ADVANCED
SHARE REGISTRY

ASX Announcement

26 September 2017

ASX Code: ASW

Capital Structure:
Shares: 42.746m
Options: nil

Share price: $0.78

Market capitalisation: $33.34m

Board of Directors:
Simon Cato – *Chairman*
Kim Chong – *Managing Director*
Alan Winduss – *Non-executive Director/ Company Secretary*
Alvin Tan – *Non-executive Director*

About ASW:
Advanced Share Registry Limited provides registry services to listed and unlisted clients on a national basis. The business has built its registry operations through its reputation and delivery as an efficient, cost effective service provider. The Company has a track record of profits and pays a 6 monthly franked dividend. In April 2010, the company opened its Sydney office and will continue to look towards national expansion.

Annual Report

Advanced Share Registry Limited **(ASX: ASW, 'Company'**) announces the release of its Annual Report, including the audited financial statements, for the year ended 30 June 2017.

Alan Winduss
Company Secretary

Member of Securities Registrars Association of Australia Inc.
Advanced Share Registry Limited ABN 14 127 175 946
110 Stirling Highway, Nedlands Western Australia 6009. PO Box 1156, Nedlands Western Australia 6909
Telephone: (08) 9389 8033, Facsimile: (08) 9262 3723
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Website: www.advancedshare.com.au Email: admin@advancedshare.com.au

ADVANCED SHARE REGISTRY LIMITED
AND ITS CONTROLLED ENTITY

ACN 127 175 946

ANNUAL REPORT
30 JUNE 2017

CORPORATE DIRECTORY

Board of Directors

Directors

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

Company Secretary
A C Winduss

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
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Auditors

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

Solicitors

Eaton Hall
Suite 9
628-630 Newcastle Street
Leederville WA 6007

FROM THE CHAIRMAN

Dear Shareholder

On behalf of the Board of Advanced Share Registry Limited (Group), I am pleased to issue the Annual Report for the financial year to 30 June 2017.

This year, as previous years remained challenging for significant growth in revenue, though we have maintained profits while significantly increasing total upper management level wages with a number of appointments in 2016.

We note that our pricing for basic registry services is highly competitive with the market in general, while still providing the core our service fees. When tenders occur we are seeing other registries are having to match our prices to retain their clients. We believe this is a trend that will in the long term benefit our Group. Our highly efficient corporate actions and in house printing systems continue to provide excellent service to our clients.

In the context of this difficult time we are pleased to report a continuing significant profit for the period and the declaration and payment of a franked dividend of 2.1 cents per share for the 6 month period from 1 January 2017 and therefore a total dividend over the year of 4.2c (4.25 cents last full year). This continues to reflect the board policy of returning profits to shareholders as we have a significant cash balance and no debt.

This year we have made a number of new initiatives. Firstly the website had another significant upgrade and also has fully functional mobile access. While our website has always been, we believe, the most responsive and functional of all registry sites we have addressed some presentation issues on which we have received feedback. We also improved graphical presentation of data and simplicity and access to data for both investors and clients. We have also addressed the provision of ancillary services to listed companies with a number of strategic alliances with service providers in allied areas such as tracing of beneficial owners of nominee holdings, shareholder engagement during corporate actions and employee share plans.

We stepped up our marketing by actively engaging to contact companies in South East Asia which are too small to meet the requirements of the exchanges in that region but are nevertheless suitable for ASX and NSX listing. This has been a valuable source of clients and has also given us exposure to corporate advisors in Asia. We continue to retain significant funds on term deposit and our property investments in Sydney provide an office for our Sydney branch and a return well above current term rates of interest.

On behalf of the Directors, I welcome new shareholders, thank continuing shareholders for their support and look forward to a profitable future.

Simon Cato
Chairman

DIRECTORS' REPORT

The Directors present their report, together with the financial report of the Group for the year ended 30 June 2017 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
Alvin Tan	Non-Executive Director
Alan Winduss	Non-Executive Director

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

Simon Kenneth Cato	- Chairman
Qualifications	- B A (USYD)
Experience	- Mr Simon 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 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 a number of IPO's and has been through the process of IPO listing in the dual role of broker and director. Currently, he holds a number of non-executive roles with listed companies in Australia.
Interest in Shares & Options	- 520,000 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 Greenland Minerals and Energy Ltd (since 21 February 2006), Bentley Capital Ltd (since 8 January 2015) and Keybridge Capital Ltd (since 29 July 2016). Former directorships in other listed entities in past 3 years is: Transactions Solutions International Ltd (from 26 February 2010 to 30 August 2013).
Kim Phin Chong	- Managing Director
Experience	- Appointed director on 22 August 2007 Mr Chong has been involved in the share registry business for over 30 years. Following over 14 years working in the industry, Mr

DIRECTORS' REPORT

	Chong commenced Advanced Share Registry Services in 1996. His experience in information technology and business skills has been a major influence in making the group such a success.
Interest in Shares & Options	- 23,920,489 ordinary shares
Special Responsibilities	- Mr Chong is the managing director of the Group, responsible for the day to day management of the business.
Directorships held in other listed entities	- Nil
Alvin Tan	- Non Executive Director
Qualifications	- B Com (Hons)
Experience	- Appointed director on 11 September 2007 Mr Tan has over 20 years' experience in Australia and Asia, including mergers, acquisitions, capital raisings and listings on the ASX, AIM, Bursa and German Stock Exchange. Mr Tan studied at the University of Western Australia, gaining a Bachelor of Commerce with Honours, and was then employed by KPMG in Kuala Lumpur from 1993-1995 as a financial consultant. Returning to Australia, he worked with the stockbroking firm of DJ Carmichael before pursuing other business interests. He is a founding director of various companies which are now listed on ASX. Mr Tan has interests in companies involved in technology, mining exploration, property development, plantation and corporate services both in Australia and overseas.
Interest in Shares & Options	- 525,500 ordinary shares
Directorships held in other listed entities	- Mr Tan is a director of South Pacific Resources Ltd (formally Coral Sea Petroleum Limited since 2000) and BKM Management Ltd (since 2002). Former directorships in other listed entities in past 3 years are: Nil.
Alan Charles Winduss	- Non Executive Director and Company Secretary
Qualifications	- CPA, FTIA, FAICD, AFAIM
Experience	- Appointed director 22 August 2007 Mr Winduss is a director of Winduss & Associates Pty Ltd. He has been involved in professional accounting in public practice for over 30 years, specialising in matters relating to corporate management, restructuring, corporate finance and company secretarial matters, including ASX and ASIC compliance.

DIRECTORS' REPORT

	In addition to his accounting background, he is an Associate Fellow of the Australian Institute of Management, a Fellow of the Australian Institute of Company Directors and is a registered Australian company auditor.
Interest in Shares & Options	- 225,000 shares
Special Responsibilities	- Mr Winduss is the Secretary and Chief Financial Officer of the Group.
Directorships held in other listed entities	- United Overseas Australia Limited ASX Listed (since November 1995), UOA REIT BHD Bursa Malaysia Listed (since October 2008), UOA Development Bursa Malaysia Listed (since January 2011). Former directorships in other listed entities in past 3 years are: Nil.

The Year under Review

In financial year to 30 June 2017 the Group achieved gross sales of $5,917,194 and a profit before taxation of $2,559,458.

This profit was after charges of $306,860 for amortisation and depreciation.

The Board is pleased with this result having regard to a year of mixed and difficult market conditions. Economic conditions influence corporate market activity, influence future sales, profit levels for the group and in order to minimise the effect of these market variables we are adding further services and products to our portfolio of services to clients.

The Group paid a final dividend of 2.10c per share from 2017 operating profits on 18 August, 2017.

The Directors are confident of continuing success for the Group but also realise economic conditions and market competition will influence this.

Directors' Meetings

Director	Board Meetings Held	Board Meetings Attended
S. Cato	5	5
K. Chong	5	5
A. Tan	5	4
A. Winduss	5	5

DIRECTORS' REPORT

CORPORATE GOVERNANCE STATEMENT

Advanced Share Registry Ltd **(Group)** has established a corporate governance framework, the key features of which are set out in this statement. In establishing its corporate governance framework, the Group has referred to the ASX Corporate Governance Council Principles and Recommendations 3rd edition **(Principles & Recommendations)**.

The Group has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Group's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Group's corporate governance practices do not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Group has adopted instead of those in the recommendation.

The following governance-related documents can be found on the Group's website at www.advancedshare.com.au/about-us/corporate-governance, under the section marked **'COMPANY'**, "Corporate Governance":

Charters
Board
Audit and Risk Committee
Remuneration and Nomination

Policies and Procedures
Code of Conduct
Diversity Policy
Securities Trading Policy
Risk Management Policy
Continuous Disclosure and Shareholder Communication Policy

Board

Roles and responsibilities of the Board

The Board has delegated authority for the operations and administration of the Group to the Managing Director.

