ADVANCED
SHARE REGISTRY

ANNUAL REPORT 2018

ADVANCED SHARE REGISTRY LIMITED
ACN 127 175 946

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.

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Auditors

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

Solicitors

Eaton Hall
Level 25, 108 St Georges Terrace
Perth WA, 6000

FROM THE CHAIRMAN

Dear Shareholder

On behalf of the Board of Advanced Share Registry Limited, I am pleased to issue the Annual Report for the financial year to 30 June 2018.

The Board of Advanced Share Registry Limited are pleased to announce a profit before income tax of $3,203,655 for the period 1 July 2017 to 30 June 2018 (2017 - $2,930,679). Both of these amounts include the impact of the announced change in accounting policy in regard to the valuation of our owner occupied and investment properties in Sydney. We have maintained fully franked dividends this year in line with last year and still booked a small retained profit.

Gross revenues for the year were $6,086,346 compared to $6,064,326 for last year. Our headline results this year are boosted by the recognition of the growth in value of our property assets in the Sydney CBD. These properties were bought principally as our business offices in Sydney but have proved to be a beneficial long term investment and we have recognised their increase in value in this year’s accounts, following a year of extraordinary growth in Sydney CBD office values.

Our announcement regarding the adoption of fair value accounting for the Group’s buildings noted that the properties held by the group had increased in value by a combined amount of approximately $1,860,000. Reporting requirements have required us to restate the results for the years ended 30 June 2016 and 2017 before recognising the current year fair value increase for the investment property. The increase in value of the owner occupied property has been recorded fully in the current year. The amount announced was before the formal valuation report on each of the properties was received.

Of the combined increase in value announced, the investment property’s portion is partly seen as a $750,000 gain and $350,000 gain in the profit loss for 2018 and 2017 respectively, whilst $308,000 has been allocated to other comprehensive income in 2016. The owner occupied property, which contains the Group’s Sydney office, has all been included in other comprehensive income, with approximately $467,000 being recorded in the year ended 30 June 2018. A full reconciliation of the treatment is shown in the notes.

Operationally the period was essentially steady in exceptionally difficult trading conditions. Costs increased marginally with expense increases associated with operating cost increases in the current economic climate.

We are looking for growth with a focus on revenue from some new initiatives, principally the investment in Private Company Platform Pty Ltd and continuing development work on our website.

Simon Cato
Chairman

DIRECTORS' REPORT

The Directors present their report, together with the financial report of Advanced Share Registry Limited ("ASW" or "Company") and its controlled entities ("Group") for the year ended 30 June 2018 and the auditor's report thereon.

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

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

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

Simon Kenneth Cato	- Chairman
Qualifications	- B A (USYD)
Experience	- Appointed chairman on 22 August 2007 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 are: Nil
Kim Phin Chong	- Managing Director
Experience	- Appointed director on 22 August 2007 Mr Chong has been involved in the share registry business for nearly 40 years. Following over 14 years working in the industry, Mr Chong commenced Advanced Share Registry Services in 1996. His

DIRECTORS' REPORT

experience in information technology and business skills has been a major influence in making the group such a success.

Interest in Shares & Options - 23,933,274 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 25 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.

In addition to his accounting background, he is an Associate Fellow of the Australian Institute of Management, a Fellow of the Australian

DIRECTORS' REPORT

	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 in Review

In financial year to 30 June 2018 the Group achieved gross sales of $5,929,948 and a profit before taxation of $3,203,655 after including a revaluation of $750,000 in relation to the Group's investment property.

This profit was after charges of $191,200 for amortisation and depreciation and $17,232 for impairment.

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 2018 operating profits on 31 August, 2018.

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	7	7
K. Chong	7	7
A. Tan	7	7
A. Winduss	7	7

There are no committees of Directors, with the full board responsible for audit, risk, remuneration and nomination.

Ethical Standards

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

DIRECTORS' REPORT

Term in Office

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

S. Cato	11 years
K. Chong	11 years
A. Tan	11 years
A. Winduss	11 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	-	23,933,274
A. Tan	-	525,500
A. Winduss	215,000	10,000

The Group has issued 27,000 performance rights to employees of the Group which may convert to the right to acquire shares in the Company upon the satisfaction of certain conditions by those employees. The performance rights have no issue price and do not participate in new issues of securities until the performance right has vested, is exercised and a share has been issued in respect of the performance right. A performance right may be exercised within 3 months of the vesting date, which is 30 April 2020 subject to satisfaction of the performance criteria. No performance rights have been issued to any officer of the Group.

There are no unissued shares under options and no shares have been issued as a result of the exercise of any options or performance rights during the year.

Earnings per Share

Basic Earnings per Share	5.36 cents
Diluted Earnings per Share	5.36 cents

DIRECTORS' REPORT

Dividends Paid or Recommended	Cents per share	Total
Final dividend paid – 18 August 2017	2.10c	$897,677
Interim dividend paid – 8 February 2018	2.10c	$897,677
Final dividend paid – 31 August 2018	2.10c	$897,677

Nature of Operations and Principal Activities

The principal activity of the Group during the financial year was a provider of Share Registry and associated services.

Employees

The Group employed 20 persons as at 30 June 2018. (2017: 21 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.

	2018	**2017 (restated)**
Segment Performance		
Revenue		
Share registry services	6,010,691	6,003,438
Property Investment	75,655	60,888

Shareholder Returns

The Board of Directors approved an ordinary 2.10c fully franked dividend which was paid on 31 August 2018.

	2018	**2017 (restated)**
Basic earnings per Share	5.36c	4.81c
NTA per share	17.05c	14.86c
Return on Equity	27.39%	27.39%
Return on Assets	23.66%	24.60%

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.

DIRECTORS' REPORT

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 environmental regulations under Australian Legislation in relation to the conduct of this operation.

Significant Events after Balance Date

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

The Group proposed a fully franked dividend of 2.10 cents per share which was paid on 31 August 2018.

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.

Indemnification and Insurance of Officers

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

Indemnification of Auditors

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

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.

DIRECTORS' REPORT

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.

Key Management Personnel Remuneration

The Board of Directors are responsible for determining and reviewing compensation arrangements for the Directors, Chief Executive Officer and the Executive team.

The maximum remuneration of Non-Executive Directors is to be determined by Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules as applicable. At present, the maximum aggregate remuneration of Non-Executive Directors is $250,000 per annum. The apportionment of Non-Executive Director remuneration within that maximum will be made by the Board having regard to the contributions by each Non-Executive Director. Remuneration is not linked to specific performance criteria or to the performance of the Group.

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.

The following table shows gross income, profits/(losses) and dividends for the last five years for the listed entity, as well as the share prices at the end of the respective financial years. Analysis of the actual figures shows an increase in gross income which has been reflected in the increase of the Group's share price. The Board is of the opinion that these results can be attributed, in part, to the previously described remuneration policy and is satisfied with the overall upwards trend in shareholder wealth over the past five years.

	2018	**2017**	**2016**	**2015**	**2014**
Gross Income	6,086,346	6,064,326	6,198,049	5,299,991	5,357,488
Net profit	2,289,574	1,779,076	1,856,176	1,493,422	1,565,934
Share price at year end	0.710	0.740	0.625	0.650	0.625
Dividends paid (cents per share)	4.2	4.2	4.25	3.7	3.7

Remuneration Report

Executive Services Agreements
- Kim Chong
The Group has a services agreement with Mr Kim Chong that is effective for a period of three years 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.

DIRECTORS' REPORT

Mr Chong is to be paid an annual remuneration of $215,700 inclusive of statutory superannuation. The Group may terminate Mr Chong at its sole discretion by giving 3 months written notice. Mr Chong will also be reimbursed for reasonable expenses incurred in carrying out his duties. There was $563 to be reimbursed to Mr Chong as at 30 June 2018.

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

Key Management Personnel	Position held as at 30 June 2018 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.

