes for measuring and managing risk.

The Board of Directors has responsibility for the establishment and oversight of the risk management framework to identify and analyse the risks faced by the company.

The company's principal financial instruments comprise cash and short-term deposits, available for sale financial assets, accounts receivable/payable and finance leases. During the 2006/07 financial year, the company invested $1.8 million in managed funds through Portfolio Care. These funds are managed by third parties to achieve the growth targets set by the Board of Directors, which evaluates the performance of its portfolio based on reports received from the external financial advisor.

The company's activities expose it primarily to the financial risks of changes in interest rates, price risk, liquidity risk and credit risk. The company does not enter into or trade financial instruments including derivative financial instruments for speculative purposes. The board reviews and agrees policies for managing each of these risks and undertakes regular monitoring of the performance of its financial assets and liabilities.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

(a) Interest Rate Risk Exposure

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities is limited to assets and liabilities bearing variable interest rates. The company holds a number of term deposits with fixed interest rates and term, which are held to maturity. The maturity profile of the company's financial instruments is as follows:

	Weighted Average Effective Interest Rate		Fixed Interest Rate Maturing Within 1 Year		1 to 5 Years		Floating Interest Rate within 1 Year	
	2008	2007	2008	2007	2008	2007	2008	2007
Financial Assets:	%	%	$	$	$	$	$	$
Cash	6.76	5.50	350,000	205,401	-	-	157,147	254,326
Receivables	-	-	-	-	-	-	-	-
Available for sale assets	-	-	114,166	128,045	-	-	70,519	38,570
Total Financial Assets			464,166	333,446	-	-	227,666	292,896
Financial Liabilities:								
Trade and sundry creditors	-	-	-	-	-	-	-	-
Lease liabilities	8.94	7.98	21,331	19,314	79,286	82,142	-	-
Total Financial Liabilities			21,331	19,314	79,286	82,142	-	-

NOTE 17: FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (Continued)

	Non Interest Bearing		Total	
	2008	**2007**	**2008**	**2007**
Financial Assets:	**$**	**$**	**$**	**$**
Cash	**1,500**	1,050	**508,647**	460,777
Receivables	**98,735**	224,144	**98,735**	44,849
Available for sale assets	**1,212,575**	1,802,769	**1,397,260**	1,969,384
Total Financial Assets	**1,312,810**	2,027,963	**2,004,642**	2,475,010
Financial Liabilities:				
Trade and sundry creditors	**63,899**	53,629	**63,899**	53,629
Lease liabilities	**-**	-	**100,617**	101,455
Total Financial Liabilities	**63,899**	53,629	**164,516**	155,084

(b) Credit Risk Exposures

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial loss from defaults. The company's exposure is continuously monitored and limits reviewed annually.

Trade receivables consist of a large number of members and customers, spread across diverse industries and geographical areas. The company does not have any significant credit risk exposure to any single party or any economic entity of counter parties having similar characteristics.

The credit risk on liquid funds and bank bills is limited because the counter parties are recognized banking institutions. Trade receivables are concentrated in Australia. The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

(c) Net Fair Values

The directors consider that the carrying amount of financial assets and liabilities recorded in the financial statements approximate their fair value.

(d) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who has in place a framework to management the company's short, medium and long term funding and liquidity. The company manages the liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows by matching the maturity profiles of financial assets and liabilities. Given the current surplus cash assets, liquidity risk is considered to be minimal.

(e) Price risk management

The company is exposed to equity securities price risk through the managed funds held with Portfolio Care. This arises from investments held by the company and classified on the balance sheet as available-for-sale. The company is not exposed to commodity price risk.

To manage its price risk arising from investments in equity securities, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Board of Directors based on advices provided by external financial advisor. The majority of the company's equity investments are publicly traded funds.

(f) Sensitivity analysis

The table below details the company's sensitivity to shift in interest rate and price risk. The exposure is based on management's best estimate of the possible effects of changes in interest rate and price risks as at 30 June 2008 and 2007.

NOTE 17: FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES (Continued)

		Interest rate risk				Other price risk			
		(1%)	(1%)	1%	1%	(5%)	(5%)	5%	5%
2008		Net result	Equity	Net result	Equity	Net result	Equity	Net result	Equity
Cash & its equivalent	507,147	(5,071)	(5,071)	5,071	5,071	-		-	
Other financial assets	1,397,260		(1,849)		1,849	-	(60,629)	-	60,629
Interest bearing liabilities	101,455	1,015	1,015	(1,015)	(1,015)	-	-	-	
Total increase/(decrease)		(4,056)	(5,905)	4,056	5,905	-	(60,629)	-	60,629

