Contents of Financial Statements

For the year ended 30 June 2008

Directors' Responsibility Statement

For the year ended 30 June 2008

The Directors are responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice, of the financial statements, which give a true and fair view of the financial position of Quotable Value Limited (the Company) and the Group as at 30 June 2008 and the results of their operations and cash flows for the year ended 30 June 2008. The Group comprises Quotable Value Limited, Valuation New Zealand Limited, New Zealand Valuation Limited, Egan National Valuers (NZ) Limited, Quotable Value Australia Pty Limited and Egan Australasia Pty Limited.

The Directors consider that the financial statements of the Company and the Group have been prepared using accounting policies appropriate to the Company and Group circumstances, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable New Zealand equivalents to international financial reporting standards have been followed.

The Directors have responsibility for the maintenance of a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. The Directors consider that adequate steps have been taken to safeguard the assets of the Company and Group and to prevent and detect fraud and other irregularities.

The Directors are pleased to present the financial statements of the Company and Group for the year ended 30 June 2008.

This annual report is dated 16 September 2008 and is signed in accordance with a resolution of the Directors made pursuant to section 211(1)(k) of the Companies Act 1993.

For and on behalf of the Directors

Kay McKelvie

KAY MCKELVIE CHAIR

GEORGE REEDY CHAIR OF FINANCE, AUDIT AND RISK

Income Statement

For the year ended 30 June 2008

	NOTES	GROUP ACTUAL 2008 $000'S	GROUP BUDGET 2008 $000'S	GROUP ACTUAL 2007 $000'S	PARENT COMPANY ACTUAL 2008 $000'S	PARENT COMPANY BUDGET 2008 $000'S	PARENT COMPANY ACTUAL 2007 $000'S
Revenue	**2**	41,141	46,951	41,943	33,658	38,931	34,777
Other income	**2**	17,951	-	51	17,902	-	12
Share of profits of jointly controlled entities accounted for using the equity method	**13**	87	-	-	87	-	-
Cost of services	**2**	(40,925)	(42,410)	(38,923)	(34,337)	(35,468)	(31,801)
Interest expense		(235)	(275)	(228)	(233)	(275)	(228)
Profit before income tax expense		**18,019**	**4,266**	**2,843**	**17,077**	**3,188**	**2,760**
Income tax refund (expense)	**3**	(63)	(1,408)	(1,283)	97	(1,052)	(1,131)
Profit for the period	**24**	**17,956**	**2,858**	**1,560**	**17,174**	**2,136**	**1,629**

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance Sheet

As at 30 June 2008

	NOTES	GROUP ACTUAL 2008 $000'S	GROUP BUDGET 2008 $000'S	GROUP ACTUAL 2007 $000'S	PARENT COMPANY ACTUAL 2008 $000'S	PARENT COMPANY BUDGET 2008 $000'S	PARENT COMPANY ACTUAL 2007 $000'S
Current assets							
Cash and cash equivalents	**5**	5,896	(326)	2,732	3,984	(2,278)	1,254
Trade and other receivables	**6**	4,996	6,624	5,174	4,301	5,534	4,362
Total current assets		**10,892**	**6,298**	**7,906**	**8,285**	**3,256**	**5,616**
Non-current assets							
Investment in subsidiary companies	**10, 11, 12**	-	-	-	2,876	2,734	3,189
Investment in joint venture	**10, 13**	11,107	-	-	11,107	-	-
Property, plant & equipment	**7**	1,788	2,448	2,119	1,542	2,049	1,879
Goodwill	**8**	4,278	8,139	3,160	3,654	7,584	2,616
Intangible assets	**9**	2,822	4,074	4,455	2,781	4,428	4,428
Total non-current assets		19,995	14,661	9,734	21,960	16,795	12,112
Total assets		**30,887**	**20,959**	**17,640**	**30,245**	**20,051**	**17,728**
Current liabilities							
Trade and other payables	**19**	1,755	2,908	3,057	1,277	2,478	2,282
Employment entitlements	**20**	2,244	1,303	1,165	1,935	1,081	945
Dividend provision	**15**	5,168	1,373	688	5,168	1,068	688
Provisions	**21**	100	-	-	100	-	-
Taxation payable		(423)	534	101	(542)	211	(99)
Total current liabilities		**8,844**	**6,118**	**5,011**	**7,938**	**4,838**	**3,816**
Non-current liabilities							
Borrowings	**16**	-	4,200	3,345	-	4,200	3,345
Employment entitlements	**20**	335	352	352	110	119	119
Provisions	**21**	243	-	-	187	-	-
Deferred tax	**18**	104	375	375	108	348	375
Total non-current liabilities		682	4,927	4,072	405	4,667	3,839
Total liabilities		9,526	11,045	9,083	8,343	9,505	7,655
NET ASSETS		**21,361**	**9,914**	**8,557**	**21,902**	**10,546**	**10,073**

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance Sheet

As at 30 June 2008

		GROUP			PARENT COMPANY		
	NOTES	ACTUAL 2008 $000'S	BUDGET 2008 $000'S	ACTUAL 2007 $000'S	ACTUAL 2008 $000'S	BUDGET 2008 $000'S	ACTUAL 2007 $000'S
Equity							
Issued capital	**4**	4,600	4,600	4,600	4,600	4,600	4,600
Reserves	**23**	89	-	(164)	-	-	-
Retained earnings	**22**	16,672	5,314	4,121	17,302	5,946	5,473
TOTAL EQUITY		**21,361**	**9,914**	**8,557**	**21,902**	**10,546**	**10,073**

For and on behalf of the Board who authorised the issue of these financial statements on 16 September 2008

KAY MCKELVIE CHAIR Kay McKelvie

DATE 16 SEPTEMBER 2008

GEORGE REEDY DIRECTOR

DATE 16 SEPTEMBER 2008

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Recognised Income and Expenses

For the year ended 30 June 2008

		GROUP			PARENT COMPANY		
	NOTES	ACTUAL 2008 $000'S	BUDGET 2008 $000'S	ACTUAL 2007 $000'S	ACTUAL 2008 $000'S	BUDGET 2008 $000'S	ACTUAL 2007 $000'S
Translation of foreign operations exchange differences taken to equity		253	-	(185)	-	-	-
Net income recognised directly in equity		253	-	(185)	-	-	-
Profit for the period		17,956	2,858	1,560	17,174	2,136	1,629
Total recognised income and expenses for the period		18,209	2,858	1,375	17,174	2,136	1,629
Dividend paid and provided	**15**	5,168	1,429	688	5,168	1,068	688
		13,041	**1,429**	**687**	**12,006**	**1,068**	**941**
Attributable to:							
Equity holders of the Parent		**13,041**	**1,429**	**687**	**12,006**	**1,068**	**941**

The accompanying accounting policies and notes form an integral part of these financial statements.

Cash Flow Statement

As at 30 June 2008

		GROUP			PARENT COMPANY		
		ACTUAL	BUDGET	ACTUAL	ACTUAL	BUDGET	ACTUAL
	NOTES	2008 $000'S	2008 $000'S	2007 $000'S	2008 $000'S	2008 $000'S	2007 $000'S
Cash flows from operating activities							
Cash was provided from:							
Revenues from operations		41,567	45,754	41,460	33,806	38,021	34,237
Interest received		132	-	50	83	-	12
		41,699	45,754	41,510	33,889	38,021	34,249
Cash was applied to:							
Payments to employees and suppliers		33,201	39,907	32,476	26,622	32,715	26,736
Net GST paid		5,233	-	3,123	4,903	-	2,609
Interest paid		233	-	228	233	275	228
Income tax paid		887	981	1,340	613	771	1,268
		39,554	40,888	37,167	32,371	33,761	30,841
Net cash flows from operating activities	**23**	**2,145**	**4,866**	**4,343**	**1,518**	**4,260**	**3,408**
Cash flows from investing activities							
Cash was provided from:							
Sale of business		17,819	-	-	17,819	-	-
Sale of fixed assets		1,677	-	31	1,677	-	31
		19,496	-	31	19,496	-	31
Cash was applied to:							
Investment in subsidiary company		11,107	-	-	11,107	-	18
Purchase of goodwill		725	5,127	2,115	725	5,211	2,115
Purchase of fixed assets		2,514	2,350	2,845	2,409	2,350	2,654
		14,346	7,477	4,960	14,241	7,561	4,787
Net cash flows from investing activities		**5,150**	**(7,477)**	**(4,929)**	**5,255**	**(7,561)**	**(4,756)**
Cash flows from financing activities							
Cash was provided from:							
Loan advance		-	855	2,345	-	855	2,345
		-	855	2,345	-	855	2,345
Cash was applied to:							
Loans repaid		3,658	-	-	3,345	-	-
Dividends paid		688	823	879	688	689	879
		4,346	823	879	4,033	689	879
Net cash flows from financing activities		**(4,346)**	**32**	**1,466**	**(4,033)**	**166**	**1,466**
Net increase (decrease) in cash and cash equivalents		2,949	(2,579)	880	2,740	(3,135)	118
Effect of exchange rate on translation of independent foreign operations		215	-	(98)	(10)	-	-
Plus cash and cash equivalents as at 1 July		2,732	2,253	1,950	1,254	857	1,136
Cash and cash equivalents as at 30 June		**5,896**	**(326)**	**2,732**	**3,984**	**(2,278)**	**1,254**

The accompanying accounting policies and notes form an integral part of these financial statements.

NOTE 1: SUMMARY OF ACCOUNTING POLICIES

REPORTING ENTITY

These are the financial statements of Quotable Value Limited and Group which are state owned enterprise entities in terms of the State Owned Enterprises Act 1986. The Group comprises Quotable Value Limited, Valuation New Zealand Limited, New Zealand Valuation Limited and Egan National Valuers (NZ) Limited, which are registered under the Companies Act 1993 and Quotable Value Australia Pty Limited and Egan Australasia Pty Limited, which are registered in Australia under the Corporations Law.