Table of Benefits and Payments for the Year Ended 30 June 2018

Key Management Personnel		Short – term benefits	Post-employment benefit	Long – term benefits	Equity- settled Share-based Payments	Total
		Salary and fees	Super-annuation	Long service Leave	Shares	
Mr Kim Phin Chong	2018	$231,392*	$19,496	$3,844	-	$254,732*
	2017	$211,498	$19,312	$3,845	-	$234,655
Mr Simon Cato	2018	$33,000	$12,000	-	-	$45,000
	2017	$33,000	$12,000	-	-	$45,000
Mr Alan Winduss	2018	$27,000	-	-	-	$27,000
	2017	$27,000	-	-	-	$27,000
Mr Alvin Tan	2018	$27,000	-	-	-	$27,000
	2017	$27,000	-	-	-	$27,000
Total	2018	$318,392	$31,496	$3,844	-	$353,732
	2017	$298,498	$31,312	$3,845	-	$333,655

*The Board agreed that a payment of $35,000 would be made to Mr Chong in order to reduce his accumulated annual leave liability. This has resulted in the amounts in the above table appearing to be in excess of the contracted amount described in the executive services agreement.

The Group did not receive a "no" vote of 25% or more at its 2017 Annual General Meeting in relation to the resolution relating to the remuneration report.

DIRECTORS' 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 2018	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	23,920,489	-	12,785	23,933,274
A. Tan	525,500	-	-	525,500
A. Winduss	225,000	-	-	225,000
	25,190,989	-	12,785	25,203,774

KMP Related Party Transactions

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

Commercial Services Agreement
- Winduss & Associates Pty Ltd

The Group 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 2018 for accounting and secretarial services, was $51,590 including GST (2017: $49,720). The amount owing to Winduss & Associates Pty Ltd at 30 June 2018 is $9,900 (2017: $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 Group has incurred $176,854 including GST for the year ended 30 June 2018 (2017: $174,913) with no amount outstanding at 30 June 2018 (2017: nil).

END OF REMUNERATION REPORT (AUDITED)

Proceedings on Behalf of Group

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

DIRECTORS' REPORT

Non Audit Services

Details of non-audit services provided by the entity's auditors during the years ended 30 June 2018 and 30 June 2017 can be found in Note 5 of the financial statements.

The Board has considered the non-audit services provided to the Group and have determined that the services were compatible with the general standard of independence required of its auditors. The non-audit services were to conduct an additional engagement by undertaking a reasonable assurance engagement on the design of controls within the Company's registry services designated by the ASX Settlement Operating Rule 5.23.1. This additional assurance service required the auditors to maintain their independence with respect to the Group, and as such, did not impinge on their independence when conducting their audit of the financial statements.

Rounding of Amounts

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

Auditor's Independence Declaration

The auditor's independence declaration for period ending 30 June 2018 has been given and can be found on page 12 of this report.

Signed in accordance with a resolution of the Board of Directors

Simon Cato
Chairman of Directors

Signed at Perth on 28 September 2018.

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

In relation to the independent audit for the year ended 30 June 2018, to the best of my knowledge and belief there have been:

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

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

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

Pitcher Partners BA&A Pty Ltd

PITCHER PARTNERS BA&A PTY LTD

J C PALMER
Executive Director
Perth, 28th September 2018

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 $	2017 (restated)* $
Sales revenue	2	5,923,204	5,917,194
Other income	2	163,142	147,132
Gain on revaluation of investment property		750,000	350,000
Occupancy expenses	3	(254,285)	(232,502)
Administrative expenses		(1,846,646)	(1,864,796)
Other operating expenses		(1,323,328)	(1,100,710)
Depreciation and amortisation expenses		(191,200)	(285,639)
Impairment of goodwill		(17,232)	-
Profit before income tax		3,203,655	2,930,679
Income tax expense	4	(914,081)	(874,117)
Profit after income tax		2,289,574	2,056,562
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Revaluation of owner-occupied property to equity		467,356	-
Deferred income tax expense		(128,523)	5,029
Other comprehensive income, net of tax		338,833	5,029
Total comprehensive income for the year		2,628,407	2,061,591
Profit attributable to:			
Owners of the parent		2,290,409	2,056,562
Non-controlling interests		(835)	-
		2,289,574	2,056,562
Comprehensive income attributable to:			
Owners of the parent		2,629,242	2,061,591
Non-controlling interests		(835)	-
		2,628,407	2,061,591
Basic earnings per share (cents per share)	26	5.36	4.81
Diluted earnings per share (cents per share)	26	5.36	4.81

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

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 2018

	Notes	2018	2017 (restated)*	As at 1 July 2016 (restated)*
		$	$	$
ASSETS				
Current Assets				
Cash and cash equivalents	6	4,272,261	4,033,190	3,820,933
Trade and other receivables	7	853,891	911,472	1,152,577
Other financial assets	8	741	741	741
Other current assets	9	31,379	29,440	24,068
Total Current Assets		5,158,272	4,974,843	4,998,319
Non-current Assets				
Property, plant and equipment	10	1,096,699	684,664	733,794
Investment Property	11	2,150,000	1,400,000	1,050,000
Intangible assets	12	1,082,870	1,153,796	1,353,996
Deferred tax assets	13	188,577	148,333	165,536
Total Non-current Assets		4,518,146	3,386,793	3,303,326
TOTAL ASSETS		9,676,418	8,361,636	8,301,645
LIABILITIES				
Current Liabilities				
Trade and other payables	14	326,834	279,407	330,162
Current tax liabilities	13	155,790	70,021	272,519
Provisions	15	347,450	339,380	310,255
Total Current liabilities		830,074	688,808	912,936
Non-current liabilities				
Provisions	15	6,544	12,079	17,459
Deferred tax liabilities	13	480,534	153,135	65,755
Total Non-current liabilities		487,078	165,214	83,214
TOTAL LIABILITIES		1,317,152	854,022	996,150
NET ASSETS		8,359,266	7,507,614	7,305,495
EQUITY				
Issued Capital	16	6,034,140	6,034,140	6,034,140
Retained earnings		1,715,499	1,220,444	1,023,354
Reserves	18	593,102	253,030	248,001
Total parent entity interest in equity		8,342,741	7,507,614	7,305,495
Total non-controlling interest		16,525	-	-
TOTAL EQUITY		8,359,266	7,507,614	7,305,495

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

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 2018

	Issued Capital	Retained Earnings	Employee Rights Reserve	Asset Revaluation Reserve	Total	Non-Controlling Interest	Total Equity
	$	$	$	$	$	$	$
Balance at 1 July 2016							
Before adjustment for change in accounting policy	6,034,140	1,011,568	-	-	7,045,708	-	7,045,708
Effect of change in accounting policy	-	11,786	-	248,001	259,787	-	259,787
Balance at 1 July 2016 (restated)*	6,034,140	1,023,354	-	248,001	7,305,495	-	7,305,495
Profit after income tax	-	2,056,562	-	-	2,056,562	-	2,056,562
Other comprehensive income	-	-	-	5,029	5,029	-	5,029
Total comprehensive income	-	2,056,562	-	5,029	2,061,591	-	2,061,591
Transactions with Owners							
Dividends paid in cash	-	(1,859,472)	-	-	(1,859,472)	-	(1,859,472)
Total transactions with Owners	-	(1,859,472)	-	-	(1,859,472)	-	(1,859,472)
Balance at 30 June 2017 (restated)*	6,034,140	1,220,444	-	253,030	7,507,614	-	7,507,614

