Advanced Share Registry Limited
ABN 14 127 175 946

ADVANCED
SHARE REGISTRY

2022

ANNUAL REPORT

CORPORATE DIRECTORY

Board of Directors

Simon Cato	Non-Executive Chairman
Kim Chong	Managing Director and Chief Executive Officer
Stuart Third	Non-Executive Director
Jeffrey Broun	Non-Executive Director

Company Secretary
Stuart A Third

Stock Exchange Listing
ASX Code ASW
Advanced Share Registry Limited is a company limited by shares, incorporated in Australia

Share Registry
Advanced Share Registry Services
110 Stirling Highway
Nedlands WA 6009
Telephone: +61 8 9389 8033
Facsimile: +61 8 9262 3723
Website www.advancedshare.com.au
Email: admin@advancedshare.com.au

Registered Office
Suite 51
11 Tanunda Drive
Rivervale WA 6103
Telephone: +61 8 9368 0336
Email: s.third@advancedshare.com.au

Corporate Office
110 Stirling Highway
Nedlands WA 6009
Telephone: +61 8 9389 8033
Facsimile: +61 8 9262 3723
Website www.advancedshare.com.au
Email: admin@advancedshare.com.au

Sydney Office
Suite 8
325 Pitt Street
Sydney NSW 2000
Telephone: +61 2 8096 3502
Facsimile: +61 8 9262 3723

Auditors
Pitcher Partners BA&A Pty Ltd
Level 11
12-14 The Esplanade
Perth WA 6000

Solicitors
Zafra Legal
Level 10
105 St Georges Terrace
Perth, WA 6000

Contents

FROM THE CHAIRMAN

Dear Shareholder

On behalf of the Board of Directors of Advanced Share Registry Limited, I am pleased to issue the annual report for the year ending 30 June 2022.

The Board of Directors is pleased to advise a profit before income tax of $2,359,707 for the year 1 July 2021 to 30 June 2022 ($3,436,671 in 2021, $2,143,369 in 2020).

Operationally, trading conditions returned to normal compared to the exceptional 2021 year.

Despite a distinct reduction in corporate actions and in particular IPO's since the beginning of the year revenue continues to be robust.

Advanced is continually improving its range of offerings to meet the changing requirements relating to virtual meetings, electronic provision of documents to shareholders and the enhanced regulatory environment for managing risks in relation to confidential data, client records and cyber security risks. We are able to do this because of our in-house IT capability that continually monitors our security requirements and can customise applications efficiently and expeditiously

We have also made some further senior appointments, including Mr Jeff Broun who has joined the board as a non-executive director. Mr Broun will particularly help us with plans to deepen engagement with pre-IPO companies.

The board would like to extend our thanks to all staff for their efforts during the year.

Simon Cato
Chairman

DIRECTORS' REPORT

The Directors present their report, together with the financial report of Advanced Share Registry Limited ("ASW" or "Company") and its controlled entities ("Group") for the year ended 30 June 2022 and the auditor's report thereon.

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

Simon Cato	Non-Executive Chairman
Kim Chong	Managing Director and Chief Executive Officer
Stuart Third	Non-Executive Director (appointed 15 July 2021)
Jeffrey Broun	Non-Executive Director (appointed 16 September 2022)

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

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

Simon Kenneth Cato	Non-Executive Chairman
Qualifications	B A (USYD)
Experience	Appointed on 22 August 2007 Mr Cato has had over 30 years capital markets experience in broking, regulatory roles and as director of listed companies. He initially was employed by the Australian Securities Exchange ("ASX") in Sydney and then in Perth. From 1991 until 2006, he was an executive director and/or responsible executive of three stockbroking firms and 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 was also involved in the underwriting of several Initial Public Offerings ("IPO's") and has been through the process of IPO's in the dual role of broker and director.
Interest in Shares & Options	2,475,000 ordinary shares
Special Responsibilities	Mr Cato is the Non-Executive Chairman of the Group
Directorships held in other Listed entities	Mr Cato is a director of Bentley Capital Ltd (since 7 January 2015). Former directorships in other listed entities in past 3 years are: Keybridge Capital Ltd (ceased 17 January 2020) Greenland Minerals and Energy Ltd (ceased 19 April 2022)
Kim Phin Chong	Managing Director and Chief Executive Officer
Experience	Appointed on 22 August 2007 Mr Chong has been involved in the share registry business for nearly 40 years. After working in the industry for 14 years, Mr Chong founded Advanced Share Registry Services in 1996. His

DIRECTORS' REPORT

	experience in information technology and business skills has been a major influence in making the Group such a success.
Interest in Shares & Options	108,579,303 ordinary shares
Special Responsibilities	Mr Chong is the Managing Director and Chief Executive Officer of the Group, responsible for the day to day management of the business.
Directorships held in other listed entities	Nil Former directorships in other listed entities in past 3 years are: Nil.
Stuart Third	Non-Executive Director and Company Secretary
Qualifications	B Bus, M Tax, FCA, CTA, AGIA
Experience	Appointed on 15 July 2021 Mr Stuart Third has been involved in professional accounting in public practice for over 25 years providing business and taxation advice to clients in various industries. Mr Third has experience in corporate governance, company secretarial, management and restructuring matters. He is currently and has previously served as company secretary of other ASX listed companies. He also works within the accounting profession as a facilitator for the Chartered Accountants Program.
Interest in Shares & Options	45,000 ordinary shares
Directorships held in other listed entities	Mr Third is a director of United Overseas Australia Ltd (appointed 29 July 2021). Former directorships in other listed entities in past 3 years are: Nil.
Jeffrey Broun	Non-Executive Director
Qualifications	FCA, MAICD
Experience	Appointed on 16 September 2022 Mr Broun is a Chartered Accountant, and a member of both the Institute of Company Directors and the Australian Shareholders Association. He has been an executive director of three companies listed on ASX and has been a principal of a securities license company. Mr Broun is also a director of the Crowd Funding Institute of Australia Limited. Mr Broun's corporate experience and securities licensing knowledge adds a key element to the board as it moves to extend

DIRECTORS' REPORT

	its core services to innovative capital market platforms and processes designed to create greater liquidity in unlisted public company clients.
Interest in Shares & Options	4,500 ordinary shares
Directorships held in other listed entities	Nil
	Former directorships in other listed entities in past 3 years are: Nil.

The Year in Review

For the financial year to 30 June 2022 the Group achieved revenue of \$5,671,278 (2021: \$6,625,659; 2020: \$5,440,503) and a profit before taxation of \$2,359,707 (2021: \$3,436,671; 2020: \$2,143,369).

This profit for the financial year to 30 June 2022 was after charges of \$290,740 for amortisation and depreciation.

The Board of Directors ("Board") is pleased with this result having regard to a year of mixed and challenging market conditions. Economic conditions influence corporate market activity, influence future sales and profit levels for the Group and in order to minimise the effect of these market variables we are continuing to add further services and products to our portfolio of services to clients.

The Group paid a total final dividend of 0.50c per share on 19 August 2022.

The Board is confident of continuing success for the Group but also realises economic conditions and market competition will influence this.

Director's Meetings

Director	Board Meetings Held	Board Meetings Attended
S Cato	9	9
K Chong	9	9
S Third	9	9

The Group does not have any audit, risk, remuneration or nomination committees. These functions are performed by the Board as a whole.

Term in Office

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

S Cato	15 years
K Chong	15 years
S Third	1 year
J Broun	appointed 16 September 2022

DIRECTORS' REPORT

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 Group in the period under review, changes in the state of affairs of the Group and other disclosures as required by the *Corporations Act 2001* and ASX Requirements.

The half yearly report is distributed to shareholders on request.

Split of Share Capital

Pursuant to the resolution passed at the Annual General Meeting held on 19 November 2021, a 9:2 share split occurred increasing the number of shares on issue from 42,979,500 to 193,407,776.

Dividends Paid or Recommended

	Cents per share	Total
Final dividend paid – 20 August 2021 (restated)	0.67c*	$1,289,385
Interim dividend paid – 8 February 2022	0.50c	$967,039
Final dividend paid – 19 August 2022	0.50c	$967,039

** The dividend rate per share has been restated based on the number of shares on issue after the share split.*

Nature of Operations and Principal Activities

The principal activity of the Group during the financial year was a provider of share registry services, including corporate services to its clients which are part of the share registry's function ("share registry services").

Impact of COVID-19 on Operations

The COVID-19 pandemic resulted in both opportunities and challenges to the Group since it was declared in March 2020. The Group has reported previously on the measures undertaken to reduce costs and conserve resources shortly after the declaration was made and the changes in trading conditions were uncertain. An initial decline in activity at the start of the pandemic period was replaced with a period of hyperactivity which resulted in the significant increase in profits reported for the year ended 30 June 2021. Restrictions imposed by the various governments on the movement of people have essentially ended during the second half of the current financial year and economic activity began to return to more usual levels. However, this has now been impacted by the new economic conditions associated with rises in interest rates and inflation.

In addition to the increased market activity through share trading and corporate actions of the Group's clients in the previous year, the opportunities presented to the Group by the pandemic included hosting virtual meetings for companies who were not registry clients of the Group. This has continued into the current financial year and is expected to continue as companies now seek to engage in virtual only or hybrid meetings going forward.

DIRECTORS' REPORT

Significant Changes in State of Affairs

Except for the return to more normal levels of activity after the initial period of the COVID-19 pandemic, there were no significant changes in the state of affairs of the Group during the financial year ended 30 June 2022.

Employees

The Group employed 21 people as at 30 June 2022 (2021: 20 people).

Summarised Operating Results

The Group is managed on the basis that it provides share registry services and manages investment property in the geographical region of Australia. The provision of share registry services and investment property are considered to be two business segments.

Segment Performance	**2022**	**2021**
	$	**$**
Revenue		
Share registry services	5,671,278	6,625,659
Property Investment	62,026	99,488

Shareholder Returns

The Board approved an ordinary 0.50c fully franked dividend which was paid on 19 August 2022.

