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ANNUAL REPORT 2016

ADVANCED
SHARE REGISTRY

CORPORATE DIRECTORY

Board of Directors

Directors

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

Registered Office

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

Company Secretary
A C Winduss

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

Share Registry
Advanced Share Registry Services
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Nedlands WA 6009
Telephone: +61 8 9389 8033
Facsimile: +61 8 9262 3723
Website: www.advancedshare.com.au
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Auditors

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

Solicitors

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

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FROM THE CHAIRMAN

Dear Shareholder,

On behalf of the Board of Advanced Share Registry Limited, I am pleased to send to you this Annual Report for the financial year to 30 June 2016.

This year saw a very pleasing increase in profits and dividends, which is the culmination of ground work done in previous years as well as generally improved market conditions. However, conditions are still challenging.

In this context we are pleased to report a continuing significant profit for the period and the declaration and payment of a franked dividend of 2.25 cents per share (1.70 cents final dividend in the last corresponding period) for the 6 month period to 30 June 2015 and therefore a total dividend over the year of 4.25c (3.70c in 2015).

Additionally, in August 2015 we paid, in conjunction with our final dividend for 2015, a capital return of 2.44c per share. This payment was made from our capital reserves which have not been touched for the operation of the business since we listed in 2008.

This reflects the board policy of returning profits to shareholders as we have a significant cash balance, property investments of ($1.5m) and no debt.

The Advanced Share Registry Services business continues to perform well and we have been consistently proactive in managing costs while increasing services to clients. The strength of our service offering and the functionality of our website for both company clients and their shareholders are maintaining client numbers.

The full benefit of the installation of in house printing, folding and enveloping equipment has enabled us to take full advantage of the green shoots stock market rebound that has occurred during this year.

We have made a number of important staffing appointments during the year to strengthen senior management depth, however all staff continue to make a very important contribution.

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

……………………………………
Simon Cato
Chairman

DIRECTORS' REPORT

The Directors present their report, together with the financial report of the Group for the year ended 30 June 2016 and the auditor's report thereon.

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

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

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

Simon Kenneth Cato	- Chairman
Qualifications	- B A (USYD)
Experience	- Mr Simon Cato has had over 30 years capital markets experience in broking, regulatory roles and as director of listed companies. He initially was employed by the ASX in Sydney and then in Perth. From 1991 until 2006, he was an executive director and/or responsible executive of three stockbroking firms and in those roles he has been involved in many aspects of broking including management issues such as credit control and reporting to regulatory bodies in the securities industry. As a broker, he was also involved in the underwriting of a number of IPO's and has been through the process of IPO listing in the dual role of broker and director. Currently, he holds a number of executive and non-executive roles with listed companies in Australia.
Interest in Shares & Options	- 520,000 ordinary shares
Special Responsibilities	- Mr Cato is the non-executive chairman of the Group
Directorships held in other Listed entities	- Mr Cato is a director of Greenland Minerals and Energy Ltd (since 21 February 2006), Bentley Capital Ltd (since 8 January 2015) and Keybridge Capital Ltd (since 29 July 2016). Former directorships in other listed entities in past 3 years is: Transactions Solutions International Ltd (from 26 February 2010 to 30 August 2013).
Kim Phin Chong	- Managing Director
Experience	- Appointed director on 22 August 2007 Mr Chong has been involved in the share registry business for over 30 years. Following over 14 years working in the industry.

DIRECTORS' REPORT

	Mr Chong commenced Advanced Share Registry Services in 1996. His experience in information technology and business skills has been a major influence in making the group such a success.
Interest in Shares & Options	- 23,916,489 ordinary shares
Special Responsibilities	- Mr Chong is the managing director of the Group, responsible for the day to day management of the business.
Directorships held in other listed entities	- Nil
Alvin Tan	- Non Executive Director
Qualifications	- B Com (Hons)
Experience	- Appointed director on 11 September 2007 Mr Tan has over 20 years' experience in Australia and Asia, including mergers, acquisitions, capital raisings and listings on the ASX, AIM, Bursa and German Stock Exchange. Mr Tan studied at the University of Western Australia, gaining a Bachelor of Commerce with Honours, and was then employed by KPMG in Kuala Lumpur from 1993-1995 as a financial consultant. Returning to Australia, he worked with the stockbroking firm of DJ Carmichael before pursuing other business interests. He was a founding director of various companies which are now listed on ASX. Mr Tan has interests in companies involved in technology, mining exploration, property development, plantation and corporate services both in Australia and overseas.
Interest in Shares & Options	- 525,500 ordinary shares
Directorships held in other listed entities	- Mr Tan is a director of South Pacific Resources Ltd (formally Coral Sea Petroleum Limited since 2000) and BKM Management Ltd (since 2002). Former directorships in other listed entities in past 3 years are: Nil.
Alan Charles Winduss	- Non Executive Director and Company Secretary
Qualifications	- CPA, FTIA, FAICD, AFAIM
Experience	- Appointed director 22 August 2007 Mr Winduss is a director of Winduss & Associates Pty Ltd. He has been involved in professional accounting in public practice for over 30 years, specialising in matters relating to corporate management, restructuring, corporate finance and company secretarial matters, including ASX and ASIC compliance.