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Issued Capital	Retained Earnings	Employee Rights Reserve	Asset Revaluation Reserve	Total	Non-Controlling Interest	Total Equity
	$	$	$	$	$	$	$
Balance at 1 July 2017 (restated)*	6,034,140	1,220,444	-	253,030	7,507,614	-	7,507,614
Profit after income tax	-	2,290,409	-	-	2,290,409	(835)	2,289,574
Other comprehensive income	-	-	-	338,833	338,833	-	338,833
Total comprehensive income	-	2,290,409	-	338,833	2,629,242	(835)	2,628,407
Transactions with Owners							
Non-controlling interest on acquisition of a subsidiary (Note 31)	-	-	-	-	-	17,360	17,360
Dividends paid in cash	-	(1,795,354)	-	-	(1,795,354)	-	(1,795,354)
Employee performance rights	-	-	1,239	-	1,239	-	1,239
Total transactions with Owners	-	(1,795,354)	1,239	-	(1,794,115)	17,360	(1,776,755)
Balance at 30 June 2018	6,034,140	1,715,499	1,239	591,863	8,342,741	16,525	8,359,266

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

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 2018

	Notes	2018 $	2017 $
Cash flows from operating activities			
Receipts from customers		6,460,010	6,784,557
Payment to suppliers and employees		(3,775,695)	(3,806,799)
Interest received		84,404	95,300
Income tax paid		(669,680)	(967,001)
Net cash flows provided by operating activities	19	2,099,039	2,106,057
Cash flows from investing activities			
Purchase of property, plant and equipment		(64,948)	(36,304)
Cash obtained on acquisition of subsidiary	31	128	-
Net cash flows used in investing activities		(64,820)	(36,304)
Cash flows from financing activities			
Dividends paid		(1,795,148)	(1,857,496)
Net cash flows used in financing activities		(1,795,148)	(1,857,496)
Net increase in cash and cash equivalents		239,071	212,257
Cash and cash equivalents at the beginning of the year		4,033,190	3,820,933
Cash and cash equivalents at the end of the year	6	4,272,261	4,033,190

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 2018

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 2018

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

Freehold land and buildings, including owner-occupied property, previously carried at cost, have now adopted the revaluation method permitted by the accounting standards. Freehold land and buildings that are part of property, plant and equipment will be carried at its revalued amount, being the fair value at the date of revaluation, less any subsequent depreciation or impairment losses. Revaluations are to be made

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

at regular intervals to ensure that the carrying amount does not differ materially from the amount that would be the fair value at the end of the reporting period.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to 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 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	2.5%
Plant and Equipment	10-66%

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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

Financial 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;

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
d. less any reduction for impairment.

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

(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,

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

including recent arm's length transactions, reference similar to instruments and option pricing models.

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.

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.

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 was amortised over that period. The client book has reached the end of its effective life and was fully amortised at 31 December 2017.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Other Intangibles

Other intangibles includes website expenditure which is amortised over the anticipated effective life of the site once operational. Future expenditure on maintenance of the website is expensed as incurred except where the website undergoes a significant redevelopment.

g. Employee Benefits

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

Equity-settled compensation

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

h. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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.

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.

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. Rounding of Amounts

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

o. 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 2018 other than the full impairment of goodwill arising on the acquisition of the subsidiary at Note 31. The assumptions used in the estimation of recoverable amount are disclosed in Note 12.

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

The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. All assets are assessed for impairment at each reporting date by evaluating whether indicators of impairment exist in relation to the continued use of the asset by the consolidated entity. Impairment triggers include declining product or manufacturing performance, technology changes, adverse changes in the economic or political environment and future product expectations. If an indicator of impairment exists the recoverable amount of the asset is determined.

Key Estimates – Revaluation of property, plant and equipment and investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the statement of profit or loss. In addition, it measures owner occupied property with changes in fair value being recognised in OCI. The Group engaged an independent valuation specialist to assess the fair value as at 30 June 2018 for investment properties and as at 30 June 2018 for owner occupied property.

For investment properties and owner-occupied properties, they were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property. The key

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

assumption used to determine the fair value of the investment properties are provided in note 24.

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 $233,464. 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 provision for impairment has been made for those client clients for which the extended terms have been arranged.

p. 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 30.

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.

q. Investment Property

Investment property, comprising freehold office space, is held to generate rental yields. All tenant leases are on arm's length basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Investment property, previously measured on the cost basis, is now measured on the revaluation basis as permitted by the accounting standards. The fair value of the property is determined at reporting date and is determined by assessing the factors that market participants would use when pricing the investment property under current market conditions. Depreciation is not calculated for investment property recognised at fair value.

r. Segment Reporting

The Group has two operating segments: share registrar services and management of investment property. In identifying its operating segments, management generally follows the Group's service lines, which represent the main products and services provided by the Group. The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed on the basis that it provides share registrar services and manages investment property in the geographical region of Australia. The provision of share registry services and investment in property are considered 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 for:

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

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

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

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.

The adoption of the new and amended accounting standards has had no material impact on the Group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 (December 2014), AASB 2014-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) and AASB 2014-8: Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) – Application of AASB 9 (December 2009) and AASB 9 (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2018).

These Standards will replace AASB 139: Financial Instruments: Recognition and Measurement. The key changes that may affect the Group on initial application of AASB 9 and associated amending Standards include:

- simplifying the general classifications of financial assets into those carried at amortised cost and those carried at fair value;
- permitting entities to irrevocably elect on initial recognition to present gains and losses on an equity instrument that is not held for trading in other comprehensive income (OCI);
- simplifying the requirements for embedded derivatives, including removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in OCI, except when it would create an 'accounting mismatch';
- introducing a new model for hedge accounting that permits greater flexibility in the ability to hedge risk, particularly with respect to non-financial items; and
- requiring impairment of financial assets carried at amortised cost to be based on an expected loss approach.

When this standard is first adopted for the year ending 30 June 2019, the main area of impact of the standard will be on the recognition of impairment associated with the Group's receivables. An analysis of the current methodology of recognising the impairment of receivables and the approach under the new standard has been undertaken. The analysis has shown that there will be no material impact on the transactions and balances recognised in the financial statements when adopting the new standard.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

ASB15: Revenue from Contracts with Customers, AASB 2014-5: Amendments to Australian Accounting Standards arising from AASB 15, AASB 2015-8: Amendments to Australian Accounting Standards – Effective Date of AASB 15, AASB 2016-3: Amendments to Australian Accounting Standards – Clarifications to AASB 15 and AASB 2016-7: Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (applicable to for profit entities for annual reporting periods commencing on or after 1 January 2018 and to not-for-profit entities for annual reporting periods commencing on or after 1 January 2019).

AASB 15 will provide (except in relation to some specific exceptions, such as lease contracts and insurance contracts) a single source of accounting requirements for all contracts with customers, thereby replacing all current accounting pronouncements on revenue.

These Standards provide a revised principle for recognising and measuring revenue. Under AASB 15, revenue is recognised in a manner that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the provider of the goods or services expects to be entitled. To give effect to this principle, AASB 15 requires the adoption of the following 5-step model:

- identify the contract(s) with a customer;
- identify the performance obligations under the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations under the contract(s); and
- recognise revenue when (or as) the entity satisfies the performance obligations.

AASB 15 also provides additional guidance to assist entities in applying the revised principle to licences of intellectual property, warranties, rights of return, principal/agent considerations and options for additional goods and services.

The Group has reviewed the manner in which revenue will be recognised under the new standard and compared it to the current manner in which revenue is recognised by the Group. 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 16: Leases (applicable for annual reporting periods commencing on or after 1 January 2019).

AASB 16 will replace AASB 117: Leases and introduces a single lessee accounting model that will require a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Right-of-use assets are initially measured at their cost and lease liabilities are initially measured on a present value basis. Subsequent to initial recognition:

- right-of-use assets are accounted for on a similar basis to non-financial assets, whereby the right-of-use asset is accounted for in accordance with a cost model unless the underlying asset is accounted for on a revaluation basis, in which case if the underlying asset is:
  - investment property, the lessee applies the fair value model in AASB 140: Investment Property to the right-of-use asset; or
  - property, plant or equipment, the lessee can elect to apply the revaluation model in AASB 116: Property, Plant and Equipment to all of the right-of-use assets that relate to that class of property, plant and equipment; and
- lease liabilities are accounted for on a similar basis as other financial liabilities, whereby interest expense is recognised in respect of the liability and the carrying amount of the liability is reduced to reflect lease payments made.