The Group became a state owned enterprise on 25 January 2005; previously the Group was a Crown entity. The Group is incorporated and domiciled in New Zealand. Its principal activity is the provision of property data. The Group has designated itself as a profit-orientated entity for the purposes of New Zealand equivalent to International Financial Reporting Standards (NZ IFRS).

The financial statements were authorised for issue by the Directors on 16 September 2008.

STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP), the requirements of the State Owned Enterprises Act 1986, the Companies Act 1993 and the Financial Reporting Act 1993.

They comply with the New Zealand equivalent to International Financial Reporting Standards (NZ IFRS) and other applicable financial reporting standards. Compliance with NZ IFRS ensures that the consolidated financial statements also comply with International Financial Reporting Standards (IFRS).

BASIS OF PREPARATION

The financial statements have been prepared on a historical cost basis.

The transition to NZ IFRS is accounted for in accordance with NZ IFRS-1 "First-time Adoption of New Zealand Equivalents to International Financial Reporting Standards", with 1 July 2006 as the date of transition. An explanation of how the transition from superseded standards to NZ IFRS has affected the Company's and Group's Balance Sheet and Income Statement is included in note 29.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2008, in the comparative information presented in these financial statements for the year ended 30 June 2007, and in the preparation of the opening NZ IFRS balance sheet as at 1 July 2006 (as disclosed in note 29), the consolidated entity's date of transition.

FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in New Zealand dollars ($), which is the Group's and Parent Company's functional currency. All financial information presented in New Zealand dollars has been shown in thousands and rounded to the nearest thousand dollar.

SPECIFIC ACCOUNTING POLICIES

The following accounting policies, which materially affect the measurement of financial performance and financial position for the Parent and Group, have been applied:

(a) Budget figures
The budget figures are those approved by the Board at the beginning of the financial year.

The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Board for the preparation of the financial statements.

(b) Consolidation of subsidiaries
Subsidiaries are those entities that are controlled by the Company.

The Group financial statements incorporate the financial statements of the Company (Quotable Value Limited) and its 100% owned subsidiaries (Quotable Value Australia Pty Limited, Egan Australasia Pty Limited, Valuation New Zealand Limited, New Zealand Valuation Limited and Egan National Valuers (NZ) Limited). The subsidiaries are accounted for using the purchase method, which involves adding together corresponding assets, liabilities, revenues and expenses on a line-by-line basis. Details are disclosed in notes 10 and 11.

The consolidated financial statements include the information and results of each subsidiary from the date on which the Company obtains control and until such time as the Company ceases to control the subsidiary.

All significant inter-company transactions, balances and unrealised profits are eliminated in full upon consolidation. In the Parent Company financial statements, the investments in the subsidiary are stated at cost.

(c) Accounting for Joint Ventures and Joint Venture Companies
Joint ventures are joint arrangements between the company and other parties in which there is a contractual agreement to undertake a specific business project in which the ventures share several liability in respect of the costs and liabilities of the project and share in any resulting output.

Jointly controlled assets and operations
Interests in jointly controlled assets and operations are reported in the financial statements by including the consolidated entity's share of assets employed in the joint ventures, the share of liabilities incurred in relation to the joint ventures and the share of any expenses incurred in relation to the joint ventures in their respective classification categories.

Jointly controlled entities
Interests in jointly controlled entities are accounted for under the equity method in the consolidated financial statements and the cost method in the company financial statements. From the date of acquisition the Group recognises 50% share of profit.

(d) Revenue
Quotable Value Limited and Group derives revenue through the provision of services to third parties and income from investments.

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

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(e) Receivables

Accounts receivable are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(f) Property, plant and equipment

Property, plant and equipment asset classes consist of leasehold improvements, motor vehicles, office equipment, furniture and fittings, EDP equipment, general hardware and core application hardware.

Property, plant and equipment are stated at cost less depreciation and impairment losses.

Additions

The cost of an item of property, plant or equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the entity, and the cost of the property, plant or equipment can be measured reliably.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Any gains and losses on disposals are included in the income statement.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that the future economic benefits or service potential associated with the item will flow to the entity, and the cost of the property, plant and equipment can be measured reliably.

The day-to-day servicing costs of property, plant and equipment are recognised in the income statement when they are incurred.

Depreciation

Property, plant and equipment are depreciated on a straight-line basis that will write off the cost of the assets to their estimated residual value over their useful life.

The depreciation rates used in the preparation of these statements are as follows:

Furniture and fittings	15%
Motor vehicles	20%
Office equipment	33%
General hardware	25%
Application hardware	25%
Leasehold improvements	33%

The cost of leasehold improvements is capitalised and depreciated over the unexpired period of the lease or the estimated remaining useful life of the improvements, whichever is the shorter.

(g) Investments

Investments other than investment in subsidiaries, associates and joint venture entities are stated at cost for the first two financial years following purchase; thereafter investments are stated at the lower of cost or net realisable value. Any write-downs are recognised in the income statement.

(h) Work in progress

Work in progress is work undertaken but not invoiced at month end. The value of work in progress is stated at the lower of cost or net realisable value.

(i) Goods and services tax (GST)

Revenues, expenses and assets are the recognised net of the amount of goods and services tax (GST), except for receivables and payables, which are recognised inclusive of GST. Where GST is irrecoverable as an input tax, then it is recognised as part of the related asset or expense.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as an "operating cash flow".

(j)Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the business combination.

(k) Borrowings
Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest method.

Borrowing costs are recognised as an expense in the period in which the charge relates to.

(m) Borrowing costs
Borrowing costs are recognised as an expense in the period in which the charge relates to.

(n) Intangible assets
Goodwill
Goodwill on acquisition of subsidiaries is recognised as an asset and separately identified. Goodwill is not amortised, but tested for impairment annually and whenever there is an indication that the goodwill may be impaired. Any impairment is recognised immediately in income statement and is not subsequently reversed.

(o) Other intangible assets
Database and software
The QIVS II Database and software are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes being recognised as a change in accounting estimate.

The amortisation rates used in the preparation of these statements are as follows:

QIVS II Database	15%
Software	33%

(p) Non-derivative financial instruments
Non-derivative financial instruments include trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value on the date the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised if the entity's contractual rights to the cash flows from the financial assets expire or if the entity transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

Financial liabilities are derecognised if the entity's obligations specified in the contract expire or are discharged or cancelled.

(q) Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating leases
Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are charged as expenses in the periods in which they are incurred.

(r) Foreign currency transactions
Transactions denominated in foreign currencies are translated into New Zealand dollars using the exchange rate in effect at the transaction date. For transactions covered by short-term forward exchange contracts, the rates specified in those contracts are used as the basis for measuring and reporting the transaction.

Monetary items receivable or payable in a foreign currency, other than those resulting from short-term transactions covered by forward exchange contracts, are translated at balance date at the closing rate.

Exchange differences on foreign currency balances are recognised in the income statement.

(s) Translation of financial statements of foreign operations
Assets and liabilities of independent foreign operations are translated at the closing rate. Revenue and expense items are translated at Treasury mid-month exchange rates over the year, as a surrogate for the spot rates at transaction dates. Exchange differences arising from the foregoing are taken to the foreign currency translation reserve and recognised in the statement of movements in equity.

(t) Reserves
Foreign currency translation differences shall be recognised in equity in a foreign currency reserve.

(u) Research and development
Development costs are recognised as an asset when all of the following criteria are met:

- the product or process is clearly defined and the costs attributable to the product or process can be identified separately and measured reliably;
- the technical feasibility of the product or process can be demonstrated;
- the Company intends to produce and market, or use, the product or process;

- the existence of a market for the product or process or its usefulness to the Company, if it is to be used internally, can be demonstrated; and
- adequate resources exist, or their availability can be demonstrated, to complete the project and market or use the product or process.

Capitalisation is limited to the amount that, taken together with further related costs, is probable of recovery from related future benefits.

Development costs recognised as an asset are amortised on a straight-line basis over the period of expected benefits.

All other development costs and all research costs are recognised as expenses in the period in which they are incurred.

(v) Financial instruments
Quotable Value Limited and Group is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors, creditors and loans. All financial instruments are recognised in the balance sheet and all revenues and expenses in relation to financial instruments are recognised in the income statement.

(w) Statement of cash flows
Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Company and Group invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of the Company and Group and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure.

(y) Cash and cash equivalents
Cash comprises cash on hand and demand deposits. Cash equivalents are short-term (less than 3 months), highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. Bank overdrafts are shown with borrowing in current liabilities in the balance sheet.

(z) Payables
Trade payables and other accounts payable are recognised when the Company and Group becomes obliged to make future payments resulting from the purchase of goods and services.

(aa) Impairment of assets
The Group reviews the carrying amounts of its finite life tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. In that case the recoverable amount of the asset is estimated in order to determine the extent of impairment loss if any.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets fair value less the cost to sell and value in use.

Goodwill with indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

An impairment loss is recognised in the income statement immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

(ab) Provisions
Provisions are recognised when the Group has a present obligation (either legal or constructive) as a result of a past event, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(ac) Employee entitlements
Short-term employee entitlements
Provision is made in respect of the Company and Group liability for wages and salaries, annual leave, long service leave and retirement leave. Annual leave and other entitlements that are expected to be settled within 12 months of the reporting date are measured at nominal values on an actual entitlement basis at current rates of pay.

Long-term employee entitlements
Entitlements that are payable beyond 12 months, such as long service leave and retirement leave, have been calculated on an actuarial basis based on the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to the reporting date.

(ad) Superannuation schemes
Defined contribution schemes
Obligations for contributions to KiwiSaver are accounted for as a defined contribution superannuation scheme and are recognised as an expense in the income statement as incurred.

(ae) Restructuring provision
The parent Company has embarked on a formal restructuring program and the amount recognised is the best estimate of the consideration required to restructure the business.

