

**INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED**

**A.B.N. 34 128 316 441**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

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# INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED

A.B.N. 34 128 316 441

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2012

Your directors present their report on the company for the financial year ended 30 June 2012.

### DIRECTORS

The names of the directors in office at any time during or since the end of the year are:

Mr Colin John Scully  
Mr Paul Collins  
Mr Phillip Andrew Thomas (appointed 25/8/2011)  
Mr Donald Kenneth Sharp (resigned 25/8/2011)

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

### PRINCIPAL ACTIVITIES

The principal activities of the company during the financial year were holding company.

### OPERATING RESULTS

The loss of the company for the financial year after providing for income tax amounted to \$120,187.

### REVIEW OF OPERATIONS

During the year the company continued to operate and/or administer discretionary portfolio services. Development of new features and functionality underwrote growth in the number of services, number of accounts and Funds Under Administration.

### STATE OF AFFAIRS

No significant changes in the company's state of affairs occurred during the financial year.

### MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

### LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

### ENVIRONMENTAL REGULATION

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

### Auditor's Independence Declaration

A copy of the auditor's Independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

Signed in accordance with a resolution of the Board of Directors:

Director

Paul Collins

Dated this 23<sup>rd</sup> day of August 2012.

Hill Rogers  
Spencer Steer

## AUDITOR'S INDEPENDENCE DECLARATION

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To the Directors,

INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012, there have been:

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

*Hill Rogers Spencer Steer*

  
Brett Hanger  
Partner

Dated this 16th day of August 2012.

### Assurance Partners

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Practising as Hill Rogers Spencer  
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# INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED

A.B.N. 34 128 316 441

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
Revenue		-	-
Accounting Expense		(2,659)	(2,971)
Audit Expense		(3,275)	(3,400)
Depreciation and amortisation expenses		(3,812)	(3,812)
Other expenses		-	(1,096)
		<hr/>	<hr/>
Loss before income tax		(9,746)	(11,279)
Income tax benefit (expense)	2	<hr/> (110,441) <hr/>	<hr/> 3,364 <hr/>
Loss after income tax		<hr/> (120,187) <hr/>	<hr/> (7,915) <hr/>
Other comprehensive income for the year		<hr/> - <hr/>	<hr/> - <hr/>
Total comprehensive income for the year		<hr/> (120,187) <hr/>	<hr/> (7,915) <hr/>

The accompanying notes form part of these financial statements.

# INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED

A.B.N. 34 128 316 441

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	Note	2012 \$	2011 \$
<b>Current Assets</b>			
Trade and other receivables		-	-
<b>Total Current Assets</b>		-	-
<b>Non-Current Assets</b>			
Trade and other receivables	3	15,263	17,775
Financial assets	4	5,640,300	5,640,300
Intangible assets	5	718	4,530
Tax assets	6	1,129,684	1,240,125
<b>Total Non-Current Assets</b>		6,785,965	6,902,730
<b>Total Assets</b>		6,785,965	6,902,730
<b>Current Liabilities</b>			
Trade and other payables	7	31,114	20,935
Provisions	8	215,868	-
<b>Total Current Liabilities</b>		246,982	20,935
<b>Non-Current Liabilities</b>			
Trade and other payables	7	1,269,729	1,276,485
<b>Total Non-Current Liabilities</b>		1,269,729	1,276,485
<b>Total Liabilities</b>		1,516,711	1,297,421
<b>Net Assets</b>		5,269,254	5,605,310
<b>Equity</b>			
Contributed Equity	9	5,640,200	5,640,200
Accumulated Losses	10	(370,946)	(34,890)
<b>Total Equity</b>		5,269,254	5,605,310

The accompanying notes form part of these financial statements.

# INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED

A.B.N. 34 128 316 441

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2012

	Fully Paid Ordinary Shares	Class H Redeemable Preference Shares	Class J Redeemable Preference Share	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2010	3,640,200	1,200,000	800,000	(26,975)	5,613,225
Loss for the year	-	-	-	(7,915)	(7,915)
Shares issued during the year	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-
Balance at 30 June 2011	3,640,200	1,200,000	800,000	(34,890)	5,605,310
Balance at 1 July 2011	3,640,200	1,200,000	800,000	(34,890)	5,605,310
Loss for the year	-	-	-	(120,187)	(120,187)
Shares Issued during the year	-	-	-	-	-
Total other comprehensive income for the year	-	-	-	-	-
Dividend Provided	-	-	-	(215,868)	(215,868)
Balance at 30 June 2012	3,640,200	1,200,000	800,000	(370,945)	5,269,254

The accompanying notes form part of these financial statements.

# INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED

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## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
Cash at beginning of the year		-	-
Cash at end of the year		-	-

The accompanying notes form part of these financial statements.



# **INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED**

A.B.N. 34 128 316 441

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012**

### **1 Summary of Significant Accounting Policies**

#### **Reporting Basis and Conventions**

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of these statements are as follows:

#### **Accounting Policies**

##### **(a) Income Tax**

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred income 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 date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

##### **(b) Tax Consolidation**

The company is part of a tax-consolidated group under Australian Taxation Law, of which Investment Administration Holdings Limited is the head entity. As a result, the company is subject to income tax through its membership of the tax-consolidated group. Such taxes are measured using the 'stand-alone taxpayer' approach. Current tax liabilities and assets and deferred tax assets arising from unused tax losses immediately assumed by the head entity.