AASB 16 substantially carries forward the lessor accounting requirements in AASB 117. Accordingly, under AASB 16 a lessor would continue to classify its leases as operating leases or finance leases subject to whether the lease transfers to the lessee substantially all of the risks and rewards incidental to ownership of the underlying asset and would account for each type of lease in a manner consistent with the current approach under AASB 117.

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 2016-5: Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions (applicable for annual reporting periods commencing on or after 1 January 2018).

This Amending Standard amends AASB 2: Share-based Payment to address:

- the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments;
- the classification of share-based payment transactions with a net settlement feature for withholding tax obligations; and
- the accounting for a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

This Standard is not expected to significantly impact the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

AASB 2017-1 Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments (applicable to for-profit entities for annual reporting periods commencing on or after 1 January 2018 and to not-for-profit entities for annual reporting periods beginning on or after 1 January 2019).

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:

- 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.

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 2018-1: Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 Cycle (applicable for annual reporting periods beginning on or after 1 January 2019).

AASB 2018-1 amends:

AASB 3: Business Combinations to clarify that an entity remeasures its previously held interest in a joint operation when it obtains control of the business;

AASB 11: Joint Arrangements to clarify that an entity does not remeasure its previously held interest in a joint operation when it obtains joint control of the business;

AASB 112: Income Taxes to clarify that an entity accounts for all income tax consequences of dividend payments according to where the entity originally recognised the past transactions or events that generated the distributable profits; and

AASB 123: Borrowing Costs to clarify that an entity treats any borrowing originally made to develop a qualifying asset as part of general borrowings when the asset is ready for its intended use or sale.

This Standard is not expected to significantly impact the Group's financial statements.

AASB Interpretation 23: Uncertainty over Income Tax Treatments (applicable for annual reporting periods commencing on or after 1 January 2019).

Interpretation 23 clarifies how an entity should apply the recognition and measurement requirements in AASB 112: Income Taxes when there is uncertainty over income tax treatments. To this end, Interpretation 23 requires:

- an entity to consider whether each uncertain tax treatment should be considered separately or together with one or more other uncertain tax treatments based on which approach better predicts the resolution of the uncertainty;
- in assessing whether and how an uncertain tax treatment affects the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, assume that the taxation authority will examine amounts it has a right to examine and have full knowledge of all related information when making those examinations;
- if the entity concludes that it is probable that the taxation authority will accept the uncertain tax treatment, the entity will determine current tax and deferred tax consistently with the treatment used or planned to be used in its income tax filings;
- if the entity concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, the entity reflects the effect of uncertainty in the determination of current tax and deferred tax, based on either the 'most likely' amount or the 'probability-weighted' amount of tax (depending on which method the entity expects to better predict the resolution of the uncertainty); and
- an entity to reassess a judgement or estimate required under Interpretation 23 if the facts and circumstances on which the judgement or estimate was based change or as a result of new information that affects the judgement or estimate.

This Interpretation is not expected to significantly impact the Group's financial statements.

Changes in significant accounting policies adopted for this period

The Group has currently holds property at two locations within Sydney. One property is classified as Property Plant and Equipment (Freehold Land & Buildings) as it is the operational office of the Group in Sydney. The other property is held as an investment and is currently leased to external parties.

The Group has determined to change the accounting policies for its properties and will now record the fair value of the properties rather than their historical cost. The Group has determined that recording the properties at fair value provides a better indication of the Group's asset position than recording the properties at historical cost. For the property classified as an investment property, this has required restatement of the comparatives and opening balances for the financial reports as a voluntary change to accounting policies requires the Group recalculate its balances as if the revised policy has always been used for its reports. For the property classified as property plant and equipment, the restated value is provided on a prospective basis in the current year.

As a result of the change in policy, the Group obtained valuations in order for it to be able to bring to account value changes for the years ended 30 June 2016, 2017 and 2018 as required.

The investment property had previously been used by the Group as its office in Sydney, and during the year ended 30 June 2016, was reclassified from property, plant and equipment to investment property. As required by the accounting standards, the increase in value of the investment property whilst held as property plant and equipment has been allocated to the asset revaluation reserve for the year ended 30 June 2016, whilst subsequent increases in value of the investment property have been accounted for in profit and loss.

The remaining property has had its increase in value attributed to the asset revaluation reserve.

Changes in value of property lead to a deferred tax adjustment, where the deferred tax associated with the value change is effectively recorded as part of the value change. Where the revaluation has been allocated to the asset revaluation reserve, the deferred tax treatment is offset against the value attributed to the reserve, whilst revaluations that are accounted for in profit and loss have the deferred tax treatment also recorded in profit and loss.

Buildings, as property, property plant and equipment, have recorded an increase in value of $467,356 as at 30 June 2018 before deferred tax adjustments of $128,523 represented as the asset revaluation reserve at 30 June 2018 of $338,833.

Buildings, as investment property, have recorded an increase in value of $350,000 for the year ending 30 June 2017 before deferred tax adjustments of $96,250 leading to an increase in retained earnings of $253,750. The increase in value of the investment property in the current year is $750,000.

In addition, as a result of the change in accounting policy, the investment property ceased to be depreciated from 1 January 2016, the date on which it was reclassified as an investment property, with an amount of $248,001 being taken to the revaluation as at that date. This has required a decrease to the depreciation previously recorded by $10,553 and $21,221 for the years ended 30 June 2016 and 30 June 2017 respectively, which has been reflected in an increase to retained earnings in each period.

An adjustment has been applied to the comparative disclosures in the financial statements for the year ended 30 June 2017 and opening balances as at 1 July 2016.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Statement of Financial Position (extract)	Previously Reported 1 July 2016	Adjustment	Adjusted Balance 1 July 2016
Non current assets			
Investment property	731,094	318,906	1,050,000
Deferred tax assets	164,303	1,233	165,536
Non current liabilities			
Deferred tax liabilities	5,403	60,352	65,755
Equity			
Retained earnings	1,011,568	11,786	1,023,354
Reserves	-	248,001	248,001

Statement of Financial Position (extract)	Previously Reported 30 June 2017	Adjustment	Adjusted Balance 30 June 2017
Non current assets			
Investment property	709,873	690,127	1,400,000
Deferred tax assets	144,585	3,748	148,333
Non current liabilities			
Deferred tax liabilities	1,562	151,573	153,135
Equity			
Retained earnings	931,172	289,272	1,220,444
Reserves	-	253,030	253,030

Statement of Profit or Loss and Other Comprehensive Income (extract)	Previously Reported 30 June 2017	Adjustment	Adjusted Balance 30 June 2017
Income			
Gain on revaluation of investment property	-	350,000	350,000
Expenses			
Depreciation	306,860	(21,221)	285,639
Profit before income tax	2,559,458	371,221	2,930,679
Income tax expense	780,382	93,735	874,117
Profit after income tax	1,779,076	277,486	2,056,562

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Statement of Profit or Loss and Other Comprehensive Income (extract)	Previously Reported 30 June 2017	Adjustment	Adjusted Balance 30 June 2017
Other comprehensive income			
Income tax benefit on change in tax rate	-	5,029	5,029
Total comprehensive income	1,779,076	282,515	2,061,591

The impact on the basic and diluted earnings per share for the year ended 30 June 2017 as a result of the adjustment is as follows:

	Previously stated 30 June 2017	Restated 30 June 2017
Basic earnings per share (cents)	4.16	4.81
Diluted earnings per share (cents)	4.16	4.81

Note 2: Revenue	2018 $	2017 $
Revenue		
Registry fees	4,560,772	4,496,913
Client disbursements recovered	1,362,432	1,420,281
Total Revenue	5,923,204	5,917,194
Other income		
Rental income	75,655	60,888
Interest received	80,743	82,969
Other income	6,744	3,275
	163,142	147,132