		Interest rate risk				Other price risk			
		(1%)	(1%)	1%	1%	(5%)	(5%)	5%	5%
2007		Net result	Equity	Net result	Equity	Net result	Equity	Net result	Equity
Cash & its equivalent	459,727	(4,597)	(4,597)	4,597	4,597	-		-	
Other financial assets	1,969,382		(1,666)		1,666	-	(90,138)	-	90,138
Interest bearing liabilities	100,617	1,006	1,006	(1,006)	(1,006)	-	-	-	-
Total increase/(decrease)		(3,591)	(5,257)	3,591	5,257	-	(90,138)	-	90,138

NOTE 18: CAPITAL AND LEASING COMMITMENTS

(a) Finance leasing commitments			
Payable - minimum lease payments			
- not later than 12 months		**30,162**	27,795
- between 12 months and 5 years		**91,120**	94,246
Minimum lease payments		**121,282**	122,041
Less future finance charges		**(20,665)**	(20,586)
Total finance lease liability		**100,617**	101,455
Represented by:			
Current liability	11	**21,331**	19,314
Non-current liability	11	**79,286**	82,141
		100,617	101,455

The company has in place a number of finance lease agreements with financiers. Monthly payments are made and allocated between loan repayments and finance lease charges.

The company also leases office equipment via operating leases and the commitments are considered to be immaterial to be disclosed in the financial statements.

NOTE 19: REMUNERATION AND RETIREMENT BENEFITS

(a) Directors' remuneration

Number of directors whose income from the company or any related parties was within the following bands:	**2008 No.**	**2007 No.**
$0 - $9,999	**8**	9

NOTE 19: REMUNERATION AND RETIREMENT BENEFITS (Continued)

The names of directors who have held office during the financial year are:

Mr R McKinnis
Mr R Wade
Mr B Thomson
Mr G Tribe
Mr P Kennedy
Mrs K McDonald
Mr C Lawlor
Mr D Negri (resigned 24/4/2008)

Directors are not paid any remuneration, rather they are reimbursed for costs incurred in discharging their duties as directors. The aggregate amount paid is disclosed in the Income Statement.

NOTE 20: RELATED PARTY TRANSACTIONS

(a) Key Management Personnel
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of the company.

The non-executives have been identified in preceding note.

Other key management personnel identified as meeting the definition of Key Management Personnel during the year included: Mr P Cowley (Chief Executive Officer), Ms Bronwyn Roney, Ms Anna Sierkiewicz, Mr Trevor Barnett (resigned July 2007), Mr Sel Ozyurek and Mrs Corinne Ioannou. All of the above were key management personnel during the year ended 30 June 2008.

(b) As noted above, Directors are not paid any remuneration, rather they are reimbursed for costs incurred in discharging their duties as directors. The aggregate amount paid is disclosed in the Income Statement.

	2008	2007
	$	$
(c) Compensation of Key Management Personnel		
Short term	**383,684**	323,407
Post employment	**30,872**	27,310
	414,556	350,717

NOTE 21: MEMBERS' GUARANTEE

The company is limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the company. At 30 June 2008 the number of members was 494 (2007: 493).

NOTE 22: EVENTS SUBSEQUENT TO REPORTING DATE

The financial statements were authorised for issue in accordance with a resolution of the board of directors dated 23 September 2008.

As noted in the Directors' report, Mr G Munday was appointed as a Director of the company on 5 August 2008.

	Note	2008 $	2007 $

NOTE 23: CASH FLOW INFORMATION

(a) Reconciliation of cash and cash equivalents Cash and cash equivalents at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:			
Cash on hand		**1,500**	1,050
Cash at bank		**157,147**	254,326
Deposits at call		**350,000**	205,401
		508,647	460,777
(b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax			
Profit (Loss) from ordinary activities after income tax		**(106,241)**	68,572
Non-cash flows in profit from ordinary activities			
Amortisation		**2,303**	-
Depreciation		**71,605**	69,129
Charges to provisions		**7,294**	1,139
Other non-cash expense		**-**	3,392
(Gain)/loss on disposal of property, plant and equipment		**(5,763)**	4,356
Changes in assets and liabilities:			
(Increase)/decrease in receivables		**125,409**	(146,298)
(Increase) in other assets		**(4,788)**	(6,503)
(Decrease)/Increase in payables		**24,968**	(28,200)
Cash flows from operations		**114,787**	(34,413)

NOTE 24: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of Section 272(5) of the RAO schedule:

(1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

NOTE 25: SEGMENT REPORTING

The company operates in one business and geographical segment being a trade association for authorised newsagents within Victoria, Australia.