The Board is responsible for promoting the success of the Group in a manner designed to create and build sustainable value for shareholders and in accordance with the duties and obligations imposed upon them by the Constitution, and the law, while having due regard to other stakeholder interests and the requirements of the ASX Listing Rules.

DIRECTORS' REPORT

In addition to matters it is expressly required by law to approve, the Board is responsible for:

a) providing leadership and setting the strategic direction of the Group, establishing goals to ensure theses strategic objectives are met and monitoring the performance of management against these goals and objectives;

b) providing operating frameworks and budgets of the Group and monitoring management's performance within those frameworks;

c) determining the high level health and safety strategy for the Group, including providing a statement of vision, belief and policy and actively monitoring management's implementation of that policy, processes and procedures;

d) approving significant and or material investments and projects, and monitoring the progress, outcomes and return on those investments and projects;

e) ensuring that the available financial and operational resources are sufficient to meet the Group's objectives;

f) appointing and removing the Chief Executive Officer or Managing Director and other senior executives (as the case may be) and the determination of their terms and conditions including remuneration and termination;

g) evaluating the performance of the Board and its Directors on an annual basis;

h) determining remuneration levels of Directors;

i) ensuring that appropriate policies and procedures are in place for recruitment, training remuneration and succession planning;

j) approving and monitoring financial reporting, annual budget and capital management;

k) ensuring the Group satisfies its continuous disclosure obligations under the ASX Listing Rules and that the market has available all relevant information required to make informed investment decisions and assessments of the Group's prospects, in accordance with the Group's Continuous Disclosure Policy.

l) monitoring the financial solvency of the Group;

m) ensuring that effective audit controls and systems, and other risk management procedures are in place and are being adhered to;

n) overseeing the integrity of the Group's procedures for ensuring the Group's compliance with the law, and financial and audit responsibilities, including the appointment of an external auditor and reviewing the Board's financial statements, accounting policies and management processes.

o) approving the issue of securities in the Group (subject to compliance with the ASX Listing Rules).

p) ensuring the adequacy of the Group's risk management framework and setting the risk appetite within which the Board expects management to operate.

q) providing a specific governance focus on risks relating to the Group's physical operations, health and safety policy and risk mitigation programs;

DIRECTORS' REPORT

r) reviewing performance, operations and compliance reports from the Managing Director and CFO, including reports and updates on strategic issues and risk management matters;

s) overseeing the Group's process for making timely and balanced disclosure of all material information concerning the Group that a reasonable person would expect to have a material impact on the price or value of the Group's shares;

t) promoting and authorising ethical and responsible decision-making by the Group;

u) ensuring that any necessary statutory licenses are held and compliance measures are maintained to ensure compliance with the law and license(s);

v) ensuring that the Group has appropriate corporate governance structures in place including standards of ethical behaviour and a culture of corporate and social responsibility and monitoring the effectiveness of those governance practices; and

w) ensuring that the Board is and remains appropriately skilled to meet the changing needs of the Group.

Composition of the Board

Composition of the Board is determined by the following principles:

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

A profile of each Director setting out their skills, experience, expertise and period of office is set out in the Directors' Report.

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

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

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

DIRECTORS' REPORT

- less than 10% of the Group shares held by the Director and any entity or individual directly or indirectly associated with the Director;
- no sales are made to or purchases made from any entity or individual directly or indirectly associated with the Director; and
- none of the Directors' income, or the income of an individual or entity directly or indirectly associated with the Director, is derived from a contract with any member of the Economic Entity other than the income derived as a Director of the entity.

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

Whilst the current composition of the Board includes 2 independent and 2 non-independent Directors, which is contrary to the Council's recommendation that the majority of the Board should be independent Directors, the Board believes that the current size and stature of the Group does not warrant the addition of any new independent Directors to the Board. The Board is of the opinion that the objectives and current strategy of the Group are best served and achievable by members of the current Board irrespective of their degree of independence. It is, however, the Board's intention to continually review and assess the benefits associated with the introduction of external independent non-executive Directors.

Board Committees

Once the Board is of a sufficient size and structure, and the Group's operations are of a sufficient magnitude, to assist the Board in fulfilling its duties the Board will establish the following committees, each with written terms of reference:

a) Audit and Risk Committee; and

b) Remuneration and Nomination Committee.

The charter of the Committees is approved by the Board and reviewed following any applicable regulatory changes.

The Board will ensure that the Committees are sufficiently funded to enable them to fulfil their roles and discharge their responsibilities.

Members of Committees are appointed by the Board. The Board may appoint additional Directors to Committees or remove and replace members of Committees by resolution.

The minutes of each Committee meeting shall be made available to the Board at the next occasion the Board meets following approval of the minutes of such Committee meeting.

Where the Board considers that the Group will not gain any benefit from a particular separate committee, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee.

DIRECTORS' REPORT

Audit and Risk Committee

The Group has setup an Audit and Risk Committee Charter. But it has not yet established an Audit and Risk Committee. This role will be assumed by the full Board of Directors. The Board has strong skills and experience in area of finance and corporate management and considers these skills adequate to enable the board to fulfil the requirements of an Audit and Risk Committee.

The role of the Audit and Risk Committee will be assumed by the full Board operating under the Corporate Governance Policies until such time as the Board determines that is appropriate.

Whilst not in accordance with the best practice recommendation, the Group is of the view that the experience and professionalism of the persons on the Board is sufficient to ensure that all significant matters are addressed and actioned. Further, the Board does not consider that the Group is of sufficient size to justify the appointment of additional directors, and to do so for the sole purpose of satisfying this requirement would be cost prohibitive and counter productive.

The Board resolved that it would be beneficial to adopt and implement the Charter that clearly sets out the Audit and Risk Committee's role and responsibilities, composition and structure.

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

This Policy, and any updates, is made available on the Group's website (www.advancedshare.com.au) in a clearly marked "Corporate Governance" section.

Remuneration and Nomination Committee

The Group has setup a Remuneration and Nomination Committee Charter. The Group is not of size, nor are its financial affairs of such complexity, to justify the establishment of a Remuneration and Nomination Committee. The role of this Committee will be assumed by the full Board of Directors.

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

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

The total maximum remuneration of Non-Executive Directors was the subject of a Shareholder resolution in accordance with the Group's Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board, having regard to inputs and value to the Group of the responsible contributions

DIRECTORS' REPORT

by each Non-Executive Director. The current limit, which may only be varied by Shareholders in general meeting, is an aggregate amount of $250,000 per annum.

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

Items that are usually required to be discussed by a Nomination Committee are discussed at Board meetings from time to time as required.

The full Board did not officially convene in its capacity as a Nomination Committee during the Reporting Period, however nomination-related discussions occurred from time to time during the year as required.

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

This Policy, and any updates, is made available on the Group's website (www.advancedshare.com.au) in a clearly marked "Corporate Governance" section.

Performance Review

The Chair will conduct an annual performance review of the Board that:

a) compares the performance of the Board with the requirements of its Charter;
b) critically reviews the mix of the Board;
c) suggests any amendments to the Charter as are deemed necessary or appropriate; and
d) reviews the performance of non-executive Directors.

Share Trading Policy

The Group is committed to complying with the Corporations Act and the ASX Listing Rules to create a transparent market in the trading of its securities on the ASX.
ASX Listing Rule 12.9 requires the Group, as a listed entity, to have a trading policy that regulates trading in its securities by its Key Management Personnel during certain prohibited periods and to give a copy of that trading policy to ASX for release to the market.

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

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

DIRECTORS' REPORT

This Policy, and any updates, is made available on the Group's website (www.advancedshare.com.au) in a clearly marked "Corporate Governance" section.

Diversity Policy

The Board is committed to achieving the goals of:

- providing access to equal opportunities at all levels of work based on merit; and
- fostering corporate culture that embraces and values diversity.

The Group has formed a committee of three directors, two independent, and one executive director to establish and monitor its diversity policy as required under ASX Corporate Government Principles. At the date of this report the Group has:

Total female employees are 11 which is 52% of all employees.

Total female senior executives, nil.

Total female board members, nil.

Continuous Disclosure

As a publicly listed company, the Group has obligations under the Corporations Act and the ASX Listing Rules to keep the market fully informed of all information which may have, or could reasonably be expected to have, a material effect on the price or value of its securities.

The ASX Listing Rules contain provisions requiring the continuous disclosure of information to keep the market informed of events and developments as they occur.

ASX Listing Rule 3.1 provides that once an entity becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately disclose that information to the ASX.