	2022	**2021**
Basic earnings per share	0.91c	1.33c*
NTA per share	3.62c	3.87c*
Return on Equity	21.72%	29.87%
Return on Assets	17.78%	24.76%

***** *The prior year comparative has been restated for the effect of the 9:2 share split which occurred in November 2021.*

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.

Future Developments

As outlined above, the COVID-19 pandemic has impacted the operations of the Group during the period since March 2020, and will have a lasting impact on the Group's operations as legislation surrounding the delivery of notices and the holding of meetings by companies has been changed to permanently allow these via electronic means. The services of the Group are continuing to change as client companies implement the new legislative requirements and options available to them under the law, meaning that future operations are likely to see less printing and postage requirements but will require an increased

DIRECTORS' REPORT

technological presence as more shareholders will receive communications electronically and more companies hold hybrid or virtual only meetings.

The Group is well placed to meet these changes as they are occurring and continues to invest in the technology required to deliver these services.

The Group is also developing its services for entities in pre-IPO stage or otherwise requiring registry management, and sees this as a further area of potential growth in the near future.

Risks

The material business risks faced by the Group that are likely to have an effect on the financial prospects of the Group include:

Technological failure
The Group's operations are highly reliant on technology, including hardware, software and cloud environments. A failure in the technology would have a very significant impact on the Group's financial results as the loss of the ability to use the technology prevents the Group from performing its obligations to its clients. The Group believes it has developed sufficient measures to protect its technological environment from widespread failure through its risk management strategies including the use of system redundancy measures acting as a fail-safe to continue operations should the main systems fail.

Cyber security
In addition to the technological risks identified above, cyber security risks exist for the Group where its data or systems are at risk of cyber attack. Attacks of this nature have been increasing globally and include denial of service, ransomware, hacking and other potential breaches of system security. The level of impact on the Group's financial results would depend on the nature and level of any successful breach of the Group's systems as the reputation of the Group or its ability to perform its services could be impacted. The Group is constantly monitoring developments in cyber security and implements measures to continue to prevent incursions to its systems from malicious sources.

Environmental Regulations

The Group's operation is not subject to significant environmental regulations under Australian legislation in relation to the conduct of its operations.

Significant Events after Balance Date

The following matter or circumstance has arisen since balance date in relation to the Group.

A fully franked dividend of 0.50 cent per share totalling $967,039 was declared on 4 August 2022 and paid on 19 August 2022.

Mr Jeffrey Broun was appointed Non-Executive Director on 16 September 2022.

DIRECTORS' REPORT

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 Group, the results of those operations or the state of affairs of the Group in future financial years.

Indemnification and Insurance of Officers

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

Indemnification of Auditors

The Group has not indemnified or agreed to indemnify any person or entity who is or was an auditor of the Group against any liability incurred as auditor of the Group.

Options

There were no shares under option during the year (2021: nil).

REMUNERATION REPORT (Audited)

The report details the nature and amount of remuneration of Key Management Personnel ("KMP") of the Group.

The KMP of the Group, and the positions they hold, for the year ended 30 June 2022 are listed in the following table.

KMP	Position held as at 30 June 2022 and any change during the year	Contract details (duration and termination)
Mr Kim Phin Chong	Managing Director and Chief Executive Officer	Under contract until 1 July 2023 with a 3 month notice period required for termination.
Mr Simon Cato	Non-Executive Chairman	No fixed term.
Mr Stuart Third	Non-Executive Director (appointed 15 July 2021)	No fixed term.

Remuneration Policy
The remuneration policy of the Group has been designed to align KMP 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 KMP to run and manage the Group, as well as create goal congruence between Directors, Executives and Shareholders.

The Group's current remuneration policy does not provide for the payment of any performance-based remuneration to KMP. Although the remuneration policy also does not provide for any shares or options, including performance rights, to be granted to KMP in respect of their remuneration packages, shares or options, including performance rights, can be issued at the discretion of the Board but only following approval of shareholders.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited)

KMP Remuneration

The Board is responsible for determining and reviewing compensation arrangements for KMP. The Board assesses 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. Independent external advice can be sought from Remuneration Consultants although none was obtained during the year.

The maximum remuneration of Non-Executive Directors is determined by Shareholders in general meeting in accordance with the Company's Constitution, *the Corporations Act 2001* and the ASX Listing Rules as applicable. At present, the maximum aggregate remuneration of Non-Executive Directors is $250,000 per annum. The Non-Executive Directors have a choice in relation to the manner in which they receive their respective remuneration, which may include an allocation to superannuation contributions. The apportionment of Non-Executive Director remuneration within that maximum will be made by the Board having regard to the contributions by each Non-Executive Director. When the Board performs the functions of the Remuneration Committee in determining the Non-Executive Director remuneration allocation or the remuneration of the Managing Director and Chief Executive Officer, each Non-Executive Director or the Managing Director and Chief Executive Officer abstains from being involved in determining their own remuneration. Remuneration is not linked to specific performance criteria or to the performance of the Group.

The following table shows revenue and other income, net profit after tax and dividends paid for the last five years for the Group, as well as the share prices at the end of the respective financial years.

	2022	**2021**	**2020**	**2019**	**2018**
Revenue and other income	5,789,765	7,112,858	5,765,421	5,428,901	6,086,346
Net profit after tax	1,753,530	2,561,785	1,516,295	1,480,757	2,289,574
Share price at year end	0.20	0.21*	0.14*	0.16*	0.16*
Dividends paid (cents per share)	1.00	1.22*	0.91*	0.89*	0.93*

**** Prior year amounts have been restated for the impact of the 9:2 share split that occurred in November 2021***

Executive Services Agreement

Kim Chong

The Group has a Services Agreement with Mr Kim Chong that is effective for a period of two years from 1 July 2021. Under the Services Agreement, Mr Chong is engaged by the Group to provide services to the Group in the capacity of Managing Director and Chief Executive Officer.

As per the Services Agreement, Mr Chong is paid an annual remuneration of $200,000 exclusive of statutory superannuation. The Group could terminate Mr Chong at its sole discretion by giving 3 months written notice. Where the Group terminates the Services Agreement without reason, Mr Chong is entitled to receive a termination benefit of 3 months' salary in addition to the 3 months' notice period. Mr Chong is also to be reimbursed for reasonable expenses incurred in carrying out his duties.

The Services Agreement contains the ability to extend the term for a further 2 years.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited)

There was $576 to be reimbursed to Mr Chong as at 30 June 2022.

Mr Chong is the major shareholder through indirect interests and a Director of the Group.

Table of Benefits and Payments for the Year Ended 30 June 2022

KMP		Short – term benefits	Post-employment benefit	Equity -settled Share-based Payments	Long – term benefits	Total
		Salary and fees	Superannuation	Shares	Long service Leave	
Mr Kim Phin Chong	2022	$197,616	$19,761	-	-	$217,377
	2021	$165,679	$15,739	-	-	$181,418
Mr Simon Cato	2022	$38,000	$12,000	-	-	$50,000
	2021	$34,460	$6,906	-	-	$41,366
Mr Stuart Third	2022	$21,592	$2,591	-	-	$24,183
	2021	-	-	-	-	-
Total	2022	$257,208	$34,352	-	-	$291,560
	2021	$200,139	$22,645	-	-	$222,784

From March 2020, the Board considered the outlook for the Group in relation to the impact of COVID-19. At that time, given the uncertainty associated with income from corporate actions and similar non-recurring monthly services, the Board determined to take a 20% reduction in their fees from that point forward until the impact of the pandemic on the circumstances of the Group could be better understood. In January 2021, the Board considered operations were showing sufficient sustainability and removed the reduction that had been in place from that point onwards.

Voting and comments made at the Company's 2021 Annual General Meeting

The Company did not receive a "no" vote of 25% or more at its 2021 Annual General Meeting in relation to the resolution relating to the remuneration report.

KMP Shareholdings

The number of ordinary shares in the Group held by each KMP directly or indirectly of the Group during the financial year is as follows:

30 June 2021	Balance at start of year	Balance held on appointment	Issued during the year	Purchased/(sold) during the year	Balance at the end of the year
S Cato	550,000	-	1,925,000	-	2,475,000
K Chong	24,128,734	-	84,450,569	-	108,579,303
S Third*	-	10,000	35,000	-	45.000
	24,678,734	10,000	86,410,569	-	111,099,303

** Mr S Third was appointed on 15 July 2021*

DIRECTORS' REPORT

REMUNERATION REPORT (Audited)

KMP Options
No options were issued to KMP during the year (2021: nil) and no options were held by KMP during the year (2021: nil).

KMP Related Party Transactions and Loans
Transactions between parties related to KMP and the Group are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Commercial Services Agreement
Winduss & Associates Pty Ltd
The Group received accounting and secretarial services from Winduss & Associates, an accounting practice of which Mr Third was a director and shareholder. Fees charged were at normal commercial rates and conditions. Fees charged to 30 June 2022 for accounting and secretarial services, were $45,650 including GST (2021: $51,106). There are no amounts owing to Winduss & Associates Pty Ltd at 30 June 2022 (2021: $4,125).

Tenancy Agreement
Cherry Field Pty Ltd
On 6 July 2021, the Group entered into a new lease agreement for the premises from which Group operations are conducted with Cherry Field Pty Ltd, a company owned and controlled by an associate of Mr Chong. The new lease superseded the month to month arrangement that was permitted to continue until the beginning of the year. The Group has incurred $187,293 including GST of rental expenses for the year ended 30 June 2022 (2021: $176,854) with no amount outstanding at 30 June 2022 (2021: nil). The lease is for a period of 3 years commencing on 1 July 2021.

Tenancy Agreement
Jacoville Pty Ltd
On 6 July 2021, the Group entered into a lease agreement for additional premises from which to conduct Group operations with Jacoville Pty Ltd, a company owned and controlled by Mr Chong. The Group has incurred $55,459 including GST of rental expenses for the year ended 30 June 2022 (2021: nil) with no amount outstanding at 30 June 2022 (2021: nil). The lease is for a period of 3 years commencing on 1 July 2021.