(af) Lease make good provision
The company has an obligation to return lease premises to the same condition as at the commencement of the lease. The amount recognised is the best estimate of the consideration required to settle this obligation.

(ag) Other changes in accounting policies

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

In application of NZ IFRS, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. 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 the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects both current and future periods. In the process of applying the Company and Group's accounting policies, management have made judgements or estimates relating to the estimated useful life of plant, property and equipment, its fair value and the value of receivables. The judgements are disclosed in the Summary of Accounting Policies and notes to the Financial Statements.

ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

In the current year, the Company and Group has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2007. The adoption of these new and revised standards and interpretations has resulted in changes to the Company's accounting policies in the following areas that have affected the amounts reported for the current or prior years:

- Goodwill
- Intangible Assets
- Property, Plant and Equipment

The transition to NZ IFRS is accounted for in accordance with NZ IFRS 1. Additional information is contained in note 27 of the financial statements and in the accounting policy below.

At the date of authorisation of the financial report, the following standards were on issue but not yet effective:

- NZ IFRS 8 'Operating Segments';
- NZ IAS-1 'Presentation of Financial Statements' – Revised Standard;
- NZ IFRIC 11 'NZ IFRS 2 Group and Treasury Share Transactions';
- NZ IFRIC 12 'Service Concession Arrangements';
- IFRIC 13 'Customer Loyalty Programmes';
- IFRIC 14 'IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interactions';
- NZ IAS 23 'Borrowing Costs' – Revised Standard;
- IFRS-2 'Share-Based Payment' – Revised Standard;
- IFRS-3 'Business Combinations' – Revised Standard; and
- IAS-27 'Consolidated and Separate Financial Statements' – Revised Standard.

All Standards, Amendments and Interpretations are effective for annual periods beginning on or after 1 July 2007. Application of the Standards, Amendments and Interpretations is not expected to have a material impact on the financial statement account balances of the Company and Group but will require additional financial statement disclosures.

(ah) Changes in Accounting Policy

Companies registered in Australia report under the requirements of Australian equivalents to International Financial Reporting Standards (A-IFRS).

There has been no material impact on the Group financial statements by changing policies in Australia.

The accompanying accounting policies and notes form an integral part of these financial statements.

NOTE 2: INCOME AND EXPENSES

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Revenue and expenses from continuing operations includes:				
a) Revenue				
Revenue from rendering services	41,141	41,943	33,658	34,777
	41,141	**41,943**	**33,658**	**34,777**
b) Other income				
Interest income	132	51	83	12
Entry of Online business in PropertyIQ Limited	17,819	-	17,819	-
	17,951	**51**	**17,902**	**12**
c) Cost of services				
Administration expenses	1,175	1,049	925	803
Amortisation of intangible assets	1,327	1,308	1,283	1,271
Audit fee	100	109	100	108
Board expenses	252	215	240	201
Communication expenses	879	799	747	685
Computer operating expenses	2,112	1,822	2,092	1,814
Consultancy	630	378	637	284
Depreciation	947	953	862	842
Insurance	435	549	315	346
Occupancy expenses	1,975	1,787	1,439	1,255
Other costs	781	1,354	947	882
Other valuation costs	2,166	2,213	1,858	1,967
Personnel expenses	24,963	23,090	19,832	18,161
Promotional expenses	1,343	1,801	1,306	1,765
Research & development	268	177	268	175
Travel expenses	602	480	555	430
Vehicle expenses	970	839	931	812
	40,925	**38,923**	**34,337**	**31,801**
d) Auditors' remuneration				
Fees paid to auditors for:				
Audit services of Parent – current year	82	75	82	75
Audit services of Parent – prior year	3	33	3	33
NZ IFRS transition	15	-	15	-
Audit of subsidiaries	-	1	-	-
Total audit fees	**100**	**109**	**100**	**108**

The accompanying accounting policies and notes form
an integral part of these financial statements.

NOTE 3: INCOME TAX EXPENSE

(a) The prima facie income tax expenses on pre-tax accounting profit from operations reconciles to the income tax expenses in the financial statements as follows:

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Profit from operations	18,019	2,843	17,077	2,760
Income tax expense at 33% NZ (30% Aust)	5,927	933	5,635	911
Adjusted for tax effect of:				
Amortisation of goodwill	-	327	-	223
Non taxable income	(5,856)	19	(5,861)	19
Deferred tax adjustment	(8)	4	129	(22)
	63	**1,283**	**(97)**	**1,131**
Represented by:				
Current taxation	437	1,256	170	1,104
Deferred tax recognised – current year	(271)	27	(267)	27
Deferred tax recognised – prior years	(103)	-	-	-
Tax expense	**63**	**1,283**	**(97)**	**1,131**
(b) Imputation Credit Account				
Balance as at 1 July	4,439	3,444	4,146	3,223
Taxation payments during the year	887	1,340	600	1,268
Transfers and other credits	-	-	-	-
Refunds and other debits	-	(6)	-	(6)
Dividends paid		(339)	-	(339)
Balance as at 30 June	5,326	4,439	4,746	4,146

NOTE 4: SHARE CAPITAL

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Balance at 1 July	4,600	4,600	4,600	4,600
Balance at 30 June	**4,600**	**4,600**	**4,600**	**4,600**

At 30 June 2008 the Company has authorised and issued 4,600,000 shares fully paid (2007: 4,600,000). The shares have no par value. All shares carry equal voting rights and the right to share in any surplus on winding up of the Company. None of the shares carry fixed dividend rights. There is no right of redemption attached to these shares.

NOTE 5: CASH & CASH EQUIVALENTS

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Cash at bank	5,891	2,728	3,980	1,251
Petty cash	5	4	4	3
	5,896	**2,732**	**3,984**	**1,254**

The carrying value of the short-term deposits with maturity dates of 3 months or less approximates their fair value.

The accompanying accounting policies and notes form an integral part of these financial statements.

NOTE 6: TRADE & OTHER RECEIVABLES

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Trade receivables	3,612	4,056	3,009	3,301
Allowance for doubtful debts	(98)	(78)	(65)	(50)
Other receivables	470	583	408	589
Work in progress	1,012	613	949	522
	4,996	**5,174**	**4,301**	**4,362**

The average credit period on sales of services is 30 days. No interest is charged on the trade receivables. An allowance has been made for doubtful debts based on calculations made by management taking into account historical trends.

As at 30 June 2008 all overdue receivables have been assessed for impairment and appropriate provisions applied. Schedule (a) is the aged debtors schedule for the Group and schedule (b) is the aged debtors schedule for the Parent Company.

AGED DEBTORS SCHEDULE FOR THE GROUP

	2008			2007		
	GROSS	IMPAIRMENT	NET	GROSS	IMPAIRMENT	NET
Not past due	2,478	-	2,478	2,952	-	2,952
Past due 1 – 30 days	498	-	498	721	-	721
Past due 31 – 60 days	164	-	164	169	-	169
Past due 61 – 90 days	472	(98)	374	214	(78)	136
Past due > 91 days	-	-	-	-	-	
Total trade receivables for the Group	**3,612**	**(98)**	**3,514**	**4,056**	**(78)**	**3,978**

AGED DEBTORS SCHEDULE FOR THE PARENT COMPANY

	2008			2007		
	GROSS	IMPAIRMENT	NET	GROSS	IMPAIRMENT	NET
Gross	Impairment		Gross			
Not past due	2,148	-	2,148	2,530	-	2,530
Past due 1 – 30 days	393	-	393	505	-	505
Past due 31 – 60 days	141	-	141	107	-	107
Past due 61 – 90 days	327	(65)	262	159	(50)	109
Past due > 91 days	-	-	-	-	-	-
Total trade receivables for the Parent Company	**3,009**	**(65)**	**2,944**	**3,301**	**(50)**	**3,251**

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

The fair value of the property, plant and equipment is approximately equal to their carrying amount. In the year ended 30 June 2008 for the Company and Group there were no:

- items of property, plant or equipment that were not in current use;
- impairment losses recognised or reversed in the current period;
- borrowing costs capitalised; and
- restriction in title relating to property, plant and equipment or items pledged as security for liabilities.

The following schedule shows the movements of property, plant and equipment for the year ended 30 June 2008. Table (a) shows the movements for the Group and table (b) shows the movements for the Company.

(a) Movements in property, plant and equipment for the Group

	LEASEHOLD IMPROVEMENTS	MOTOR VEHICLES	OFFICE EQUIPMENT	FURNITURE & FITTINGS	EDP EQUIPMENT	GENERAL HARDWARE	CORE APPLICATION HARDWARE	TOTAL
	$000'S	$000'S	$000'S	$000'S	$000'S	$000'S	$000'S	$000'S
Gross carrying amount								
Balance as at 1 July 2006	447	310	229	553	34	3,779	910	6,262
Additions	127	-	14	93	-	399	-	633
Disposals	(2)	(43)	(3)	(2)	-	(45)	-	(95)
Balance as at 1 July 2007	572	267	240	644	34	4,133	910	6,800
Additions	61	-	24	99	-	648	-	832
Disposals	-	(37)	(4)	(24)	-	(1,030)	-	(1,095)
Balance as at 30 June 2008	**633**	**230**	**260**	**719**	**34**	**3,751**	**910**	**6,537**
Accumulated depreciation and impairment losses								
Balance as at 1 July 2006	(357)	(242)	(210)	(293)	(26)	(2,550)	(625)	(4,303)
Disposals	53	35	22	20	(1)	374	72	575
Depreciation expense	(115)	(-)	(19)	(55)	-	(616)	(148)	(953)
Balance as at 1 July 2007	(419)	(207)	(207)	(328)	(27)	(2,792)	(701)	(4,681)
Disposals	-	29	1	19	-	435	395	879
Depreciation expense	(76)	-	(19)	(78)	-	(660)	(114)	(947)
Balance as at 30 June 2008	**(495)**	**(178)**	**(225)**	**(387)**	**(27)**	**(3,017)**	**(420)**	**(4,749)**
Net book value								
As at 30 June 2007	153	60	33	316	7	1,341	209	2,119
As at 30 June 2008	**138**	**52**	**35**	**332**	**7**	**734**	**490**	**1,788**

The accompanying accounting policies and notes form an integral part of these financial statements.

