



CORPORATE DIRECTORY

Board of Directors

Directors

S K Cato	Non Executive Chairman
K P Chong	Managing Director
A Tan	Non Executive Director
A C Winduss	Non Executive Director

Registered Office

Suite 1
467 Scarborough Beach Road
Osborne Park WA 6017
Telephone: +61 8 9217 9800
Facsimile: +61 8 9217 9899
Email: a.winduss@advancedshare.com.au

Company Secretary

A C Winduss

Stock Exchange Listing

ASX Code ASW

Advanced Share Registry Limited is a company limited by shares, incorporated in Australia.

Corporate Office

Unit 2
150 Stirling Highway
Nedlands WA 6009
Telephone: +61 8 9389 8033
Facsimile: +61 8 9389 7871
Website: www.advancedshare.com.au
Email: Admin@advancedshare.com.au

Share Registry

Advanced Share Registry Services
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150 Stirling Highway
Nedlands WA 6009
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Facsimile: +61 8 9389 7871
Website: www.advancedshare.co.au
Email: Admin@advancedshare.com.au

Sydney Office

Level 6
225 Clarence Street
Sydney NSW 2000
Telephone: +61 2 8096 3502
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Auditors

Grant Thornton Audit Pty Ltd
Level 1
10 Kings Park Road
West Perth WA 6005

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Solicitors

Kott Gunning
Level 8, AMP Building
140 St Georges Terrace
PERTH WA 6000

FROM THE CHAIRMAN

Dear Shareholder

On behalf of the Board of Advanced Share Registry Limited (**Company**), I am delighted to deliver this Annual Report for the financial year to 30 June 2011.

We are pleased to report a significant profit for the period and the declaration and payment of an franked dividend of 2 cents per share for the 6 month period from 1 January 2011 and therefore a total dividend over the year of 3.85c.

The Advanced Share Registry Services business has been growing since inception, and this year was no exception with significant progress in NSW, aided greatly by our new Sydney office. We took the step in October last year to buy our office space in Sydney and that purchase underlines our determination to expand geographically.

Despite recent difficulties in world stock markets and a extreme slow down in new initial public offers we have continued to grow organically as many companies see the strength of our service offering and the functionality of our website for both company clients and their shareholders.

We are continuing to plan further significant upgrades and the introduction of further client services. Our challenge in the current period is to maintain growth in the current economic climate. We are pleased to report that since 30 June 2010 we have had a further 48 companies join as clients and our marketing initiatives are ongoing.

On behalf of the Directors, I welcome all new shareholders and look forward to a profitable future.



.....
Simon Cato
Chairman

DIRECTORS' REPORT

The Directors present their report, together with the financial report of the Company for the year ended 30 June 2011 and the auditor's report thereon.

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

Simon Cato	Non Executive Chairman
Kim Chong	Managing Director
Alvin Tan	Non Executive Director
Alan Winduss	Non Executive Director

Information regarding business and working experience of the Directors is set out below:

Simon Kenneth Cato

Qualifications

Experience

- Chairman, Director

- B A

- Appointed director on 22 August 2007

Mr Cato has had 28 years capital markets experience in broking and regulatory roles and as director of listed companies. He initially was employed by the ASX in Sydney and in Perth.

Over the last 20 years, he has been a public company director and executive director and/or responsible executive of 3 stockbroking firms. In those roles, he has been involved in many aspects of broking including management issues such as credit control and reporting to regulatory bodies in the securities industry. As a broker, he has also been involved in the underwriting of a number of initial public offer listings in a dual role of broker and director. Currently, he holds a number of executive and non executive roles with listed companies in Australia.

Interest in Shares & Options

Special Responsibilities

Directorships held in other listed entities

- 495,000 ordinary shares, nil options

- Mr Cato is the non executive chairman of the Company

- Mr Cato is a director of Transactions Solutions International Ltd, Greenland Minerals and Energy Ltd and Queste Communications Ltd.

Mr Cato is chairman of Convergent Minerals Limited (since 25 July 2006). Former directorships in other listed entities in past 3 years are: Bentley Capital Ltd (until 29 April 2010), Sofcom Ltd (until 19 March 2008), Scarborough Equities Ltd (merged with Bentley on 13 March 2009 and delisted).

Kim Phin Chong

Qualifications

Experience

- Managing Director

- Appointed director on 22 August 2007

Mr Chong has been actively involved in the share registry business for over 29 years. From 1981 until 1996, he was employed with major registry operators as a systems analyst, client manager and share registry division manager.

DIRECTORS' REPORT

Interest in Shares & Options
Special Responsibilities

Directorships held in other
listed entities

Alvin Tan
Qualifications
Experience

Interest in Shares & Options
Directorships held in other
listed entities

Alan Charles Winduss
Qualifications
Experience

Interest in Shares & Options
Special Responsibilities

Mr Chong commenced Advanced Share Registry Services in 1996. Commencing with six clients, his experience in information technology and business skills has guided the Company to the success it is today.

- 23,809,500 ordinary shares, nil options
- Mr Chong is the managing director of the Company, responsible for the day to day management of the business.

- nil

- Non Executive Director
- B Com (Hons)
- Mr Tan has over 17 years experience in Australia and Asia, including mergers, acquisition, listings (ASX, AIM, KLSE, Germany) and capital raisings.

Mr Tan studied at the University of Western Australia, gaining a Bachelor of Commerce with Honours, and then was employed by KPMG in Kuala Lumpur from 1993-1995 as a financial consultant. Returning to Australia, he worked with the stockbroking firm of DJ Carmichael. He was a founding director of various listed companies. Mr Tan has been a company director for various public listed companies for the last 16 years and currently is also a director of BKM Management Ltd (ASX: BKM), Orchid Capital Ltd (ASX: ORC). He has interests in companies in exploration, property development, plantation, corporate services and investment holdings.

470,500 ordinary shares, nil options.

- Mr Tan is a director of Orchid Capital Limited and BKM Management Ltd.

- Non Executive Director and Company Secretary
- CPA, FTIA, FAICD, AFAIM
- Appointed director 22 August 2007

Mr Winduss is a director of Winduss & Associates Pty Ltd. He has been involved in professional accounting in public practice for over 25 years, specialising in matters relating to corporate management, restructuring, corporate finance and company secretarial matters, including ASX and ASIC compliance.

In addition to his accounting background, he is an Associate Fellow of the Australian Institute of Management, a Fellow of the Australian Institute of Company Directors and is a registered Australian company auditor.

- 200,000 ordinary shares, nil options
- Mr Winduss is the Secretary and Chief Financial Officer of the Company.

DIRECTORS' REPORT

Directorships held in other listed entities

- Mr Winduss is a director of United Overseas Australia Ltd, UOA REIT BHD (Bursa, Malaysia), UOA Development BHD (Bursa, Malaysia) and Magna Mining Ltd.
Mr Winduss is chairman of Quest Minerals Limited and Black Ridge Mining NL.
In past 3 years, Mr Winduss was a former director of Alloy Steel International Inc (USA).

The Year under Review

The financial year ended 30 June 2011 has seen a marked increase in the Company's gross sales and profit earnings. Profit has risen by \$314,991 (21.70%) to \$1,766,816 and sales by \$950,787 (21.42%) to \$5,389,082.

This profit after was charges of \$288,802 for amortisation and depreciation.

The Directors are pleased with the operating result for the year and, depending on economic conditions which will influence corporate market activity, expect this trend to continue.

In the year under review, operating costs have increased mainly due to the advent of full operations of the Sydney branch office and the increase of experienced staff which allows us to further increase the level of service given to our clients. The Company does not believe there will be further significant cost increases during the coming year.

As advised in the half yearly report, the Company purchased its own office premises for the Sydney branch office in December 2010 and is now occupying these offices.

The Company paid a final dividend of 2c per share from 2011 operating profits on 18 August, 2011.

The Directors are confident of continuing growth for the Company.

Directors' Meetings

<u>Director</u>	<u>Board Meetings Held</u>	<u>Board Meetings Attended</u>
S. Cato	6	6
K. Chong	6	6
A. Tan	6	6
A. Winduss	6	6

Corporate Governance Statement

Unless disclosed below, all current recommendations of the ASX Corporate Governance Council ("Council") have been applied for the entire financial year ended 30 June 2011.