Listing Rule 3.1 has statutory force in section 674 of the Corporations Act 2001(Cth).

ASX Listing Rule 15.7 requires that an entity not release information intended for release to the market to anyone until it has given the information to the ASX, and has received an acknowledgement from the ASX that the information has been released to the market.

The Group is committed to complying with the disclosure obligations under the Corporations Act and the ASX Listing Rules to keep the market fully informed of all information which may have, or could reasonably be expected to have, a material effect on the price or value of its securities.

DIRECTORS' REPORT

Shareholder Communication

The Group recognises the importance of engagement with its Shareholders and providing them with appropriate information and facilities to allow them to exercise their rights as shareholders effectively. This includes:

- giving them ready access to information about the entity and its governance;
- communicating openly and honestly with them; and
- encouraging and facilitating their participation in meetings of Shareholders.

  Information about the Group and its governance is available on the Group's website at: www.advancedshare.com.au

This Policy provides that information will be communicated to Shareholders and the market through:

- the Annual General Meeting and other general meetings called to seek Shareholder approval;
- the Annual Report which is available to Shareholders;
- the Half-Year Report; and
- other announcements released to the ASX as required by the continuous disclosure requirements of the ASX Listing Rules and other information that may be distributed to Shareholders.

This Policy, and any updates, has been made available on the Group's website (www.advancedshare.com.au) in a clearly marked "Corporate Governance" section.

Risk Management

The Board has adopted a Risk Management Policy that sets out a framework for a system of risk management and internal compliance and control.

The Group views effective risk management as key to achieving and maintaining its operational and strategic objectives. The purpose of this Policy is to provide guidance and direction as to the management of risk within the Group.

Risk Management occurs at all levels within the Group. The Group is committed to ensuring that it establishes appropriate risk management systems and processes to ensure its strategic goals and corporate governance responsibilities are met.

This Policy recognises that risk is an inherent part of the business, presenting both threats and opportunities. To achieve the Group's corporate goals, including meeting the economic expectations of shareholders, the Group must pursue opportunities and make decisions that involve some degree of risk.

DIRECTORS' REPORT

This Policy provides guidance in relation to a transparent and consistent consideration of risk and uncertainty when these opportunities are pursued and decisions made.

The objectives of this Policy are:

- to ensure compliance with applicable laws and regulations;
- prepare reliable financial information; and
- to implement risk transfer strategies where appropriate, such as insurance.

Every Employee within the Group is responsible for the effective management of risk, including identifying risks, responding to risks and reporting risks. The Board is ultimately responsible for supervising the framework of control and accountability systems to enable risk to be assessed and managed.

The Board delegates day-to-day management of risk to the Managing Director. The Managing Director, with the assistance of other directors as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management.

The Board is responsible for supervising the management's framework of control and accountability systems to enable risk to be assessed and managed.

In addition, the following risk management measures have been adopted by the Board to manage the Group's material business risks:

- the Board has established defined guidelines for capital expenditure. These include levels of authority, appraisal procedures and due diligence requirements on potential acquisitions or disposals;
- the Board has adopted a continuous disclosure policy for the purpose of ensuring compliance with the Group's continuous disclosure obligations; and

The Group's risk management strategy is evolving and will be an ongoing process and it is recognised that the level and extent of the strategy will develop with the growth and change in the Group's activities.

The Group's process of risk management and internal compliance and control includes:

(a) Identifying and measuring risks that might impact upon the achievement of the Group's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks.

(b) Formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and internal controls;

DIRECTORS' REPORT

(c) Monitoring the performance of, and improving the effectiveness of, risk management systems and internal compliance and controls, including regular assessment of the effectiveness of risk management and internal compliance and control.

As the Board has responsibility for the monitoring of risk management it has not required a formal report regarding the material risks and whether those risks are managed effectively. However, the Board receives regular reports from Managing Director as to the effectiveness of the Group's management of its material business risks, and the Board believes that Managing Director is effectively communicating its significant and material risks to the Board.

The categories of risk reported on as part of the Group's systems and processes for managing materials business risks are financial and operational.

The Board will review this Policy annually and this Policy may be amended by resolution of the Board.

This Policy, and any updates, is made available on the Group's website (www.advancedshare.com.au) in a clearly marked "Corporate Governance" section.

Code of Conduct

The Group has Code of Conduct policy and this is disclosed on the Group's website.

Managing Director Certification of financial statements

The Board before it approves the Group's financial statements for a financial period, receives from the Managing Director and Company Secretary a declaration under section 295A of the Corporations Act that in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

External Auditor available at AGM

At the AGM the Group's external auditor will be present and is available to answer questions from security holder's relevant to the audit.

Other Information
Further information relating to the Group's Corporate Governance practices and policies will be made publicly available on the Group's website www.advancedshare.com.au

END OF CORPORATE GOVERNANCE STATEMENT

DIRECTORS' REPORT

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

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

S. Cato	10 years
K. Chong	10 years
A. Tan	10 years
A. Winduss	10 years

Information Distributed to Shareholders

The annual report is distributed to all shareholders. The Board ensures that the annual report contains relevant information about the operations of the 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 Australian Securities Exchange Listing Requirements.

The half yearly report is distributed to shareholders on request.

Interests in the Shares of the Group

As at the date of this report, the interests of the directors in the shares of Group were:

	Ordinary Shares	
	Direct	**Indirect**
S. Cato	375,000	145,000
K. Chong	-	23,920,489
A. Tan	-	525,500
A. Winduss	215,000	10,000

Earnings per Share

Basic Earnings per Share	4.16 cents
Diluted Earnings per Share	4.16 cents

Dividends Paid or Recommended	Cents per share	Total
Final dividend – 18 August 2016	2.25c	$961,796
Interim dividend paid – 08 February 2017	2.10c	$897,677
Final dividend – 18 August 2017	2.10c	$897,677

DIRECTORS' REPORT

Nature of Operations and Principal Activities

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

Employees

The Group employed 21 persons as at 30 June 2017. (2016: 23 persons)

Summarised Operating Results

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 two business segments.

	2017	2016
Segment Performance		
Revenue		
Share registry services	6,003,438	6,167,140
Property Investment	60,888	30,909

Shareholder Returns

The Board of Directors approved an ordinary 2.10c fully franked dividend which was paid on 18 August 2017.

	2017	2016
Basic earnings per Share	4.16c	4.34c
NTA per share	13.60c	13.32c
Return on Equity	25.54%	26.34%
Return on Assets	23.20%	23.26%

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.

Likely Developments and Results

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

Environmental Regulations

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

DIRECTORS' REPORT

Significant Events after Balance Date

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

1. The Group has been named as one of several parties in a proceeding in relation to the transfer of shares in a client company that is currently before the courts.

   The Group has received advice that it is unlikely to have any liability arising from the action as the group has acted in accordance within the relevant procedures.

   The Group's insurers have been notified of the claim and they are likely to respond should any liability be assigned to the group.

   The action has not progressed sufficiently to provide any further details to the claim at this stage, but the Directors are confident that the group will have no liability arise from this matter.

2. The Group proposed a fully franked dividend of 2.10 cents per share which was paid on 18 August 2017. Except for the matter 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.

Insurance of Officers

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

REMUNERATION REPORT (Audited)
This report details the nature and amount of remuneration of each key management person of Group.

Remuneration Policy

The remuneration policy of the Group has been designed to align key management personnel objectives with shareholder and business objectives. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the 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 Directors, Executives or other key management personnel. The remuneration policy also does not provide for any shares or options to be granted to those personnel in respect of their remuneration packages.

DIRECTORS' REPORT

Key Management Personnel Remuneration

The Board of Directors are responsible for determining and reviewing compensation arrangements for the Directors, Chief Executive Officer and the Executive team. No remuneration consultants were used during the year. The Directors assess the appropriateness of the nature and amount of the emoluments on a periodical basis by reference to employment market conditions and performance with the overall objective of ensuring maximum shareholder benefit from the retention of a high quality board and executive team.

Remuneration Report

Executive Services Agreements
- Kim Chong
The Group has extended its services agreement with Mr Kim Chong for a further three years effective from 1 June 2017. 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.

Mr Chong is to be paid an annual remuneration of $215,700 inclusive of statutory superannuation. Mr Chong will also be reimbursed for reasonable expenses incurred in carrying out his duties. There was $483 to be reimbursed to Mr Chong as at 30 June 2017.

It was resolved by a circular resolution that the Services Agreement is to be renewed for a further three years on the same terms and conditions including any variations made as to duties and salary quantum.