(b) Movements in property, plant and equipment for the Company

	LEASEHOLD IMPROVEMENTS $000'S	MOTOR VEHICLES $000'S	OFFICE EQUIPMENT $000'S	FURNITURE & FITTINGS $000'S	EDP EQUIPMENT $000'S	GENERAL HARDWARE $000'S	CORE APPLICATION HARDWARE $000'S	TOTAL $000'S
Gross carrying amount								
Balance as at 1 July 2006	425	310	153	463	34	3,426	955	5,766
Additions	127	-	14	93	-	273	-	507
Disposals	-	(43)	-	-	-	-	(45)	(88)
Balance as at 1 July 2007	552	267	167	556	34	3,699	910	6,185
Additions	61	-	20	77	-	583	-	741
Disposals	-	(37)	(2)	(24)	-	(552)	(458)	(1,073)
Balance as at 30 June 2008	**613**	**230**	**185**	**609**	**34**	**3,730**	**452**	**5,853**
Accumulated depreciation and impairment losses								
Balance as at 1 July 2006	(347)	(242)	(138)	(251)	(26)	(2,347)	(625)	(3,976)
Disposals	51	35	3	14	(1)	338	72	512
Depreciation expense	(108)	-	(13)	(41)	-	(532)	(148)	(842)
Balance as at 1 July 2007	**(404)**	**(207)**	**(148)**	**(278)**	**(27)**	**(2,541)**	**(701)**	**(4,306)**
Disposals	-	29	1	19	-	413	395	857
Depreciation expense	(71)	-	(13)	(65)	-	(599)	(114)	(862)
Balance as at 30 June 2008	**(475)**	**(178)**	**(160)**	**(324)**	**(27)**	**(2,727)**	**(420)**	**(4,311)**
Net book value								
As at 30 June 2007	148	60	19	278	7	1,158	209	1,879
As at 30 June 2008	**138**	**52**	**25**	**285**	**7**	**1,003**	**32**	**1,542**

NOTE 8: GOODWILL

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Gross carrying amount				
Balance as at 1 July	7,585	2,160	5,196	2,160
Effects of foreign currency exchange differences	80	(73)	-	-
Plus goodwill on acquisition in Australia	-	2,462	-	-
Plus goodwill on acquisition in New Zealand	1,038	3,036	1,038	3,036
Balance as at 30 June	8,703	7,585	6,234	5,196
Accumulated impairment losses				
Balance as at 1 July	(4,425)	(3,406)	(2,580)	(1,905)
Impairment loss for year	-	(1,019)	-	(675)
Balance as at 30 June	**(4,425)**	**(4,425)**	**(2,580)**	**(2,580)**
Net book value as at 1 July	3,160	2,146	2,616	1,176
Net book value as at 30 June	**4,278**	**3,160**	**3,654**	**2,616**

During the financial year, the Group assessed the recoverable amount of goodwill, and determined that goodwill associated with the Group's operations was not impaired (2007: nil).

NOTE 9: INTANGIBLE ASSETS

The following schedule shows the movements of intangible assets for the year ended 30 June 2008. Table (a) shows the movements for the Group and table (b) shows the movements for the Company.

(a) Movements in intangible assets for the Group

	COMPUTER SOFTWARE $000'S	QIVS II $000'S	QIVS II WIP $000'S	TOTAL $000'S
Gross carrying amount				
Balance as at 1 July 2006	2,184	8,261	-	10,445
Additions	283	1,124	200	1,607
Disposals	-	-	-	-
Balance as at 1 July 2007	2,467	9,385	200	12,052
Additions	236	1,192	148	1,609
Disposals	(44)	(4,605)	(200)	(4,849)
Balance as at 30 June 2008	**2,692**	**5,972**	**148**	**8,812**
Accumulated amortisation and impairment losses				
Balance as at 1 July 2006	(1,803)	(4,486)	-	(6,289)
Disposals	-	-	-	-
Impairment	(262)	(1,046)	-	(1,308)
Balance as at 1 July 2007	(2,065)	(5,532)	-	(7,597)
Disposals	41	2,893	-	2,934
Impairment	(299)	(1,028)	-	(1,327)
Balance as at 30 June 2008	**(2,323)**	**(3,667)**	**-**	**(5,990)**
Net book value				
As at 30 June 2007	402	3,853	200	4,455
As at 30 June 2008	**369**	**2,305**	**148**	**2,822**

The accompanying accounting policies and notes form an integral part of these financial statements.

(b) Movements in intangible assets for the Parent Company

	COMPUTER SOFTWARE	QIVS II	QIVS II WIP	TOTAL
	$000'S	$000'S	$000'S	$000'S
Gross carrying amount				
Balance as at 1 July 2006	1,959	8,261	-	10,220
Additions	283	1,124	200	1,607
Disposals	-	-	-	-
Balance as at 1 July 2007	2,242	9,385	200	11,827
Additions	242	1,192	139	1,573
Disposals	(44)	(4,605)	(200)	(4,849)
Balance as at 30 June 2008	**2,440**	**5,972**	**139**	**8,551**
Accumulated amortisation and impairment losses				
Balance as at 1 July 2006	(1,642)	(4,486)	-	(6,128)
Disposals	-	-	-	-
Impairment	(225)	(1,046)	-	(1,271)
Balance as at 1 July 2007	(1,867)	(5,532)	-	(7,399)
Disposals	19	2,893	-	2,912
Impairment	(255)	(1,028)	-	(1,283)
Balance as at 30 June 2008	**(2,103)**	**(3,667)**	**-**	**(5,770)**
Net book value				
As at 30 June 2007	375	3,853	200	4,428
As at 30 June 2008	**337**	**2,305**	**139**	**2,781**

The Company has reviewed the value of the QIVS II database in accordance with the impairment test and, as the database supports operational business processes, its value is estimated to be greater than the book value. The Company believes that the database holds its value on a going concern basis as revenue-generating capacity continues.

The accompanying accounting policies and notes form an integral part of these financial statements.

NOTE 10: SUBSIDIARY AND ASSOCIATE COMPANIES

Quotable Value Limited has five subsidiary companies and one associate company (2007: five subsidiaries)

Name of Company	Percentage Holding at Balance Date		Principal Activities	Balance Date
Subsidiaries	2008	2007		
Valuation New Zealand Limited	100	100	Name protection	30 June
New Zealand Valuation Limited	100	100	Name protection and investment company holding shares in QV Limited (formerly Property Insight Limited), 45% shareholding in PropertyInsight Limited and 45% share of Property Insight Joint Venture	30 June
Egan National Valuers (NZ) Limited formerly Valuations of New Zealand Limited	100	100	Name protection	30 June
Egan Australasia Pty Limited (unaudited and incorporated)	100	100	Property Valuation	30 June
Quotable Value Australia Pty Limited (unaudited and incorporated	100	100	Property Valuation	30 June
Joint venture company				
PropertyIQ Limited	50	-	Sale of online data Information	30 June

COUNTRY OF INCORPORATION

- PropertyIQ Limited, Valuation New Zealand Limited, New Zealand Valuation Limited and Egan National Valuers (NZ) Limited were all incorporated in New Zealand.
- Egan Australasia Pty Limited was incorporated in Victoria, Australia.
- Quotable Value Australia Pty Limited was incorporated in New South Wales, Australia.

In December 2007 PropertyInsight Limited was incorporated in New Zealand. The Company did not trade in 2008.

NOTE 11: INVESTMENT IN SUBSIDIARY COMPANIES

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Investment – at cost	-	-	3,171	3,171
Plus: Investment in existing subsidiary	-	-	18	18
Purchase (repayment) of investment	-	-	(313)	-
Translation differences	-	-	-	-
	-	**-**	**2,876**	**3,189**

The accompanying accounting policies and notes form an integral part of these financial statements.

NOTE 12: JOINT VENTURE

The Group, through subsidiary company New Zealand Valuation Limited, has a 45% participating interest in Property Insight Joint Venture, a joint venture set up to develop, market and sell hazard data for properties situated in New Zealand. Under the joint venture agreement, revenue and costs are shared in proportion to their interest. The Group interest in this joint venture has the following effect on the financial statements:

	GROUP	
	2008 $000'S	2007 $000'S
Statement of income		
Operating revenue	141	205
Expenses	(152)	(229)
Share of jointly controlled entities profit/(loss)	**(11)**	**(24)**
Balance sheet		
Current assets	53	129
Intangible assets	41	26
Total assets	94	155
Current liabilities	66	116
Non-current liabilities	-	-
Total liabilities	66	116
NET ASSETS	**28**	**39**

There were no contingent liabilities/contingent assets or commitments as at 30 June 2008 (2007: $nil) in the joint venture.

NOTE 13: INVESTMENT IN JOINT VENTURE COMPANY

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Balance at beginning of year	-	-	-	-
Plus: Investment in shares of new joint venture company	10,946	-	10,946	-
Accounts receivable	74	-	74	-
Share of profits	87	-	87	-
	11,107	**-**	**11,107**	**-**

Quotable Value Limited has a 50% share holding in PropertyIQ Limited. Quotable Value Limited purchased 50% of the Company shares for $10,945,840 on 2 April 2008.

The balance date of PropertyIQ Limited is 30 June.

Quotable Value Limited has accounted for the investment in PropertyIQ Limited using the equity method. Profit from PropertyIQ Limited have been recognised in the income statement from 1 April 2008.

NOTE 14: RELATED PARTY INFORMATION

Quotable Value Limited and Group are state owned enterprise entities in terms of the State Owned Enterprises Act 1986. The New Zealand Government influences the roles of Quotable Value Limited and Group.