DIRECTORS' REPORT

The Board of Directors

The Board's primary role is to guide and monitor the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

To fulfil this role, the Board is responsible for the overall corporate governance of the Company including formulating its strategic direction, approving and monitoring financial reports and capital expenditure, setting remuneration, appointing, removing and creating succession policies for Directors and Senior Executives, establishing and monitoring the achievement of the management's goals and ensuring the integrity of the internal control and management information systems.

The Board has delegated responsibilities for the day to day operational, corporate, financial and administrative activities of the Company to the Managing Director.

Composition of the Board

The skills, experience and expertise relevant to the position of each Director who is in office at the date of this report and their term of office is detailed in the Directors' Report.

The composition of the Company's Board is determined by the following principles:

- Directors appointed by the Board are subject to election by shareholders at the following Annual General Meeting and thereafter are subject to re-election in accordance with the Company's constitution;
- a non-executive independent Director as Chairperson
- the Board shall comprise at least three Directors, increasing where additional expertise is considered desirable in certain areas, or when an outstanding candidate is identified; and
- the Board should comprise Directors with an appropriate range of qualifications and expertise.

The Board will review its composition on an annual basis to ensure it has the appropriate mix of expertise and experience. Where a vacancy exists, for whatever reason, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the Board will select the appropriate candidates with the relevant qualifications, skills and experience.

The names of the independent Directors of the Company are Mr Simon Cato and Mr Alvin Tan.

When determining whether a non-executive Director is independent, the Director must not fail any of the following materiality thresholds:

- less than 10% of the Company shares held by the Director and any entity or individual directly or indirectly associated with the Director;
- no sales are made to or purchases made from any entity or individual directly or indirectly associated with the Director; and

DIRECTORS' REPORT

- none of the Directors' income, or the income of an individual or entity directly or indirectly associated with the Director, is derived from a contract with any member of the Economic Entity other than the income derived as a Director of the entity.

Independent Directors have the right to seek independent professional advice in the furtherance of their duties as Directors at the Company's expense. Written approval must be obtained from the Chairperson prior to incurring any expenses on behalf of the Company.

Contrary to the Council's recommendation that the majority of the Board should be independent Directors, the Board believes that the current size and stature of the Company does not warrant the addition of any new independent Directors to the Board. The Board is of the opinion that the objectives and current strategy of the Company are best served and achievable by members of the current Board irrespective of their degree of independence. It is, however, the Board's intention to continually review and assess the benefits associated with the introduction of external independent non-executive Directors.

Nomination Committee

The Board believes that the Company is not of size, nor are its financial affairs of such complexity, to justify the establishment of a Nomination Committee of the Board of Directors as recommended by the Council.

Notwithstanding its reasons for not establishing a Nomination Committee, the Board resolved that it would be beneficial to adopt and implement a formal Charter that clearly sets out the Nominations Committees role and responsibilities, composition, structure and membership requirements.

All matters which might be properly dealt with by a Nomination Committee are considered at full Board of Directors meetings.

The Board will meet annually to review the necessity to establish a Nomination Committee.

Remuneration Committee

The Board believes that the Company is not of size, nor are its financial affairs of such complexity, to justify the establishment of a Remuneration Committee of the Board of Directors as recommended by the Council.

Notwithstanding its reasons for not establishing a Remuneration Committee, the Board resolved that it would be beneficial to adopt and implement a formal Charter that clearly sets out the Remuneration Committee's role and responsibilities, composition, structure and membership requirements.

All reviews of remuneration packages and policies applicable to Executive Directors, Non-Executive Directors and Senior Executive are normally conducted on an annual basis by the Remuneration Committee.

The total maximum remuneration of Non-Executive Directors was the subject of a Shareholder resolution in accordance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be

DIRECTORS' REPORT

made by the Board, having regard to inputs and value to the Company of the responsible contributions by each Non-Executive Director. The current limit, which may only be varied by Shareholders in general meeting, is an aggregate amount of \$250,000 per annum.

The Board may award additional remuneration to Non-Executive Directors called upon to perform extra services or who make special exertions on behalf of the Company.

The Board will meet annually to review the necessity to establish a Remuneration Committee.

Performance Evaluation

No formal performance evaluation of the Board was conducted for the year ended 30 June 2011 as the Board believes that the Company is not of size, nor are its financial affairs of such complexity, to warrant such an exercise.

The Board recognises the importance of performance evaluations and will continually assess the necessity and timing of future performance evaluation, including considering the appointment of an independent consultant to develop a questionnaire to be collated and developed into a series of recommendations to improve performance.

Audit Committee

The Board believes that the Company is not of a size, nor are its financial affairs of such complexity, to justify the establishment of an Audit Committee of the Board of Directors as recommended by the Council.

Notwithstanding its reasons for not establishing an Audit Committee, the Board resolved that it would be beneficial to adopt and implement a formal Charter that clearly sets out the Audit Committee's roles and responsibilities, composition, structure and membership requirements.

The Board will meet annually to review the necessity to establish an Audit Committee.

All issues and matters normally dealt with by an Audit Committee are assigned to the Company Secretary (operating within the parameters of an Audit Committee Charter), reporting directly to the Board.

Share Trading Policy

Whilst the Board encourages its Directors and employees to own securities in the Company, it is also mindful of its responsibility that the Company complies with the Corporations Act 2001 pertaining to 'insider trading' and its 'proper duties in relation to the use of insider trading'.

To ensure that the above issues comply with the requirements of the Corporations Law, the Board has established a policy on share trading in the Company's securities by Directors and employees. Essentially, the policy restricts Directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the securities prices. Active trading in Advanced Share Registry Limited shares with a view to derive profit related income is prohibited at all times.

DIRECTORS' REPORT

Other Information

Further information relating to the Company's Corporate Governance practices and policies has been made publicly available on the Company's website www.advancedshare.com.au

Ethical Standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

Term in Office

Term in office for each Director at the date of this report is:

S. Cato	4 years
K. Chong	4 years
A. Tan	4 years
A. Winduss	4 years

Information Distributed to Shareholders

The annual report is distributed to all shareholders. The Board ensures that the annual report contains relevant information about the operations of the Company in the period under review, changes in the state of affairs of the Company and other disclosures required by the Corporations Act 2001 and Australian Stock Exchange Listing Requirements.

The half yearly report is distributed to shareholders on request.

Interests in the Shares of the Company

As at the date of this report, the interests of the directors in the shares of Advanced Share Registry Limited were:

	Ordinary Shares	
	Direct	Indirect
S. Cato	350,000	145,000
K. Chong	-	23,809,500
A. Tan	-	470,500
A. Winduss	200,000	-

Earnings per Share

Basic Earnings per Share	4.17 cents
Diluted Earnings per Share	4.17 cents

DIRECTORS' REPORT

Dividends Paid or Recommended	Cents	Total
Final dividend paid – 20 August 2010	1.85c	\$784,400
Interim dividend paid – 17 February 2011	1.85c	\$784,400
Proposed final dividend –18 August 2011	2.00c	\$848,000

Nature of Operations and Principal Activities

The principal activity of the Company during the period under review is a provider of Share Registry and associated services.

Employees

The Company employed 22 persons as at 30 June 2011. (2010:16 persons)

Summarised Operating Results

The Board has identified that the Company operates in only one industry segment, being registry services. However, to provide additional information, our revenue has been classified as being derived from:

	Revenue
Industry Segment	
Registry Services	\$5,416,198
Investment Income	\$ 219,361

Shareholder Returns

The Board of Directors have approved a 2c fully franked dividend which was paid on 18 August 2011.

	2011	2010
Basic earnings per Share	4.17c	3.59c
NTA per share	13.00c	10.10c
Return on Equity	22.46%	21.82%
Return on Assets	20.12%	20.04%

Capital Structure

On 8 July 2010, a placement of 2,000,000 shares was made increasing the issued capital of the Company to 42,400,000 ordinary shares.