Other than the above and the balance of $576 owed to Mr Chong, there are no other transactions or loans outstanding as at 30 June 2022.

END OF REMUNERATION REPORT (AUDITED)

Proceedings on Behalf of Group

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

DIRECTORS' REPORT

Non-Audit Services

Details of non-audit services provided by the Group's auditors during the years ended 30 June 2022 and 30 June 2021 can be found in Note 5 of the financial statements.

The Board has considered the non-audit services provided to the Group and have determined that the services were compatible with the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* by ensuring they do not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

The non-audit services were to conduct an additional engagement by undertaking a reasonable assurance engagement on the design of controls within the Group's registry services designated by the ASX Settlement Operating rule 5.23.1. This additional assurance service required the auditors to maintain their independence with respect to the Group, and as such, did not impinge on their independence when conducting their audit of the financial statements.

Rounding of Amounts

In accordance with ASIC Corporations *(Rounding in Financial/Directors' Reports) Instrument 2016/191,* the amounts in the Directors' Report and in the financial report have been rounded to the nearest dollar.

Auditor's Independence Declaration

The auditor's independence declaration for period ending 30 June 2022 has been given and can be found on page 13 of this report.

Signed in accordance with a resolution of the Board of Directors

Simon Cato
Non-Executive Chairman

Signed at Perth on 30 September 2022

PITCHER PARTNERS

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF ADVANCED SHARE REGISTRY LIMITED

In relation to the independent audit for the year ended 30 June 2022, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) No contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Advanced Share Registry Limited and the entities it controlled during the year.

Pitcher Partners BA+A Pty Ltd

PITCHER PARTNERS BA&A PTY LTD

Michael Fay

MICHAEL FAY
Executive Director
Perth, 30 September 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 $	2021 $
Revenue from contracts with customers	2	5,671,278	6,625,659
Other income	2	118,487	487,199
Occupancy expenses	3	(121,327)	(272,766)
Administrative expenses	3	(1,973,610)	(1,882,127)
Other operating expenses	3	(1,025,419)	(1,430,648)
Finance costs	3	(18,962)	-
Depreciation and amortisation expenses	3	(290,740)	(90,646)
Profit before income tax		2,359,707	3,436,671
Income tax expense	4	(606,177)	(874,886)
Profit after income tax		1,753,530	2,561,785
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss:			
Revaluation of owner-occupied property, net of tax		-	(79,828)
Reduction in deferred income tax expense on change in tax rate associated with revaluation of owner-occupied property		-	14,385
		-	(65,443)
Total comprehensive income for the year		1,753,530	2,496,342
Profit attributable to:			
Owners of the parent		1,758,597	2,567,041
Non-controlling interests		(5,067)	(5,256)
		1,753,530	2,561,785
Comprehensive income attributable to:			
Owners of the parent		1,758,597	2,501,598
Non-controlling interests		(5,067)	(5,256)
		1,753,530	2,496,342
Basic earnings per share (cents per share)	28	0.91	1.33*
Diluted earnings per share (cents per share)	28	0.91	1.33*

**The company undertook a share split of 9:2 increasing the number of shares on issue from 42,979,500 to 193,407,776. Basic and Diluted EPS for 30 June 2021 have been restated.*

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Notes	2022 $	2021 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	4,186,700	5,161,865
Trade and other receivables	7	653,216	731,301
Other current assets	8	78,884	45,135
Total Current Assets		4,918,800	5,938,301
Non-current Assets			
Property, plant and equipment	9	1,027,565	942,263
Investment property	10	2,150,000	2,150,000
Intangible assets	11	1,072,003	1,085,758
Leased assets	12	382,749	-
Deferred tax assets	13	313,262	232,120
Total Non-current Assets		4,945,579	4,410,141
TOTAL ASSETS		9,864,379	10,348,442
LIABILITIES			
Current Liabilities			
Trade and other payables	14	229,992	339,946
Current tax liabilities	13	151,183	515,519
Lease liabilities	12	190,205	-
Provisions	15	515,090	500,188
Total Current Liabilities		1,086,470	1,355,653
Non-current Liabilities			
Provisions	15	15,043	22,744
Lease liabilities	12	203,692	-
Deferred tax liabilities	13	485,029	393,007
Total Non-current Liabilities		703,764	415,751
TOTAL LIABILITIES		1,790,234	1,771,404
NET ASSETS		8,074,145	8,577,038
EQUITY			
Issued capital	16	6,201,464	6,201,464
Retained earnings		1,349,741	1,847,567
Reserves	18	526,420	526,420
Total parent entity interest in equity		8,077,625	8,575,451
Total non-controlling interest		(3,480)	1,587
TOTAL EQUITY		8,074,145	8,577,038

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Issued Capital $	Retained Earnings $	Employee Rights Reserve $	Asset Revaluation Reserve $	Total $	Non-controlling Interest $	Total Equity $
Balance at 1 July 2020	6,192,540	1,214,607	8,924	591,863	8,007,934	6,843	8,014,777
Profit after income tax	-	2,567,041	-	-	2,567,041	(5,256)	2,561,785
Other comprehensive income	-	-	-	(65,443)	(65,443)	-	(65,443)
Total comprehensive income		2,567,041	-	(65,443)	2,501,598	(5,256)	2,496,342
Transactions with owners							
Issue of share capital	8,924	-	-	-	8,924	-	8,924
Dividends paid in cash	-	(1,934,081)	-	-	(1,934,081)	-	(1,934,081)
Employee performance rights	-	-	(8,924)	-	(8,924)	-	(8,924)
Total Transactions with owners	8,924	(1,934,081)	(8,924)	-	(1,934,081)	-	(1,934,081)
Balance at 30 June 2021	6,201,464	1,847,567	-	526,420	8,575,451	1,587	8,577,038
Profit after income tax	-	1,758,598	-	-	1,758,598	(5,067)	1,753,531
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income		1,758,598	-	-	1,758,598	(5,067)	1,753,531
Transactions with owners							
Dividends paid in cash	-	(2,256,424)	-	-	(2,256,424)	-	(2,256,424)
Total Transactions with owners	-	(2,256,424)	-	-	(2,256,424)	-	(2,256,424)
Balance at 30 June 2022	6,201,464	1,349,741	-	526,420	8,077,625	(3,480)	8,074,145

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 $	2021 $
Cash flows from operating activities			
Receipts from customers		6,465,034	7,419,145
Government assistance received		-	337,500
Payments to suppliers and employees		(3,878,556)	(3,998,600)
Interest received		18,254	30,978
Finance costs – lease liabilities	12	(18,962)	-
Income tax paid		(959,632)	(684,010)
Net cash flows provided by operating activities	19	1,626,138	3,105,013
Cash flows from investing activities			
Purchase of property, plant and equipment		(171,698)	(69,662)
Deposit paid on investment		(5,000)	-
Net cash flows used in investing activities		(176,698)	(69,662)
Cash flows from financing activities			
Dividends paid		(2,245,164)	(1,931,473)
Principal portion of lease payments		(179,441)	-
Net cash flows used in financing activities		(2,424,605)	(1,931,473)
Net increase/(decrease) in cash and cash equivalents		(975,165)	1,103,878
Cash and cash equivalents at the beginning of the year		5,161,865	4,057,987
Cash and cash equivalents at the end of the year	6	4,186,700	5,161,865

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1: Summary of Significant Accounting Policies

This financial report includes the financial statements and notes of Advanced Share Registry Limited ("Company") and its controlled entities ("Group").

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 ("AASB") 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.

Advanced Share Registry Limited is a for-profit entity for the purpose of preparing the financial statements.

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which the entity operates. The financial statements are presented in Australian Dollars, which is the Company's functional currency.

a. Income Tax

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

Current income tax expense charged to 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 profit or loss when the tax relates to items that are recognised outside profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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.

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.

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 plant and equipment is carried at cost as indicated less where applicable, any accumulated depreciation and impairment losses.

Freehold land and buildings, including owner-occupied property are carried at fair value using the revaluation method permitted by the accounting standards. Freehold land and buildings that are part of property, plant and equipment will be carried at its revalued amount, being the fair value at the date of revaluation, less any subsequent depreciation or impairment losses. Revaluations are to be made at regular intervals to ensure that the carrying amount does not differ materially from the amount that would be the fair value at the end of the reporting period.

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.

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 Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land and leasehold improvements, is depreciated on a diminishing value basis over the asset's useful life to the Group 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%
Plant and Equipment	10-66%

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 profit or loss.

c. Leases

Accounting policy for Group as lessee

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Group recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Leased assets

Leased assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the Group, and an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, leased assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Leased assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12-months or less and leases of low value assets

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

Accounting policy for Group as lessor

Each lease is classified as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Currently all the Group's leases are accounted for as operating leases.

Operating leases

Underlying assets subject to operating leases are presented in the statement of financial position according to the nature of the underlying asset.

Lease payments from operating leases are recognised as income on either a straight-line basis or another systematic basis (if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

d. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15 *Revenue from contracts with customers*.

Financial assets at amortised cost

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes cash and cash equivalents and trade and other receivables.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at amortised cost

This category is the most relevant to the Group. Financial liabilities at amortised cost are subsequently measured using the effective interest (“EIR”) method.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

The Group’s financial liabilities include trade and other payables.

Impairment of Financial Assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. In accordance with the matrix noted above, a financial asset in default will be assessed for impairment which may result in the defaulted amount being recorded as impaired or being considered recoverable and not being impaired. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group’s consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  (a) the Group has transferred substantially all the risks and rewards of the asset; or
  (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

e. Impairment of Non-Financial Assets

At each reporting date, the Group reviews the carrying values of its non-financial tangible 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 profit or loss and other 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 Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. The Group has determined that there was no impairment of non-financial assets during the current year.

f. Intangibles

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. See Note (I) below on "Business Combinations" for information on how goodwill is initially determined. Goodwill is carried at cost less accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Goodwill, having been assessed with an indefinite life, is tested for impairment annually and is allocated to the Group'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.