The Company has entered into a number of transactions with government departments, Crown agencies and state owned enterprises on an arm's-length basis. These transactions are not considered to be related party transactions.

Transactions between related subsidiaries include loans and advances to and from subsidiaries. These transactions are interest free and on demand.

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Loans and advances outstanding:				
Egan Australasia Pty Limited	-	-	2,836	2,836
New Zealand Valuation Limited	-	-	40	353
	-	**-**	**2,876**	**3,189**

Other trading related transactions are as follows:

- $10,933 (2007: $15372) of joint venture revenue has been invoiced through Quotable Value Limited, the Parent Company of New Zealand Valuation Limited. PropertyInsight Joint Venture then invoices Quotable Value Limited for the same amount.
- Trade debtors of $30 (2007: $2,597) are outstanding from Quotable Value Limited, the Parent Company of New Zealand Valuation Limited for data information sales. These debtors are paid on normal trading terms.
- Trade creditors of $46,503 (2007: $101,731) are owing to Quotable Value Limited, the Parent Company of New Zealand Valuation Limited for license fees in relation to data provided to the joint venture. This amount is due to be paid within 60 days.
- Trade creditors of $46,503 (2007: $101,731) are owing to Geological Surveys (New Zealand) Limited, a joint venture partner, for license fees in relation to data provided to the joint venture. This amount is due to be paid within 60 days.
- Trade creditors of $10,333 (2007: $22,607) are owing to Nui Pacific Limited, a joint venture partner, for service fees in relation to data information sales. This amount is due to be paid within 60 days.
- Interest free, on demand loan from Quotable Value Limited.
- A subvention payment of $313,000 was paid to the subsidiary company New Zealand Valuation Limited.
- Trade debtors of $74,238 are owing from PropertyIQ Limited for consultancy fees and reimbursement of employee entitlements over the first three months of operations. This amount is a short term loan and will be repaid as funds allow. All transactions were at arms length.
- Share of profit from PropertyIQ Limited amounts to $87,500.

All other transactions between entities and directors within the group were on an arm's length basis both at normal market prices and on normal commercial terms. There are no guarantees to or from any related parties.

At balance date, the Group has not made any allowance for impairment losses relating to amounts owed by related parties as the payment history has been excellent (2007: nil). An impairment assessment is undertaken each year by examining the financial position of the related party and the market in which the related party operates to determine whether there is objective evidence that a related party receivable is impaired. When such objective evidence exits, the Group recognises an allowance for the impairment loss.

The accompanying accounting policies and notes form an integral part of these financial statements.

Key management personnel include all board members, the Chief Executive and the 6 members of the management team. Compensation paid to these members is as follows:

	2008 $000'S	2007 $000'S
Salaries and short term benefits	1,685	1,684
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
Total key management personnel compensation	**1,685**	**1,684**

NOTE 15: DIVIDEND PROVISION

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Balance as at 1 July	688	879	688	879
Additional provision recognised	168	688	168	688
Provision for special dividend	5,000	-	5,000	-
Reductions arising from payments	(688)	(879)	(688)	(879)
Balance as at 30 June	**5,168**	**688**	**5,168**	**688**

In June 2008, the directors declared a final normal dividend of $168,000 together with a special dividend of $5,000,000 in respect of the financial year ended 30 June 2008, to be paid to shareholders on October 2008.

NOTE 16: BORROWINGS

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Non-current				
Westpac Money Market	-	3,345	-	3,345
	-	**3,345**	**-**	**3,345**

The bank overdraft is made available subject to the terms of an unsecured negative pledge. The facility available totals $1,000,000.

The interest rate is determined at the time of borrowing. The year end rate was 10.45% per annum (2007: 9.95% per annum). The average interest rate for the year was 10.20% per annum (2007: 9.28% per annum).

Borrowings consists of the bank term loan made available subject to the terms of an unsecured negative pledge. The facility currently available totals $4,500,000 (2007: $4,500,000). There are no fixed repayment terms.

Of the available facility $nil (2007: $3,345,000) has been used at balance date it is classed as a non-current borrowings.

A commitment fee of 0.05% per month is paid on the total facility of $5,500,000.

The fair value of the Westpac Money Market is approximately equal to its carrying amount.

NOTE 17: FINANCIAL INSTRUMENTS

Interest rate risk management
The Parent Company and Group are exposed to interest rate risk as the entities borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

Sensitivity analysis
As at 30 June 2008, if the 90-day bank bill rate had been 50 basis points higher or lower, with all other variables held constant, the surplus/deficit for the year would have been constant as the Company had no lending. The sensitivity is lower in 2008 than 2007 because of a reduction in outstanding borrowings that has occurred as the loans have been repaid.

Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company and Group operates in Australian dollars, which requires the entities to enter into transactions denominated in Australian dollars. The Company and Group holds small balances of Australian dollars at call with international banks. As a result of these activities, exposure to currency risk arises.

Sensitivity analysis
As at 30 June 2008, if the New Zealand dollar had weakened/strengthened by 5% against the Australian dollar, with all other variables held constant, the surplus for the year would have remained constant, as profits remain in the country of origin.

Credit risk
Credit risk is the risk that a counterparty will default on its contractual obligation to the Company and Group, resulting in financial loss to the Company and Group. The Company and Group has adopted a policy of only dealing with creditworthy counterparties.

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivables. The Company and Group has no significant concentration of credit risk, as its credit customers are relatively small.

Liquidity risk
Liquidity risk is the risk that the Company and Group will encounter difficulty to meet their short-term commitments as they fall due. The Company and Group manages liquidity risk by maintaining sufficient cash by preparing monthly cash flow reports and budgets. The debtors' collection process and cash position is monitored daily.

NOTE 18: DEFERRED TAX

The following tables shows the deferred tax liability for the year:

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Balance as at 1 July	375	348	375	348
Movements during the year:				
Temporary differences	(271)	27	(267)	27
Balance as at 30 June	**104**	**375**	**108**	**375**

The accompanying accounting policies and notes form an integral part of these financial statements.

The following tables show a breakdown of the deferred tax liability for the year. Table (i) is for the Group and table (ii) is for the Company.

(i) Deferred tax assets/(liabilities) for the Group

	OPENING BALANCE $000'S	CHARGED TO INCOME $000'S	CHARGED TO EQUITY $000'S	ACQUISITION DISPOSAL $000'S	EXCHANGE DIFFERENCES $000'S	CLOSING BALANCE $000'S
Gross deferred tax liabilities:						
Property, plant and equipment	(743)	242	-	-	-	(501)
Other	-	4	-	-	-	4
	(743)	**246**	**-**	**-**	**-**	**(497)**
Gross deferred tax asset						
Employee entitlements	351	20	-	-	-	371
Doubtful debt and impairment losses	17	5	-	-	-	22
Other	-	-	-	-	-	-
	368	25	-	-	-	393
Total	**(375)**	**271**	**-**	**-**	**-**	**(104)**

(ii) Deferred tax assets/(liabilities) for the Parent Company

	OPENING BALANCE $000'S	CHARGED TO INCOME $000'S	CHARGED TO EQUITY $000'S	ACQUISITION DISPOSAL $000'S	EXCHANGE DIFFERENCES $000'S	CLOSING BALANCE $000'S
Gross deferred tax liabilities:						
Property, plant and equipment	(743)	242	-	-	-	(501)
Other	-	-	-	-	-	-
	(743)	**242**	**-**	**-**	**-**	**(501)**
Gross deferred tax asset						
Provisions	351	20	-	-	-	371
Doubtful debt and impairment losses	17	5	-	-	-	22
Other	-	-	-	-	-	-
	368	25	-	-	-	393
	(375)	**267**	**-**	**-**	**-**	**(108)**

NOTE 19: TRADE & OTHER PAYABLES

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Trade payables	369	326	238	98
Other payables	981	2,464	780	2,047
Goods and services tax (GST) payable	405	267	259	137
	1,755	**3,057**	**1,277**	**2,282**

The average credit period on invoices is 30 days. The Group have financial risk management policies in place to ensure that all payables are paid within the credit time frame.

NOTE 20: EMPLOYMENT ENTITLEMENTS

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Employment entitlements consist of:	-	-	-	-
Holiday pay	1,174	1,165	1,016	945
Accrued salaries and wages	1,070	-	919	-
Other employee entitlements	335	-	110	-
	2,579	1,165	2,045	945
Payable in the following period:				
Current employment entitlements				
Within 1 year	2,244	1,165	1,935	945
Non-current employment entitlements				
After 1 year	335	352	110	119
	2,759	**1,517**	**2,045**	**1,064**

NOTE 21: PROVISIONS

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Current provisions are represented by:				
Restructuring	100	-	100	-
Lease make good	243	-	187	-
	343	-	287	-
Payable in the following period:				
Current provisions				
Within one year	100	-	100	-
Non-current provisions				
After one year	243	-	187	-
	343	**-**	**287**	**-**

NOTE 22: RETAINED EARNINGS

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Balance as at 1 July	3,884	3,249	5,296	4,532
Profit for the year	17,956	1,560	17,174	1,629
Dividends provided for or paid (note 14)	(5,168)	(688)	(5,168)	(688)
Balance as at 30 June	**16,672**	**4,121**	**17,302**	**5,473**

The accompanying accounting policies and notes form an integral part of these financial statements.

NOTE 23: RESERVES

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Foreign currency translation reserve				
Balance as at 1 July	(164)	21	-	-
Arising on translation of independent foreign operations	253	(185)	-	-
Balance as at 30 June	**89**	**(164)**	**-**	**-**

Exchange differences relating to the translation of Australian dollars, being the financial currency of the consolidated Group's foreign controlled entities in Australia, into New Zealand dollars are brought to account by entries made directly to the foreign currency translation reserve.