DIRECTORS' REPORT

		In addition to his accounting background, he is an Associate Fellow of the Australian Institute of Management, a Fellow of the Australian Institute of Company Directors and is a registered Australian company auditor.
Interest in Shares & Options	-	220,000 shares
Special Responsibilities	-	Mr Winduss is the Secretary and Chief Financial Officer of the Company.
Directorships held in other listed entities	-	United Overseas Australia Limited ASX Listed (since November 1995), UOA REIT BHD Bursa Malaysia Listed (since October 2008), UOA Development Bursa Malaysia Listed (since January 2011). Former directorships in other listed entities in past 3 years are: Nil.

The Year under Review

In financial year to 30 June 2016 the Group achieved gross sales of $6,060,980 and a profit before taxation of $2,750,866.

This profit was after charges of $306,759 for amortisation and depreciation.

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

The Group paid a final dividend of 2.25c per share from 2016 operating profits on 18 August, 2016.

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

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

DIRECTORS' REPORT

CORPORATE GOVERNANCE STATEMENT

Unless disclosed below, all current recommendations of the ASX Corporate Governance Council ("Council") have been applied for the entire financial year ended 30 June 2016.

Board

Roles and responsibilities of the Board

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

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

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

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

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

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

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

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

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

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

h) determining remuneration levels of Directors;

DIRECTORS' REPORT

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

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

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

l) monitoring the financial solvency of the Group;

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

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

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

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

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

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

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

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

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

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

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

DIRECTORS' REPORT

Composition of the Board

Composition of the Board is determined by the following principles:

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

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

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

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

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

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

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

Whilst the current composition of the Board includes 2 independent and 2 non-independent Directors, which is contrary to the Council's recommendation that the majority of the Board should be independent Directors, the Board believes that the current size and stature of the Group does not warrant the addition of any new independent Directors to the Board. The Board is of the opinion that the objectives and current strategy of the Group are best served and achievable by members of the

DIRECTORS' REPORT

current Board irrespective of their degree of independence. It is, however, the Board's intention to continually review and assess the benefits associated with the introduction of external independent non-executive Directors.

Board Committees

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

a) Audit and Risk Committee; and

b) Remuneration and Nomination Committee.

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

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

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

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

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

Audit and Risk Committee

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

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

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

DIRECTORS' REPORT

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

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

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

Remuneration and Nomination Committee

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

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

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

The total maximum remuneration of Non-Executive Directors was the subject of a Shareholder resolution in accordance with the Group's Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board, having regard to inputs and value to the Group of the responsible contributions by each Non-Executive Director. The current limit, which may only be varied by Shareholders in general meeting, is an aggregate amount of $250,000 per annum.

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

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

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

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

DIRECTORS' REPORT

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

Performance Review

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

a) compares the performance of the Board with the requirements of its Charter;

b) critically reviews the mix of the Board;

c) suggests any amendments to the Charter as are deemed necessary or appropriate; and

d) reviews the performance of non-executive Directors.

Share Trading Policy

The Group is committed to complying with the Corporations Act and the ASX Listing Rules to create a transparent market in the trading of its securities on the ASX.

ASX Listing Rule 12.9 requires the Company, as a listed entity, to have a trading policy that regulates trading in its securities by its Key Management Personnel during certain prohibited periods and to give a copy of that trading policy to ASX for release to the market.

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

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

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

Diversity Policy

The Board is committed to achieving the goals of:

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

DIRECTORS' REPORT

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

Total female employees are 13 which is 57% of all employees.

Total female senior executives, nil.

Total female board members, nil.

Continuous Disclosure

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

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

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

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

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

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

Shareholder Communication

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

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

DIRECTORS' REPORT

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

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

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

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

Risk Management

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

The Group views effective risk management as key to achieving and maintaining its operational and strategic objectives.