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

Key Management Personnel	Position held as at 30 June 2017 and any change during the year	Contract details (duration and termination)
Mr Kim Phin Chong	Chief Executive Officer / Managing Director	Under contract until 1 June 2020 with a 90 day notice period required for termination.
Mr Simon Cato	Chairman (Non-executive)	No fixed term.
Mr Alan Winduss	Director (Non-executive)	No fixed term.
Mr Alvin Tan	Director (Non-executive)	No fixed term.

DIRECTORS' REPORT

Table of Benefits and Payments for the Year Ended 30 June 2017

Key Management Personnel		Short – term benefits Salary and fees	Post-employment benefit Super-annuation	Long – term benefits Long service Leave	Equity- settled Share-based Payments Shares	Total
Mr Kim Phin Chong	2017	$211,498	$19,312	$3,845	-	$234,655
	2016	$210,681	$19,310	$4,622	-	$234,613
Mr Simon Cato	2017	$33,000	$12,000	-	-	$45,000
	2016	$33,000	$12,000	-	-	$45,000
Mr Alan Winduss	2017	$27,000	-	-	-	$27,000
	2016	$27,000	-	-	-	$27,000
Mr Alvin Tan	2017	$27,000	-	-	-	$27,000
	2016	$27,000	-	-	-	$27,000
Total	2017	$298,498	$31,312	$3,845	-	$333,655
	2016	$297,681	$31,310	$4,622	-	$333,613

The Group did not receive a "no" vote of 25% or more at its 2016 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 Key Management Personnel directly or indirectly of the Group during the financial year is as follows:

30 June 2017	Balance at start of year	Issued during the year	Purchased/(sold) during the year	Balance at the end of the year
S. Cato	520,000	-	-	520,000
K. Chong	23,911,044	-	9,445	23,920,489
A. Tan	525,500	-	-	525,500
A. Winduss	220,000	-	5,000	225,000
	25,176,544	Nil	14,445	25,190,989

END OF REMUNERATION REPORT (AUDITED)

DIRECTORS' REPORT

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.

Non Audit Services
No non-audit services were provided by the entity's auditor for the year ended 30 June 2017 or 30 June 2016.

Auditor's Independence Declaration

The auditor's independence declaration for period ending 30 June 2017 has been given and can be found on page 21 of this report.

Signed in accordance with a resolution of the Board of Directors

Simon Cato
Chairman of Directors

Signed at Perth on 26 September 2017.

Grant Thornton

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

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Advanced Share Registry Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

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

Grant Thornton Audit Pty Ltd

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M J Hillgrove
Partner - Audit & Assurance

Perth, 26 September 2017

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 $	2016 $
Sales Revenue	2	5,917,194	6,060,980
Other income	2	147,132	137,069
Occupancy expenses	3	(232,502)	(259,681)
Administrative expenses	3	(1,864,796)	(1,622,364)
Other operating expenses	3	(1,100,710)	(1,258,379)
Depreciation and amortisation expenses	3	(306,860)	(306,759)
Profit before income tax		2,559,458	2,750,866
Income tax expense	4	(780,382)	(894,690)
Profit attributable to members		1,779,076	1,856,176
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		1,779,076	1,856,176
Basic earnings per share (cents per share)	23	4.16	4.34c
Diluted earnings per share (cents per share)	23	4.16	4.34c

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 2017

	Notes	2017 $	2016 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	4,033,190	3,820,933
Trade and other receivables	7	911,472	1,152,577
Other financial assets	9	741	741
Other current assets	8	29,440	24,068
Total Current Assets		4,974,843	4,998,319
Non-current Assets			
Property, plant and equipment	10	684,664	733,794
Investment Property	11	709,873	731,094
Intangible assets	12	1,153,796	1,353,996
Deferred tax assets	13	144,585	164,303
Total Non-current Assets		2,692,918	2,983,187
TOTAL ASSETS		7,667,761	7,981,506
LIABILITIES			
Current Liabilities			
Trade and other payables	14	279,407	330,162
Current tax liabilities	13	70,021	272,519
Provisions	15	339,380	310,255
Total Current liabilities		688,808	912,936
Non-current liabilities			
Provisions	15	12,079	17,459
Deferred tax liabilities	13	1,562	5,403
Total Non-current liabilities		13,641	22,862
TOTAL LIABILITIES		702,449	935,798
NET ASSETS		6,965,312	7,045,708
EQUITY			
Issued Capital	16	6,034,140	6,034,140
Retained earnings		931,172	1,011,568
TOTAL EQUITY		6,965,312	7,045,708

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 2017

	Issued Capital	Retained Earnings	Total Equity
	$	$	$
Balance at 1 July 2015	7,077,155	737,013	7,814,168
Total comprehensive income for the year	-	1,856,176	1,856,176
Transactions with Owners			
Return of capital during the year	(1,043,015)	-	(1,043,015)
Dividends paid	-	(1,581,621)	(1,581,621)
Other comprehensive income	-	-	-
Balance at 30 June 2016	6,034,140	1,011,568	7,045,708
Balance at 1 July 2016	6,034,140	1,011,568	7,045,708
Total comprehensive income for the year	-	1,779,076	1,779,076
Transactions with Owners			
Dividends paid	-	(1,859,472)	(1,859,472)
Other comprehensive income	-	-	-
Balance at 30 June 2017	6,034,140	931,172	6,965,312

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 2017

	Notes	2017 $	2016 $
Cash flows from operating activities			
Receipts from customers		6,784,557	6,328,361
Payment to suppliers and employees		(3,806,799)	(3,587,120)
Interest received		95,300	97,730
Income tax paid		(967,001)	(828,368)
Net cash flows provided by operating activities	17	2,106,057	2,010,603
Cash flows from investing activities			
Purchase of property, plant and equipment		(36,304)	(418,464)
Net cash flows used in investing activities		(36,304)	(418,464)
Cash flows from financing activities			
Return of Capital		-	(1,043,015)
Dividends paid		(1,857,496)	(1,579,678)
Net cash flows used in financing activities		(1,857,496)	(2,622,693)
Net increase in cash and cash equivalents		212,257	(1,030,554)
Cash and cash equivalents at the beginning of the year		3,820,933	4,851,487
Cash and cash equivalents at the end of the year	6	4,033,190	3,820,933

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 2017

Note 1: Summary of Significant Accounting Policies

This financial report includes the financial statements and notes of Advanced Share Registry Limited and its Controlled Entity (the 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 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 consolidated financial statements are presented in Australian Dollars, which is the parent entity's functional currency.

a. Income Tax

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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

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

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

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

Freehold land and buildings and 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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

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

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 the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

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

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Leasehold improvements	4-5%
Plant and Equipment	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 the statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

c. Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases
The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis.

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

d. Financial Instruments

Initial recognition and Measurement

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

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

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. *Fair* value represents the amount for which an asset could be sold or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

d. less any reduction for impairment.

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

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

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

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) *Financial Liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Fair values

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of profit or loss and other comprehensive income. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Financial guarantees

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

The fair value of financial guarantee contracts has been assessed using a probability-weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting during the next reporting period;

- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and

- the maximum loss exposure if the guaranteed party were to default.

Financial guarantees are subsequently measured at the higher of the best estimate of the obligation in accordance with AASB 137: Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

De-recognition

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

e. Impairment of Non- Financial Assets

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

f. Intangibles

Goodwill

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

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. The Group has determined that goodwill has not been impaired during the current year.

Client Book

The client book was acquired at independent valuation as part of the acquisition of the share registry business. The valuation was based upon the expected future earnings of the client contracts already in existence at the time of the transfer of the business. The effective life of the client book has been determined to be 10 years, and will be amortised over that period. The remaining effective life is 0.5 years. Annual testing for impairment will also be carried out to determine whether the carrying value reflects the value remaining in the client book. Where it is determined that the carrying value has been impaired, an impairment adjustment will be made. The client book is therefore carried at cost less accumulated amortisation and accumulated impairment losses.

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 shares at a future date. The performance rights are considered to be share- based payments. Share-based payments to employees are measured at the fair value of the instruments issued and

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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

h. Provisions

Provisions are recognised when the 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.

i. Cash and Cash Equivalents

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

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

j. Revenue and Other Income

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

Revenue for the Group is generated by a range of services that are generally provided on an ongoing basis and as such, are not subject to a completion date. Revenue is therefore recognised on a regular periodic basis for the work performed pursuant to agreements for services with the Group's clients.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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).

k. Goods and Services Tax (GST)

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

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

l. 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 acquiree'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 acquiree and c) acquisition-date fair value of any existing equity interest in the acquiree, 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

m. Comparative Information

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

n. Critical Accounting Estimates and Judgments

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

(i) 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 2015. 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. Management do not consider that the triggers for impairment testing have been significant enough and as such, these assets have not been tested for impairment in this financial period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Key judgments – Provision for Impairment of Receivables

Included in trade receivables at reporting date are minor amounts receivable from services provided to clients amounting to $110,747. These clients have had their trade terms extended past the Group's usual trade terms in order to assist in the clients' cash flow. The Directors understand that for most of these clients, the full amount of the debt is likely to be recoverable. However a client presently owing $76,370 to the Group is now subject to a Deed of Company Arrangement has been identified and recovery is likely to be reduced significantly. A provision for impairment has been made for this client and the other clients for which the extended terms have been arranged.

o. Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Advanced Share Registry Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 28.