The group notified the Australian Taxation Office that it has formed a tax-consolidated group to apply from 5 November 2007. The tax consolidated group has entered a tax funding arrangement whereby each company in the group contributes to the income tax payable by the group in proportion to their contribution to the group's taxable income.

##### **(c) Financial Assets**

Financial assets are initially recognised on the cost basis including acquisition charges associated with the financial asset. The carrying amounts of financial assets are reviewed annually by the directors. The recoverable amounts are assessed from the quoted current market value for shares in listed companies or the underlying net assets for other non-listed corporations. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts, unless otherwise stated.



# INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED

A.B.N. 34 128 316 441

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Note		2012 \$	2011 \$
<b>2</b>	<b>Income Tax Expense</b>		
	Income tax benefit (expense)	(110,441)	3,364
		<u>(110,441)</u>	<u>3,364</u>
<b>3</b>	<b>Trade and other receivables</b>		
	<b>Non-Current</b>		
	<i>Loans to related entities:</i>		
	Investment Administration Services Development Pty Limited	15,263	17,775
		<u>15,263</u>	<u>17,775</u>
<b>4</b>	<b>Financial Assets</b>		
	<b>Non-Current</b>		
	Shares in Subsidiaries		
	Investment Administration Services Pty Limited	5,640,200	5,640,200
	Investment Administration Services Development Pty Limited	100	100
		<u>5,640,300</u>	<u>5,640,300</u>
<b>5</b>	<b>Intangible Assets</b>		
	Formation Expenses	19,663	19,663
	Less Accumulated Amortisation	(18,945)	(15,133)
	<b>Total</b>	<u>718</u>	<u>4,530</u>
<b>6</b>	<b>Tax Assets</b>		
	<b>Non-Current</b>		
	Future Income Tax Benefit	1,129,684	1,240,125
<b>7</b>	<b>Trade and other payables</b>		
	<b>Current</b>		
	Accruals expense	5,400	3,900
	Good and Services	25,714	17,035
		<u>31,114</u>	<u>20,935</u>
	<b>Non-Current</b>		
	<i>Loans from related entities:</i>		
	Investment Administration Services Pty Limited	1,269,729	1,276,485
		<u>1,269,729</u>	<u>1,276,485</u>
<b>8</b>	<b>Provisions</b>		
	Provision for J class Dividend	215,868	-
		<u>215,868</u>	<u>-</u>

# INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Note	2012 \$	2011 \$
<b>9 Contributed Equity</b>		
Fully Paid Ordinary Shares	3,640,200	3,640,200
Class H Redeemable Preference Shares	1,200,000	1,200,000
Class J Redeemable Preference Shares	800,000	800,000
	<u>5,640,200</u>	<u>5,640,200</u>
<b>10 Accumulated Losses</b>		
Accumulated losses at the beginning of the financial year	(34,890)	(26,975)
Net loss attributable to members of the company	(120,187)	(7,915)
Dividend provided	(215,868)	-
Accumulated losses at the end of the financial year	<u>(370,946)</u>	<u>(34,890)</u>
<b>11 Remuneration of the Auditor</b>		
Audit	3,275	3,400
Other Services	2,659	2,971
	<u>5,934</u>	<u>6,371</u>
<b>12 Company Details</b>		
The registered office of the company is:		
Investment Administration Services Holdings Limited		
Suite 2, Level 4		
8-10 Loftus Street Sydney NSW 2000		

## INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED

A.B.N. 34 128 316 441

### DIRECTORS' DECLARATION

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:


- (1) The financial statements and notes, as set out on pages 4 to 10, are in accordance with the Corporations Act 2001 and:

a. comply with Accounting Standards; and

b. give a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

- (2) In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

  
\_\_\_\_\_  
Director : Paul Collins

Dated this 23<sup>rd</sup> day of August 2012.

Hill Rogers  
Spencer Steer

## INDEPENDENT AUDIT REPORT TO THE MEMBERS OF INVESTMENT ADMINISTRATION SERVICES HOLDINGS LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements, being special purpose financial statements, of Investment Administration Services Holdings Limited, which comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

### Directors' Responsibility for the Financial Statements

The directors of the Investment Administration Services Holdings Limited are responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements, are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

The financial statements have been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting obligations under the Corporations Act 2001. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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



Hill Rogers  
Spencer Steer

#### Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Investment Administration Services Holdings Limited on 16 August 2012 would be in the same terms if provided to the directors as at the date of this auditor's report.

#### Audit Opinion

In our opinion the financial statements of Investment Administration Services Holdings Limited is in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and

(b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the Corporations Regulations 2001.

#### Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the directors' financial reporting obligations under the *Corporations Act 2001*. As a result, the financial statements may not be suitable for another purpose.

Hill Rogers Spencer Steer

  
Partner: Brett Hanger

Dated Sydney this 31<sup>st</sup> day of August 2012.