The purpose of this Policy is to provide guidance and direction as to the management of risk within the Group. Risk Management occurs at all levels within the Group.

The Group is committed to ensuring that it establishes appropriate risk management systems and processes to ensure its strategic goals and corporate governance responsibilities are met.

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

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

The objectives of this Policy are:

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

DIRECTORS' REPORT

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

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

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

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

- the Board has established defined guidelines for capital expenditure. These include levels of authority, appraisal procedures and due diligence requirements on potential acquisitions or disposals;

- the Board has adopted a continuous disclosure policy for the purpose of ensuring compliance with the Group's continuous disclosure obligations; and

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

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

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

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

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

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

DIRECTORS' REPORT

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

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

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

Code of Conduct

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

Managing Director Certification of financial statements

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

External Auditor available at AGM

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

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

END OF CORPORATE GOVERNANCE STATEMENT

DIRECTORS' REPORT

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

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

S. Cato	9 years
K. Chong	9 years
A. Tan	9 years
A. Winduss	9 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	-	23,916,489
A. Tan	-	525,500
A. Winduss	215,000	5,000

Earnings per Share

Basic Earnings per Share	4.34 cents
Diluted Earnings per Share	4.34 cents

Dividends Paid or Recommended	Cents per share	Total
Final dividend – 20 August 2015	1.70c	$726,691
Interim dividend paid – 08 February 2016	2.00c	$854,930
Final dividend – 18 August 2016	2.25c	$961,796

DIRECTORS' REPORT

Nature of Operations and Principal Activities

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

Employees

The Group employed 23 persons as at 30 June 2016. (2015: 15 persons)

Summarised Operating Results

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

Industry Segment	Revenue
Registry Services	$6,067,492
Investment Income	$130,557

Shareholder Returns

The Board of Directors approved an ordinary 2.25c fully franked dividend which was paid on 18 August 2016.

	2016	2015
Basic earnings per Share	4.34c	3.50c
NTA per share	13.32c	14.64c
Return on Equity	26.34%	19.11%
Return on Assets	23.26%	17.43%

Cash Flow from Operations

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

Likely Developments and Results

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

Environmental Regulations

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

DIRECTORS' REPORT

Significant Events after Balance Date

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

The Group proposed a fully franked dividend of 2.25 cents per share which was paid on 18 August 2016. Except for the matter described above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Insurance of Officers

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

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

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

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

Key Management Personnel Remuneration

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

DIRECTORS' REPORT

Remuneration Report

Key Management Personnel	Position held as at 30 June 2016 and any change during the year	Contract details (duration and termination)
Mr Kim Phin Chong	Chief Executive Officer / Managing Director	Under contract until 10 May 2017 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 2016

Key Management Personnel		Short – term benefits Salary and fees	Post-employment benefit Super-annuation	Long – term benefits Long service Leave	Equity- settled Share-based Payments Shares	Total
Mr Kim Phin Chong	2016	$210,681	$19,310	$4,622	-	$234,613
	2015	$213,143	$17,780	$4,293	$31,750	$266,966
Mr Simon Cato	2016	$33,000	$12,000	-	-	$45,000
	2015	$33,000	$12,000	-	$15,875	$60,875
Mr Alan Winduss	2016	$27,000	-	-	-	$27,000
	2015	$27,000	-	-	$9,525	$36,525
Mr Alvin Tan	2016	$27,000	-	-	-	$27,000
	2015	$27,000	-	-	$9,525	$36,525
Total	2016	$297,681	$31,310	$4,622	-	$333,613
	2015	$300,143	$29,780	$4,293	$66,675	$400,891

The Group did not receive a "no" vote of 25% or more at its 2015 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 2016	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	23,891,044	-	20,000	23,911,044
A. Tan	525,500	-	-	525,500
A. Winduss	220,000	-	-	220,000
	25,156,544	Nil	20,000	25,181,989

30 June 2015	Balance at start of year	Issued during the year	Purchased/(sold) during the year	Balance at the end of the year
S. Cato	495,000	25,000	-	520,000
K. Chong	23,809,500	50,000	31,544	23,891,044
A. Tan	510,500	15,000	-	525,500
A. Winduss	205,000	15,000	-	220,000
	25,020,000	105,000	31,544	25,156,544

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.

Non Audit Services

No non-audit services were provided by the entity's auditor for the year ended 30 June 2016 or 30 June 2015.