DIRECTORS' REPORT

Cash Flow from Operations

Cash flow from operations has been positive during the period and this is not expected to change in future periods. Cash surplus will be used for investment and expansion of the business.

Risk Management

The Directors of the Company are actively committed to risk management criteria as outlined in the Company's Corporate Governance Statement.

Likely Developments and Results

The Directors believe that likely developments in the operations of the Company and expected results from operations have been adequately disclosed in this report.

Environmental Regulations

The Company's operations are not subject to significant environment regulations under Australian Legislation in relation to the conduct of this operation.

Significant Events after Balance Date

There following matters or circumstances have arisen since balance date in relation to the Company:

The Company proposed a fully franked dividend of 2 cents per share which was paid on 18 August 2011.

Except for the matters described above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Insurance of Officers

There have been no premiums paid or indemnification given to any person who is a director or officer of the Company.

REMUNERATION REPORT (Audited)

This report details the nature and amount of remuneration of each key management person of Advanced Share Registry Ltd, and for the executives receiving the highest remuneration.

DIRECTORS' REPORT

Remuneration Policy

The remuneration policy of the Company has been designed to align key management personnel objectives with shareholder and business objectives. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

The Company's current remuneration policy does not provide for the payment of any performance based remuneration to Directors, Executives or other key management personnel. The remuneration policy also does not provide for any shares or options to be granted to personnel in respect of their remuneration packages.

Key Management Personnel Remuneration

The Board of Directors are responsible for determining and reviewing compensation arrangements for the Directors, Chief Executive Officer and the Executive team. The Directors assess the appropriateness of the nature and amount of the emoluments on a periodical basis by reference to employment market conditions and performance with the overall objective of ensuring maximum shareholder benefit from the retention of a high quality board and executive team.

Remuneration Report

Key Management Personnel	Position held as at 30 June 2011 and any change during the year	Contract details (duration and termination)
Mr Kim Phin Chong	Chief Executive Officer	3 year contract from 10 May 2011. 3 months notice required to terminate
Mr Simon Cato	Chairman (Non-executive)	No fixed term.
Mr Alan Winduss	Director (Non-executive)	No fixed term.
Mr Alvin Tan	Director (Non-executive)	No fixed term.

DIRECTORS' REPORT

Table of Benefits and Payments for the Year Ended 30 June 2011

Key Management Personnel		Short – term benefits		Post-employment benefit	Long – term benefits	Total
		Salary and fees	Profit share and Bonuses	Super-annuation	Long service Leave	
Mr Kim Phin Chong	2011	\$300,495	-	\$15,200	\$4,604	\$320,299
	2010	\$260,539	-	\$14,461	\$1,712	\$276,712
Mr Simon Cato	2011	\$34,000	-	\$12,000	-	\$46,000
	2010	\$38,000	-	\$12,000	-	\$50,000
Mr Alan Winduss	2011	\$26,000	-	-	-	\$26,000
	2010	\$30,000	-	-	-	\$30,000
Mr Alvin Tan	2011	\$26,000	-	-	-	\$26,000
	2010	\$30,000	-	-	-	\$30,000
Total	2011	\$386,495	-	\$27,200	\$4,604	\$418,299
	2010	\$358,539	-	\$26,461	\$1,712	\$386,712

The rights issued under 'Employee Performance Rights and Share Plan' were issued to employees other than key management personnel. No performance based remuneration has been, or will be, paid in relation to the year ended 30 June 2011 (2010: Nil).

No securities, including options to acquire shares, or performance rights have been or will be issued in relation to any remuneration package of key management personnel for the year ended 30 June 2011 (2010: Nil).

Proceedings on Behalf of Company

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

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

Non Audit Services

Non-Audit services provided by the entity's Auditor can be found at Note 5. The Directors are satisfied that the provision of non-audit services is compatible with the standard of independence for auditors imposed by the Corporations Act. The nature and scope of each non-audit service provided means that auditor independence was not compromised.

DIRECTORS' REPORT

Auditor's Independence Declaration

The auditor's independence declaration for period ending 30 June 2011 has been given and can be found on page 14 of this report.

Signed in accordance with a resolution of the Board of Directors



.....
Simon Cato
Chairman of Directors

Signed at Perth on the 15th of September 2011.



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**Auditor's Independence Declaration
To the Directors of Advanced Share Registry Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Advanced Share Registry Limited for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



M J Hillgrove
Director - Audit & Assurance

Perth, 15 September 2011

ADVANCED SHARE REGISTRY LIMITED
ABN 14 127 175 946

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011	2010
Sales Revenue	2	5,389,082	4,438,295
Other income	2	246,477	163,773
Occupancy expenses	3	(202,112)	(181,246)
Administrative expenses	3	(1,577,994)	(1,262,807)
Other operating expenses	3	(952,747)	(742,138)
Depreciation and amortisation expenses	3	(288,802)	(274,614)
Profit before income tax		2,613,904	2,141,263
Income tax expense	4	(847,088)	(689,438)
Profit attributable to members		1,766,816	1,451,825
Other comprehensive income		-	-
Total comprehensive income for the year		1,766,816	1,451,825
Basic earnings per share	23	4.17c	3.59c
Diluted earnings per share	23	4.17c	3.59c

The above statement of comprehensive income should be read in conjunction with the accompanying notes

ADVANCED SHARE REGISTRY LIMITED
ABN 14 127 175 946

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Notes	30.06.2011	30.06.2010 restated	As at 01.07.2009 restated
ASSETS				
Current Assets				
Cash and cash equivalents	6	4,132,162	3,714,152	3,336,885
Trade and other receivables	7	825,654	651,270	761,184
Other current assets	8	25,469	6,892	3,236
Other financial assets	9	741	741	-
Total Current Assets		4,984,026	4,373,055	4,101,305
Non-current Assets				
Property, plant and equipment	10	1,159,248	267,834	334,783
Intangible assets	11	2,354,997	2,555,198	2,755,398
Deferred tax asset	12	69,505	48,652	45,813
Total Non-current Assets		3,583,750	2,871,684	3,135,994
TOTAL ASSETS		8,567,776	7,244,739	7,237,299
LIABILITIES				
Current Liabilities				
Trade and other payables	13	254,054	355,326	526,456
Current tax liabilities	12	266,962	134,304	339,346
Provisions	14	137,510	85,505	51,599
Total Current liabilities		658,526	575,135	917,401
Non-current liabilities				
Provisions	14	18,742	10,836	4,567
Deferred tax liabilities	12	24,615	5,306	2,694
Total Non-current liabilities		43,357	16,142	7,261
TOTAL LIABILITIES		701,883	591,277	924,662
NET ASSETS		7,865,893	6,653,462	6,312,637
EQUITY				
Issued Capital	15	6,840,044	5,840,044	5,840,044
Retained earnings		1,011,435	813,418	472,593
Reserves		14,414	-	-
TOTAL EQUITY		7,865,893	6,653,462	6,312,637

The above statement of financial position should be read in conjunction with the accompanying notes

ADVANCED SHARE REGISTRY LIMITED
ABN 14 127 175 946

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

	Issued Capital	Retained Earnings	Employee Rights Reserve	Total Equity
Balance as at 1 July 2009				
<i>-Before correction of prior period error</i>	5,840,044	487,895	-	6,327,939
Correction of prior period error (Note 27)	-	(15,302)	-	(15,302)
Balance as at 1 July 2009 (restated)				
<i>-After correction of prior period error</i>	5,840,044	472,593	-	6,312,637
Total comprehensive income for the year	-	1,451,825	-	1,451,825
Subtotal	5,840,044	1,924,418	-	7,764,462
Dividends paid	-	(1,111,000)	-	(1,111,000)
Balance at 30 June 2010	5,840,044	813,418	-	6,653,462
Balance at 1 July 2010	5,840,044	813,418	-	6,653,462
Total comprehensive income for the year	-	1,766,816	-	1,766,816
Transactions with owners, in their capacity as owners, and other transfers				
Shares issued during the year	1,000,000	-	-	1,000,000
Other				
Increase on issue of Employee Rights	-	-	14,414	14,414
Subtotal	6,840,044	2,580,234	14,414	9,434,692
Dividends paid	-	(1,568,799)	-	(1,568,799)
Balance at 30 June 2011	6,840,044	1,011,435	14,414	7,865,893