NOTE 24: RECONCILIATION OF PROFIT FOR THE PERIOD TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Profit for the period	17,956	1,560	17,174	1,629
Depreciation	947	953	862	842
Impairment of intangible assets	1,327	1,308	1,283	1,271
Amortisation of goodwill	-	1,019	-	675
Movement in provision of doubtful debts	(16)	-	(15)	-
Loss (gain) on sale of property, plant and equipment	571	39	571	41
Loss (gain) on sale of QVO	(17,819)	-	(17,819)	-
Changes in net assets and liabilities:				
Decrease (increase) in receivables	322	(487)	76	(540)
Increase (decrease) in payables	(1,149)	(10)	(885)	(324)
Increase (decrease) in employee entitlements	843	67	981	(6)
Increase in GST payable	(13)	(49)	-	(43)
Increase (decrease) in tax payable	(824)	(57)	(710)	(137)
Net cash from operating activities	**2,145**	**4,343**	**1,518**	**3,408**

NOTE 25: CONTINGENT LIABILITIES

Bonds

The Group has performance bonds for contracts undertaken in Australia together with rental bonds on properties occupied. The table below details the values associated with the Group for these bonds:

	2008 $000'S	2007 $000'S
Contract performance bonds	438	438
Rental bonds	153	153
Total bond value	**591**	**591**

Un-quantified claims

A claim has been received regarding valuations undertaken by a QV contractor as at 30 June 2008 (2007: nil). The claim relates to a number of valuations undertaken on two properties over a three year period, QV is the defendant for this claim. It is not yet certain whether this claim is valid and QV is unable to assess its exposure to it. The costs of the claim proving to be successful against QV are expected to be substantially covered under QV's insurance policies.

The accompanying accounting policies and notes form an integral part of these financial statements.

NOTE 26: BUDGET VARIANCE

Income Statement

Revenues for the year were significantly above budget due mainly to the gain made on entering QV assets into the newly created PropertyIQ Limited joint venture. This revenue gain was somewhat offset by reduced revenues from the online and valuation divisions. The online reduction was due in part to three months of revenue being moved into PropertyIQ Limited.

The net impact of the revenue variances translated into a significantly higher profit before tax than was budgeted. The gain on the transfer of assets to PropertyIQ Limited was capital in nature which has meant that no income tax was incurred.

Balance Sheet

The major variances to budget related to the investment and gain made on PropertyIQ Limited. An investment was booked at the inception of PropertyIQ Limited along with receiving a significant amount of cash. This along with the gain made on transferring assets has meant that the net assets of the Company and Group are more than double that budgeted even after allowing for a significant special dividend.

Offsetting PropertyIQ Limited variances was the fact that anticipated investments have not been made in the second half of the financial year.

Cashflow

The cash position of the Company and Group is better than had been budgeted. This again is due to the benefits accruing from PropertyIQ Limited investment but is also a result of the delay in other investments budgeted.

NOTE 27: COMMITMENTS STATEMENT

	GROUP		PARENT COMPANY	
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Capital commitments approved and not contracted	4,750	6,615	4,750	6,615
Non-cancellable operating lease commitments, payable:				
Not later than 1 year	1,448	1,474	1,183	1,236
Later than 1 year and not later than 2 years	873	911	734	773
Later than 2 years and not later than 5 years	985	689	985	623
Total commitments	**8,056**	**9,689**	**7,652**	**9,247**

NOTE 28: CAPITAL MANAGEMENT

Quotable Value (QV) capital is equity, which comprises accumulated funds and other reserves. Equity is represented by net assets.

QV is subject to the financial management and accountability of the State Owned Enterprises Act 1986.

QV manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments and general financial dealings to ensure QV achieves its objectives and purpose whilst remaining a going concern.

NOTE 29: TRANSITION TO NEW ZEALAND EQUIVALENTS OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (NZ IFRS)

(a) Quotable Value Limited and Group has applied NZ IFRS 1 in preparing the NZ IFRS opening balance sheet.

The Group's transition date is 1 July 2006 and the opening NZ IFRS balance sheet was prepared at that date. The Group's adoption date is 1 July 2007. In preparing the opening balance sheet in accordance with NZ IFRS, the Group has applied the mandatory exceptions and is certain of the optional exemptions from full retrospective application of NZ IFRS.

The accompanying accounting policies and notes form
an integral part of these financial statements.

The reconciliations in (b), (c) and (d) provide a quantification of the effect of the transition to NZ IFRS. Note 27 (e) are the notes for the reconciliations in (b), (c) and (d)

(b) (i) Overview of impact on Group Equity of the transition to NZ IFRS at 1 July 2007

	ISSUED CAPITAL GROUP	RETAINED EARNINGS GROUP	FOREIGN CURRENCY RESERVES GROUP	TOTAL EQUITY GROUP
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Closing Equity under NZ GAAP as at 30 June 2006	4,600	3,249	21	7,870
Adjustment resulting in movement in Equity	-	-	-	-
Closing Equity under NZ IFRS as at 1 July 2006	**4,600**	**3,249**	**21**	**7,870**
Closing Equity under NZ GAAP as at 30 June 2007	4,600	4,121	(164)	8,557
Adjustment resulting in movement in Equity	-	(237)	-	(237)
Closing Equity under NZ IFRS as at 1 July 2007	**4,600**	**3,884**	**(164)**	**8,320**

(b) (ii) Overview of impact on Parent Company Equity of the transition to NZ IFRS at 1 July 2007

	ISSUED CAPITAL COMPANY	RETAINED EARNINGS COMPANY	FOREIGN CURRENCY RESERVES COMPANY	TOTAL EQUITY COMPANY
	2008 $000'S	2007 $000'S	2008 $000'S	2007 $000'S
Closing Equity under NZ GAAP as at 30 June 2006	4,600	4,532	-	9,132
Adjustment resulting in movement in Equity	-	-	-	-
Closing Equity under NZ IFRS as at 1 July 2006	**4,600**	**4,532**	**-**	**9,132**
Closing Equity under NZ GAAP as at 30 June 2007	4,600	5,473	-	10,073
Adjustment resulting in movement in Equity	-	(177)	-	(167)
Closing Equity under NZ IFRS as at 1 July 2007	**4,600**	**5,296**	**-**	**9,906**

(c) (i) Reconciliation of Equity for Group as at 1 July 2006

	NOTES	PREVIOUS NZ GAAP GROUP $000'S	EFFECT OF TRANSITION TO NZ IFRS GROUP $000'S	NZ IFRS GROUP $000'S
Equity				
Issued capital		4,600	-	4,600
Reserves		21	-	21
Retained earnings		3,249	-	3,249
		7,870	**-**	**7,870**
Non-current liabilities				
Borrowings		1,000	-	1,000
Employment entitlements		364	-	364
Deferred tax		348	-	348
		1,712	**-**	**1,712**
Current liabilities				
Trade and other payables		3,168	-	3,168
Employment entitlements		1,129	-	1,129
Dividend provision		879	-	879
Taxation payable		197	-	197
		5,373	**-**	**5,373**
Equity and liabilities		**14,955**	**-**	**14,955**
Non-current assets				
Property, plant & equipment	**(e)(i)**	6,079	(4,119)	1,960
Goodwill		2,146	-	2,146
Intangible assets	**(e)(i)**	-	4,119	4,119
		8,225	**-**	**8,225**
Current assets				
Cash and cash equivalents		1,950	-	1,950
Trade and other receivables		4,780	-	4,780
		6,730	-	6,730
TOTAL ASSETS		**14,955**	**-**	**14,955**

The accompanying accounting policies and notes form an integral part of these financial statements.

(c) (ii) Reconciliation of Equity for Group as at 30 June 2007

	NOTES	PREVIOUS NZ GAAP GROUP $000'S	EFFECT OF TRANSITION TO NZ IFRS GROUP $000'S	NZ IFRS GROUP $000'S
Equity				
Issued capital		4,600	-	4,600
Reserves		(164)	-	(164)
Retained earnings	**(e)(ii)**	4,121	(237)	3,884
		8,557	**(237)**	**8,320**
Non-current liabilities				
Borrowings		3,345	-	3,345
Employment entitlements		352	-	352
Deferred tax		375	-	375
		4,072	**-**	**4,072**
Current liabilities				
Trade and other payables	**(e)(ii)**	3,057	237	3,294
Employment entitlements		1,165	-	1,165
Dividend provision		688	-	688
Taxation payable		101	-	101
		5,011	237	5,248
Equity and liabilities		**17,640**	**-**	**17,640**
Non-current assets				
Property, plant & equipment	**(e)(i)**	6,574	(4,454)	2,120
Goodwill		3,160	-	3,160
Intangible assets	**(e)(i)**	-	4,454	4,454
		9,734	**-**	**9,734**
Current assets				
Cash and cash equivalents		2,732	-	2,732
Trade and other receivables		5,174	-	5,174
		7,906	-	7,906
TOTAL ASSETS		**17,640**	**-**	**17,640**

The accompanying accounting policies and notes form an integral part of these financial statements.

(c) (iii) Reconciliation of Equity for Parent Company as at 1 July 2006

	NOTES	PREVIOUS NZ GAAP COMPANY $000'S	EFFECT OF TRANSITION TO NZ IFRS COMPANY $000'S	NZ IFRS COMPANY $000'S
Equity				
Issued capital		4,600	-	4,600
Reserves		-	-	-
Retained earnings		4,532	-	4,532
		9,132	**-**	**9,132**
Non-current liabilities				
Borrowings		1,000	-	1,000
Employment entitlements		124	-	124
Deferred tax		348	-	348
		1,472	**-**	**1,472**
Current liabilities				
Trade and other payables		2,650	-	2,650
Employment entitlements		946	-	946
Dividend provision		879	-	879
Borrowings		-	-	-
Taxation payable		65	-	65
		4,540	**-**	**4,540**
Equity and liabilities		**15,144**	**-**	**15,144**
Non-current assets				
Investment In subsidiary companies		3,171	-	3,171
Property, plant & equipment	**(e)(i)**	5,839	(4,049)	1,790
Goodwill		1,176	-	1,176
Intangible assets	**(e)(i)**	-	4,049	4,049
		10,186	**-**	**10,186**
Current assets				
Cash and cash equivalents		1,136	-	1,136
Trade and other receivables		3,822	-	3,822
		4,958	-	4,958
TOTAL ASSETS		**15,144**	**-**	**15,144**

The accompanying accounting policies and notes form an integral part of these financial statements.

