

Appendix 4E

Preliminary final report

The following information is given to the Australian Stock Exchange (ASX) under ASX listing rule 4.3A.

Name of entity

AUTHORISED INVESTMENT FUND LIMITED ABN 51 068 793 322
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Reporting period: **Financial year ended 30 June 2014**

Previous corresponding period: Financial year ended 30 June 2013

Results for announcement to the market

				\$A'000
Revenues from ordinary activities	Up	437%	to	1,301
Net profit from ordinary activities after tax attributable to members	Up	1095%	to	528
Net profit for the period attributable to members	Up	1095%	to	528
Dividends				
	Amount per security		Franked amount per security	
Reporting period:				
Final dividend	nil		nil	
Interim dividend	nil		nil	
Previous corresponding period:				
Final dividend	nil		nil	
Interim dividend	nil		nil	
Record date for determining entitlements to the dividend	Not applicable			

AUTHORISED INVESTMENT FUND 2014 ANNUAL REPORT

CHAIRMANS LETTER

It is with pleasure that I report on behalf of the Directors, that the company has achieved another year of growth with net profit of Authorised Investment Fund increasing by 1095%. This is our third successive annual gain and reflects the strong progress in building value by the managements of our investee companies.

Over the past few years, we have worked hard to restructure our investment portfolio by either selling non-core holdings or writing off under-performing investments. This process is now complete and the portfolio now comprises two core holdings; NSX listed Endless Solar Corporation Ltd (9%), and unlisted SpeedPanel Australia Ltd (11%).

Endless Solar is rebounding strongly after several very difficult years and is well advanced on a number of potentially very valuable technology development projects. SpeedPanel is growing strongly as production capacity is being expanded to meet rapidly rising demand in response to the increasing acceptance of its innovative lightweight building panel in the commercial construction industry.

We have every confidence that our investments in these two companies will enjoy large valuation gains into the medium term.

Authorised Investment Fund is now well placed to pursue opportunities to grow its investment portfolio. Management has reviewed a number of opportunities over the past year but they did not meet our investment criteria.

Authorised Investment Fund has a number of advantages for investee companies due to its status as a listed pooled development fund and management has developed a number of strategies to utilise these advantages in pursuing further investments. Accordingly, we are now actively seeking opportunities to grow our investment portfolio and we would like to add a number of investments to our current core holdings.

The Board looks to the future with confidence as we seek new growth investments to add to our current investments, which are well placed to drive growth.

INVESTMENT PORTFOLIO REVIEW

ENDLESS SOLAR CORPORATION

Authorised Investment Fund owns 9% of the Limited Voting Ordinary shares of Endless Solar Corporation Ltd.

2014 financial performance

Endless Solar designs and supplies evacuated tube solar hot water systems for residential and commercial purposes. The company's principal office is located in Sydney from where it services

commercial customers and 12 retail distributors around Australia. A small sales office has recently been established in Melbourne.

The company has experienced a roller-coaster environment over the past five years as sales initially boomed in response to government subsidies and support for everything solar followed by a collapse in sales as this support was wound back.

The company responded to the changed market and slump in residential demand by restructuring its operations, changing management, relocating its premises and redirecting its sales focus to the commercial market. Management has also looked to innovation as a source of competitive advantage and driver of long term growth. In particular, it has invested considerable capital in a major research project called CoolSolar, the objective of which is to harness heat from a solar hot water system for conversion into cool air through an air-conditioning system.

The strategy to reposition the business toward the commercial market looks like it will be successful. The commercial market is growing as more sophisticated customers appreciate the long term benefits solar water heating. Whereas the residential market is highly competitive and dominated by flat panels, the commercial market is under-serviced with clients demanding a greater emphasis on design, quality and support. Also commercial projects generally have higher sales values. Endless Solar has been successful in this market in securing design and supply contracts with a range of government, institutional and commercial customers.

Innovation is a core element of Endless Solar's growth strategy with the potential to generate substantial long term value. A number of projects are being pursued but the most important is CoolSolar, a unique project to produce cool air from solar heat. The project has successfully demonstrated a proof of concept and designed the ejector, which is the key component of the technology. A major outcome has been the receipt of 4 PCTs (the step between provisional and final patents).

The next step is to undertake field trials which will test the technology in prototype configuration, encompassing evacuated tubes as the heat source to test performance under a variety of environmental (temperature) conditions. These tests will seek to prove that the technology can reduce ambient heat to 20 degrees and maintain this temperature as well as establishing the number of tubes required to deliver sufficient heat.

The field trial is in effect a performance test under heavy duty operating conditions. This test will be a critical milestone as it will validate the technology and provide the data necessary for potential licensees and investors with which to fully assess its potential. These tests will also provide a basis for valuation of the technology.