The above statement of changes in equity should be read in conjunction with the accompanying notes

ADVANCED SHARE REGISTRY LIMITED
ABN 14 127 175 946

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011	2010
Cash flows from the operating activities			
Receipts from customers		5,809,384	5,002,365
Payment to suppliers and employees		(3,285,650)	(2,768,036)
Interest received		154,971	142,572
Income tax paid		(715,974)	(894,703)
Net cash flows provided by/ (used in) operating activities	16	1,962,731	1,482,198
Cash flows from investing activities			
Purchase of property, plant and equipment		(980,015)	(8,205)
Net cash flows provided by/(used in) investing activities		(980,015)	(8,205)
Cash flows provided by/ (used in) financing activities			
Proceeds from issue of shares		1,000,000	-
Repayment of borrowings		374	10,044
Dividends paid		(1,565,080)	(1,106,770)
Net cash flows provided by/ (used in) financing activities		(564,706)	(1,096,726)
Net increase in cash and cash equivalents		418,010	377,267
Cash and cash equivalents at the beginning of the year		3,714,152	3,336,885
Cash and cash equivalents at the end of the year	6	4,132,162	3,714,152

The above statement of cash flows should be read in conjunction with the accompanying notes

ADVANCED SHARE REGISTRY LIMITED
ABN 14 127 175 946

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 1: Summary of Significant Accounting Policies

This financial report includes the financial statements and notes of Advanced Share Registry Limited.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. Income Tax

The income tax expense for the year comprises current income tax expense and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting period. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

Deferred income tax expense reflects movement in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are recognised outside profit and loss.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less where applicable, any accumulated depreciation and impairment losses.

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against fair value reserves directly in equity; all other decreases are recognised in profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of comprehensive income and depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

The cost of fixed assets constructed within the Company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land and leasehold improvements, is depreciated on a diminishing value basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated on a straight line basis over the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Leasehold improvements	4-5%
Plant and Equipment	5-66%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

c. Leases

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

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

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

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

d. Financial Instruments

Initial recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified as “at fair value through profit or loss”. Transaction costs related to instruments classified as “at fair value through profit or loss” are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. *Fair* value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- a. the amount at which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective* interest method; and
- d. less any reduction for impairment.

The *effective* interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) *Financial Liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair values

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value of all unlisted securities, including recent arm's length transactions, reference similar to instruments and option pricing models.

Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Financial guarantees

Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets of liabilities assumed, is recognised in profit or loss.

e. Impairment of Non- Financial Assets

At each reporting date, the Company reviews the carrying values of its non-financial tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f. Intangibles

Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities at the date of acquisition. After considering the ongoing business operations and anticipated business growth of the Company, it has been determined that the goodwill acquired and currently recorded has an indefinite life.

Goodwill, having been assessed with an indefinite life, is tested for impairment annually and is allocated to the Company's cash generating units which represent the lowest level at which goodwill is monitored, but where such level is not larger than an operating segment. The Company has determined that goodwill has not been impaired during the current year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Client List

The client list was acquired at independent valuation as part of the acquisition of the share registry business. The valuation was based upon the expected future earnings of the client contracts already in existence at the time of the transfer of the business. The effective life of the client list has been determined to be 10 years, and will be amortised over that period. The remaining effective life is 6.5 years. Annual testing for impairment will also be carried out to determine whether the carrying value reflects the value remaining in the client list. Where it is determined that the carrying value has been impaired, an impairment adjustment will be made. The client list is therefore carried at cost less accumulated amortisation and accumulated impairment losses.

g. Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Equity-settled compensation

The Company operates an employee incentive plan that provides employees with performance rights that may be converted to shares at a future date. The performance rights are considered to be share-based payments. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the employee rights reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

h. Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

i. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

j. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any discounts and rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

k. Goods and Services Tax (GST)

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

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l. Earnings per Share

Basic earnings per share is calculated as net profit attributable to members of the Company, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the Company, adjusted for:

- costs of servicing equity (other than dividends)
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

m. Comparative Information

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the company has retrospectively applied an accounting policy, made a retrospective restatement of items in the financial statements or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

n. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Estimates – Impairment of Goodwill and Intangibles with Indefinite Useful Lives

The Company determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units, using a value in use discounted cash flow methodology, to which the goodwill and intangibles with indefinite useful lives are allocated. No impairment has been recognised in respect of goodwill for the year ended 30 June 2011. The assumptions used in the estimation of recoverable amount are disclosed in Note 11.

Key Estimates – Impairment of Non-Financial Assets other than Goodwill and Indefinite life intangibles

The Company assesses impairment of all assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. Management do not consider that the triggers for impairment testing have been significant enough and as such, these assets have not been tested for impairment in this financial period.

Key judgments – Provision for Impairment of Receivables

Included in trade receivables at reporting date are minor amounts receivable from services provided to clients amounting to \$24,482. These clients have had their trade terms extended past the Company's usual trade terms in order to assist in the clients' cash flow. The Directors understand that the full amount of the debt is likely to be recoverable; however a provision for impairment has been made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Company has decided not to early adopt. A discussion of those future requirements and their impact on the Company is as follows:

- AASB 9: Financial Instruments (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 9 amends the classification and measurement of financial assets; the effect on the entity will be that more assets are held at fair value and the need for impairment testing has been limited to assets held at amortised cost only.

Minimal changes have been made in relation to the classification and measurement of financial liabilities, except 'own credit risk' instruments. The effect on the entity will be that the volatility in the profit and loss will be moved to the OCI, unless there is an accounting mismatch.

- AASB 124: Related Party Disclosures and AASB 2009-12: Amendments to Australian Accounting Standards (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies the definition of a "related party" to remove inconsistencies and simplify the structure of the Standard. Since the entity is not a government related entity; there is not expected to be any changes arising from this standard.

- AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Since the Company is a for-profit private sector entity that has public accountability, it does not qualify for the reduced disclosure requirements for Tier 2 entities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

- AASB 1054 Australian Additional Disclosures and AASB 2011-01 (applicable for annual reporting periods commencing on or after 1 July 2011)

This Standard sets out the Australian- specific disclosures for entities that have adopted Australian Accounting Standards. This Standard contains disclosure requirements that are additional to IFRSs and is not expected to impact the Company.

- AASB 2009–14: Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement (applicable for annual reporting periods commencing on or after 1 January 2011).

As the entity does not have a defined benefit pension plan this amendment to Interpretation 14 is not expected to have any impact on the entity's financial report.

- AASB 2010–4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard details numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;
- adding an explicit statement to AASB 7 that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;
- amending AASB 101 to the effect that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
- adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and
- making sundry editorial amendments to various Standards and Interpretations.

This Standard is not expected to impact the Company.

- AASB 2010–5: Amendments to Australian Accounting (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations. These editorial amendments have no major impact on the requirements of the amended pronouncements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

- AASB 2010–6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. This standard establishes additional disclosure requirements in relation to transfers of financial assets.

This Standard is not expected to impact the Company.

- AASB 2010–7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the Company adopts AASB 9.

- AASB 2010–8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets (applies to periods beginning on or after 1 January 2012). The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140: Investment Property.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments are not expected to impact the Company.

- Consolidated Financial Statements (applicable for annual reporting periods commencing on or after 1 January 2012)

International Financial Reporting Standard (IFRS) 10 introduces a new-principle based definition of control which will apply to all investees to determine the scope of consolidation. Traditional control assessments based on majority ownership of voting rights will very rarely be affected. However, ‘borderline’ consolidation decisions will need to be reviewed and some will need to be changed taking into consideration potential voting rights and substantive rights.

The AASB has not yet issued this standard. This Standard is not expected to impact the Company.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

- Joint Arrangements (applicable for annual reporting periods commencing on or after 1 January 2012)

IFRS 11 uses the principle of joint control in IFRS 10 to define joint control, and therefore the determination of whether joint control exists may change. It also removes the option of using proportionate consolidation to account for joint ventures.