(c) (iv) Reconciliation of Equity for Parent Company as at 30 June 2007

	NOTES	PREVIOUS NZ GAAP GROUP $000'S	EFFECT OF TRANSITION TO NZ IFRS GROUP $000'S	NZ IFRS GROUP $000'S
Equity				
Issued capital		4,600	-	4,600
Reserves		-	-	-
Retained earnings	**(e)(ii)**	5,473	(177)	5,296
		10,073	**(177)**	**9,896**
Non-current liabilities				
Borrowings		3,345	-	3,345
Employment entitlements		119	-	119
Deferred tax		375	-	375
		3,839	**-**	**3,839**
Current liabilities				
Trade and other payables	**(e)(ii)**	2,282	177	2,459
Employment entitlements		945	-	945
Dividend provision		688	-	688
Taxation payable		(99)	-	(99)
		3,816	177	3,993
Equity and liabilities		**17,728**	**-**	**17,728**
Non-current assets				
Investment In subsidiary companies		3,189	-	3,189
Property, plant & equipment	**(e)(i)**	6,307	(4,428)	1,879
Goodwill		2,616	-	2,616
Intangible assets	**(e)(i)**	-	4,428	4,428
		12,112	**-**	**12,112**
Current assets				
Cash and cash equivalents		1,254	-	1,254
Trade and other receivables		4,362	-	4,362
		5,616	-	5,616
TOTAL ASSETS		**17,728**	**-**	**17,728**

(d) (i) Reconciliation of Profit for Group for the year ended 30 June 2007

	PREVIOUS NZ GAAP GROUP $000'S	EFFECT OF TRANSITION TO NZ IFRS GROUP $000'S	NZ IFRS GROUP $000'S
Revenue	41,943	-	41,943
Expenses	(38,923)	-	(38,923)
Profit before financing costs	3,020	-	3,020
Interest revenue	51	-	51
Interest expenses	(228)	-	(228)
Net financing costs	(177)	-	(177)
Profit before tax	2,843	-	2,843
Tax expense	(1,283)	-	(1,283)
Profit for the period	**1,560**	**-**	**1,560**

(d) (ii) Reconciliation of Profit for Parent Company for the year ended 30 June 2007

	PREVIOUS NZ GAAP COMPANY $000'S	EFFECT OF TRANSITION TO NZ IFRS COMPANY $000'S	NZ IFRS COMPANY $000'S
Revenue	34,777	-	34,777
Expenses	(31,801)	-	(31,801)
Profit before financing costs	2,976	-	2,976
Interest revenue	12	-	12
Interest expenses	(228)	-	(228)
Net financing costs	(216)	-	(216)
Profit before tax	2,760	-	2,760
Tax expense	(1,131)	-	(1,131)
Profit for the period	**1,629**	**-**	**1,629**

(e) Notes to the transition to NZ IFRS

(e) (i) Intangible assets

The computer software and the QIVS II database have been reclassified as intangible assets under NZ IAS 38.

(e) (ii) Make good provision

The company has an obligation to return lease premises to the same condition as at the commencement of the lease. The amount recognised is the best estimate of the consideration required to settle this obligation.

(f) Effects of NZ IFRS on the Cash Flow Statement

There are no material differences between the Cash Flow Statement presented under NZ IFRS and the Cash Flow Statement presented under superseded policies.

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Key Performance Indicators

For the year ended 30 June 2008

FINANCIAL PERFORMANCE INDICATORS

The Board agreed the following targets with the Minister at the beginning of the year:

Specified financial performance	SCI TARGET	GROUP ACHIEVEMENT
Surplus after tax and impairment ($000)	2,858	17,956
Ratio of net surplus after taxation and impairment and before dividends to average shareholder funds (%)	30.80%	120.03%
Ratio of net surplus before interest, taxation and goodwill impairment to total tangible assets (%)	36.20%	68.10%
Net surplus after taxation and impairment before dividends to total sales (%)	6.10%	30.39%
Current ratio (%)	99.00%	123.15%
Term debt/Term debt + equity ratio (maximum 30%)	29.80%	0.00%

The actual achievements against SCI targets are affected by the gain made on the transfer of QV Online assets into PropertyIQ Limited. This is described in more detail under Note 25.

NON FINANCIAL PERFORMANCE INDICATORS

The Board agreed the following non financial targets with the Minister at the beginning of the year:

Specified financial performance	SCI TARGET	GROUP ACHIEVEMENT
% of actionable subdivisions received by 1 June 2008 entered into roll by 30th June 2008	95.00%	100.00%
Roll revisions completed by implementation date	100.00%	100.00%
Users ranked website as good or excellent	85.00%	85.00%
Accuracy of website ranked as good or excellent	75.00%	78.00%
Staff turnover decreased year on year	20.00%	20.00%

The accompanying accounting policies and notes form an integral part of these financial statements.

Statutory Information

For the year ended 30 June 2008

1. DIRECTORS' REMUNERATION

Directors of the Company during the year and remuneration and other benefits paid to the directors by the Company were $210,000 (Parent) AUS$10,000 (Subsidiaries).

DIRECTOR	PERIOD	BOARD	2008 000'S
Kate Frykberg	Part year	Quotable Value Limited	NZ$17
	Part year	Egan Australasia Pty Limited	
	Part year	Quotable Value Australia Pty Limited	
	Part year	PropertyInsight Joint Venture	
Jocelyn Martin	Full year	Quotable Value Limited	NZ$23
	Part year	Egan Australasia Pty Limited	
	Part year	Quotable Value Australia Pty Limited	
Kay McKelvie (Chair)	Full year	Quotable Value Limited	NZ$50
	Part year	Egan Australasia Pty Limited	
	Part year	Quotable Value Australia Pty Limited	
	Full year	Egan National Valuers (NZ) Limited	
	Full year	New Zealand Valuation Limited	
	Full year	QV Limited formerly Property Insight Limited	
William Osborne (CEO)	Full year	Quotable Value Australia Pty Limited	NZ$0
	Full year	Egan Australasia Pty Limited	
	Full year	Egan National Valuers (NZ) Limited	
	Full year	QV Limited formerly Property Insight Limited	
	Part year	PropertyInsight Joint Venture	
	Full year	New Zealand Valuation Limited	
	Part year	PropertyIQ Limited	
Marek Petrovs	Full year	Quotable Value Australia Pty Limited	AUS$5
	Full year	Egan Australasia Pty Limited	AUS$5
Sue Piper	Full year	Quotable Value Limited	NZ$25
	Full year	Egan Australasia Pty Limited	
	Full year	Quotable Value Australia Pty Limited	
	Part year	PropertyInsight Joint Venture	
George Reedy	Full year	Quotable Value Limited	NZ$25
	Full year	Egan Australasia Pty Limited	
	Full year	Quotable Value Australia Pty Limited	
Derek Walker (Deputy Chair)	Full year	Quotable Value Limited	NZ$32
	Full year	Egan Australasia Pty Limited	
	Full year	Quotable Value Australia Pty Limited	
Bryan Hemi	Full year	Quotable Value Limited	NZ$25
	Part year	Egan Australasia Pty Limited	
	Part year	Quotable Value Australia Pty Limited	
	Part year	PropertyIQ Limited	
Tony Timms	Part year	Quotable Value Limited	NZ$13
	Part year	Egan Australasia Pty Limited	
	Part year	Quotable Value Australia Pty Limited	
Bryce Johnson	Part year	PropertyInsight Joint Venture	NZ$0

2. EMPLOYEES' REMUNERATION

Remuneration and other benefits of $100,000 per annum or more received by employees in their capacity as employees were:

	2008	2007
$100,000 - $109,999	3	11
$110,000 - $119,999	13	8
$120,000 - $129,999	5	6
$130,000 - $139,999	4	3
$140,000 - $149,999	8	2
$150,000 - $159,999	2	3
$160,000 - $169,999	2	2
$170,000 - $179,999	1	1
$180,000 - $189,999	1	1
$190,000 - $199,999	2	1
$200,000 - $209,999	1	0
$210,000 - $219,999	1	1
$230,000 - $239,999	1	0
$240,000 - $259,999	0	1
$390,000 - $399,999	1	0
$400,000 - $409,999	0	1

The Chief Executive's remuneration and benefits is in the $390,000 - $399,999 band. (2007: $400,000 - $409,999).

3. KEY MANAGEMENT PERSONNEL

Key management personnel include all board members, the Chief Executive and the six members of the management team. Compensation paid to these members is as follows:

	2008 $000'S	2007 $000'S
Salaries and short term benefits	1,685	1,684
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
Total key management personnel compensation	**1,685**	**1,684**

The accompanying accounting policies and notes form an integral part of these financial statements.