Website Development

Website development expenditure is initially recognised at cost once it's has met the criteria for recognition as an asset and is then amortised over the anticipated effective life of the website once operational. Future expenditure on maintenance of the website is expensed as incurred except where the website undergoes a significant redevelopment.

g. Employee Benefits

Provision is made for the Group'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 high quality corporate bonds terms to maturity that match the expected timing of cash flows attributable to employee benefits.

Equity-settled Compensation

The Group operates an employee incentive plan that provides employees with performance rights that may be converted to share at a future date. The performance rights are share-based payments. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. The corresponding amount is recorded to the employee rights reserve. The fair value of performance rights 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. The performance rights under the Group's current incentive plan are based on direct employee KPIs and do not include market conditions.

h. Provisions

Provisions are recognised when the Group 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. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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 generally three months or less, including term deposits which have maturities of over three months which can be accessed within three months, and bank overdrafts.

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

j. Revenue and Other Income

The Group is in the business of providing share registry services to a range of listed and unlisted clients. Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The disclosure of significant estimates and judgements relating to revenue from contracts with customers are set out in the 'Changes to Critical Accounting Estimates and Judgements' note below.

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.

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

Government Grants

Government grants are recognised when there is reasonable certainty that the grant will be received and all grant conditions are met.

Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

Grants relating to depreciable assets are credited to deferred income and are recognised in profit or loss over the period and in the proportions in which depreciation expense on those assets is recognised.

k. Goods and Services Tax

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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. Business Combinations

The Group applies the acquisition method in accounting for business combinations.

The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquirer's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of a) fair value of consideration transferred, b) the recognised amount of any non-controlling interest in the acquire and c) acquisition-date fair value of any existing equity interest in the acquire, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

m. Rounding of Amounts

The Company and the Group have applied the relief available under ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191 and accordingly, the amounts in the consolidated financial statements and in the Directors' Report have been rounded to the nearest dollar.

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 Group.

Revenue from Contracts with Customers

The Group has applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts from customers:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Identifying performance obligations in a bundled sale of registry and corporate services

The Group provides corporate services which are either sold separately or bundled together with the sale of registrar services to a customer. The corporate services and registrar services are a promise to transfer services in the future and are part of the negotiated exchange between the Group and the customer.

The Group has determined that both the registrar and corporate services are capable of being distinct and that the promises contained in service agreements for each service are distinct within the context of the contract.

The Group recognises revenue from customers over the time the work is completed for each distinct service provided. Ongoing services are recognised on a monthly basis as the services are provided pursuant to the agreement with the customer for the transactions associated with providing share registrar services during that month. Corporate services are recognised during the month in which the service is performed. In the rare circumstances where a transaction is conducted over a period of several months, the Group will undertake a reasonable estimate of the percentage of completion of the work to recognise that proportion of the revenue due to be received under the contract.

Impairment – General

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key Estimates – Impairment of goodwill and intangibles with indefinite useful lives

The Group 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 2022. 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 Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. All assets are assessed for impairment at each reporting date by evaluating whether indicators of impairment exist in relation to the continued use of the asset by the Group. Impairment triggers include declining product or manufacturing performance, technology changes, adverse changes in the economic or political environment and future product expectations. If an indicator of impairment exists, the recoverable amount of the asset is determined. Non-financial assets have been assessed for impairment triggers as at 30 June 2022, and notwithstanding the general economic impacts of COVID-19, based on the relative value of non-financial assets and the expected continued stable financial performance of the Group, none has been identified.

Key Estimates – Revaluation of Property, Plant and Equipment and Investment Properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in profit or loss. In addition, it measures owner occupied property at fair value with changes in fair value being recognised in OCI. The Group engaged an independent valuation specialist to assess the fair value as at 30 June 2021 for both its investment property and its owner occupied property. The Board has considered other empirical evidence provided to it in relation to the market in which the properties are held as at 30 June 2022 and has determined the carrying value of the properties in the financial statements reflects the fair value of each property since the receipt of the independent valuation. The Board engages in reviewing the properties' values at each reporting period to monitor movements in fair value, and where they determine the value has departed from the property's recorded value by a sufficient margin, they will seek to confirm value by engaging an independent valuer at that time.

For investment properties and owner-occupied properties, they were valued in 2021 by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property. The key assumptions used to determine the fair value of the investment properties are provided in Note 25.

Fair value measurements

Certain financial assets are measured at fair value. Fair values have been determined in accordance with fair value measurement hierarchy. Refer to Note 25 for the details of the fair value measure key assumptions and inputs.

Key Judgments – Provision for Expected Credit Losses on Trade Receivables

The Group groups its client base into clients of similar credit risk to calculate expected credit losses for trade receivables. The provision rates used are based on past days for groupings of customers with similar loss patterns. The provision applied is initially based on the Group's historical observed default rates for each customer grouping. Where forward-looking information (such as a significant change in economic conditions and the junior listed sector) may provide evidence that there may be an increasing number of defaults, historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Key Judgements – Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and carry forward tax losses can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in the tax jurisdiction.

Key Judgements – Assessment of Control of Companies not Wholly Owned

The Group assesses its control over companies in which it has invested by reviewing the holding of ordinary shares, the control of votes at a meeting of shareholders and the composition of the Board of Directors of the investee company. The Group presently contains two subsidiaries in which the Company holds 51% of the ordinary shares and voting rights, and at any meeting of shareholders, the Company will be entitled to exercise the majority of the votes cast at that meeting. The Board of Directors of the subsidiaries contain a majority of Directors appointed by the Company. The Company has determined that it exercises control over the companies and, as such, has consolidated those entities within the Group.

o. Principles of Consolidation

The financial statements incorporate all the assets, liabilities and results of the Company and all its subsidiaries (including any structured entities). Subsidiaries are entities the Company controls. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and could affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 29.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

p. Investment Property

Investment property, comprising freehold office space, is held to generate rental yields. All tenant leases are on arm's length basis. Investment property is measured on the revaluation basis as permitted by Australian Accounting Standards. The fair value of the property is determined at reporting date and is determined by assessing the factors that market participants would use when pricing the investment property under current market conditions. The Group's policy is to obtain an independent valuation every 3 years and for the Directors to perform an internal valuation for reporting periods in between the independent valuations. Depreciation is not calculated for investment property recognised at fair value.

q. Segment Reporting

The Group has two operating segments: share registrar services and management of investment property. In identifying its operating segments, management generally follows the Group's service lines, which represent the main products and services provided by the Group. The Group 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 Group is managed on the basis that it provides share registrar services and manages investment property in the geographical region of Australia. The provision of share registry services and investment in property are considered two business segments.

The measurement policies the Group uses for segment reporting under AASB 8 *Operating Segments* are the same as those used in its financial statements, except for:

- post-employment benefit expenses
- expenses relating to share-based payments
- research costs relating to new business activities; and
- revenue, costs and fair value gains from investment property

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

New and Revised Accounting Standards that are Effective for these Financial Statements

The Group has considered the implications of new or amended AASBs which have become applicable for the current annual financial reporting period beginning on or after 1 July 2021. It has been determined by the Group that there is no impact, material or otherwise, of the new or amended AASBs and therefore no changes to Group accounting policies. No retrospective change in accounting policy of material reclassification has occurred during the financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting period, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group is currently in the process of assessing the following new and amended pronouncements:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current, AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date (applicable for annual reporting periods beginning on or after 1 January 2023)

AASB 2020-1 amends AASB 101 *Presentation of Financial Statements* to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It requires a liability to be classified as current when entities do not have a substantive right to defer settlement at the end of the reporting period.

AASB 2020-6 defers the mandatory effective date of amendments that were originally made in AASB 2020-1 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022. They will first be applied by the Group in the financial year commencing 1 July 2023, and is not expected to have a material impact on the financial statements of the Group.

AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments (applicable for annual reporting periods beginning on or after 1 January 2022)

AASB 2020-3 amends AASB 1 *First-time Adoption of Australian Accounting Standards*, AASB 3 *Business Combinations*, AASB 9 *Financial Instruments*, AASB 116 *Property, Plant and Equipment*, AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and AASB 141 *Agriculture* as a consequence of the recent issuance by IASB of the following IFRS: *Annual Improvements to IFRS Standards 2018-2020*, *Reference to the Conceptual Framework*, *Property, Plant and Equipment: Proceeds before Intended Use* and *Onerous Contracts – Cost of Fulfilling a Contract*.

AASB 2020-3 mandatorily applies to annual reporting periods commencing on or after 1 January 2022 and will be first applied by the Group in the financial year commencing 1 July 2022, and is not expected to have a material impact on the financial statements of the Group.

AASB 2021-7a Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials] (applicable for annual reporting periods beginning on or after 1 January 2022)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

AASB 2021-7a amends various standards, interpretations and other pronouncements for editorial corrections made by accounting standards boards since December 2017.

AASB 2021-7a mandatorily applies to annual reporting periods commencing on or after 1 January 2022 and will be first applied by the Group in the financial year commencing 1 July 2022, and is not expected to have a material impact on the financial statements of the Group.

AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (applicable for annual reporting periods beginning on or after 1 January 2023)

AASB 2021-5 amends AASB 112 *Income Taxes* to clarify the accounting for deferred tax transactions that, at the time of the transaction, give rise to equal taxable and deductible temporary differences. In specified circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply to transactions for which entities recognise both an asset and a liability and that give rise to equal taxable and deductible temporary differences.

This amending standard mandatorily apply to annual reporting periods commencing on or after 1 January 2023 and will be first applied by the Group in the financial year commencing 1 July 2023, and is not expected to have a material impact on the financial statements of the Group.

AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates (applicable for annual reporting periods beginning on or after 1 January 2023)

AASB 2020-1 amends AASB 7 *Financial Instruments: Disclosures* ("AASB 7"), AASB 101 *Presentation of Financial Statements* ("AASB 101"), AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* ("AASB 108"), AASB 134 *Interim Financial Reporting* ("AASB 134") and AASB Practice Statement 2 *Making Materiality Judgements* ("AASB Practice Statement 2"). The main amendments relate to:

AASB 7 – clarifies that information about measurement bases for financial instruments is expected to be material to an entity's financial statements; AASB 101 – requires entities to disclose their material accounting policy information rather than their significant accounting policies; AASB 108 – clarifies how entities should distinguish changes in accounting policies and changes in accounting estimates; AASB 134 – to identify material accounting policy information as a component of a complete set of financial statements; and AASB Practice Statement 2 – to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

AASB 2021-2 mandatorily applies to annual reporting periods commencing on or after 1 January 2023 and will be first applied by the Group in the financial year commencing 1 July 2023, and is not expected to have a material impact on the financial statements of the Group.

Note 2: Revenue from Contracts with Customers and Other Income

	2022 $	2021 $
Revenue		
Registry fees	4,408,828	5,041,264
Client disbursements recovered	1,262,450	1,584,395
Total Revenue	5,671,278	6,625,659

Revenue from contracts with customers is generated wholly within the geographical region of Australia and is recognised over the period of time the service is provided to the customer.

	2022 $	2021 $
Other income		
Rental income	62,026	99,488
Interest received	22,940	27,170
Government grants	-	337,500
Other income	33,521	23,041
	118,487	487,199

Note 3: Profit for the year includes the following specific expenses

	2022 $	2021 $
Occupancy expenses		
Short- term lease	-	163,912
Other	121,327	108,854
Total Occupancy expenses	121,327	272,766
Administrative expenses		
Professional fees	35,236	29,420
Director fees	59,593	64,160
Salaries and wages	1,537,154	1,438,524
Superannuation	162,743	139,316
Other	178,884	210,707
Total Administrative expenses	1,973,610	1,882,127
Other operating expenses		
Postage, printing and stationery	902,245	1,189,993
Other	123,174	240,655
Total Other operating expenses	1,025,419	1,430,648

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 $	2021 $
Finance expenses		
Lease finance costs	18,961	-
Total Finance expenses	18,961	-
Depreciation and amortisation expenses		
Depreciation and amortisation of non-current assets	290,740	90,646
Total Depreciation and amortisation expenses	290,740	90,646
Total Expenses	3,430,057	3,676,187

Note 4: Income Tax

	2022 $	2021 $
a. The components of tax expense comprise:		
Current tax	595,297	920,832
Deferred tax	10,880	(40,298)
Deferred tax expense resulting from reduction in tax rate	-	(5,648)
	606,177	874,886
b. Numerical reconciliation between aggregate tax expense recognised in the statement of profit or loss and other 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 expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:		
Total accounting profit before income tax at the Group's Statutory income tax rate of 2022 - 25% (2021 - 26%)	589,928	893,534
Non- assessable income	-	(13,000)
Other non-allowable items	13,595	-
Reduction in deferred taxes from reduction in tax rate	-	(5,648)
Deferred tax not recognised on tax losses	2,654	-
Aggregate income tax expense	606,177	874,886
The applicable weighted average effective tax rate is:	25.69%	25.46%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 5: Auditor's Remuneration

	2022	2021
	$	$
Remuneration of the auditor of the Group paid or payable to Pitcher Partners BA&A Pty Ltd for:		
Audit and review of the financial report	32,436	26,870
Audit of Share Registry Function for ASX requirements	2,800	2,600
Total auditor's remuneration	35,236	29,470

Note 6: Cash and Cash Equivalents

	2022	2021
Current	$	$
Cash at bank and on hand	1,786,700	2,358,588
Cash on deposit	2,400,000	2,803,277
	4,186,700	5,161,865

The effective interest rate on short-term bank deposits was 1.69%; these deposits have a maturity of 91 days. (2021: 0.97%)

Note 7: Trade and Other Receivables

	2022	2021
	$	$
Current		
Trade receivables	865,715	993,544
Provision for expected credit losses of trade receivables	(282,892)	(323,920)
	582,823	669,624
Other receivables	70,393	61,677
	653,216	731,301

Provision for expected credit losses of trade receivables

Current trade receivables are non-interest-bearing and generally on 30-day terms. Non-current trade receivables are assessed for recoverability based on the underlying terms of the contract. A provision for expected credit losses is recognised in accordance with Note 1 (n) *Critical Accounting Estimates and Judgments.* These amounts have been included in the other operating expenses item. Other than those receivables provided for, all amounts are expected to be recovered in full.

Movement in the provision for expected credit losses of trade receivables is as follows

	Current trade receivables
	$
Opening Balance as at 1 July 2020	250,467
Charge for the year	250,830
Amounts recovered and reversed	(177,377)
Amounts written off	-
Closing Balance as at 30 June 2021	323,920

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Current trade receivables
	$
Opening Balance as at 1 July 2021	323,920
Charge for the year	13,930
Amounts recovered and reversed	(54,958)
Amounts written off	-
Closing Balance as at 30 June 2022	282,892

Credit Risk – Trade and Other Receivables

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

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

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

				Past Due but Not Impaired (Days Overdue)			
	Gross Amount	Past Due and Impaired	Not Past Due	< 30	31- 60	61 – 90	> 90
	$	$	$	$	$	$	$
2022							
Trade and term receivables	865,715	282,892	436,433	-	37,910	47,104	61,376
Other receivables	70,393	-	21,006	9,374	9,374	9,374	21,265
Total	936,108	282,892	457,439	9,374	47,284	56,478	82,641
2021							
Trade and term receivables	993,544	323,920	592,612	-	39,931	37,081	-
Other receivables	61,677	-	61,677	-	-	-	-
Total	1,055,221	323,920	654,289	-	39,931	37,081	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 8: Other Assets

	2022 $	2021 $
Current		
Prepayments	51,520	45,135
Deposits paid	27,364	-
	78,884	45,135

Note 9: Property, Plant and Equipment

	2022 $	2021 $
Freehold land & Buildings – at fair value	650,000	650,000
Accumulated depreciation	(19,348)	-
	630,652	650,000
Plant and equipment – at cost	918,334	746,636
Accumulated depreciation	(521,421)	(454,373)
	396,913	292,263
Total property, plant and equipment	1,027,565	942,263

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 $	Plant and Equipment $	Total $
Balance at 1 July 2020	780,436	275,315	1,055,751
Additions	-	69,662	69,662
Depreciation expense	(22,560)	(52,714)	(75,274)
Assets written off	-	-	-
Revaluation	(107,876)	-	(107,876)
Balance at 30 June 2021	650,000	292,263	942,263
Additions		171,698	171,698
Depreciation expense	(19,348)	(67,048)	(86,396)
Assets written off	-	-	-
Revaluation	-	-	-
Balance at 30 June 2022	630,652	396,913	1,027,565

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 10: Investment Property

	2021 $	2020 $
Balance at beginning of year	2,150,000	2,150,000
Revaluation	-	-
Balance at end of year	2,150,000	2,150,000

The Group holds property at 6/225 Clarence Street, Sydney as a rental investment. The property has been leased out on operating lease to a third party. The rental income amounts to $62,026 (2021: $99,488) reported under rental income. Direct operating expenses of $21,027 (2021: $19,985) were reported within other operating expenses. Adjustments to the amount of rent to be received under the lease contract were made pursuant to the COVID-19 relief measures resulting in a reduction of $37,462.

The lease contract is a non-cancellable lease with a 5-year term (with 2 years remaining at balance date) with rent receivable monthly. Future minimum lease rentals under the lease terms are as follows:

	2022 $	2021 $
No later than 12 months	99,493	99,493
Between 12 months and 5 years	66,329	198,986
	165,822	298,479

Note 11: Intangible Assets

	2022 $	2021 $
Goodwill – at cost	1,071,481	1,071,481
Accumulated impairment	(17,791)	(17,791)
Net carrying amount	1,053,690	1,053,690
Client book acquired – at cost	2,002,010	2,002,010
Accumulated amortisation	(2,002,010)	(2,002,010)
Net carrying amount	-	-
Website development – at cost	78,988	78,988
Accumulated amortisation	(60,675)	(46,920)
Net carrying amount	18,313	32,068
Total intangibles	1,072,003	1,085,758

As at the 30 June 2022, the client book acquired has been fully amortised over its effective life of 10 years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

a. Movements in Carrying Amounts

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

	Goodwill	Website Development	Total
	$	$	$
Balance at 1 July 2020	1,053,690	47,440	1,101,130
Additions	-	-	-
Amortisation expense	-	(15,372)	(15,372)
Balance at 30 June 2021	1,053,690	32,068	1,085,758
Additions	-	-	-
Amortisation expense	-	(13,755)	(13,755)
Balance at 30 June 2022	1,053,690	18,313	1,072,003

Impairment Disclosures

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

Share registry services

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 5-year period. The cash flows are discounted by using a risk-free available interest rate, adjusted for an estimated risk premium, at the beginning of the budget period. A terminal value is not included in the value in use calculation.

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

	Growth Rate		Discount Rate	
	2022	2021	2022	2021
Share registry services	1.00%	1.00%	7.34%	5.22%

For the year ended 30 June 2022 and 2021, management has based the value-in-use calculations on the earnings before income tax, depreciation and amortisation ("EBITDA") budgets for each reporting segment which have been based on the EBITDA achieved in the relevant year. EBITDA is the most sensitive variable to the value in use calculation. These budgets use an estimated growth rate to project revenue. The rate is determined by the Directors to be reasonable based on the present and anticipated market conditions applicable to the business. 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. If the Directors' assumptions for the projected period as described were to be achieved and maintaining the steady growth rate of 1% as

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

indicated, the recoverable amount would exceed the carrying amount. No reasonable fluctuation in discount or growth rates would cause the cash generating unit carrying amount to exceed its recoverable amount to require an adjustment for impairment.