NOTE 26: COMPANY DETAILS

The registered office of the company is:
VANA Limited
806 - 810 Nicholson Street
North Fitzroy
Melbourne Victoria 3068

VANA LIMITED
ABN 38 004 238 644

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 26 are in accordance with the Corporations Act 2001:

   (a) comply with Accounting Standards and the Corporations Regulations 2001; and

   (b) give a true and fair view of the financial position as at 30 June 2008 and of the performance for the financial year ended on that date of the company.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director ______________________ Mr R McKinnis

Director ______________________ Mr R Wade

Dated: 23rd day of September 2008

VANA LIMITED
ABN 38 004 238 644

COMMITTEE OF MANAGEMENT STATEMENT

On 23 September, 2008 the Board of Directors of the VANA Limited, being the committee of management of the organisation, adopted the following resolution in relation to the general purpose financial report for the company for the financial year ended 30 June 2008.

1. The directors declare in relation to the general purpose financial report that in their opinion:
   (a) the financial statements and notes comply with the Australian Accounting Standards;
   (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
   (c) the financial statements and notes give a true and fair view of the income statement, balance sheet and cash flows of the reporting unit for the financial year to which they relate;
   (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
   (e) during the financial year to which the general purpose financial report relates and since the end of that year:
      (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
      (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
      (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
      (iv) the organisation has consisted of a single report unit; and
      (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under Section 272 of the RAO Schedule has been furnished to a member or Registrar; and
      (vi) there has been compliance with any order for inspection of financial records made by the Commission under Section 272 of the RAO Schedule.
   (f) the organisation has not undertaken any recovery of wages activity.

DESIGNATED OFFICER: Mr R McKinnis
POSITION OF OFFICER: Chairman of the Board of Directors

SIGNATURE: ....
Dated: 23rd day of September 2008

HLB Mann Judd

Accountants | Business and Financial Advisers

Independent auditor's report to the members of VANA Limited

Report on the financial report

We have audited the accompanying financial report of VANA Limited ("the company") which comprises the balance sheet as at 30 June 2008, the income statement, statement of recognised income and expenses and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes, the directors' declaration and the committee of management statement.

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), the *Corporations Act 2001* and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the *Workplace Relations Act 1996.* 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.

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.

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

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

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

Independence

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

HLB Mann Judd (VIC Partnership)

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HLB Mann Judd

Accountants | Business and Financial Advisers

Auditor's opinion on the financial report

In our opinion, the financial report of VANA Limited is in accordance with:

(a) the *Corporations Act 2001*, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2008 and of its performance for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and the *Corporations Regulations 2001*;

(b) the *Workplace Relations Act 1996*, including:

(i) presenting fairly the company's financial position as at 30 June 2008 and of its performance for the year ended on that date; and

(ii) the requirements of Part 3 of Chapter 8 of Schedule 1 of the *Workplace Relations Act 1996*.

HLB Mann Judd

HLB Mann Judd

Jude Lau
Partner

23 September 2008
Melbourne

Member of CPA Australia and holder of a Public Practice Certificate

VANA LIMITED
ABN 38 004 238 644

OPERATING REPORT

The Board of Directors present their Operating Report on the company for the financial year ended 30 June 2008.

Membership

At 30 June 2008 VANA Limited had 494 (2007: 493).

Office structure

During the year ended 30 June 2008 VANA Limited employed 7 (2007: 7) full-time staff.

Review of operations

A review of the operations of the company during the financial year and the results of those operations found that during the year, VANA Limited has continued working to ensure the growth and financial viability of the newsagency channel through offering industry representation, advocacy, human resource assistance, political lobbying and e commerce advice. Over the past year VANA Limited has provided support, advice and information over a wide range of industrial relations and human resource issues. We have kept members informed on key industry issues through regional meetings, bulletins, the VANA Limited web site and numerous communications via mail, fax and emails. VANA Limited continues to investigate and negotiate deals for newsagents in a variety of arenas and lobbying to represent newsagents' interests at a state and national level.

Significant changes in state of affairs

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

Resignation

As outlined in Section 11 of Registered Rules of VANA Limited, a member or Associate Member of VANA Limited may resign their respective membership by written notice addressed and delivered to the Treasurer. A notice of resignation from membership or associate membership of VANA Limited will take effect from the day on which the notice is received by VANA Limited or any such later date specified in the notice.

Superannuation Trustees

No directors of VANA Limited are trustees for superannuation funds offered to its membership. Contributions for employees are made to superannuation funds, which are totally independent of VANA Limited.

Directors

The names of the directors in office at any time during or since the end of the financial year are:
Mr R McKinnis
Mr R Wade
Mr B Thomson
Mr G Tribe
Mr P Kennedy
Mrs K McDonald
Mr C Lawlor
Mr D Negri (resigned 24 April 2008)
Mr G Munday (appointed 5 August 2008)

Chairman of the Board of Directors
R McKinnis
Dated: 23rd day of September 2008