Existing or new joint arrangements will be affected by the standard, and arrangements will be need to be assessed to determine whether the investment is a joint operation or joint venture. Joint ventures will need to be accounted for by the equity method of accounting, whilst joint operations will need to be accounted for by recording their share of assets and liabilities.

The AASB has not yet issued this standard. This Standard is not expected to impact the Company.

- Disclosure of Interests in Other Entities (applicable for annual reporting periods commencing on or after 1 January 2012)

IFRS 12 combines the disclosure requirements for subsidiaries, joint arrangements, associates and structured entities within a comprehensive disclosure standard.

It aims to provide more transparency on 'borderline' consolidation decisions and enhance disclosures about unconsolidated structured entities in which an investor or sponsor has an involvement.

The AASB has not yet issued this standard. This Standard is not expected to impact the Company.

- Fair Value Measurement (applicable for annual reporting periods commencing on or after 1 January 2012)

IFRS 13 has been created to

- establish a single source of guidance for all fair value measurements;
- clarify the definition of fair value and related guidance; and
- enhance disclosures about fair value measurements (new disclosures increase transparency about fair value measurements, including valuation techniques and inputs used to measure fair value).

The AASB has not yet issued this standard. The Company has not yet determined any potential impact on the financial statements of this Standard.

	Notes	2011	2010
Note 2: Revenue			
Revenue			
Registry fees		4,306,266	3,572,438
Client disbursements recovered		1,082,816	865,857
Total Revenue		<u>5,389,082</u>	<u>4,438,295</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011	2010
Other income			
Interest received		219,336	151,277
Other income		27,116	12,483
Dividends received		25	13
		246,477	163,773

Note 3: Profit from ordinary activities

Expenses

Depreciation of non-current assets		88,601	74,413
Amortisation of non-current assets, client list		200,201	200,201
Professional fees		28,273	24,186
Occupancy expenses		202,112	181,246
Directors' fees		86,000	98,000
Salaries and wages		1,111,220	910,039
Superannuation		98,015	95,018
Postage, printing and stationery		864,171	675,235
Performance rights		14,414	-
Other expenses		328,648	202,467
		3,021,655	2,460,805

Note 4: Income tax

a. The components of tax expense comprise:

Current tax		848,631	691,627
Deferred tax	12	(1,543)	(228)
Over provision for income tax		-	(1,961)
		847,088	689,438

b. Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the company's applicable income tax rate is as follows:

Total accounting profit before income tax		784,171	642,379
At the company's statutory income tax rate of 30% (2010:30%)			
Non deductible amortisation		60,060	60,060
Other non-allowable items		10,147	568
Share based payments		4,324	-
Deductible amount for share issue		(11,603)	(11,603)
Over provision of income tax		-	(1,961)
Rebateable fully franked dividends		(11)	(5)
Aggregate income tax expense		847,088	689,438

The applicable weighted average effective tax rate is:	32.40%	32.19%
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 5: Auditor's Remuneration	Notes	2011	2010
Remuneration of the auditor of the Company for:			
- audit of the financial report		25,273	24,186
- audit of Share Registry Function for ASX requirements.		3,000	-
		<u>28,273</u>	<u>24,186</u>

Note 6 : Cash and cash equivalents

Current

Cash at Bank and on hand	1,068,162	650,152
Cash on deposit	3,064,000	3,064,000
	<u>4,132,162</u>	<u>3,714,152</u>

The effective interest rate on short-term bank deposits was 6.06%; these deposits have a maturity of 180 days.

Under an arrangement with one of the Company's major suppliers, the Company has arranged with their bank for a guarantee facility to be held over a cash deposit in the amount of \$64,000. Under the terms of the arrangement, the supplier may call on the bank to honour the guarantee where the Company defaults on payment of the suppliers' account and the bank may not release the funds supporting the guarantee to the Company without the prior approval of the supplier. The deposit is placed on a separate deposit account and the guarantee is renewed in each year.

Note 7: Trade and other receivables

Current

Trade receivables	733,194	601,927
Provision for impairment	(24,482)	(2,698)
	<u>708,712</u>	<u>599,229</u>
Other receivables	116,942	51,667
Amounts receivable from related parties	-	374
	<u>825,654</u>	<u>651,270</u>

7b, 17

a. Provision For Impairment of Receivables

Current trade and term receivables are non-interest bearing loans and generally on 30 day terms. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. These amounts have been included in the other expenses item.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Movement in the provision for impairment of receivables is as follows:

	Current trade receivables	Totals
Opening Balance at 1 July 2009	10,138	10,138
Charge for the year	(7,440)	(7,440)
Amounts written off	-	-
Closing Balance as at 30 June 2010	2,698	2,698
Opening Balance as at 1 July 2010	2,698	2,698
Charge for the year	21,784	21,784
Amounts written off	-	-
Closing Balance as at 30 June 2011	24,482	24,482

b. Key Management Personnel Loans

	2011	2010
Balance at beginning of year	374	10,418
Balance at end of year	-	374
Balance on which interest charged	-	-
Balance on which interest not charged	-	374
Provision for impairment	-	-
Number of individuals	1	1

The above receivable from related parties from last year has been repaid. There are no balances within trade and other receivables that contain assets that are not impaired and are past due. It is expected these balances will be received when due. Impaired assets are provided for in full.

Credit Risk – Trade and Other Receivables

The Company has no significant concentration of credit risk with respect to any single counter party or Company of counter parties other than those receivables specifically provided for and mentioned within Note 7. The class of assets described as ‘Trade and other receivables’ is considered to be the main source of credit risk related to the Company. On a geographical basis the Company has no credit risk exposure.

The following table details the Company’s trade and other receivables exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as ‘past due’ when the debt has not been settled within the terms and conditions agreed between the Company and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Company.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31- 60	61 – 90	> 90	
2011							
Trade and term receivables	733,194	24,482	-	10,810	5,434	11,552	680,916
Other receivables	116,942	-	-	-	-	-	116,942
Total	850,136	24,482	-	10,810	5,434	11,552	797,858

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31- 60	61 – 90	> 90	
2010							
Trade and term receivables	601,927	2,698	-	52,130	12,066	31,207	503,826
Other receivables	51,667	-	-	-	-	-	51,667
Amounts receivable from related parties	374	-	-	-	-	-	374
Total	653,968	2,698	-	52,130	12,066	31,207	555,867

	Notes	2011	2010
Note 8: Other assets			
Current			
Prepayments		25,469	6,892

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 9: Other Financial Assets

Current

Financial assets at fair value through profit or loss	9 (a)	741	741
		741	741

- Financial assets at fair value through profit or loss:

Held-for-trading Australian listed shares	741	741
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Shares held for trading are traded for the purpose of short-term profit taking. Changes in fair value are included in the statement of comprehensive income.

Listed shares:

The fair value of listed available-for-sale investments has been determined directly by reference to published price quotations in an active market.

There are no individually material investments.

Note 10: Property, Plant and Equipment	Notes	2011	2010
Buildings – at cost		848,827	-
Accumulated depreciation		(11,628)	-
		837,199	-
Leasehold improvements – at cost		77,529	77,529
Accumulated depreciation		(6,352)	(4,448)
		71,177	73,081
Plant and equipment – at cost		487,642	356,454
Accumulated depreciation		(236,770)	(161,701)
		250,872	194,753
Total property, plant and equipment		1,159,248	267,834

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

a. Movements in Carrying Amounts

Movement in the carrying amounts of each class of property plant and equipment between the beginning and the end of the current financial year.