Note 3: Profit	2018 $	2017 (restated)* $
Expenses		
Depreciation of non-current assets	91,094	85,439
Amortisation of non-current assets, client book	100,106	200,200
Professional fees	36,475	31,901
Occupancy expenses	254,285	232,502
Directors' fees	87,000	87,000
Salaries and wages	1,415,268	1,392,024
Superannuation	142,765	143,003
Postage, printing and stationery	1,066,904	1,015,919
Other expenses	438,794	295,659
	3,632,691	3,483,647

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017 (restated)*
Note 4: Income tax		
a. The components of tax expense comprise:		
Current tax	755,449	764,787
Deferred tax	161,252	96,429
Deferred tax expense resulting from reduction in tax rate	-	13,344
Over provision in respect of prior years	-	(443)
Building depreciation Pitt Street	(2,620)	-
	914,081	874,117
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%	881,005	805,937
Non-deductible amortisation	27,529	55,055
Non-deductible impairment of goodwill	4,739	-
Other non-allowable items	339	224
Deferred tax not recognised on tax losses	469	-
Over provision in respect of prior years	-	(443)
Reduction in opening deferred taxes from reduction in tax rate	-	13,344
Aggregate income tax expense	914,081	874,117
The applicable weighted average effective tax rate is:	28.53%	29.83%

Note 5: Auditor's Remuneration	2018 $	2017 $
Remuneration of the auditor of the Group paid to Grant Thornton Audit Pty Ltd for:		
- audit of the financial report	13,455	29,174
- audit of Share Registry Function for ASX requirements.	-	2,727
	13,455	31,901
Remuneration of the auditor of the Group paid or payable to Pitcher Partners BA&A Pty Ltd for:		
- audit of the financial report	20,000	-
- audit of Share Registry Function for ASX requirements.	3,020	-
	23,020	-

During the year, the Group accepted the resignation of Grant Thornton Audit Pty Ltd and appointed Pitcher Partners BA & A Pty Ltd as its auditor.

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 6: Cash and cash equivalents	**2018 $**	**2017 $**
Current		
Cash at Bank and on hand	1,172,261	933,190
Cash on deposit	3,100,000	3,100,000
	4,272,261	4,033,190

The effective interest rate on short-term bank deposits was 1.95%; these deposits have a maturity of 90 days. (2017: 1.62%)

Note 7: Trade and other receivables	**2018 $**	**2017 $**
Current		
Trade receivables	1,080,360	946,311
Provision for impairment	(233,464)	(85,104)
	846,896	861,207
Other receivables	6,995	50,265
	853,891	911,472

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 operating expenses item.

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

	Current trade receivables $
Opening Balance as at 1 July 2016	140,568
Charge for the year	14,750
Amounts written off	(70,214)
Closing Balance as at 30 June 2017	85,104
Opening Balance as at 1 July 2017	85,104
Charge for the year	230,038
Amounts written off	(81,678)
Closing Balance as at 30 June 2018	233,464

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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.

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)				
	Gross Amount	Past Due and Impaired	< 30	31- 60	61 – 90	> 90	Within Initial Trade Terms
2018							
Trade and term receivables	1,080,360	233,464	-	41,500	11,965	110,054	683,377
Other receivables	6,995	-	-	-	-	-	6,995
Total	1,087,355	233,464	-	41,500	11,965	110,054	690,372
2017							
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

	Notes	2018	2017
Note 8: Other Financial Assets		$	$
Current			
Financial assets at fair value through profit or loss	8 (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 9: Other assets	**Notes**	**2018**	**2017**
		$	**$**
Current			
Prepayments		31,379	29,440

Note 10: Property, Plant and Equipment	**2018**	**2017 (restated)***
	$	**$**
Freehold land & Buildings – at fair value	825,000	380,794
Accumulated depreciation	-	(13,630)
	825,000	367,164
Leasehold improvements – at cost	56,266	56,266
Accumulated depreciation	(14,953)	(14,183)
	41,313	42,083
Plant and equipment – at cost	873,426	930,860
Accumulated depreciation	(643,040)	(655,443)
	230,386	275,417
Total property, plant and equipment	1,096,699	684,664

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 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
Additions	-	-	64,953	64,953
Depreciation Expense	(9,520)	(770)	(80,804)	(91,094)
Transfer to Intangible assets			(29,180)	(29,180)
Revaluation	467,356	-	-	467,356
Balance at 30 June 2018	825,000	41,313	230,386	1,096,699

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 11: Investment Property	2018 $	2017 (restated)* $
Balance at beginning of year	1,400,000	1,050,000
Revaluation	750,000	350,000
Balance at end of year	2,150,000	1,400,000

The Group holds property at 6/225 Clarence Street, Sydney as a rental investment. The property has been leased out on operating lease to a third party. The rental income amounts to $75,655 (2017: $60,888) reported under rental income. Direct operating expenses of $24,101 (2017: $22,749) were reported within other operating expenses.

The Group has revised its accounting policy in relation the investment property it holds and has adopted the revaluation model. This has required the Group to undertake a restatement of its investment property value as outlined in at the end of Note 1.

The lease contract is a non-cancellable lease with a 1 year term with rent receivable monthly. Future minimum lease rentals are as follows:

	2018	2017
- not later than 12 months	45,210	43,472
- between 12 months and 5 years	-	-
	45,210	43,472

Note 12: Intangible Assets	Note	2018 $	2017 $
Goodwill – at cost		1,053,690	1,053,690
Goodwill on acquisition of subsidiary	31	17,232	-
Accumulated impairment		(17,232)	-
Net carrying amount		1,053,690	1,053,690
Client book acquired – at cost		2,002,010	2,002,010
Accumulated amortisation		(2,002,010)	(1,901,904)
Net carrying amount		-	100,106
Other Intangibles – at cost		122,387	-
Accumulated amortisation		(93,207)	-
Net carrying amount		29,180	-
Total intangibles		1,082,870	1,153,796

The client book acquired is amortised over its effective life, determined to be 10 years. The client book has been fully amortised during this year. *(Refer Note 1f)*

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

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	Other Intangibles	Total
Balance at 1 July 2016	1,053,690	300,306	-	1,353,996
Amortisation expense	-	(200,200)	-	(200,200)
Balance at 30 June 2017	1,053,690	100,106	-	1,153,796
Additions	17,132	-	-	17,132
Amortisation expense	-	(100,106)	-	(100,106)
Impairment expense	(17,132)	-	-	(17,132)
Transfer from Property, plant and equipment	-	-	29,180	29,180
Balance at 30 June 2018	1,053,690	-	29,180	1,082,670

Impairment Disclosures

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

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	2.00%	6.87%

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 2% 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.

Whilst Private Company Platform Pty Ltd has been allocated to the share registry segment, the goodwill on acquisition of the Group's interest in the subsidiary was separately considered at the time acquiring the interest and determined that it should be fully impaired upon acquisition due to the early stage of the systems underlying the business that the subsidiary will be conducting.

Note 13: Tax	**2018 $**	**2017 $**
Current		
Income tax payable	155,790	70,021

Non- Current

	Opening Balance	**Charged to profit or loss**	**Charged to Equity**	**Changes in Tax Rate**	**Closing Balance**
Deferred Tax Liability					
Accrued Income	5,403	(3,391)	-	(450)	1,562
Revaluation of property in equity	60,352	-	-	(5,029)	55,323
Revaluation of property in profit	-	96,250	-	-	96,250
Balance at 30 June 2017 (restated)*	65,755	92,859	-	(5,479)	153,135
Accrued Income	1,562	(1,007)	-	-	555
Revaluation of property in equity	55,323	-	122,156	-	177,479
Revaluation of property in profit	96,250	206,250	-	-	302,500
Balance at 30 June 2018	153,135	205,243	122,156	-	480,534
Deferred Tax Assets					
Provisions and Accrued Expenses	164,303	(6,026)	-	(13,692)	144,585
Property, plant and equipment	1,233	2,618	-	(103)	3,748
Balance at 30 June 2017 (restated)*	165,536	(3,408)	-	(13,795)	148,333
Provisions and Accrued Expenses	144,585	43,993	-	-	188,578
Property, plant and equipment	3,748	2,618	(6,366)	-	-
Balance at 30 June 2018	148,333	46,611	(6,366)	-	188,578

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Statement of financial position	
	2018	2017 (restated)*
Deferred income tax at 30 June relates to the following:	$	$
i) Deferred tax liabilities		
Accrued income	555	1,562
Revaluation of property in profit	302,500	96,250
Revaluation of property in equity	177,479	55,323
Net deferred tax liabilities	480,534	153,135
ii) Deferred tax assets		
Property, plant and equipment	-	3,748
Superannuation liability	10,299	9,319
Accruals	23,175	21,718
Provisions:		
Doubtful debts	64,203	23,404
Long service leave	29,806	26,115
Annual leave	61,094	64,029
Net deferred tax assets	188,577	148,333

The Group's subsidiary Private Company Platform Pty Ltd has unused tax losses of $1,704 giving rise to a deferred tax asset of $467 which has not been recognised due to uncertainty of the entity being able to utilise those losses against future taxable income.