The field trial is expected to be completed during the following financial year.

SPEEDPANEL AUSTRALIA

Authorised Investment Fund owns 11% of the Ordinary shares of Speedpanel Australia Ltd.

2014 financial performance

Speedpanel is a new age, lightweight building product. It is used for non-load bearing fire rated and acoustic walls in the construction industry due to its superior performance and speed of installation. It is lightweight & easily handled making for fast installation. Speedpanel can be installed both vertically and horizontally and has the ability to span large distances between supports satisfying fire, acoustic and relative wind load requirements.

Ease of handling and rapid installation have made Speedpanel a compelling proposition for builders. Acceptance is growing rapidly and the product is now being used in many major construction projects including Barrangaroo in Sydney and the Royal Adelaide Hospital. It is also featured in the current edition of *The Block* (on the Nine Network) where it has been designed as the fire-rated inter-tenancy wall solution between all of the competitors apartments and will be installed in the car park area with a Monument (Colorbond) finish. Meriton, Australia's largest builder of apartments, is undertaking evaluation trials of Speedpanel which could see widespread use of the products in their developments throughout Sydney and South East Queensland.

Management focus over the past few years has been on commercialisation and driving market acceptance for this innovative product. In response to accelerating growth in demand for Speedpanel, the company will move to new premises in November 2014 which will enable capacity to be expanded from the current level of 20,000m² per month to 60,000m² per month. This expanded capacity is expected to be quickly absorbed by the market which will drive a big uplift in sales and profits over the next eighteen months.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
 COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014	2013
	\$	\$	\$
Revenue from ordinary activities			
Bank interest		28	6,954
Increase in investment valuation		1,301,584	290,438
		1,301,612	297,392
Administration and other expenses		(107,091)	(102,034)
Depreciation and amortisation expenses		-	(98)
Impairment of financial assets		(591,112)	(147,012)
Loss from sale of investment assets		(74,827)	-
Profit(Loss) before income tax expense	3.4	528,582	48,248
Income tax (expense) benefit	5	-	-
		528,582	48,248
Net profit/(loss)			
Other comprehensive income/ (loss) for year	-	-	-
Total comprehensive income/(loss) for the year		528,582	48,248
Profit/(loss) attributable:			
Owners of the parent		528,582	48,248
Non-controlling interest		-	-
		528,582	48,248
Earnings per share:			
Basic earnings profit(loss) per share (cents per share)	7	0.38	0.04
Diluted earnings profit(loss) per share (cents per share)	7	0.38	0.04

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
Current Assets			
Cash and cash equivalents		141,908	6,289
Trade and other receivables		-	36,728
Other current assets		15,136	13,903
Total current Assets		157,044	56,920
Non-current Assets			
Financial assets		2,322,583	1,899,427
Total non-current Assets		2,322,583	1,899,427
Total Assets		2,479,627	1,956,347
Current Liabilities			
Trade and other payables		13,736	45,038
Total Current Liabilities		13,736	45,038
Non-current Liabilities			
		-	-
Total non-current Liabilities		-	-
Total Liabilities		13,736	45,038
Net Assets		2,465,891	1,911,309
Equity			
Issued capital		10,434,348	10,408,348
Accumulated Losses		(7,968,457)	(8,497,039)
Total Equity		2,465,891	1,911,309

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Issued Capital \$	Accumulated Losses \$	Total \$
Balance as at 1 July 2012	10,112,208	(8,545,287)	1,566,993
Shares issued during the year	307,305		307,305
Transaction costs	(11,237)		(11,237)
Profit(Loss) attributable to members of the parent entity		48,248	48,248
Balance at 30 June 2013	10,408,348	(8,497,039)	1,911,309
Shares issued during the year	26,000		26,000
Transaction costs			
Profit(Loss) attributable to members of the parent entity		528,582	528,582
Balance at 30 June 2014	10,434,348	(7,968,457)	2,465,891

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Cash Flows from Operating Activities			
Cash receipts in the course of operations		36,728	5,037
Cash payments in the course of operations		(113,624)	(307,427)
Interest received		28	1,737
Net cash used in operating activities	10 (a)	(76,868)	(300,653)
Cash Flows from Investing Activities			
Payments for investments		(56,000)	-
Proceeds from sale of investments		268,486	-
Payment for plant and equipment		-	-
Net cash used in investing activities		212,486	-
Cash Flows from Financing Activities			
Proceeds from rights issue		-	290,068
Proceeds from issue of shares		-	-
Net cash provided by financing activities		-	290,068
Net increase (decrease) in cash		135,619	(10,585)
Cash at the beginning of the year		6,289	16,874
Cash at the end of the year		141,908	6,289

NOTES TO THE PRELIMINARY FINAL REPORT

1. Basis of Preparation

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E. The accounting policies adopted in the preparation of this report are consistent with those adopted and disclosed in the June 2014 report.