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.

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

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards. The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period. The Group has not elected to early adopt any other Standards or amendments that are issued but not yet effective.

q. Segment reporting

The Group has two operating segments: share registrar services and manages 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 to be two business segments.
The measurement policies the Group uses for segment reporting under AASB 8 are the same as those used in its financial statements, except that:

- 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

New and Revised Accounting Standards that are effective for these financial statements

A number of new and amended accounting standards are effective for the current reporting period, however, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. Information on the more significant standards is presented below:

AASB 2014-3 *Amendments to Australian Accounting Standards – Accounting for Acquisition of Interest in Joint Operations*

The amendments to AASB 11 *Joint Arrangements* state that an acquirer of an interest in a joint operation in which the activity of the joint operation constitutes a 'business', as defined in AASB 3 *Business Combinations*, should:

- apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except principles that conflict with the guidance of AASB 11. This requirement also applies to the acquisition of additional interests in an existing joint operation that results in the acquirer retaining joint control of the joint operation (note that this requirement applies to the additional interest only, i.e. the existing interest is not re-measured) and to the formation of a joint operation when an existing business is contributed to the joint operation by one of the parties that participate in the joint operation; and

- provide disclosures for business combinations as required by AASB 3 and other Australian Accounting Standards.

AASB 2014-3 is applicable to annual reporting periods beginning on or after 1 January 2016.

The adoption of these amendments has not had a material impact on the Group.

AASB 2014-4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation*

The amendments to AASB 116 prohibit the use of a revenue-based depreciation method for property, plant and equipment. Additionally, the amendments provide guidance in the application of the diminishing balance method for property, plant and equipment.

The amendments to AASB 138 present a rebuttable presumption that a revenue-based amortisation method for intangible assets is inappropriate. This rebuttable presumption can be overcome (i.e. a revenue-based amortisation method might be appropriate) only in two (2) limited circumstances:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

- the intangible asset is expressed as a measure of revenue, for example when the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold (for instance, the right to operate a toll road could be based on a fixed total amount of revenue to be generated from cumulative tolls charged); or

- when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

AASB 2014-4 is applicable to annual reporting periods beginning on or after 1 January 2016.

The adoption of these amendments has not had a material impact on the Group.

AASB 2014-9 ***Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements***

The amendments introduce the equity method of accounting as one of the options to account for an entity's investments in subsidiaries, joint ventures and associates in the entity's separate financial statements.

AASB 2014-9 is applicable to annual reporting periods beginning on or after 1 January 2016.

The adoption of these amendments has not had a material impact on the Group.

AASB 2015-2 ***Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101***

The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project.

The amendments:

- clarify the materiality requirements in AASB 101, including an emphasis on the potentially detrimental effect of obscuring useful information with immaterial information

- clarify that AASB 101's specified line items in the statement(s) of profit or loss and other comprehensive income and the statement of financial position can be disaggregated

- add requirements for how an entity should present subtotals in the statement(s) of profit and loss and other comprehensive income and the statement of financial position

- clarify that entities have flexibility as to the order in which they present the notes, but also emphasise that understandability and comparability should be considered by an entity when deciding that order

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

- remove potentially unhelpful guidance in AASB 101 for identifying a significant accounting policy

AASB 2015-2 is applicable to annual reporting periods beginning on or after 1 January 2016.

The adoption of these amendments has not had a material impact on the Group.

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's assessment of the new and amended pronouncements that are relevant to the group but applicable in future reporting periods is set out below:

AASB 9 *Financial Instruments*

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.

The effective date is for annual reporting periods beginning on or after 1 January 2018.

When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.

AASB 15 *Revenue from Contracts with Customers*

AASB 15 replaces AASB 118: Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations. In summary, AASB 15:

- establishes a new revenue recognition model;
- changes the basis for deciding whether revenue is to be recognised over time at a point in time;
- provides a new and more detailed guidance on specific topics (eg multiple element arrangements, variable pricing, rights of return and warranties); and
- Expands and improves disclosures about revenue.

The effective date is for annual reporting periods beginning on or after 1 January 2018.

When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

AASB 16 Leases

AASB 16 replaces AASB 117: Leases, Int.4 determining whether an Arrangement contains a Lease, Int. 115 Operating Leases- Lease Incentives, Int.127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. In summary, AASB 16:

- replaces AASB 117 *Leases* and some lease-related Interpretations
- requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases
- provides new guidance on the application of the definition of lease and on sale and lease back accounting
- largely retains the existing lessor accounting requirements in AASB 117
- requires new and different disclosures about leases

The effective date is for annual reporting periods beginning on or after 1 January 2019.

When this standard is first adopted for the year ending 30 June 2020, there will be no material impact on the transactions and balances recognised in the financial statements.

AASB *2014-5 Amendments to Australian Accounting Standards arising from AASB 15*

AASB 2014-5 incorporates the consequential amendments arising from the issuance of AASB 15.

The effective date is for annual reporting periods beginning on or after 1 January 2018.

When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.

AASB *2014-7 Amendments to Australian Accounting Standards arising from AASB 9*

AASB 2014-7 incorporates the consequential amendments arising from the issuance of AASB 9.

The effective date is for annual reporting periods beginning on or after 1 January 2018.

When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

AASB 2016-3 ***Amendments to Australian Accounting Standards – Clarification to AASB 15***

The amendments clarify the application of AASB 15 in three specific areas to reduce the extent of diversity in practice that might otherwise result from differing views on how to implement the requirements of the new standard. They will help companies:

- Identify performance obligations (by clarifying how to apply the concept of 'distinct');
- Determine whether a company is a principal or an agent in a transaction (by clarifying how to apply the control principle);
- Determine whether a licence transfers to a customer at a point in time or over time (by clarifying when a company's activities significantly affect the intellectual property to which the customer has rights).

The amendments also create two additional practical expedients available for use when implementing AASB 15:

- For contracts that have been modified before the beginning of the earliest period presented, the amendments allow companies to use hindsight when identifying the performance obligations, determining the transaction price, and allocating the transaction price to the satisfied and unsatisfied performance obligations.

- Companies applying the full retrospective method are permitted to ignore contracts already complete at the beginning of the earliest period presented.

The effective date is for annual reporting periods beginning on or after 1 January 2018.

When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.

AASB 2017-1 ***Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments***

AASB 2017-1 amends:

AASB 1 *First-time Adoption of Australian Accounting Standards* to delete some short-term exemptions for first-time adopters that were available only for reporting periods that have passed and to add exemptions arising from AASB Interpretation 22 *Foreign Currency Transactions and Advance Consideration*;

AASB 128 *Investments in Associates and Joint Ventures* to clarify that:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

- a venture capital organisation, or a mutual fund, unit trust and similar entities may elect, at initial recognition, to measure investments in an associate or joint venture at fair value through profit or loss separately for each associate or joint venture; and
- an entity that is not an investment entity may elect to retain the fair value measurement applied by its associates and joint ventures that are investment entities when applying the equity method. This choice is available separately for each investment entity associate or joint venture; and

AASB 140 *Investment Property* to reflect the principle that an entity transfers a property to, or from, investment property when, and only when, there is a change in use of the property supported by evidence that a change in use has occurred.

The effective date is for annual reporting periods beginning on or after 1 January 2018.

When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.

AASB 2017-2 ***Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016 Cycle***

This Standard clarifies the scope of AASB 12 *Disclosure of Interests in Other Entities* by specifying that the disclosure requirements apply to an entity's interests in other entities that are classified as held for sale, held for distribution to owners in their capacity as owners or discontinued operations in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*.

The effective date is for annual reporting periods beginning on or after 1 January 2017.

When this standard is first adopted for the year ending 30 June 2018, there will be no material impact on the transactions and balances recognised in the financial statements.

IFRC 23 – Uncertainty Over Income Tax Treatments

IFRIC 23 clarifies how the recognition and measurement requirements of IAS 12 *Income Taxes* are applied where there is uncertainty over income tax treatments.

The effective date is for annual reporting periods beginning on or after 1 January 2019.