	2018	2017
Note 14: Trade and other payables	$	$
Current		
Trade creditors and accruals	326,834	279,407

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

Note 15: Provisions	Employee Benefits	Provision for Dividend	Other	Total
Opening balance at 1 July 2017	$327,799	$23,221	$439	$351,459
Additional provisions	$51,011	$2,735	-	$53,746
Amounts used	($48,264)	($2,508)	($439)	($51,211)
Balance at 30 June 2018	$330,546	$23,448	-	$353,994

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Analysis of total provisions

Current liabilities – provisions	**2018**	**2017**
	$	**$**
Annual leave	222,160	232,834
Provision for dividend	23,448	23,221
Long service leave	101,842	82,886
Paid Parental Leave	-	439
	347,450	339,380
Non-current liabilities - provisions		
Long service leave	6,544	12,079

Note 16: Issued Capital

	2018	**2017**
	$	**$**
42,746,500 (2017 : 42,746,500) fully paid ordinary shares)	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.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 17: Share-based Payments

Employee Performance Rights granted to eligible employees:

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

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

On 1 May 2018, the Group granted performance rights to eligible employees as noted in the table above. The performance rights vest to the employees on the dates indicated upon their satisfactory completion of the required performance targets, at which time the employee can apply to convert the rights to ordinary shares for nil consideration. The performance rights hold no voting or dividend rights and are not transferable. No performance rights were granted to key management personnel.

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

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

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

	Number	Weighted Average Exercise Price
Performance rights outstanding as at 1 July 2017	-	-
Granted	27,000	$0
Forfeited	-	-
Exercised	-	-
Expired	-	-
Performance rights outstanding as at 30 June 2018	27,000	$0

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

The exercise price of outstanding rights at the end of the reporting period was nil.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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

Weighted average exercise price:	Nil
Weighted average life of the rights:	2 years
Expected share price volatility:	31.93%
Dividend Yield:	5.10%
Risk- free interest rate:	2.75%

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

Included in the statement of profit or loss and other comprehensive income is $1,239 which relates to equity-settled share-based payment transactions (2017: nil).

Note 18: Reserves

Revaluation Reserve

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

ii. Movement in reserve

	2018 $	2017 (restated)* $
Balance at beginning of the year	253,030	248,001
Impact of change in tax rate on deferred tax in reserves due to increase in fair value	-	5,029
Increase in fair value	340,072	-
	593,102	253,030

Employee Performance Rights Reserve

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

ii. Movement in reserve

	2018 $	2017 $
Balance at beginning of the year	-	-
Cost of share based payments	1,239	-
	1,239	-

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 19: Cash flow information	Notes	2018 $	2017 (restated)* $
Reconciliation of Cash Flow from Operations with Profit after Income Tax			
Profit after income tax		2,289,574	2,056,562
Non cash flows in profit:			
Amortisation		100,106	200,200
Depreciation		91,094	85,439
Impairment	31	17,232	-
		2,498,006	2,342,201
Changes in equity as a result of adjustments in reserves			
Employee performance rights		1,239	-
Changes in assets and liabilities:			
(Increase)/decrease in fair value on investment property		(750,000)	(350,000)
(Increase)/decrease in trade and term receivables		53,920	241,100
(Increase)/decrease in prepayments		(1,939)	(5,372)
Increase/(decrease) in trade payables and accrual		35,649	(50,318)
Increase/(decrease) in income taxes payable		85,769	(202,496)
Decrease/(increase) in deferred tax assets		(40,244)	17,203
Increase/(decrease) in deferred taxes payable		198,876	92,409
Increase/(decrease) in provisions		17,763	21,330
		2,099,039	2,106,057

Note 20: Events after the Reporting Period

a. Proposed dividend

The Directors proposed that a dividend of 2.10 cents per share fully franked be paid out of the current year earnings. This dividend was declared on 24 August 2018 and $897,677 was paid on 31 August 2018.

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.

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 21: Capital and leasing commitments

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

	2018	2017
- not later than 12 months	$161,460	$161,460
- between 12 months and 5 years	$122,632	$288,921
- later than 5 years	-	-
	$284,092	$450,381

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 allow the minimum lease payments to be increased by CPI % per annum. The lease is currently extended until 31 March 2020.

Note 22: Contingent Liabilities

The Group has no known or identifiable contingent liabilities.

Note 23: Financial Risk Management

Financial Instruments
Categories of Financial Instruments

	2018	2017
Financial assets	**$**	**$**
Amortised cost		
Cash and cash equivalents	4,272,261	4,033,190
Trade and other receivables	853,891	911,472
Financial assets at fair value through profit or loss		
Investments – held-for-trading	741	741
Total financial assets	5,126,893	4,945,403
Financial liabilities		
Amortised cost		
Trade and other payables	242,294	200,730
Total financial liabilities	242,294	200,730

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

The principal financial instruments from which financial instrument risk arises:

- trade and other receivables
- trade and other payables
- current tax liabilities
- cash at bank
- deposits
- investments
- 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 are no material amounts of collateral held as security at 30 June 2018.

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

	2018	**2017**
Trade debtors	$846,896	$861,207

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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	
	2018	**2017**	**2018**	**2017**
Financial liabilities due for payment				
Trade and other payables	$242,294	$200,730	242,294	200,730
Total expected outflows	$242,294	$200,730	242,294	200,730
Financial assets – cash flows realisable				
Cash and cash equivalents	$4,272,261	$4,033,190	$4,272,261	$4,033,190
Trade, term and loans receivables	$853,891	$911,472	$853,891	$911,472
Held-for-trading investments	$741	$741	$741	$741
Total anticipated inflows	$5,126,893	$4,945,403	$5,126,893	$4,945,403
Net / inflow on financial instruments	$4,884,599	$4,744,673	$4,884,599	$4,744,673

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Effective Average Fixed Interest Rate Payable		Notional Principal	
Maturity of notional amounts:	**2018**	**2017**	**2018**	**2017**
Less than 1 year	1.95%	1.62%	$5,126,349	$4,948,466
	1.95%	1.62%	$5,126,349	$4,948,466

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

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

	2018 $	2017 $
Change in profit		
- Increase in interest rate by 1%	41,000	31,000
- Decrease in interest rate by 1%	(41,000)	(31,000)
Change in equity		
- Increase in interest rate by 1%	41,000	31,000
- Decrease in interest rate by 1%	(41,000)	(31,000)

Note 24: Fair Value

Fair value measurement used in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are based on the observability of significant inputs into the measurement as follows:

Level 1 are quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 are inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directory or indirectly
Level 3 are unobservable inputs for the asset or liability

There have been no transfers between Level 1 and Level 2 during the financial year ended 30 June 2018.

a. Financial Instruments Measured at Fair Value

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 2018

- 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.

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using the fair value hierarchy described above.