2. Interest Income	2014	2013
	\$	\$
Interest received	28	1,737
Other Income	-	1,917
Rent and administration charged to:		
Other	-	3,300
Total Interest Income	28	6,954

3. Profit/(Loss) from Ordinary Activities

Profit/(Loss) from ordinary activities before related income tax expense has been determined after charging (crediting) the following items:

Rental expense on operating leases	12,000	19,600
Impairment of investment	(591,112)	(290,438)
Increase in valuation of investment	1,301,584	-
Investment Written off – Mornington Winery Group	-	97,052
Loss from sale of investment – Freudenberg Tech P/L	(74,827)	-

4. Individually Significant Items of Expense

Impairment of investment	-	-
Investment Written off – Mornington Winery Group	-	97,052
Impairment of loan	591,112	49,960
	<hr/>	<hr/>
Total	591,112	147,012

NOTES TO THE PRELIMINARY FINAL REPORT

5. Income Tax Expense

	2014 \$	2013 \$
The prima facie tax expense (benefit) on the loss from ordinary activities before income tax at PDF (Pooled Development Fund) rate of 25%	132,145	12,062
Add (less)tax effect of:		
- non deductible expenses	-	-
- Future income tax benefits not brought to account	15,633	60,548
- Write-back for impairment of investments	(147,777)	(72,610)
- Write-back for doubtful debts		
Income tax expense	-	-

6. Net Tangible Assets per Security

	2014 ¢ per share	2013 ¢ per share
Net tangible assets per security	1.79¢	1.4¢

7. Earnings per Share

		2014 ¢ per share	2013 ¢ per share
Basic earnings per share	a	0.38¢	0.04¢
Diluted earnings per share	b	0.38¢	0.04¢

(a) Basic earnings per share

Earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	2014 \$	2013 \$
Earnings	528,582	48,248
	Parent entity shares	
	2014 No.	2013 No.
Weighted average number of ordinary shares	137,567,038	133,637,702

NOTES TO THE PRELIMINARY FINAL REPORT

7. Earnings per Share (cont)

(b) Diluted earnings per share

Earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are the same as used in the calculation of diluted earnings per share and are shown in (a) above:

The following potential ordinary shares are not dilutive and are therefore excluded from the weighted average number of ordinary shares and potential ordinary shares used in the calculation of diluted earnings per share:

Options not yet exercised:

Number	Exercise Price	Expiry Date
357,088	\$0.10	10 February 2015
16,000,000	\$0.15	20 May 2016
1,000,000	\$0.055	30 June 2019
17,357,088		

8. Dividends

Dividends paid or proposed are:

No dividends were paid or proposed during the reporting period.

No dividends were paid or proposed during the previous corresponding period.

Dividend reinvestment plan:

The Company does not operate a dividend reinvestment plan.

NOTES TO THE PRELIMINARY FINAL REPORT

9. Details of associates and joint venture entities

Name of associate or joint venture entity:	Reporting entity Percentage holding:		Contribution to net profit from ordinary activities during the period:	
	2014 %	2013 %	2014 \$	2013 \$
Pizzey WIF Pty Ltd	30.0%	30.0%	-	-
			<hr/>	<hr/>

10. Notes to the Statement of Cash Flows

(a) *Reconciliation of profit from ordinary activities after related income tax to net cash flows from operating activities*

Profit/(loss) from ordinary activities after related income tax	528,582
Provision for impairment of investments	591,112
Changes in net assets and liabilities, net of effects from acquisition and disposal of businesses:	
- (increase)/decrease in valuation of investment	(1,301,584)
- (increase) / decrease in trade and other receivables	35,496
- increase / (decrease) in trade and other payables	(28,937)
- Loss from sale of investment	74,827
- Share issued in lie of consulting fees	23,636
Net cash from operating activities	<hr/> <u>(76,868)</u>

NOTES TO THE PRELIMINARY FINAL REPORT

11. Commentary on results for the period

Refer to Directors Report

12. Contributed equity

During this financial year, the company issued the following ordinary shares:

Ordinary Shares	Number	\$
At the beginning of the financial year	137,427,312	10,408,348
Allotment of shares on 08 May 2014	1,000,000	26,000
Balance at 30 June 2014	<u>138,427,312</u>	<u>10,434,348</u>

13. Events subsequent to balance date

Mr. Lingke Ni resigned as director on 21st July 2014.

14. Audit

This report is based on financial accounts which are in the process of being audited



D.H.A.Craig
Director

Dated this 27th day of August 2014.