	Buildings	Leasehold Improvements	Plant & Equipment	Total
Balance at 1 July 2009	-	74,985	259,798	334,783
Additions	-	-	7,464	7,464
Depreciation Expense	-	(1,904)	(72,509)	(74,413)
Balance at 30 June 2010	-	73,081	194,753	267,834
Additions	848,827	-	131,188	980,015
Depreciation Expense	(11,628)	(1,904)	(75,069)	(88,601)
Balance at 30 June 2011	837,199	71,177	250,872	1,159,248

	Notes	2011	2010
Note 11: Intangible Assets			
Goodwill – at cost		1,053,690	1,053,690
Net carrying value		1,053,690	1,053,690
Client book acquired – at cost		2,002,010	2,002,010
Accumulated amortisation		(700,703)	(500,502)
Net carrying value		1,301,307	1,501,508
Total intangibles		2,354,997	2,555,198

The client list acquired is amortised over its effective life, determined to be 10 years. The remaining amortisation period is 6.5 years. (*Refer Note 1 f*)

a. Movements in Carrying Amounts

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

	Goodwill		Client Book Acquired		Total	
	2011	2010	2011	2010	2011	2010
Opening balance	1,053,690	1,053,690	1,501,508	2,002,010	2,555,198	3,055,700
Amortisation expense	-	-	(200,201)	(500,502)	(200,201)	(500,502)
Balance at 30 June	1,053,690	1,053,690	1,301,307	1,501,508	2,354,997	2,555,198

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Impairment Disclosures

Goodwill is allocated to cash generating units which are based on the Company's reporting segments

Share registry	1,053,690
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The recoverable amount of each cash generating unit above has been determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a 3 year period with the period beyond 3 years extrapolated using an estimated growth rate. The cash flows are discounted by using the yield of 10 year government bonds at the beginning of the budget period.

The following assumptions were used in the value-in use calculations:

	Growth Rate	Discount Rate
Share registry	15%	14.5%

Management has based the value-in-use calculations on budgets for each reporting segment. These budgets use historical weighted average growth rates to project revenue. Costs are calculated taking into account historical gross margins as well as estimated weighted average inflation rates over the periods which are consistent with inflation rates applicable to the locations in which the segments operate. Discount rates are pre-tax and are adjusted to incorporate risks associated with a particular segment.

	Notes	2011	2010
Note 12: Tax			
Current			
Income tax payable		266,962	134,304
Non- Current			
	Opening Balance	Charged to Income	Charged directly to Equity
Deferred Tax Liability			Closing Balance
Accrued Income	2,694	2,612	5,306
Balance at 30 June 2010	2,694	2,612	5,306
Accrued Income	5,306	19,309	24,615
Balance at 30 June 2011	5,306	19,309	24,615
Deferred Tax Assets			
Provisions and Accrued Expenses	45,813	2,839	48,652
Balance at 30 June 2010	45,813	2,839	48,652
Provisions and Accrued Expenses	48,652	20,853	69,505
Balance at 30 June 2011	48,652	20,853	69,505

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	Notes	Statement of financial position 2011	2010
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Deferred income tax at 30 June relates to the following:

i) Deferred tax liabilities

Accrued income	24,615	5,306
Net deferred tax liabilities	24,615	5,306

ii) Deferred tax assets

Superannuation liability	51	7,050
Accruals	17,619	13,160
Provisions:		
Doubtful debts	7,345	809
Long service leave	5,622	3,251
Annual leave	35,868	21,382
Other	3,000	3,000
Net deferred tax assets	69,505	48,652

	Notes	2011	2010
Note 13: Trade and other payables			
Current			
Trade creditors and accruals		254,054	355,326

	Employee benefits	Provision for dividend	Other	Total
Note 14: Provisions				
Opening balance at 1 July 2010	82,110	4,230	10,000	96,340
Additional provisions	56,192	3,720	-	59,912
Balance at 30 June 2011	138,302	7,950	10,000	156,252

Analysis of total provisions

	Notes	2011	2010
Current liabilities – provisions			
Annual leave		119,560	71,275
Provision for dividend		7,950	4,230
Other		10,000	10,000
		137,510	85,505

Non-current liabilities - provisions

Long service leave	18,742	10,836
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Nature and timing of provisions

i) Other Provisions

This provision relates to minor amounts arising from the operations of the Company for which a liability can be measured, and where it is probable that the liability will need to be satisfied at an unspecified and uncertain future date. The amount provided is the maximum anticipated liability of the Company where the amount ultimately becomes payable. Future recognition of the provision is reliant upon the circumstances associated with the Company's operations.

Note 15: Issued Capital

42,400,000 (2010 : 40,400,000) fully paid ordinary shares)	6,840,044	5,840,044
	2011	2010
	No.	No.
a. Ordinary Shares		
At the beginning of the reporting period	40,400,000	40,400,000
Shares issued during the year 8 July 2011	2,000,000	-
At reporting date	42,400,000	40,400,000

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

At the shareholders' meetings, each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

b. Capital Management

Management controls the capital of the Company in order to maintain a good debt to equity ratio, provide shareholders with adequate returns and ensure the Company can fund its operations and continue as a going concern.

At reporting date, the Company held no debt. There are no externally imposed capital requirements.

Management effectively manages the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Company since listing on 10 June 2008.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 16: Cash flow information	Notes	2011	2010
Reconciliation of Cash Flow from Operations with Profit after Income Tax			
Profit after income tax		1,766,816	1,451,825
Non cash flows in profit:			
Amortisation		200,201	200,201
Depreciation		88,601	74,413
		<u>2,055,618</u>	<u>1,726,439</u>
Changes in equity as a result of adjustments in reserves		14,414	-
Changes in assets and liabilities:			
(Increase)/decrease in trade and term receivables		(174,758)	99,869
(Increase)/decrease in prepayments		(18,577)	(3,656)
(Increase)/decrease in receivable relating to initial trading activities conducted via related party			-
Increase/(decrease) in trade payables and accrual		(101,272)	(171,132)
Increase/(decrease) in income taxes payable		132,658	(205,038)
Increase/(decrease) in deferred taxes payable		(1,545)	(228)
Increase/(decrease) in provisions		56,193	35,944
		<u>1,962,731</u>	<u>1,482,198</u>
Non -cash financing and investing activities			
Share-based payments	17	<u>14,414</u>	<u>-</u>

Note 17: Share-based Payments

Under the Company's Employee Performance Rights and Share Plan ("the Plan"), eligible employees are offered Performance Rights which contain performance and other conditions that must be met by employees to qualify for the possible issue of shares on the vesting of those Performance Rights. Employees who satisfy the conditions for vesting the Performance Rights may apply to convert those rights to Shares of the Company. The Performance Rights are personal to the employee, are not able to be transferred, and do not confer any right or entitlement in relation to dividends or other entitlements that would normally be conferred on shareholders.

On 1 January 2011, 113,000 performance rights were granted to eligible employees. The performance rights vest to the employees on 1 January 2013 at which time the employee can apply to convert the rights to ordinary shares for nil consideration. The performance rights hold no voting or dividend rights and are not transferable. No performance rights were granted to key management personnel.

Performance rights are forfeited on termination of employment with the Company, unless the Board determines otherwise (this is usually only in the case of retirement, redundancy, death or disablement).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

A summary of the movements of all company performance rights issued is as follows:

	Number	Weighted Average Exercise Price
Performance rights outstanding as at 1 July 2010	-	-
Granted	113,000	\$0
Forfeited	(14,000)	\$0
Exercised	-	-
Expired	-	-
Performance rights outstanding as at 30 June 2011	99,000	\$0
Performance rights exercisable as at 30 June 2011	-	-

The performance rights are issued with a strike price of nil.

The weighted average remaining contractual life of rights outstanding at year-end was 1.5 years. The exercise price of outstanding rights at the end of the reporting period was nil.

The fair value of the rights granted to employees is deemed to represent the value of the employee services received over the vesting period.

Weighted average exercise price: Nil

Weighted average life of the rights: 2 years

Expected share price volatility: Nil

Risk-free interest rate: 4.75%

As employees do not contribute to the cost of the share movement, volatility of the share price has been ignored.

The life of the rights is based on the historical exercise patterns, which may not eventuate in the future.

Included under employee benefits expense in the statement of comprehensive income is \$14,414 which relates to equity-settled share-based payment transactions (2010: Nil).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 18: Events after the Reporting Period

a. Proposed dividend

The Directors proposed that a dividend of 2 cents per share fully franked be paid out of the current year earnings. This dividend was paid on 18 August 2011.

b. Employee Performance Rights and Share Plan

Under the employee incentive programme formally titled the Advanced Share Registry Ltd Employee Performance Rights and Share Plan ("the Plan"), the Company offered to employees 119,000 Performance Rights on 1 July 2011, each with a vesting date of 1 July 2013.