	Level 1	Level 2	Level 3	Total
2018				
Financial assets				
Financial assets at fair value through profit or loss:				
- Investments-held-for-trading	$741	-	-	$741
2017				
Financial assets				
Financial assets at fair value through profit or loss:				
- Investments-held-for-trading	$741	-	-	$741

b. Non-Financial Instruments Measured at Fair Value

The following table shows the levels within the hierarchy of non-financial assets measured at fair value in the statement of financial position.

	Level 1	Level 2	Level 3	Total
2018				
Property, plant and equipment				
- Owner occupied office	-	-	825,000	825,000
Investment property				
- Office let to third party	-	-	2,150,000	2,150,000
2017 (restated)*				
Investment property				
- Office let to third party	-	-	1,400,000	1,400,000

The fair value of the group's property assets outlined above is based on appraisals performed by independent, professionally qualified valuers who have recent experience in the location and category of the property. The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the Board at reporting date.

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

The appraisals were carried out using a market approach, the direct comparison method, that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the properties in question, including size, location, encumbrances, amenities and current use. The properties were valued at 8 June 2018.

The significant unobservable input is the adjustment factors specific to the property. The extent and direction of this adjustment depends on the number and characteristics of observable transactions in the market for similar properties that are used as the starting point for valuation. Whilst the input requires subjective judgement, it is considered that the overall valuation would not be materially affected by reasonably possible alternative assumptions.

	Property, Plant and Equipment $	Investment Property $
Opening balance at 1 July 2016 (restated)*	-	308,353
Total gains or losses for the period in profit or loss		
Gain on revaluation of investment property	-	350,000
Total gains or losses for the period in other comprehensive income		
Revaluation of owner-occupied property	-	-
Balance at 30 June 2017 (restated)*	-	658,353
Total amount included in profit or loss for unrealised gain on Level 3 assets	-	350,000
Opening balance at 1 July 2017 (restated)*	-	658,353
Total gains or losses for the period in profit or loss		
Gain on revaluation of investment property	-	750,000
Total gains or losses for the period in other comprehensive income		
Revaluation of owner-occupied property	467,356	-
Balance at 30 June 2018	467,356	1,408,353
Total amount included in profit or loss for unrealised gain on Level 3 assets	-	750,000

Note 25: 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.

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 2018 for accounting and secretarial services, was $51,590 including GST (2017: $49,720). The amount owing to Winduss & Associates Pty Ltd at 30 June 2018 is $9,900 (2017: $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 Group has incurred $176,854 including GST for the year ended 30 June 2018 (2017: $174,913) with no amount outstanding at 30 June 2018 (2017: nil).

Note 26: Earnings per share	**2018** **$**	**2017** **(restated)*** **$**
Earnings used in the calculation of EPS		
Profit	2,289,574	2,056,562
Earnings per share		
Basic earnings per share	5.36c	4.81c
Diluted earnings per share	5.36c	4.81c
	2018 **No.**	**2017** **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	4,438	-
Weighted average number of ordinary shares used in calculating diluted EPS	**42,750,938**	**42,746,500**

Note 27: 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.

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Share Registry Services		Property Investment		Consolidated	
	2018	2017 (restated)*	2018	2017 (restated)*	2018	2017 (restated)*
	$	$	$	$	$	$
Revenue						
Sales to customers outside the group	5,929,948	5,920,469	-	-	5,929,948	5,920,469
Other revenue from customers outside the group	-	-	75,655	60,888	75,655	60,888
Total revenue	5,929,948	5,920,469	75,655	60,888	6,005,603	5,981,357
Interest revenue	80,743	82,969	-	-	80,743	82,969
Depreciation and amortisation	(191,200)	(285,639)	-	-	(191,200)	(285,639)
Impairment loss	(17,232)	-	-	-	(17,232)	-
Increase in fair value of investment properties	-	-	750,000	350,000	750,000	350,000
Income tax expense	(693,654)	(767,379)	(220,427)	(106,738)	(914,081)	(874,117)
Segment net operating profit before tax	2,411,621	2,552,060	792,034	378,619	3,203,655	2,930,679

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Share Registry Services		Property Investment		Consolidated	
	2018	2017 (restated)*	2018	2017 (restated)*	2018	2017 (restated)*
	$	$	$	$	$	$
Segment Assets	7,337,841	6,813,303	2,150,000	1,400,000	9,487,841	8,213,303
Reconciliation of segments assets to total assets						
Segment assets					9,487,841	8,213,303
Deferred tax assets					188,577	148,333
Total assets					9,676,418	8,361,636
Segment Liabilities	836,618	700,885	-	-	836,618	700,887
Reconciliation of segments liabilities to total liabilities						
Segment liabilities					836,618	700,887
Deferred tax liabilities					480,534	153,135
Total liabilities					1,317,152	854,022

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Major customers

The Group has a number of customers to whom it provides services. The Group has no single external customer that accounts for more than 10% of its income, a group of 7 customers, each exceeding 2% of the Group's income, accounts for approximately 32% (2017: 8 customers each exceeding 2% of the Group's income accounted for 24%) of the Group's income.

Note 28: Dividends	**2018 $**	**2017 $**
Distributions paid		
Final fully franked dividend of 2.10 cents (2017: 2.25 cents) per share franked at the tax rate of 27.5%	897,677	961,795
Interim dividend fully franked of 2.10 cents (2017: 2.10 cents) per share franked at the tax rate of 27.5%	897,677	897,677
	1,795,354	1,859,472

	2018 $	**2017 $**
a. Final fully franked dividend of 2.10 cents declared subsequent to 30 June 2018 (2017: 2.10 cents) per share franked at the tax rate of 27.5%	897,676	897,676
b. Balance of franking account at year end adjusted for franking credits arising from:		
- Payment of provision for income tax	1,534,312	1,459,858
Subsequent to year end, the franking account would be reduced by the proposed dividend as follows:	(340,498)	(340,498)

Note 29: 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 2018.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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

	2018	2017
	$	$
Short -term employee benefits	318,392	298,498
Post-employment benefits	31,496	31,312
Long -term benefits	3,844	3,845
	353,732	333,655

Note 30: Controlled Entities

Set out below are the Group's controlled entities at 30 June 2018. The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group and Non-controlling interests.

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group		Proportion of Non-controlling Interests	
		2018	2017	2018	2017
Advanced Custodial Services Pty Ltd	Perth, Australia	100%	100%	-	-
Private Company Platform Pty Ltd	Perth, Australia	51%	-	49%	-

Note 31: Acquisition of Controlled Entity

On 26 March 2018, the Group acquired a 51% stake and control of Private Company Platform Pty Ltd (PCP) with the appointment of two directors to the board of PCP. The purchase of the controlling stake in PCP is a synergistic acquisition as PCP is developing systems by which companies will be able to be profiled and attract a following of potential investors. The companies will then be able to more easily communicate with investors with the view to build to a size where listing may become viable. Companies on the system will be able to utilise the full services of the Group when the company requires registry services or assistance with capital raising.

The Group acquired 176,500 shares for a total cash consideration of $35,300. Prior to the Group's acquisition, the only tangible asset of PCP was its own cash at bank of $128. Payment of the consideration by the Group increased the cash at bank of PCP upon acquisition.

Whilst the Group determined that the systems that PCP had under development would form a valuable resource to the Group in future, it was considered that given the early stage of the development, it was prudent to adopt a book value for the intellectual property acquired of nil. Accordingly, the Group's acquisition of PCP generated a goodwill component of $17,232. The goodwill was immediately impaired resulting in a loss on consolidation of $17,232 for the same reasons as not recognising the value of the intellectual property in the systems of PCP.

No other assets or liabilities, contingent or otherwise, of PCP existed at the acquisition date.

A summary of the assets and net cash outflow arising from the acquisition of the interest in the subsidiary is as follows:

	2018 $
Cash and cash equivalents	35,428
Net assets acquired	35,428
Non-controlling interests	(17,360)
Goodwill	17,232
Total purchase consideration	35,300
Less Cash and cash equivalents acquired	(128)
Net cash outflow on acquisition during the year	35,172

Non-controlling interests were valued at $17,360 being their respective share of the underlying net assets of PCP after the contribution of equity by the Group.