4. INTERESTS REGISTER

A Directors' interests register is maintained by the Board as listed below:

Kay McKelvie	Director, Word Pictures Ltd, Media Production Company
	Chair, Waitemata District Health Board
	Director, New Zealand Valuation Limited & Valuation New Zealand Limited
	Director, Tourism NZ
	Chair, Housing New Zealand Appeal Authority
George Reedy	Director & General Manager, Actrix Networks Ltd
	Director & General Manager, Connections Inc Ltd
	Director, Vichi Management Ltd
	Principal, G H Reedy &Associates, Chartered Accountants
	Director, Kawa No Okane Investments Ltd
	Director, Egan Australasia Pty Ltd & QV Australia Pty Ltd
	Director, Raider Internet Ltd
	Director, R U Online Ltd
	Director, Post Box Earth International Ltd
	FAC Advisory Board, Victoria University
	Director, Big Group Limited
Jocelyn Martin	Member, Council of Auckland University of Technology (AUT)
	Pro Chancellor AUT
	Partner, Minter Ellison
	Board Member, Minter Ellison
	Trustee, AUT Foundation
Derek Walker	Director/Chair, Palmerston North Airport Ltd
	Director/Chair, NZ Wind Farms Ltd & subsidiaries
	Chair, The Bio Commerce Centre Ltd & subsidiaries
	Director, Egan Australasia Pty Ltd & QV Australia Pty Ltd
	Director/Shareholder Third Bearing Ltd (TBL)
	Director/Shareholder TBL Investments Ltd
	Director/Shareholder Elmira Consulting Ltd
	Director/Shareholder Elmira 41 Ltd
	Trustee, Central Energy Trust
	Trustee, Manawatu Life Education Trust
	Director, Manawatu Healthy Homes Limited
	Director, Speirs Group Limited
Sue Piper	Chair, PropertyInsight Joint Venture
	Local Govt Commission / Regulatory Body
	Director, Philanthropy NZ
	Chair, Local Govt Commission
	Project Review Team, Water Safety NZ
	President of Croquet NZ
	Lay Member, NZ Law Practitioners Law Society
	Sport Wellington Board
	Director, Te Papa
Bryan Hemi	Director &Shareholder, JNB Investments Ltd
	Director, Aotearoa Credit Union
	Trustee, Hempire Whanua Trust
	Shareholder, iTools Ideas Ltd
	Shareholder, Direction Software Ltd
	iTools Online Ltd, wholly owned subsidiary of iTools Ideas
	Consultant, Cavendish International
	Shareholder, iTools APSS
	Director, PropertyIQ
Tony Timms	Nil

The Board of Directors acknowledges that the Company and Group holds Directors and Officers liability insurance arranged through Marsh for up to AUS$20Million limit of liability through Vero Liability Insurance (80%) and QBE (20%).

5. DONATIONS

Donations made by the Company and Group during the year ended 30 June 2008 totalled $Nil (2007: $4,801).

6. CHANGES IN BUSINESS OF COMPANY

During the year ended 30 June 2008 there were no changes in the nature of business of the Company, which includes the provision of property valuations, data and information.

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Corporate Governance

For the year ended 30 June 2008

FINANCIAL STATEMENTS

The Directors of Quotable Value Limited (QV) are responsible for preparing financial statements that give a true and fair view of the financial position of the Company as at the end of the financial year and the results of operations and cash flows for the year. The external auditors are responsible for expressing an opinion on the financial statements, based on their review and assessment of the conclusions drawn from evidence obtained in the course of the external audit.

The financial statements set out in this report have been prepared by management in accordance with generally accepted accounting practice. They are based on appropriate accounting policies which have been consistently applied and which are supported by reasonable judgements and estimates.

BOARD OF DIRECTORS

The Board of Directors retains full and effective control over the Company, monitors executive management and ensures that decisions on material matters are in the hands of the Board. The Chair of the Board of Directors is Kay McKelvie who was appointed 1 June 2004.

During the year, Kate Frykberg resigned from the Board.

Shareholding Ministers appointed Tony Timms to the Board, increasing the Board's compliment to seven.

The Company had seven full Board meetings during the year with four by phone conference call. Most full Board meetings take place in either Wellington or Auckland. In conjunction with these meetings, the Board and executive management team usually meet twice a year to review the Company's strategy and progress.

SUBSIDIARY COMPANIES

QV has a 100%-owned operating subsidiary, Quotable Value Australia Pty Limited (QVA) Incorporated in New South Wales, Australia. The Directors of QVA are George Reedy, Derek Walker (Directors of QV), William Osborne (CEO of QV) and Australian resident Company Director, Marek Petrovs.

QV has a 100%-owned operating subsidiary, Egan Australasia Pty Limited (EGAN) incorporated in Victoria, Australia. The Directors of EGAN are George Reedy, Derek Walker, (Directors of QV), William Osborne (CEO of QV) and Australian resident Company Director, Marek Petrovs.

QV has a 45% share of Property Insight Joint Venture (PIJV) through it's subsidiary Company New Zealand Valuation Limited (NZVL). The Directors of NZVL are Kay McKelvie (Chair QV) and William Osborne (CEO of QV). The Directors of PIJV are Sue Piper (Director of QV) and Bryce Johnson (GM Data of QV).

QV has a 50% share of PropertyIQ Limited (PIQ). The Directors of PIQ are Bryan Hemi (Director of QV) and William Osborne (CEO of QV).

INTERNAL CONTROL

To fulfil its responsibilities, management maintains adequate accounting records and has developed and continues to maintain an appropriate system of internal controls.

The accompanying accounting policies and notes form an integral part of these financial statements.

- Directors acknowledge that they are responsible for the Company's system of internal financial control.
- Internal financial controls implemented by management can provide only reasonable and not absolute assurance against material misstatement or loss.

The Directors constantly review the effectiveness of the system of internal financial control. No major breakdowns were identified during the year in the system of internal control.

After reviewing internal management financial reports and budgets the directors believe that the Company and the Group will continue to be a going concern in the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

COMMITTEES OF THE BOARD

The Company has two standing committees. They are:

1. The Finance, Audit and Risk Committee
The Finance, Audit and Risk Committee comprises George Reedy (Chair), Derek Walker and Sue Piper. The purpose of this Committee is to oversee the financial management, external and internal audit functions and the overall risk management of the Company. The Committee usually meets three times per year.

2. The Remuneration Committee
The Remuneration Committee comprises, the Chair, Kay McKelvie and Directors, Jocelyn Martin, Derek Walker and Bryan Hemi. It takes responsibility for the remuneration policy, executive remuneration and in consultation with the Board takes responsibility for the Chief Executive's performance review.

DIRECTOR AND BOARD APPRAISAL

The Board has a policy of formally evaluating its own performance, and that of the individual directors, annually.

The appraisal consisted of the Board considering individually and collectively their contribution to the following key areas:

- Adding Value
- Conformance
- Shareholder Relationships
- Managing Performance

At the conclusion of the appraisal process the Board was pleased with the development, progress and contribution of each Director and happy with the overall functioning of the Leadership of the Board.

DIRECTOR DEVELOPMENT

The Board believes it is in the best interest of the Company to ensure that Directors will remain current with best corporate governance practice. The Company budgets a small amount each year to support the continued professional development of Directors.

Audit Report

For the year ended 30 June 2008

TO THE READERS OF QUOTABLE VALUE LIMITED AND GROUP'S

The Auditor General is the auditor of Quotable Value Limited and Group (the Company) and Group. The Auditor General has appointed me, John O'Connell, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Company and Group, on his behalf, for the year ended 30 June 2008.

UNQUALIFIED OPINION

In our opinion:

- The financial statements of the Company and Group on pages 14 to 45:
  - comply with generally accepted accounting practice in New Zealand;
  - comply with International Financial Reporting Standards; and
  - give a true and fair view of:
    - the Company and Group's financial position as at 30 June 2008; and
    - the results of operations and cash flows for the year ended on that date.
- Based on our examination the Company and Group kept proper accounting records.

The audit was completed on 29 September 2008, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and the Auditor, and explain our independence.

BASIS OF OPINION

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board of Directors;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support our opinion above.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE AUDITOR

The Board of Directors is responsible for preparing the financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must give a true and fair view of the financial position of the Company and Group as at 30 June 2008 and the results of operations and cash flows for the year ended on that date. The Board of Directors' responsibilities arise from the State-Owned Enterprises Act 1986 and the Financial Reporting Act 1993.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 19(1) of the State-Owned Enterprises Act 1986.

INDEPENDENCE

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit, we have no relationship with or interests in the Company or any of its subsidiaries.

John O'Connell

JOHN O'CONNELL AUDIT NEW ZEALAND
ON BEHALF OF THE AUDITOR-GENERAL, WELLINGTON, NEW ZEALAND

MATTERS RELATING TO THE ELECTRONIC PRESENTATION OF THE AUDITED FINANCIAL STATEMENTS

This audit report relates to the financial statements of Quotable Value Limited for the year ended 30 June 2008 included on Quotable Value Limited's web-site. Quotable Value Limited's Board of Directors is responsible for the maintenance and integrity of Quotable Value Limited's web site. We have not been engaged to report on the integrity of Quotable Value Limited's web site. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 29 September 2008 to confirm the information included in the audited financial statements presented on this web site.

Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directory

For the year ended 30 June 2008

Kay McKelvie	Director (& Chair)
George Reedy	Director
Jocelyn Martin	Director
Kate Frykberg	Director
Derek Walker	Director
Sue Piper	Director
Bryan Hemi	Director
Tony Timms	Director
Bill Osborne	Chief Executive bill.osborne@qv.co.nz
Bryce Johnson	General Manager Data Services bryce.johnson@qv.co.nz
Jacquie Witham	General Manager Customer Solutions jacquie.witham@qv.co.nz
Nick McKissack	General Manager Service Delivery nick.mckissack@qv.co.nz
Steve Langridge	General Manager Online steve.langridge@qv.co.nz
Stuart Allan	General Manager Corporate Services stuart.allan@qv.co.nz
Head Office	QV House, 163 Thorndon Quay, Wellington, New Zealand
Postal Address	PO Box 5098, Wellington, New Zealand
Telephone	64 4 473 8555
Facsimile	64 4 473 8552
Website	www.qv.co.nz
Auditor	Audit New Zealand, Wellington, New Zealand on behalf of the Controller and Auditor-General
Bankers	Westpac Banking Corporation
Solicitors	Simpson Grierson
Insurer	Marsh Ltd

The accompanying accounting policies and notes form
an integral part of these financial statements.

www.qv.co.nz | www.darrochvaluations.co.nz | www.propertyiq.co.nz

Quotable Value Limited

Printed in New Zealand on environmentally responsible paperstock.