When this Interpretation is first adopted for the year ending 30 June 2020, there will be no material impact on the transactions and balances recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 2: Revenue	**2017 $**	**2016 $**
Revenue		
Registry fees	4,496,913	4,757,653
Client disbursements recovered	1,420,281	1,303,327
Total Revenue	5,917,194	6,060,980
Other income		
Rental income	60,888	30,909
Interest received	82,969	99,648
Other income	3,275	6,512
	147,132	137,069

Note 3: Profit	**2017 $**	**2016 $**
Expenses		
Depreciation of non-current assets	106,660	106,559
Amortisation of non-current assets, client book	200,200	200,200
Professional fees	31,901	26,065
Occupancy expenses	232,502	259,681
Directors' fees	87,000	87,000
Salaries and wages	1,392,024	1,194,445
Superannuation	143,003	124,709
Postage, printing and stationery	1,015,919	1,097,010
Other expenses	295,659	351,514
	3,504,868	3,447,183

Note 4: Income tax

a. The components of tax expense comprise:

Current tax	764,787	913,634
Deferred tax	2,797	(18,944)
Deferred tax expense resulting from reduction in tax rate	13,241	
Over provision in respect of prior years	(443)	-
	780,382	894,690

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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 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 27.5% (2016:30%)	703,851	825,260
Non-deductible amortisation	55,055	60,060
Other non-allowable items	224	1,771
Non-deductible building depreciation	8,454	7,599
Over provision in respect of prior years	(443)	-
Reduction in opening deferred taxes resulting from reduction in tax rate	13,241	-
Aggregate income tax expense	780,382	894,690
The applicable weighted average effective tax rate is:	30.49%	32.52%

The Government enacted legislation to alter the definition of a 'Small Business Entity' (SBE) based on the entity's turnover in May 2017 to take effect from 1 July 2016 and reducing the applicable tax rate to companies qualifying as a SBE to 27.5%. As, the Group's turnover was below the relevant threshold for the year ($10 million) to qualify as a SBE and obtain the lower corporate tax rate.

Note 5: Auditor's Remuneration

	2017	2016
	$	$
Remuneration of the auditor of the Group for:		
- audit of the financial report	29,174	24,000
- audit of Share Registry Function for ASX requirements.	2,727	2,065
	31,901	26,065

Note 6 : Cash and cash equivalents

	2017	2016
	$	$
Current		
Cash at Bank and on hand	933,190	1,020,933
Cash on deposit	3,100,000	2,800,000
	4,033,190	3,820,933

The effective interest rate on short-term bank deposits was 1.62%; these deposits have a maturity of 90 days. (2016: 1.90%)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 7: Trade and other receivables	**2017 $**	**2016 $**
Current		
Trade receivables	946,311	1,227,847
Provision for impairment	(85,104)	(140,568)
	861,207	1,087,279
Other receivables	50,265	65,298
	911,472	1,152,577

Provision For Impairment of Receivables

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

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

	Current trade receivables $	**Totals $**
Opening Balance as at 1 July 2015	110,747	110,747
Charge for the year	67,068	67,068
Amounts written off	(37,247)	(37,247)
Closing Balance as at 30 June 2016	140,568	140,568
Opening Balance as at 1 July 2016	140,568	140,568
Charge for the year	14,750	14,750
Amounts written off	(70,214)	(70,214)
Closing Balance as at 30 June 2017	85,104	85,104

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 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

The following table details the Group's trade and other receivables exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the 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)				
2017	**Gross Amount**	**Past Due and Impaired**	**< 30**	**31- 60**	**61 – 90**	**> 90**	**Within Initial Trade Terms**
Trade and term receivables	$946,311	$85,104	-	$24,859	$8,885	-	$827,463
Other receivables	$50,265	-	-	-	-	-	$50,265
Total	$996,576	$85,104	-	$24,859	$8,885	-	$877,728

			Past Due but Not Impaired (Days Overdue)				
2016	**Gross Amount**	**Past Due and Impaired**	**< 30**	**31- 60**	**61 – 90**	**> 90**	**Within Initial Trade Terms**
Trade and term receivables	$1,227,847	$140,568	-	$225,258	$39,185	-	$822,836
Other receivables	$65,298	-	-	-	-	-	$65,298
Total	$1,293,145	$140,568	-	$225,258	$39,185	-	$888,134

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 8: Other assets	Notes	2017 $	2016 $
Current			
Prepayments		29,440	24,068

Note 9: Other Financial Assets

Current			
Financial assets at fair value through profit or loss	9 (a)	741	741
		741	741
- **Financial assets at fair value through profit or loss:**			
Held-for-trading Australian listed shares		741	741

(a) Shares held for trading are traded for the purpose of short-term profit taking. Changes in fair value are included in the statement of profit or loss and other comprehensive income

Note 10: Property, Plant and Equipment

Buildings – at cost	380,794	380,794
Accumulated depreciation	(13,630)	(4,110)
	367,164	376,684
Leasehold improvements – at cost	56,266	56,266
Accumulated depreciation	(14,183)	(13,413)
	42,083	42,853
Plant and equipment – at cost	930,860	894,551
Accumulated depreciation	(655,443)	(580,294)
	275,417	314,257
Total property, plant and equipment	684,664	733,794

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

a. Movements in Carrying Amounts

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

	Buildings	Leasehold Improvements	Plant & Equipment	Total
Balance at 1 July 2015	$752,315	$43,623	$357,039	$1,152,977
Additions	$380,794	-	$37,676	$418,470
Depreciation Expense	($14,663)	($770)	($80,458)	($95,891)
Reclassification from property plant and equipment to Investment property	($741,762)	-	-	($741,762)
Balance at 30 June 2016	$376,684	$42,853	$314,257	$733,794
Additions	-	-	$36,309	$36,309
Depreciation Expense	($9,520)	($770)	($75,149)	($85,439)
Balance at 30 June 2017	$367,164	$42,083	$275,417	$684,664

Note 11: Investment Property	**2017**	**2016**
Balance at beginning of year	$731,094	-
Reclassification from property plant and equipment to Investment property	-	$741,762
Depreciation Expense	($21,221)	($10,668)
Balance at end of year	$709,873	$731,094

The Group has retained its existing office premises at 6/225 Clarence Street, Sydney as a rental investment at market rate rental which began on 1 January 2016. The property was reclassified from Property Plant and Equipment to Investment Property in the prior year. The property has been leased out on operating lease. The rental income amounts to $60,888 (2016: $30,909) reported under Investment income. Direct operating expenses of $22,749 (2016: $9,059) were reported within other operating expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

The lease contract is a non-cancellable lease with a 2 year term with rent receivable monthly. Future minimum lease rentals are as follows:

	2017	2016
- not later than 12 months	$43,472	$64,372
- between 12 months and 5 years	-	$43,472
	$43,472	$107,844

Note 12: Intangible Assets	**2017**	**2016**
	$	**$**
Goodwill – at cost	1,053,690	1,053,690
Net carrying amount	1,053,690	1,053,690
Client book acquired – at cost	2,002,010	2,002,010
Accumulated amortisation	(1,901,904)	(1,701,704)
Net carrying amount	100,106	300,306
Total intangibles	1,153,796	1,353,996

The client book acquired is amortised over its effective life, determined to be 10 years. The remaining amortisation period is 6 months. *(Refer Note1 f)*

a. Movements in Carrying Amounts

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

	Goodwill		**Client Book Acquired**		**Total**	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
Opening balance	$1,053,690	$1,053,690	$300,306	$500,506	$1,353,996	$1,554,196
Amortisation expense	-	-	($200,200)	($200,200)	($200,200)	($200,200)
Balance at 30 June	$1,053,690	$1,053,690	$100,106	$300,306	$1,153,796	$1,353,996

Impairment Disclosures

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

Share registry	$1,053,690

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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
Share registry	3.00%	6.98%

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 current 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 management's assumptions for the projected period as described were to be achieved, and maintaining the steady growth rate of 3% as 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.

	Consolidated Group	
	2017	2016
Note 13: Tax	$	$
Current		
Income tax payable	70,021	272,519

Non- Current

	Opening Balance	Charged to Income	Changes in Tax Rate	Closing Balance
Deferred Tax Liability				
Accrued Income	$4,827	$576	-	$5,403
Balance at 30 June 2016	$4,827	$576	-	$5,403
Accrued Income	$5,403	($3,391)	($450)	$1,562
Balance at 30 June 2017	$5,403	($3,391)	($450)	$1,562

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Deferred Tax Assets				
Provisions and Accrued Expenses	$144,784	$19,519	-	$164,303
Balance at 30 June 2016	$144,784	$19,519	-	$164,303
Provisions and Accrued Expenses	$164,303	($6,026)	($13,692)	$144,585
Balance at 30 June 2017	$164,303	($6,026)	($13,692)	$144,585

	Statement of financial position	
	2017	**2016**
Deferred income tax at 30 June relates to the following:	**$**	**$**
i) Deferred tax liabilities		
Accrued income	2,012	5,403
Net deferred tax liabilities	2,012	5,403
ii) Deferred tax assets		
Superannuation liability	9,319	10,540
Accruals	21,718	19,651
Provisions:		
Doubtful debts	23,404	42,170
Long service leave	26,115	34,390
Annual leave	64,029	57,552
Net deferred tax assets	144,585	164,303

The Group does not have any deductible temporary differences, unused tax losses or unused tax credits for which a deferred tax asset has not been recognised.