Other than matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company to significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Note 19: Capital and leasing commitments

Non-cancellable operating lease commitments

Future operating lease rentals not provided for in the financial statements and payable:

	2011	2010
- not later than 12 months	135,549	129,095
- between 12 months and 5 years	202,830	338,379
- greater than 5 years	-	-
	338,379	467,474

The property lease is a non-cancellable lease with a 3 year term with rent payable monthly in advance. Contingent rental provisions within the lease agreement require the minimum lease payments shall be increased by 5% per annum. The Company has decided to exercise the option to renew the lease at the end of the 3 year term for an additional 3 years.

Note 20: Contingent Liabilities

The Company has no known or identifiable contingent liabilities.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 21: Financial Risk Management

Financial Instruments

Categories of Financial Instruments

	Notes	2011	2010
Financial assets			
Cash and cash equivalents		4,132,162	3,714,152
Loans and receivables		825,654	651,270
<i>Financial assets at fair value through profit or loss</i>			
Investments – held-for-trading		741	741
Total financial assets		4,958,557	4,366,163
Financial liabilities (at amortised cost)			
Payable and borrowings		254,054	355,326
Total financial liabilities		254,054	355,326

a. General objectives, policies and processes

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The principal financial instruments from which financial instrument risk arises:

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> - trade receivables - trade and other payables - deposits | <ul style="list-style-type: none"> - cash at bank - floating-rate bank term loans - loans receivable | <ul style="list-style-type: none"> - investments |
|---|---|---|

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Company's finance function. The Company's risk management policies and objectives are therefore designed to minimise the potential impact of these risks on the result of the Company where such impacts may be material.

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b. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non- performance by counter parties of the contract obligations that could lead to a financial loss to the Company.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counter parties), ensuring to the extent possible, that customers and counter parties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Depending on the division within the Company, credit terms are generally 14 to 30 days from the invoice date.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating, or in entities that the FRMC has otherwise cleared as being financially sound. Where the Company is unable to ascertain a satisfactory credit risk profile in relation to a customer or counter party, then risk may be further managed through title retention clauses over goods or obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default.

Credit risk exposures

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

There is no material amounts of collateral held as security at 30 June 2011.

The maximum exposure to credit risk at balance date is as follows:

	2011	2010
Trade debtors	708,712	599,229
Receivable from related party	-	374

c. Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulties raising funds to meet commitments associated with financial instruments, eg. Borrowing repayments. It is the policy of the Board of Directors that treasury maintains adequate committed credit facilities.

Financial liability and financial asset maturity analysis

	2011	Within 1 Year 2010	2011	Total 2010
Financial liabilities due for payment				
Trade and other payables	254,054	355,326	254,054	355,326
Total expected outflows	254,054	355,326	254,054	355,326

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Financial assets – cash flows realisable

Cash and cash equivalents	4,132,162	3,714,152	4,132,162	3,714,152
Trade, term and loans receivables	825,654	651,270	825,654	651,270
Held-for-trading investments	741	741	741	741
Total anticipated inflows	4,958,557	4,366,163	4,958,557	4,366,163
Net (outflow)/ inflow on financial instruments	4,704,503	4,010,837	4,704,503	4,010,837

Financial arrangements

Nil at balance date.

d. Market risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The Company has significant interest bearing assets, and the entity's main interest rate risk is that it may suffer loss of income should interest rates decline.

The Company has no significant borrowings which may give rise to interest rate risks.

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the statement of financial position.

Maturity of notional amounts:	Effective Average Fixed Interest Rate Payable		Notional Principal	
	2011	2010	2011	2010
Less than 1 year	4.59%	4.44%	4,957,816	4,365,422
	4.59%	4.44%	4,957,816	4,365,422

Trade and sundry payables are expected to be paid in full in less than six months.

Net Fair Values

The net fair values of:

- Term receivables, government and fixed interest securities and bonds are determined by discounting the cash flows, at the market interest rates of similar securities, to their present value

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

- Other loans and amounts due are determined by discounting the cash flows, at market interest rates of similar borrowings, to their present value
- Other assets and other liabilities approximate their carrying value

Other than investments of listed shares, there are no financial assets and financial liabilities readily traded on organised markets in standardised form.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date

	Carrying Amount		Net Fair Value	
	2011	2010	2011	2010
Financial Assets:				
Cash and cash equivalents	4,132,162	3,714,152	4,132,162	3,714,152
Receivables	825,654	651,270	825,654	651,270
Investments – held-for-trading	741	741	741	741
Total Financial Assets	4,958,557	4,366,163	4,958,557	4,366,163
Financial Liabilities:				
Trade and sundry payables	254,054	355,326	254,054	355,326
Total Financial Liabilities	254,054	355,326	254,054	355,326

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2011

Financial assets	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss:				
- Investments-held-for-trading	741	-	-	741

2010

Financial assets	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss:				
- Investments-held-for-trading	741	-	-	741

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Sensitivity Analysis

The Company has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Risk

	2011	2010
Change in profit		
- Increase in interest rate by 2%	80,000	60,000
- Decrease in interest rate by 2%	(80,000)	(60,000)
Change in equity		
- Increase in interest rate by 2%	80,000	60,000
- Decrease in interest rate by 2%	(80,000)	(60,000)

Note 22: Related Party Disclosures

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Executive Services Agreements

- Kim Chong

The Company entered into a services agreement with Mr Kim Chong effective from 11 May 2011. Under the Services Agreement, Mr Chong is engaged by the Company to provide services to the Company in the capacity of Managing Director and Chief Executive Officer.

Mr Chong is to be paid an annual remuneration of \$315,700, inclusive of statutory superannuation. Mr Chong will also be reimbursed for reasonable expenses incurred in carrying out his duties.

The Services Agreement continues for a period of 3 years unless terminated in accordance with the relevant provisions of the Service Agreement. The Services Agreement contains standard termination provisions under which the Company must give notice of termination, or alternatively payment in lieu of service. In addition Mr Chong is entitled to all unpaid remuneration and entitlements up to the date of termination.

Mr Chong is the major Shareholder through indirect interests and Director of the Company.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Commercial Services Agreement
- Winduss & Associates Pty Ltd

The Company receives accounting and secretarial services from Winduss & Associates Pty Ltd, an accounting practice of which Mr Winduss is a director and shareholder. Fees charged are at normal commercial rates and conditions. Fees charged to 30 June 2011 for accounting and secretarial services, was \$67,048 including GST (2010:\$39,536). The amount owing to Winduss & Associates Pty Ltd at 30 June 2011 is \$4,583. (2010: nil).

Tenancy Agreement
- Cherry Field Pty Ltd

The Company required an additional area to assist in operations during the period. On 1 November 2009, the Company entered into a lease agreement with Cherry Field Pty Ltd, a Company owned and controlled by an associate of Mr Chong. The agreement has been concluded on a commercial monthly tenancy basis. The Company has incurred \$21,240 for the year ended 30 June 2011 under this agreement. (2010: \$17,523)

	Notes	2011	2010
Note 23: Earnings per share			
Earnings used in the calculation of EPS			
Profit		1,766,816	1,451,825
Earnings per share			
Basic earnings per share		4.17c	3.59c
Diluted earnings per share		4.17c	3.59c
		No	No
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS		42,361,164	40,400,000
Weighted average number of dilutive rights outstanding		14,707	-
Weighted average number of ordinary shares used - in calculating diluted EPS		<u>42,375,871</u>	<u>40,400,000</u>

Note 24: Operating Segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Company is managed on the basis that it provides share registrar services operating in the geographical region of Australia. The provision of share registry services is considered to be one business segment.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	30 June 2011	30 June 2010
Revenue by geographical region		
Australia	5,635,559	4,602,068
Assets by geographical region		
Australia	8,567,776	7,114,541

Major customers

The Company has a number of customers to whom it provides services. Although the Company has no single external customer that accounts for more than 5% of its income, a group of 5 customers, each exceeding 2% of the Company's income, accounts for approximately 13% (2010: 10 customers each exceeding 2% of the Company's income accounted for 26%) of the Company's income.