Note 12: Leased assets and Lease liabilities

The Group has entered into leases for premises from which to operate its head office in Western Australia and premises adjacent to the head office for additional space for operational purposes. The leases are both 3 year non-cancellable leases payable in advance. Each agreement provides for a fixed 2.5% increase at the beginning of each year in the lease term. The Group's leased assets and liabilities are limited to the lease of buildings, and no other forms of assets are under leasing arrangements within the Group.

	2022 $	2021 $
Leased assets		
Buildings under lease arrangements		
At cost	573,338	-
Accumulated amortisation	(190,589)	-
Balance at year end	382,749	-
Reconciliation of the carrying amount at the beginning and end of the year		
Carrying amount at 1 July 2021	-	-
Additions	573,338	-
Accumulated amortisation	(190,589)	-
Balance at year end	382,749	-
Lease liabilities		
Current lease liabilities	190,205	-
Non current lease liabilities	203,692	-
Balance at year end	393,897	-
Lease expense and cashflows		
Interest expense on lease liabilities	18,962	-
Amortisation expense on leased assets	190,589	-
Total cash outflows in relation to leases	198,402	-

Note 13: Tax

	2022 $	2021 $
Current		
Income tax payable	151,183	515,519

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Non-Current

	Opening Balance $	Charged to profit or loss $	Charged to Equity $	Impact of Tax Rate Change $	Closing Balance $
Deferred Tax Liability					
Accrued Income	1,500	(990)	-	(97)	413
Accumulated Depreciation Pitt St	(12,255)	(5,866)	17,452	669	-
Revaluation of property in equity	177,479	-	(45,500)	(14,385)	117,594
Revaluation of property in profit	302,500	-	-	(27,500)	275,000
Balance at 30 June 2021	469,224	(6,856)	(28,048)	(41,313)	393,007
Accrued Income	413	1,172	-	-	1,585
Accumulated Depreciation Pitt St	-	(4,837)	-	-	(4,837)
Leased assets	-	95,687	-	-	95,687
Revaluation of property in equity	117,594	-	-	-	117,594
Revaluation of property in profit	275,000	-	-	-	275,000
Balance at 30 June 2022	393,007	92,022			485,029

	Opening Balance $	Charged to profit or loss $	Charged to Equity $	Impact of Tax Rate Change $	Closing Balance $
Deferred Tax Assets					
Provisions and Accrued expenses	219,960	33,442	-	(21,282)	232,120
Property, plant and equipment	-	-	-	-	-
Balance at 30 June 2021	219,960	33,442	-	(21,282)	232,120
Provisions and Accrued expenses	232,120	(17,332)	-	-	214,788
Lease liabilities	-	98,474	-	-	98,474
Property, plant and equipment	-	-	-	-	
Balance at 30 June 2022	232,120	81,142	-	-	313,262

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 $	2021 $
Deferred income tax at 30 June relates to the following:		
i) Deferred tax liabilities		
Accrued income	1,585	413
Depreciation adjustment from revaluation of property	(4,837)	-
Leased assets	95,687	-
Revaluation of property in profit	275,000	275,000
Revaluation of property in equity	117,594	117,594
Net deferred tax liabilities	485,029	393,007
ii) Deferred tax assets		
Superannuation liability	10,401	10,211
Accruals	11,540	17,790
Lease liabilities	98,474	-
Provisions:		
Expected credit loss	70,723	80,980
Long service leave	39,542	43,115
Annual leave	82,582	80,024
Net deferred tax assets	313,262	232,120
Total net deferred tax	171,767	160,087

The Group has unused tax losses of $48,360 giving rise to a deferred tax asset of $12,090 which has not been recognised due to uncertainty of the subsidiaries in which the losses have been made being able to utilise those losses against future taxable income.

Note 14: Trade and other payables

	2022 $	2021 $
Current		
Trade creditors and accruals	229,992	339,946

The carrying amount of creditors and accruals has been considered and approximates fair value.

Note 15: Provisions

	Employee Benefits $	Provision for Dividend $	Total $
Balance at beginning of the year	492,555	30,377	522,932
Additional provisions	124,982	2,256,424	2,381,406
Amounts used	(129,041)	(2,245,164)	(2,374,205)
Balance at end of the year	488,496	41,637	530,133

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Analysis of total provisions

	2022 $	2021 $
Current liabilities - provisions		
Annual leave	330,329	320,097
Provision for dividend	41,637	30,377
Long service leave	143,124	149,714
	515,090	500,188
Non-current liabilities - provisions		
Long service leave	15,043	22,744

Note 16: Issued Capital

	2022 $	2021 $
42,966,500 fully paid ordinary shares at the beginning of the year	6,201,464	6,192,540
150,428,276 Shares issued during the year for nil consideration (2021: 13,000)(i)(ii)	-	8,924
193,407,776 fully paid ordinary shares at the end of the year	6,201,464	6,201,464

a. Ordinary Shares	No.	No.
At the beginning of the reporting period	42,979,500	42,966,500
Shares issued during the year for nil consideration(i) (ii)	150,428,276	13,000
At reporting date	193,407,776	42,979,500

(i) 13,000 ordinary shares were issued on 30 July 2020 at nil consideration to relevant employees who met the performance rights conditions and exercised their right to acquire the shares. See Note 16 for further details.

(ii) Shares issued pursuant to the resolution passed at the Annual General Meeting held on 19 November 2021 whereby the shares on issue were split on the basis of 9 shares for every 2 shares held.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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

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

Management effectively manages the Group's capital by assessing the Group'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 Group since listing on 10 June 2008.

Note 17: Share-based Payments

Employee Performance Rights granted to eligible employees

Under the Group'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 Group. 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.

Grant Date	Number	Vesting Date
1 May 2018	27,000	30 April 2020

On 1 May 2018, the Group granted performance rights to eligible employees. The performance rights vested to the employees on the dates indicated upon their satisfactory completion of the required performance targets, at which time the employee could apply to convert the rights to ordinary shares for nil consideration. The performance rights held no voting or dividend rights and were not transferable. No performance rights were granted to KMP.

13,000 performance rights vested on 30 April 2020 and were exercised in July 2020 for the value of $2,023, whilst the remaining performance rights expired without vesting on 30 April 2020.

Performance rights are expensed over the expected vesting period based on the anticipated number of shares to be issued and are valued using the Black Scholes methodology.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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

There were no performance rights outstanding at the beginning or end of the year.

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

Note 18: Reserves

Asset Revaluation Reserve

i. Nature and purpose of reserve: The buildings held as property, plant and equipment have been revalued and the movement has been recognised through reserves.

ii. Movement in reserve

	2022 $	2021 $
Balance at beginning of the year	526,420	591,863
Decrease in fair value, net of tax	-	(79,828)
Reduction in deferred income tax expense on change in tax rate associated with revaluation of owner-occupied property	-	14,385
Balance at end of the year	526,420	526,420

Employee Performance Rights Reserve

i. Nature and purpose of reserve: The employee performance rights reserve records items recognised as expenses on valuation of employee performance rights that will subsequently convert to equity on the issue of shares upon exercise of the rights when all conditions for granting the rights have been met.

ii. Movement in reserve

	2022 $	2021 $
Balance at beginning of the year	-	8,924
Cost of share-based payments	-	-
Ordinary shares issued	-	(8,924)
Balance at end of the year	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 19: Cash flow information

	2022 $	2021 $
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit after income tax	1,753,531	2,561,785
Non cash flows in profit:		
Share based payments		-
Employee performance rights		-
Depreciation and amortisation	290,740	90,646
Loss on disposal of assets		-
	2,044,271	2,652,431
Changes in equity as a result of adjustments in reserves		
Changes in assets and liabilities:		
(Increase)/decrease in trade and term receivables	78,085	81,981
(Increase)/decrease in prepayments	(28,749)	1,629
Increase/(decrease) in trade payables and accrual	(66,885)	25,595
Increase/(decrease) in income taxes payable	(364,336)	344,697
(Increase)/Decrease in deferred tax assets	(81,142)	(12,160)
Increase/(decrease) in deferred tax liabilities	92,023	(66,834)
Increase/(decrease) in provisions	(47,129)	72,674
	1,626,138	3,105,013

Non-cash financing and investing activities

During the year ended 30 June 2022 the Group entered into two new leases for 108 Stirling Highway Nedlands WA 6009 and 110 Stirling Highway Nedlands WA 6009. Refer to note 12 leased assets and lease liabilities for further information.

Note 20: Events after the Reporting Period

The following matter or circumstance has arisen since balance date in relation to the Group.

Mr Jeffrey Broun was appointed Director on 16 September 2022.

The Directors have declared and paid a fully franked final dividend of 0.50 cent per ordinary share on 19 August 2021 in respect of the financial period ending 30 June 2022.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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 Group, the results of those operations or the state of affairs of the Group in future financial years.

Note 21: Capital and leasing commitments

Commitments in respect of short-term lease arrangements

The following information relates to lease arrangements as at 30 June 2022:

	2022 $	2021 $
not later than 12 months	-	40,194

The lease arrangements relate to a property lease that was originally a non-cancellable lease with a 3-year term with rent payable monthly in advance. Contingent rental provisions within the lease agreement allowed the minimum lease payments to be increased by CPI % per annum. The original lease ended on 1 April 2020 and due to the uncertainty around COVID-19, the lease was extended on a month by month basis in accordance with the existing lease terms subject to either party giving a minimum of 3 months' notice for ceasing the month to month arrangement. A new lease was signed on 6 July 2021 and has been documented at Note 12.

Note 22: Contingent Liabilities

The Group has no known or identifiable contingent liabilities as at 30 June 2022 (2021: Nil).

Note 23: Financial Instruments

Categories of Financial Instruments

	2022 $	2021 $
Amortised cost		
Cash and cash equivalents	4,186,700	5,161,865
Trade and other receivables	653,216	731,301
Total Amortised cost	4,839,916	5,893,166
Total financial assets	4,839,916	5,893,166
Financial liabilities		
Amortised cost		
Trade and other payables	229,992	268,727
Total financial liabilities	229,992	268,727

The carrying amounts of financial instruments are measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 24: Financial Risk Management

a. General objectives, policies and processes

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group'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:

- trade and other receivables	- cash at bank
- trade and other payables	- deposits

The Board has overall responsibility for the determination of the Group'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 Group's finance function. The Group's risk management policies and objectives are therefore designed to minimise the potential impact of these risks on the result of the Group where such impacts may be material.

b. Credit risk analysis

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 Group.