Note 14: Trade and other payables	**2017** **$**	**2016** **$**
Current		
Trade creditors and accruals	279,407	330,162

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 15: Provisions	Employee Benefits	Provision for Dividend	Total
Opening balance at 1 July 2016	$306,469	$21,245	$327,714
Balance at 30 June 2017	$327,799	$23,221	$351,020

Analysis of total provisions

Current liabilities – provisions	2017 $	2016 $
Annual leave	232,834	191,839
Provision for dividend	23,221	21,245
Long service leave	82,886	97,171
Paid Parental Leave	439	-
	339,380	310,255
Non-current liabilities - provisions		
Long service leave	12,079	17,459

Note 16: Issued Capital

	2017 $	2016 $
42,746,500 (2016 : 42,746,500) fully paid ordinary shares)	6,034,140	7,077,155
Return of Capital	-	(1,043,015)
	6,034,140	6,034,140

	No.	No.
a. Ordinary Shares		
At the beginning of the reporting period	42,746,500	42,746,500
At reporting date	42,746,500	42,746,500

Ordinary shares participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held.
At the shareholders' meetings, each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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: Cash flow information	**Notes**	**2017**	**2016**
		$	**$**
Reconciliation of Cash Flow from Operations with Profit after Income Tax			
Profit after income tax		1,779,076	1,856,176
Non cash flows in profit:			
Amortisation		200,200	200,200
Depreciation		106,660	106,559
		2,085,936	2,162,935
Changes in equity as a result of adjustments in reserves		-	-
Changes in assets and liabilities:			
(Increase)/decrease in trade and term receivables		241,100	(313,641)
(Increase)/decrease in prepayments		(5,372)	(1,356)
Increase/(decrease) in trade payables and accrual		(50,318)	53,228
Increase/(decrease) in income taxes payable		(202,496)	85,266
Decrease/(increase) in deferred tax assets		19,718	(19,519)
Increase/(decrease) in deferred taxes payable		(3,841)	575
Increase/(decrease) in provisions		21,330	43,115
		2,106,057	2,010,603

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 18: Events after the Reporting Period

a. Proposed dividend
The Directors proposed that a dividend of 2.1 cents per share fully franked be paid out of the current year earnings. This dividend was declared on 11 August 2017 and paid on 18 August 2017.

b. Legal Matter

The Group has been named as one of several parties in a proceeding in relation to the transfer of shares in a client company that is currently before the courts.

The Group has received advice that it is unlikely to have any liability arising from the action as the group has acted in accordance within the relevant procedures.

The Group's insurers have been notified of the claim and they are likely to respond should any liability be assigned to the group.

The action has not progressed sufficiently to provide any further details to the claim at this stage, but the Directors are confident that the group will have no liability arise from this matter.

Other than matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group to 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 19: Capital and leasing commitments

Non-cancellable operating lease commitments
Future operating lease rentals not provided for in the financial statements and payable:

	2017	2016
- not later than 12 months	$161,460	$118,567
- between 12 months and 5 years	$288,921	-
- later than 5 years	-	-
	$450,381	$118,567

The property lease is a non-cancellable lease with a 3 year term with rent payable monthly in advance. Contingent rental provisions within the lease agreement require the minimum lease payments shall be increased by CPI % per annum. The lease is currently extended until 31 March 2020.

Note 20: Contingent Liabilities
The Group has no known or identifiable contingent liabilities.

Note 21: Financial Risk Management

Financial Instruments
Categories of Financial Instruments

Financial assets	**2017 $**	**2016 $**
Cash and cash equivalents	4,033,190	3,820,933
Loans and receivables	911,472	1,152,577
Financial assets at fair value through profit or loss		
Investments – held-for-trading	741	741
Total financial assets	4,945,403	4,974,251
Financial liabilities		
Payable and borrowings	279,407	330,162
Total financial liabilities	279,407	330,162

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 receivables	- cash at bank	- investments
- trade and other payables	- deposits	- loans receivable

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, 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.

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

There is no material amounts of collateral held as security at 30 June 2017.

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

	2017	**2016**
Trade debtors	$861,207	$1,087,279

c. Liquidity risk

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

Financial liability and financial asset maturity analysis

	Within 1 Year		**Total**	
	2017	**2016**	**2017**	**2016**
Financial liabilities due for payment				
Trade and other payables	$279,407	$330,162	$279,407	$330,162
Total expected outflows	$279,407	$330,162	$279,407	$330,162

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Financial assets – cash flows realisable				
Cash and cash equivalents	$4,033,190	$3,820,933	$4,033,190	$3,820,933
Trade, term and loans receivables	$911,472	$1,152,577	$911,472	$1,152,577
Held-for-trading investments	$741	$741	$741	$741
Total anticipated inflows	$4,945,403	$4,974,251	$4,945,403	$4,974,251
Net / inflow on financial instruments	$4,665,996	$4,644,089	$4,665,996	$4,644,089

Financial arrangements

Nil at balance date.

d. Market risk

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

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

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

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

Maturity of notional amounts:	Effective Average Fixed Interest Rate Payable		Notional Principal	
	2017	2016	2017	2016
Less than 1 year	1.62%	1.90%	$4,948,466	$4,991,659
	1.62%	1.90%	$4,948,466	$4,991,659

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

Fair Values

The fair values of:

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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

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

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

	Carrying Amount		Fair Value	
	2017	**2016**	**2017**	**2016**
Financial Assets:				
Cash and cash equivalents	$4,033,190	$3,820,933	$4,033,190	$3,820,933
Receivables	$911,472	$1,152,577	$911,472	$1,152,577
Investments – held-for-trading	$741	$741	$741	$741
Total Financial Assets	$4,945,403	$4,974,251	$4,945,403	$4,974,251
Financial Liabilities:				
Trade and sundry payables	$279,407	$330,162	$279,407	$330,162
Total Financial Liabilities	$279,407	$330,162	$279,407	$330,162

Financial Instruments Measured at Fair Value

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

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

2017

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

2016

Financial assets				
Financial assets at fair value through profit or loss:				
- Investments-held-for-trading	$741	-	-	$741

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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

	2017	**2016**
Change in profit	**$**	**$**
- Increase in interest rate by 1%	31,000	28,000
- Decrease in interest rate by 1%	(31,000)	(28,000)
Change in equity		
- Increase in interest rate by 1%	31,000	28,000
- Decrease in interest rate by 1%	(31,000)	(28,000)

Note 22: Related Party Disclosures

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

Commercial Services Agreement
- Winduss & Associates Pty Ltd

The Group receives accounting and secretarial services from Winduss & Associates, an accounting practice of which Mr Winduss is a director and shareholder. Fees charged are at normal commercial rates and conditions. Fees charged to 30 June 2017 for accounting and secretarial services, was $49,720 including GST (2016:$57,126). The amount owing to Winduss & Associates Pty Ltd at 30 June 2017 is $4,125 (2016: $4,125).

Tenancy Agreement
- Cherry Field Pty Ltd

The Group required an additional area to assist in operations during the period. On 1 April 2014, the Group entered into a lease agreement with Cherry Field Pty Ltd, a Company owned and controlled by an associate of Mr Chong. The agreement has been concluded on a commercial monthly tenancy basis. The Group has incurred $174,913 including GST for the year ended 30 June 2017 (2016: $170,621).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 23: Earnings per share	2017 $	2016 $
Earnings used in the calculation of EPS		
Profit	1,779,076	1,856,174
Earnings per share		
Basic earnings per share	4.16c	4.34c
Diluted earnings per share	4.16c	4.34c

	2017 No	2016 No
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	42,746,500	42,746,500
Weighted average number of dilutive rights outstanding	-	-
Weighted average number of ordinary shares used -	-	-
in calculating diluted EPS	**42,746,500**	**42,746,500**

Note 24: 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 two business segments.