	Notes	2011	2010
Note 25: Dividends			
Distributions paid			
Final dividend fully franked of 1.85 cents (2010: 1cent) per share franked at the tax rate of 30% (2010: 30%)		784,400	404,000
Interim dividend fully franked of 1.85 cents (2010: 1.75 cents) per share franked at the tax rate of 30% (2010: 30%)		784,400	707,000
		1,568,800	1,111,000
a. Proposed final 2011 fully franked dividend of 2 cents (2010:1.85 cents) per share franked at the tax rate of 30% (2010: 30%)		848,000	784,400
b. Balance of franking account at year end adjusted for franking credits arising from:			
- Payment of provision for income tax		523,155	548,723
Subsequent to year end, the franking account would be reduced by the proposed dividend as follows:		(363,429)	(336,171)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Note 26: Interests of Key Management Personnel (KMP)

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's key management personnel for the year ended 30 June 2011.

The totals of remuneration paid to KMP of the Company during the year are as follows:

	2011	2010
Short -term employee benefits	386,495	358,539
Post-employment benefits	27,200	26,461
Long -term benefits	4,604	1,712
	418,299	386,712

KMP Shareholdings

The number of ordinary shares in the Company held by each KMP of the Company during the financial year is as follows:

30 June 2011	Balance at start of year	Issued during the year	Purchased/(sold) during the year	Balance at the end of the year
S. Cato	495,000	-	-	495,000
K. Chong	25,809,500	-	(2,000,000)	23,809,500
A. Tan	470,500	-	-	470,500
A. Winduss	200,000	-	-	200,000
	26,975,000	-	(2,000,000)	24,975,000

30 June 2010	Balance at start of year	Issued during the year	Purchased/(sold) during the year	Balance at the end of the year
S. Cato	495,000	-	-	495,000
K. Chong	25,799,500	-	10,000	25,809,500
A. Tan	470,500	-	-	470,500
A. Winduss	200,000	-	-	200,000
	26,965,000	-	10,000	26,975,000

No shares or performance rights have been issued as remuneration to any key management personnel of the Company.

Note 27: Correction of Prior Period Error

In the period ended 30 June 2008, the acquisition of the business of Advanced Share Registry was recorded in accordance with AASB 3 – Business Combinations. At the time of recording the acquisition, the cost of stamp duty was omitted. This was identified during the current period when the Company received a notice assessing stamp duty of \$155,700. As a result, the amounts recorded as the cost of goodwill and the acquired client book were understated by \$53,690 and

ADVANCED SHARE REGISTRY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

\$102,010 respectively. Accumulated amortisation in relation to the client book is understated to the periods ended 30 June 2009 and 2010 by \$15,302 and \$25,503 respectively.

Accordingly, retained earnings have been cumulatively reduced by \$15,302 and \$25,503 for the periods ended 30 June 2009 and 30 June 2010 respectively.

An adjustment has been applied to the comparative disclosures in the financial statements for the year ended 30 June 2010.

	Original balance 30 June 2010 \$	Correction \$	Corrected balance 30 June 2010 \$
Non current assets			
Intangible assets	2,425,000	130,198	2,555,198
Current liabilities			
Trade and other payables	199,626	155,700	355,326
Equity			
Retained earnings	838,921	(25,503)	813,418
Statement of Comprehensive Income			
Depreciation and amortisation expenses	(264,413)	10,201	(274,614)

The impact on the basic and diluted earnings per share for the year ended 30 June 2010 as a result of the adjustment is as follows:

	Previously stated 30 June 2010	Restated 30 June 2010
Basic earnings per share (cents)	3.61	3.59
Diluted earnings per share (cents)	3.61	3.59

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

Directors Declaration

1. In the opinion of the Directors of Advanced Share Registry Limited (the 'Company'):
 - (a) the financial statements and notes set out on pages 15 to 52 and the Remuneration disclosures that are contained in pages 10 to 12 of the Remuneration Report in the Director's Report, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2011 and of its performance , for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (iii) complying with International Financial Reporting Standards as disclosed in Note 1.
 - (b) the remuneration disclosures that are contained in pages 10 to 12 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standards AASB 124 Related Party Disclosures and
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2011.

Signed in accordance with a resolution of the Directors.



.....
Simon Cato
Chairman of Directors

Signed at Perth on 15th of September 2011.

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Independent Auditor's Report To the Members of Advanced Share Registry Limited

Report on the financial report

We have audited the accompanying financial report of Advanced Share Registry Limited (the "Company"), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company.

Directors responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001. This responsibility includes such internal controls as the Directors determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's

judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Electronic presentation of audited financial report

This auditor's report relates to the financial report of Advanced Share Registry Limited and controlled entities for the year ended 30 June 2011 included on Advanced Share Registry Limited's web site. The Company's Directors are responsible for the integrity of Advanced Share Registry Limited's web site. We have not been engaged to report on the integrity of Advanced Share Registry Limited's web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Independence

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

Auditor's opinion

In our opinion:

- a the financial report of Advanced Share Registry Limited is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the Company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in pages 10 to 12 of the directors' report for the year ended 30 June 2011. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Advanced Share Registry Limited for the year ended 30 June 2011, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



M J Hillgrove
Director - Audit & Assurance

Perth, 15 September 2011

ADVANCED SHARE REGISTRY LIMITED
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SHAREHOLDER INFORMATION

(Current as at 8 September, 2011)

A. Substantial Shareholders

Name	Number of Shares	Percentage of Issued Capital
KMC Automation Pty Ltd	23,809,500	56.15
Washington H Soul Pattinson and Company Ltd	4,292,726	10.12

B. Distribution of Fully Paid Ordinary Shares

i) Distribution Schedule of Holdings	Holders	Number of Shares	Percentage of Issued Capital
1-1,000	22	13,634	0.032
1,001-5,000	132	509,795	1.202
5,001-10,000	94	835,962	1.972
10,001-100,000	198	5,459,634	12.877
100,001 and over	25	35,580,975	83.917
Total number of holders	471	42,400,000	100.00

ii) Holding less than a marketable parcel	11
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C. Twenty Largest Shareholders

	Number of Shares	Percentage of Issued Capital
1 KMC Automation Pty Ltd	23,809,500	56.15
2 Washington H Soul Pattinson and Company Ltd	4,292,726	10.12
3 M T Vaughan	1,871,413	4.41
4 Pacific Custodians Pty Ltd	1,374,634	3.24
5 The Australian Superannuation Group (WA) Pty Ltd	645,050	1.52
6 J P Morgan Nominees Australia Ltd	350,000	0.82
7 J Davidson & E Davidson	345,943	0.81
8 S K Cato	250,000	0.59
9 Stedcorp Pty Ltd, <Vaughan Family Super Fund A/C>	250,000	0.59
10 Senorita Pty Ltd	205,000	0.48
11 Ostle Investments Pty Ltd, <Tan Family Super Fund A/C>	200,000	0.47
12 Alberta Resources Pty Ltd, <British Columbia S/F A/C>	200,000	0.47
13 A C Winduss	200,000	0.47
14 J M Molyneux & W A Hutchison & J E Hutchison<Hutchison Family Super A/C>	165,000	0.38
15 J M Davidson & E D Davidson & R J Davidson<Ace Lamps & Tubes PL Super A/C>	156,617	0.36
16 Tim National Pty Ltd	152,000	0.35
17 R G Morris & M J Morris<Blythewood Super Fund>	150,000	0.35
18 Rosemont Asset Pty Ltd	125,000	0.29
19 Batten Resources Pty Ltd<Batten Super Fund>	125,000	0.29
20 J D Mckay & C L Brittain <The John Mckay Super Fund>	125,000	0.29

D. Restricted Securities

There were no securities under escrow at 30 June 2011 or 30 June 2010.

E. Voting Rights – Ordinary Shares

On a show of hands, every member, present in person or by proxy, shall have one vote and upon a poll every member, present in person or by proxy, shall have one vote for each share.





13-03
27-03
10-04
24-04
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05