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 Group, 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 (S&P: AA-), or in entities that the board has otherwise cleared as being financially sound. Where the Group 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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 are no material amounts of collateral held as security at 30 June 2022 (2021: Nil).

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

	2022 $	2021 $
Cash and cash equivalents	4,186,700	5,161,865
Trade and other receivables	653,216	731,301

c. Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments such as, for example, borrowing repayments. It is the policy of the Board that treasury maintains adequate committed credit facilities.

Financial liability and financial asset maturity analysis

	< 6 Months		**6 – 12 months**		**> 12 months**		**Total**	
	2022 $	**2021 $**	**2022 $**	**2021 $**	**2022 $**	**2021 $**	**2022 $**	**2021 $**
Financial liabilities due for payment								
Trade and other payables	229,992	268,727		-		-	229,992	268,727
Lease liabilities	101,680	-	101,680	-	208,445	-	411,805	-
Total expected outflows	331,672	268,727	101,680	-	208,445	-	641,797	268,727
Financial assets – cash flows realisable								
Cash and cash equivalents	4,269,490	5,164,508	-	-	-	-	4,269,490	5,164,508
Trade and other receivables	653,216	731,301	-	-	-	-	653,216	731,301
Total anticipated inflows	4,922,706	5,895,809	-	-	-	-	4,922,706	5,895,809
Net inflow on financial instruments	4,591,034	5,627,082	(101,680)	-	(208,445)	-	4,280,909	5,627,082

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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 Group has significant interest-bearing assets, and the main interest rate risk is that it may suffer loss of income should interest rates decline.

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

Other than those amounts provided for, the Group expects to receive all trade and other receivables and pay all trade and other payables in full in less than six months. Therefore the Group has no such exposure to interest rate risks associated with trade and other receivables and trade and other payables.

The tables below reflect the undiscounted contractual settlement terms for financial instruments subject to interest rate risk (being cash and cash equivalents) based on an expected period of maturity.

	Effective Average Fixed Interest Rate Payable		**Notional Principal**	
Maturity of notional amounts:	**2022**	**2021**	**2022**	**2021**
Less than 1 year	2.95%	0.33%	$1,430,721	$2,020,963
	2.95%	0.33%	$1,430,721	$2,020,963

Sensitivity Analysis
The Group 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

	2022	**2021**
Change in profit	**$**	**$**
- Increase in interest rate by 2.5% (2021: 1%)	95,750	50,000
- Decrease in interest rate by 2.5% (2021: 1%)	(95,750)	(50,000)
Change in equity		
- Increase in interest rate by 2.5% (2021: 1%)	95,750	50,000
- Decrease in interest rate by 2.5% (2021: 1%)	(95,750)	(50,000)

The rate of interest used for the sensitivity analysis has been adjusted to 2.5% for the current year given the present economic climate and period of rising interest rates.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 25: Fair Value

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Financial assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

The three levels are based on the observability of significant inputs into the measurement as follows:
Level 1 are quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 are inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directory or indirectly
Level 3 are unobservable inputs for the asset or liability

There have been no transfers between Level 1 and Level 2 during the financial year ended 30 June 2021.

a. Non-Financial Instruments Measured at Fair Value
The following table shows the levels within the hierarchy of non-financial assets measured at fair value in the statement of financial position.

	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
2022				
Property, plant and equipment				
- Owner occupied office	-	-	650,000	650,000
Investment property				
- Office let to third party	-	-	2,150,000	2,150,000
2021				
Property, plant and equipment				
- Owner occupied office	-	-	650,000	650,000
Investment property				
- Office let to third party	-	-	2,150,000	2,150,000

The fair value of the Group’s property assets outlined above is based on appraisals performed by independent, professionally qualified valuers who have recent experience in the location and category

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

of the property. The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the Board at reporting date.

The appraisals were carried out using a market approach, the direct comparison method, that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the properties in question, including size, location, encumbrances, amenities and current use. The properties were formally valued at 14 July 2021. The Board has considered other empirical evidence provided to it in relation to the market in which the properties are held as at 30 June 2022 and has determined that the independent valuer's assessment of the fair values of the properties remains valid at 30 June 2022. The empirical evidence suggests that the valuation of owner occupied property at 30 June 2022 would be $9,882 to $10,464 per square metre (2021: $10,484 per square metre) and the valuation of the investment property at 30 June 2022 would be $13,333 to $14,118 per square metre (2021: $14,145 per square metre).

The Board reviews the properties' market values at each reporting period and where it determines the current market value has departed from the property's recorded value, it will seek to engage an independent valuer to confirm the current market value as at the reporting date.

The significant unobservable input is the adjustment factors specific to the property, which may include matters such as the property's physical condition or the impact of any regulation governing the ability to use or change the property. The extent and direction of this adjustment depends on the number and characteristics of observable transactions in the market for similar properties that are used as the starting point for valuation. Whilst the input requires subjective judgement, it is considered that the overall valuation would not be materially affected by reasonably possible alternative assumptions.

Below table represents accumulated fair value movement in relation to Property, Plant and Equipment and Investment Property:

	Property, Plant and Equipment	Investment Property
	$	$
Opening balance at 1 July 2020	467,356	1,408,353
Total gains or losses for the period in profit or loss		
Gain on revaluation of investment property	-	-
Total gains or losses for the period in other comprehensive income		
Revaluation of owner-occupied property	(107,876)	-
Balance at 30 June 2021	359,480	1,408,353
Total gains or losses for the period in profit or loss		
Gain on revaluation of investment property	-	-
Total gains or losses for the period in other comprehensive income		
Revaluation of owner-occupied property	-	-
Balance at 30 June 2022	359,480	1,408,353

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Total amount included in profit or loss for unrealised gain on Level 3 assets for Property, Plant and Equipment for 2022: nil (2021: nil) and for Investment Property in 2022: nil (2021: nil)

Note 26: 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.

Commercial Services Agreement
Winduss & Associates Pty Ltd
The Group received accounting and secretarial services from Winduss & Associates, an accounting practice of which Mr Third was a director and shareholder. Fees charged were at normal commercial rates and conditions. Fees charged to 30 June 2022 for accounting and secretarial services, were $45,650 including GST (2021: $51,106). There are no amounts owing to Winduss & Associates Pty Ltd at 30 June 2022 (2021: $4,125).

Tenancy Agreement
Cherry Field Pty Ltd
On 6 July 2021, the Group entered into a new lease agreement for the premises from which Group operations are conducted with Cherry Field Pty Ltd, a company owned and controlled by an associate of Mr Chong. The new lease superseded the month to month arrangement that was permitted to continue until the beginning of the year. The Group has incurred $187,293 including GST in rental expenses for the year ended 30 June 2022 (2021: $176,854) with no amount outstanding at 30 June 2022 (2021: nil). The lease is for a period of 3 years commencing on 1 July 2021.

Tenancy Agreement
Jacoville Pty Ltd
On 6 July 2021, the Group entered into a lease agreement for additional premises from which to conduct Group operations with Jacoville Pty Ltd, a company owned and controlled by Mr Chong. The Group has incurred $55,459 including GST in rental expenses for the year ended 30 June 2022 (2021: nil) with no amount outstanding at 30 June 2022 (2021: nil). The lease is for a period of 3 years commencing on 1 July 2021.

Note 28: Earnings per share

	2022 $	2021 $
Earnings used in the calculation of EPS		
Profit	1,758,597	2,567,041
Earnings per share		
Basic earnings per share	0.91	1.33*
Diluted earnings per share	0.91	1.33*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 No.	2021 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	193,407,776	193,407,776*
Weighted average number of dilutive rights outstanding	-	-
Weighted average number of ordinary shares used in calculating diluted EPS	**193,407,776**	**193,407,776***

** The 2021 comparative has been restated due to the 9:2 share split which occurred in November 2021*

Note 29: Dividends

	2022 $	2021 $
Distributions paid		
Final fully franked dividend of 0.67 cent* (2021: 0.44 cent*) per share franked at the tax rate of 25%	1,289,385	859,590
Interim dividend fully franked of 0.50 cent (2021: 0.56 cent*) per share franked at the tax rate of 25%	967,039	1,074,488
	2,256,424	1,934,078
Final fully franked dividend of 0.50 cent declared subsequent to 30 June 2022 (2021: 0.67 cent*) per share franked at the tax rate of 25%	967,039	1,289,385
Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax	1,501,627	1,658,472
Subsequent to year end, the franking account would be reduced by the proposed dividend as follows:	(322,346)	(453,027)

** The dividend rate has been restated due to the 9:2 share split which occurred in November 2021*

Note 30: Interests of KMP

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's KMP for the year ended 30 June 2022.

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

	2022 $	2021 $
Short -term employee benefits	257,208	229,839
Post-employment benefits	34,352	22,645
Equity-settled Share-based payments	-	-
	291,560	252,484

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 31: Controlled Entities

Set out below are the Group's controlled entities at 30 June 2022. The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group and Non-controlling interests.

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group		Proportion of Non-controlling Interests	
		2022	2021	2022	2021
Advanced Custodial Services Pty Ltd	Perth, Australia	100%	100%	-	-
Private Company Platform Pty Ltd	Perth, Australia	51%	51%	49%	49%
Sharetech Pty Ltd	Perth, Australia	51%	51%	49%	49%

Note 32: Parent Information

The following information has been extracted from the books and records of the Company and has been prepared in accordance with Australian Accounting Standards.