	2017 $	2016 $
Segment Performance		
Revenue		
Share registry services	6,003,438	6,167,140
Property Investment	60,888	30,909
Total group revenue	6,064,326	6,198,049

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Segment Assets		
Share registry services	6,957,888	7,250,412
Property Investment	709,873	731,094
Total group assets	7,667,761	7,981,506

Major customers

The Group has a number of customers to whom it provides services. The Group only one 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 24% (2016: 10 customers each exceeding 2% of the Group's income accounted for 38%) of the Group's income.

Note 25: Dividends	**2017 $**	**2016 $**
Distributions paid		
Final fully franked dividend of 2.25 cents (2016: 1.70 cents) per share franked at the tax rate of 27.5% (2016: 30%)	961,796	726,691
Interim dividend fully franked of 2.10 cents (2016: 2 cents) per share franked at the tax rate of 27.5% (2016: 30%)	897,677	854,430
	1,859,473	1,581,121

	2017 $	**2016 $**
a. Final 2017 fully franked dividend of 2.10 cents declared subsequent to 30 June 2017 (2016: 2.25 cents per share franked at the tax rate of 27.5% (2016: 30%)	897,676	961,796
b. Balance of franking account at year end adjusted for franking credits arising from:		
- Payment of provision for income tax	1,459,858	1,400,670
Subsequent to year end, the franking account would be reduced by the proposed dividend as follows:	(340,498)	(412,198)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 26: Interests of Key Management Personnel (KMP)

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2017.
The totals of remuneration paid to KMP of the Group during the year are as follows:

	2017 $	2016 $
Short -term employee benefits	298,498	297,681
Post-employment benefits	31,312	31,310
Long -term benefits	3,845	4,622
	333,655	333,613

Note 27: Reserves

Employee Performance Rights Reserve
The employee performance rights reserve records items recognised as expenses on valuation of employee performance rights.

Note 28: Interest in Subsidiaries

On 18 September 2013, Advanced Share Registry Ltd incorporated a wholly owned subsidiary. The subsidiary Advanced Custodial Services Pty has not yet commenced trading. The new company is intended to provide additional complementary services to the clients of Advanced Share Registry.
Set out below is the Group's subsidiary at 30 June 2017. The subsidiary listed below has 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.

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group		Proportion of Non- Controlling Interests	
		30.06.2017	30.06.2016	30.06.2017	30.06.2016
Advanced Custodial Services Pty Ltd	Perth, Australia	100%	100%	-	-
Consideration Paid	-	$100	$100	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

Note 29: Parent Information

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

Statement of Financial Position	2017 $	2016 $
ASSETS		
Current Assets	4,977,256	5,000,483
Non-current Assets	2,692,918	2,983,187
TOTAL ASSETS	7,670,174	7,983,670
LIABILITIES		
Current Liabilities	688,808	912,936
Non-current liabilities	13,641	22,862
TOTAL LIABILITIES	702,449	935,798
EQUITY		
Issued Capital	6,034,140	6,034,140
Retained earnings	933,585	1,013,732
TOTAL EQUITY	6,967,725	7,047,872

Statement of Profit or Loss and Other Comprehensive Income	2017 $	2016 $
Total profit	1,779,325	1,856,612
Total other comprehensive income, net of tax	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**1,779,325**	**1,856,612**

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

Contingent liabilities
The Group has no known or identifiable contingent liabilities.

Contractual commitments
Details of contractual commitments are set in Note 20.
At 30 June 2017, the Group had not entered into any contractual commitments for the acquisition of property, plant and equipment (2016: Nil).

DIRECTORS DECLARATION

1. In the opinion of the Directors of Advanced Share Registry Limited (the 'Company'):

   (a) the financial statements and notes set out on pages 22 to 65 and the Remuneration disclosures that are contained in pages 17, 18 and 19 of the Remuneration Report in the Director's Report, are in accordance with the *Corporations Act 2001*, including:

      (i) giving a true and fair view of the Group's financial position as at 30 June 2017 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 2017.

Signed in accordance with a resolution of the Directors.

Simon Cato
Chairman of Directors

Signed at Perth on 26 September 2017

Grant Thornton

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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 subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated 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 2017 and of its performance for the year ended on that date; 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 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* (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.

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
Revenue recognition – refer to Note 1(j) and Note 2	
The Group has revenue of $5,917,194 for the year split between registry fees and client disbursements recovered. Revenue recognition related to the registry services is determined when the services are provided. Invoices are billed to the listed companies on a monthly basis, according to a contract being signed and renewed on a yearly basis. This area is a key audit matter due to the complexities around the judgements and estimates involved in revenue recognition.	Our procedures included, amongst others: • Performing analytical procedures for revenue disaggregated by revenue stream and by month. Where movements were outside expectation, an explanation was obtained along with corroborating evidence; • Performing detailed testing of a sample of invoices to assess the revenue recognition policies for appropriateness and compliance with *AASB 118 Revenues*, and recognition in the appropriate period, as well as reviewing consistency with the prior period; and • Assessing the adequacy of disclosures in the financial statements.
Intangible asset impairment – refer to Note 1(f) and Note 12	
The Group has an intangible asset recorded on the Statement of Financial Position totalling $1,153,796 relating to goodwill and client book acquired. *AASB 136 Impairment of Assets* requires that an entity shall assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any indication exists, the entity shall estimate the recoverable amount of the asset. This area is a key audit matter due to the inherent subjectivity that is involved in the Group making judgements in relation to the identification of any impairment indicators.	Our procedures included, amongst others: • Evaluating management's processes and controls to document an understanding over the risk of impairment; • Obtaining from management available evidence to support the key assumptions and applying professional scepticism on those assumptions; • Performing sensitivity analysis on the key assumptions; • Testing the mathematical accuracy of the model; • Considering the reasonableness of the revenue and costs forecasts against current year actuals; • Reviewing historical reliability of budgets and forecasts to support management's estimation process; and • Assessing the adequacy of the Group's disclosures within the financial statements regarding the judgements and estimates used by management.

Information Other than the Financial Report and Auditor's Report Thereon

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 2017, 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 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 Group's ability 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.
A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 17 to 19 of the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Advanced Share Registry Limited, for the year ended 30 June 2017, 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.

Grant Thornton Audit Pty Ltd

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M J Hillgrove
Partner - Audit & Assurance

Perth, 26 September 2017

SHAREHOLDER INFORMATION

(Current as at 14 September, 2017)

A. Substantial Shareholders

Name	Number of Shares	Percentage of Issued Capital
KMC Automation Pty Ltd	23,920,489	55.95
Washington H Soul Pattinson and Company Ltd	4,494,726	10.51
Link Market Services Ltd	4,153,627	9.72

B. Distribution of Fully Paid Ordinary Shares

i) Distribution Schedule of Holdings	Holders	Number of Shares	Percentage of Issued Capital
1-1,000	49	24,144	0.05%
1,001-5,000	106	384,794	0.90%
5,001-10,000	79	715,715	1.67%
10,001-100,000	154	4,995,414	11.68%
100,001 and over	25	36,626,433	85.68%
Total number of holders	413	42,746,500	100%
ii) Holding less than a marketable parcel	26		

C. Twenty Largest Shareholders

	Twenty Largest Shareholders	Number of Shares	Percentage of Issued Capital
1	KMC Automation Pty Ltd	23,920,489	55.95
2	Washington H Soul Pattinson and Company Ltd	4,494,726	10.51
3	Pacific Custodians Pty Ltd	3,508,577	8.21
4	The Australian Superannuation Group (WA) Pty Ltd	645,050	1.51
5	J M Molyneux & W A Hutchison & J E Hutchison<Hutchison Family Super A/C>	460,245	1.07
6	S K Cato	375,000	0.87
7	Richard Alexander Isles	300,000	0.70
8	Ostle Investments Pty Ltd, <Tan Family Super Fund A/C>	305,000	0.71
9	Alberta Resources Pty Ltd<British Columbia Superannuation Fund A/C>	250,000	0.58
10	Yonatan Widjaya & Mela Widjaya	230,000	0.56
11	Morse's Run Pty Ltd<The Number 69 Prov Fund A/C>	225,000	0.52
12	WJK Investments Pty Ltd<WJK Superannuation Fund A/C>	217,182	0.50
13	Alan Winduss	215,000	0.50
14	Edward James Dally & Selina Dally< E J Dally SF >	180,000	0.42
15	Synchronised Software Pty Ltd	177,500	0.41
16	J Davidson & E Davidson	148,439	0.35
17	The Moore Superfund	138,262	0.32
18	Bruce Harold Fryer & Peta Constance Fryer	130,793	0.30
19	Rosemont Asset Pty Ltd	125,000	0.29
20	Batten Resources Pty Ltd<Batten Super Fund>	125,000	0.29

D. Restricted Securities

There were no securities under escrow at 30 June 2017 or 30 June 2016.

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