Since acquisition date, there has been no revenue but a loss of $1,704 included in the consolidated statement of profit or loss and comprehensive income for 2018.

Note 32: 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	2018 $	2017 (restated)* $
ASSETS		
Current Assets	5,162,431	4,977,256
Non-current Assets	4,518,146	3,386,793
TOTAL ASSETS	9,680,577	8,364,049
LIABILITIES		
Current Liabilities	830,245	688,808
Non-current liabilities	487,078	165,214
TOTAL LIABILITIES	1,317,323	854,022
EQUITY		
Issued Capital	6,034,140	6,034,140
Retained earnings	2,329,114	1,475,887
TOTAL EQUITY	8,363,254	7,510,027

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017 (restated)*
Statement of Profit or Loss and Other Comprehensive Income	**$**	**$**
Total profit	2,308,510	2,056,811
Total other comprehensive income, net of tax	338,833	5,029
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**2,647,343**	**2,061,840**

Note 33: Guarantees
The Group has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

Note 34: Contingent liabilities
The Group has no known or identifiable contingent liabilities.

Note 35: Contractual commitments
Details of contractual commitments are set in Note 21.

At 30 June 2018, the Group had not entered into any contractual commitments for the acquisition of property, plant and equipment (2017: Nil).

*Certain amounts shown here do not correspond to the 30 June 2017 financial statements and reflect adjustments disclosed at the end of Note 1

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 13 to 63 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 2018 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 2018.

Signed in accordance with a resolution of the Directors.

Simon Cato
Chairman of Directors

Signed at Perth on 28 September 2018

Advanced Share Registry Limited
ACN 127 175 946

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Advanced Share Registry Limited "the Company" and its controlled entities "the Group", which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

Advanced Share Registry Limited
ACN 127 175 946

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

Key Audit Matter	**How our audit addressed the key audit matter**
Carrying Value of Intangible Assets *Refer to Note 1(f) and Note 12*	
At 30 June 2018, the consolidated statement of financial position of the Group includes intangible assets of $1,053,690, relating to goodwill. AASB 136 *Impairment of Assets* requires an entity to test for impairment goodwill acquired in a business combination annually. The evaluation of the recoverable amount of the Share Registry cash generating unit ('CGU') requires significant judgement in determining the key assumptions and estimates, including but not limited to: ▪ growth rate assumptions; and ▪ discount factors supporting the expected future cash flows of the business and the utilisation of the relevant assets.	Our procedures included, amongst others: ▪ Obtaining an understanding of the relevant controls associated with the preparation of the valuation model used to assess the recoverable value of the Share Registry CGU. ▪ Assessing management's determination of the Share Registry CGU based on our understanding of the nature of the Group's business and the economic environment. ▪ Critically reviewing and challenging significant judgements by management in respect of the key assumptions and estimates used to determine the recoverable value of the Share Registry CGU. ▪ Performing sensitivity analysis on the key assumptions. ▪ Testing the mathematical accuracy of the model. ▪ Critically reviewing and challenging management's assessment of useful life of the Share Registry CGU. ▪ Considering the adequacy of the disclosures included within the financial report.

Advanced Share Registry Limited
ACN 127 175 946

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

Revenue Recognition *Refer to Note 1(j) & Note 2*	
For the year ended 30 June 2018, the Group has revenue of $5,923,204 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. The determination of revenue recognition requires management judgements in determining the stage of completion with reference to the services performed to date.	Our procedures included, amongst others: ▪ Obtaining an understanding of the relevant controls associated with the treatment of revenue. ▪ Performing substantive analytical procedures for revenue disaggregated by revenue stream and by month. Obtaining explanations from management and corroborating evidence where movements are identified outside of our expectation. ▪ Performing detailed testing of a sample of invoices to assess the revenue recognition policies for appropriateness and compliance with AASB 118 *Revenues*, as recognition in the appropriate period, as well as reviewing consistency with the prior period. ▪ Assessing the adequacy of disclosures in the financial statements.

Carrying Value of Property, Plant & Equipment and Investment Properties *Refer to Note 1(b) & 1(p) and Notes 10 & 11*	
At 30 June 2018, the Group adopted the revaluation model for its owner-occupied Property and its Investment Property held, in accordance with AASB 116 *Property, Plant & Equipment* and AASB 140 *Investment Properties.* Management changed the accounting policy for owner-occupied Property and Investment Property believing it provides more relevant information to the users of the financial statements. This area is a key audit matter due to the change in accounting policy.	Our procedures included, amongst others: ▪ Obtaining an understanding of the relevant controls associated with the preparation of the accounting adjustments to effect the change in accounting policy. ▪ Assessing management's determination that the adoption of the revaluation model provides more reliable and relevant information on the Group's financial position. ▪ Obtaining the independent valuer's reports for each property. ▪ Critically reviewing and challenging significant judgements by the valuer in respect of the key assumptions and estimates used to determine the fair value in accordance with AASB 13 *Fair Value*. ▪ Obtaining the credentials of the valuer for assessment in accordance with auditing guidance on the use of experts.

Advanced Share Registry Limited
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ADVANCED SHARE REGISTRY LIMITED

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 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of Remuneration Report and our related assurance opinion.

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

PITCHER PARTNERS

Advanced Share Registry Limited
ACN 127 175 946

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 10 of the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Advanced Share Registry Limited, for the year ended 30 June 2018, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Pitcher Partners BA&A Pty Ltd

PITCHER PARTNERS BA&A PTY LTD

J C PALMER
Executive Director
Perth, 28th September 2018

SHAREHOLDER INFORMATION

(Current as at 13 September 2018)

A. Substantial Shareholders

Name	Number of Shares	Percentage of Issued Capital
KMC Automation Pty Ltd	23,933,274	55.98
Washington H Soul Pattinson and Company Ltd	4,494,726	10.51
Pacific Custodians Pty Ltd	3,508,577	8.20

B. Distribution of Fully Paid Ordinary Shares

i) Distribution Schedule of Holdings	Holders	Number of Shares	Percentage of Issued Capital
1-1,000	51	25,272	0.05%
1,001-5,000	100	362,703	0.84%
5,001-10,000	77	695,255	1.62%
10,001-100,000	158	5,337,316	12.48%
100,001 and over	22	36,325,954	84,98%
Total number of holders	408	42,746,500	100%

ii) Holding less than a marketable parcel	33

C. Twenty Largest Shareholders

	Twenty Largest Shareholders	Number of Shares	Percentage of Issued Capital
1	KMC Automation Pty Ltd	23,933,274	55.99
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>	614,380	1.44
6	Richard Alexander Isles	300,000	0.70
7	S K Cato	275,000	0.64
8	Ostle Investments Pty Ltd, <Tan Family Super Fund A/C>	255,000	0.59
9	Alberta Resources Pty Ltd<British Columbia Superannuation Fund A/C>	250,000	0.58
10	Morse's Run Pty Ltd<The Number 69 Prov Fund A/C>	225,000	0.52
11	WJK Investments Pty Ltd<WJK Superannuation Fund A/C>	217,182	0.50
12	Alan Winduss	215,000	0.50
13	Edward James Dally & Selina Dally< E J Dally SF >	197,360	0.46
14	Synchronised Software Pty Ltd	177,500	0.41
15	The Moore Superfund	161,612	0.37
16	Bruce Harold Fryer & Peta Constance Fryer	130,793	0.30
17	Batten Resources Pty Ltd<Batten Super Fund>	125,000	0.29
18	United Overseas Australia Ltd	125,000	0.29
19	The John Mckay Superfund	125,000	0.29
20	Rosemont Asset Pty Ltd	125,000	0.29

D. Restricted Securities

There were no securities under escrow at 30 June 2018 or 30 June 2017.

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.

ADVANCED

SHARE REGISTRY