	2022	2021
Statement of Profit or Loss and Other Comprehensive Income	**$**	**$**
Total profit	1,715,270	2,572,767
Total other comprehensive income, net of tax	-	(65,443)
Total Comprehensive Income for the year	**1,715,270**	**2,507,324**

	2022	2021
Statement of Financial Position	**$**	**$**
ASSETS		
Current Assets	4,468,459	5,998,985
Non-current Assets	4,945,908	4,387,685
TOTAL ASSETS	9,864,367	10,386,670
LIABILITIES		
Current Liabilities	1,086,458	1,355,620
Non-current liabilities	703,764	415,750
TOTAL LIABILITIES	1,790,222	1,771,370
EQUITY		
Issued Capital	6,201,464	6,201,464
Reserves	526,420	526,420
Retained earnings	1,346,261	1,887,416
TOTAL EQUITY	8,074,145	8,615,300

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

The Company has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

At 30 June 2022, the Company had not entered into any contractual commitments for the acquisition of property, plant and equipment (2021: Nil).

Note 33: Operating Segments

The Group 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 Group is managed on the basis that it provides share registrar services and manages investment property in the geographical region of Australia. The provision of share registry services and investment in property are considered to be the two business segments of the Group.

Major customers

The Group has a number of customers to whom it provides services. The Group has no single external customer that accounts for more than 10% of its income, a group of 8 customers, each exceeding 2% of the Group's income, accounts for approximately 22% (2021: 8 customers each exceeding 2% of the Group's income accounted for 22%) of the Group's income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Share Registry Services		Property Investment		Consolidated	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**	**$**	**$**
Revenue						
Sales to customers outside the Group	5,671,278	6,625,659	-	-	5,671,278	6,625,659
Total Revenue	5,671,278	6,625,659	-	-	5,671,278	6,625,659
Other income from customers outside the Group	33,521	-	62,026	99,488	62,026	99,488
Government grants	-	337,500	-	-	-	337,500
Interest revenue	22,940	27,170	-	-	22,940	27,170
Depreciation and amortisation	(290,740)	(90,646)	-	-	(290,740)	(90,646)
Segment net operating profit before tax	2,328,957	3,357,168	30,750	79,503	2,359,707	3,436,671

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Share Registry Services		Property Investment		Consolidated	
	2022	2021	2022	2021	2022	2021
	$	$	$	$	$	$
Segment Assets	7,401,117	7,966,322	2,150,000	2,150,000	9,551,117	10,116,322
Reconciliation of segment assets to total assets						
Segment assets					9,551,117	10,116,322
Deferred tax assets					313,262	232,120
Total assets					9,864,379	10,348,442
Segment Liabilities	1,305,205	1,378,397	-	-	1,305,205	1,378,397
Reconciliation of segments liabilities to total liabilities						
Segment liabilities					1,305,205	1,378,397
Deferred tax liabilities					485,029	393,007
Total liabilities					1,790,234	1,771,404

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Advanced Share Registry Limited ("Company") and its controlled entities ("Group"):

(a) the financial statements and notes set out on pages 14 to 59 are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2022 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; and

(b) 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 2022.

Signed in accordance with a resolution of the Directors.

Simon Cato
Non-Executive Chairman

Signed at Perth on 30 September 2022

ADVANCED SHARE REGISTRY LIMITED
ABN 14 127 175 946

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ADVANCED SHARE REGISTRY LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Advanced Share Registry Limited (the "Company") and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

ADVANCED SHARE REGISTRY LIMITED
ABN 14 127 175 946

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ADVANCED SHARE REGISTRY LIMITED

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Recoverability of non-current assets Refer to Note 9, Note 11, Note 12 and Note 13 to the financial report.	
Included in the consolidated statement of financial position as at 30 June 2022 is an amount for $2,164,927 relating to non-current assets (excluding investment properties and owner occupied property carried at fair value). This amount represents 21.95% of total assets. AASB 136 *Impairment of Assets* ("AASB 136") requires an entity to test non-current assets where there are indicators of impairment and to test goodwill acquired in a business combination for impairment annually. The evaluation of the recoverable amount of the Share Registry cash generating unit ('CGU') requires significant judgement in determining the assumptions and estimates, including but not limited to: ▪ growth rate assumptions; and ▪ discount factors supporting the expected future cash flows of the business and the utilisation of the relevant assets. Due to the significance to the Group's financial report and the level of judgment involved in assessing the recoverable amount of the Group's Share Registry CGU, we consider this to be a key audit matter.	Our procedures included, amongst others: Obtaining an understanding of and evaluating the design and implementation of the processes and controls associated with the assessment of the Group's Share Registry CGU. Assessing management's determination of the Group's Share Registry CGU based on our understanding of the nature of the Group's business and the economic environment. Critically assessing and challenging the Group's judgments in respect of the key assumptions and estimates used to determine the recoverable value of the Group's Share registry CGU in accordance with AASB 136. Performing sensitivity analysis on the key assumptions and estimates, including but not limited to: ▪ growth rate assumptions; and ▪ discount factors Testing the mathematical accuracy of the model. Assessing the adequacy of the disclosures included within the financial report.

Revenue recognition

Refer to Note 2 to the financial report.

Included in the consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2022 is an amount for $5,671,278 relating to revenue, split between registry fees and client disbursement recovered.

Revenue related to registry fees, representing 77.74% of the Group's total revenue, is recognised over the period the service is provided in accordance with the requirements of AASB 15 *Revenue from contracts with customers* ("AASB 15").

Due to the significance to the Group's financial report and the level of judgment involved in determining the stage of completion with reference to the services performed to date, we consider this to be a key audit matter.

Our procedures included, amongst others:

Obtaining an understanding of and evaluating the design and implementation of the processes and controls associated with the treatment of revenue.

Performing detailed testing of a sample of invoices to assess the revenue recognition policies for appropriateness and compliance with the recognition requirements of AASB 15.

Assessing the adequacy of the disclosures included within the financial report.

Carrying value of properties held at fair value

Refer to Note 9 and Note 10 to the financial report.

Included in the consolidated statement of financial position as at 30 June 2022 is an amount for $2,780,652 relating to the Group's properties held at fair value. This amount represents 28.19% of total assets.

Although considered to be non-complex in nature, the Group's properties held at fair value are classified under Australian Accounting Standards as "level 3" on the basis that the inputs into the determination of fair value are unobservable.

The valuation of the properties held at fair value is based on assumptions and estimates including but not limited to:

- estimated selling price per square metre; and
- recent selling price of comparable properties.

Our procedures included, amongst others:

Obtaining an understanding of and evaluating the design and implementation of the processes and controls associated with the preparation of the valuation model used to assess the fair value of Group's properties held at fair value.

Obtaining the Group's external independent valuers' valuation for each property.

Assessing the qualifications of the Group's external independent valuer.

Assessing the appropriateness of the Group's judgments and conclusion that the Group's properties held at fair value are recorded at fair value as at 30 June 2022. In doing so reviewing and challenging the judgements made by management in respect of the assumptions and estimates used in

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ADVANCED SHARE REGISTRY LIMITED**

The Group engages external independent valuers to undertake valuations of each investment property on a periodic basis, with updated market data obtained to support the director's off-cycle internal valuation. Due to the significance to the Group's financial report and the level of judgment involved in determining the fair value of the Group's "level 3" properties held at fair value, we consider this to be a key audit matter.	determining the fair value as at 30 June 2022 pursuant to the requirements of Australian Accounting Standards. Assessing the adequacy of the disclosures included within the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors 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 in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PITCHER PARTNERS

ADVANCED SHARE REGISTRY LIMITED
ABN 14 127 175 946

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ADVANCED SHARE REGISTRY LIMITED

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 11 of the directors' report for the year ended 30 June 2022. In our opinion, the Remuneration Report of Advanced Share Registry Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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.

Pitcher Partners BA+A Pty Ltd

PITCHER PARTNERS BA&A PTY LTD

Michael Fay

MICHAEL FAY
Executive Director
Perth, 30 September 2022

SHAREHOLDER INFORMATION
(Current as at 27 September 2022)

A. Substantial Shareholders

Name	Number of Shares	Percentage of Issued Capital
KMC Automation Pty Ltd	108,579,303	56.14%
Washington H Soul Pattinson	20,226,267	10.46%
Pacific Custodians Pty Ltd	15,788,597	8.16%

B. Distribution of Fully Paid Ordinary Shares

i) Distribution Schedule of Holdings	Holders	Number of Shares	Percentage of Issued Capital
1-1000	28	1,550	0.00%
1,001-5,000	51	160,484	0.08%
5,001-10,000	36	280,790	0.15%
10,001-100,000	208	8,731,206	4.51%
100,101 and over	96	184,233,746	95.26%
Total number of holders	419	193,407,776	100.00%
ii) Holding less than a marketable parcel	44		

C. Twenty Largest Shareholders

		Number of Shares	Percentage of Issued Capital
1	KMC Automation Pty Ltd	108,579,303	56.14%
2	Washington H Soul Pattinson and Company Ltd	20,226,267	10.46%
3	Pacific Custodians Pty Ltd	15,788,597	8.16%
4	The Australian Superannuation Group (WA) Pty Ltd	2,902,725	1.50%
5	Hutchison Family Super	2,764,710	1.43%
6	Richard Isles	2,250,000	1.16%
7	Simon Cato	1,822,500	0.94%
8	British Columbia Superfund	1,498,568	0.77%
9	Bond Street Custodians Ltd	1,387,899	0.72%
10	Tan Family Superfund	1,260,000	0.65%
11	The Number 69 Prov Fund	1,012,500	0.52%
12	WJK Superannuation Fund	977,319	0.51%
13	The Moore Superfund	967,335	0.50%
14	Trent Winduss	840,303	0.43%
15	Synchronised Software Pty Ltd	798,750	0.41%
16	Rustici Pty Ltd	720,000	0.37%
17	Bruce Fryer and Peta Fryer	706,500	0.37%
18	Higlett Pty Ltd	693,716	0.36%
19	Apezo Pty Ltd	609,750	0.32%
20	Whiteoak Superfund	607,500	0.31%

ADVANCED
SHARE REGISTRY