DIRECTORS' REPORT

Auditor's Independence Declaration

The auditor's independence declaration for period ending 30 June 2016 has been given and can be found on page 21 of this report.

Signed in accordance with a resolution of the Board of Directors

……………………………………………………………..
Simon Cato
Chairman of Directors

Signed at Perth on 29 September 2016.

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

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Advanced Share Registry Limited for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

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

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

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

P W Warr
Partner - Audit & Assurance

Perth, 29 September 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 $	2015 $
Sales Revenue	2	6,060,980	5,157,489
Other income	2	137,069	142,502
Occupancy expenses	3	(259,681)	(256,650)
Administrative expenses	3	(1,622,364)	(1,521,878)
Other operating expenses	3	(1,258,379)	(863,323)
Depreciation and amortisation expenses	3	(306,759)	(310,359)
Share-based payments	18	-	(82,821)
Profit before income tax		2,750,866	2,264,960
Income tax expense	4	(894,690)	(771,538)
Profit attributable to members		1,856,176	1,493,422
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		1,856,176	1,493,422
Basic earnings per share (cents per share)	24	4.34c	3.50c
Diluted earnings per share (cents per share)	24	4.34c	3.50c

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 2016

	Notes	2016 $	2015 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	3,820,933	4,851,487
Trade and other receivables	7	1,152,577	838,936
Other financial assets	9	741	741
Other current assets	8	24,068	22,712
Total Current Assets		4,998,319	5,713,876
Non-current Assets			
Property, plant and equipment	10	733,794	1,152,977
Investment Property	11	731,094	-
Intangible assets	12	1,353,996	1,554,196
Deferred tax assets	13	164,303	144,784
Total Non-current Assets		2,983,187	2,851,957
TOTAL ASSETS		7,981,506	8,565,833
LIABILITIES			
Current Liabilities			
Trade and other payables	14	330,162	276,936
Current tax liabilities	13	272,519	187,251
Provisions	15	310,255	259,115
Total Current liabilities		912,936	723,302
Non-current liabilities			
Provisions	15	17,459	23,536
Deferred tax liabilities	13	5,403	4,827
Total Non-current liabilities		22,862	28,363
TOTAL LIABILITIES		935,798	751,665
NET ASSETS		7,045,708	7,814,168
EQUITY			
Issued Capital	16	6,034,140	7,077,155
Retained earnings		1,011,568	737,013
TOTAL EQUITY		7,045,708	7,814,168

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 2016

	Issued Capital	Retained Earnings	Employee Rights Reserve	Total Equity
	$	$	$	$
Balance at 1 July 2014	6,994,334	886,427	-	7,880,761
Total comprehensive income for the year	-	1,493,422	-	1,493,422
Transactions with Owners				
Shares issued during the year	82,821	-	-	82,821
Subtotal	7,077,155	2,379,849	-	9,457,004
Dividends paid	-	(1,642,836)	-	(1,642,836)
Balance at 30 June 2015	7,077,155	737,013	-	7,814,168
Balance at 1 July 2015	7,077,155	737,013	-	7,814,168
Total comprehensive income for the year	-	1,856,176	-	1,856,176
Transactions with Owners				
Return of capital during the year	(1,043,015)	-	-	(1,043,015)
Subtotal	6,034,140	2,593,189	-	8,627,329
Dividends paid	-	(1,581,621)	-	(1,581,621)
Balance at 30 June 2016	6,034,140	1,011,568	-	7,045,708

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 2016

	Notes	2016 $	2015 $
Cash flows from operating activities			
Receipts from customers		6,328,361	5,586,166
Payment to suppliers and employees		(3,587,120)	(3,120,581)
Interest received		97,730	143,032
Income tax paid		(828,368)	(782,306)
Net cash flows provided by operating activities	17	2,010,603	1,826,311
Cash flows from investing activities			
Purchase of property, plant and equipment		(418,464)	(203,082)
Net cash flows used in investing activities		(418,464)	(203,082)
Cash flows from financing activities			
Return of Capital		(1,043,015)	-
Dividends paid		(1,579,678)	(1,640,575)
Net cash flows used in financing activities		(2,622,693)	(1,640,575)
Net decrease in cash and cash equivalents		(1,030,554)	(17,346)
Cash and cash equivalents at the beginning of the year		4,851,487	4,868,833
Cash and cash equivalents at the end of the year	6	3,820,933	4,851,487

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 2016

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.

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

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

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

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

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

b. Property, Plant and Equipment

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

Freehold land and buildings and plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

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

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

Depreciation

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

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

Class of Fixed Asset	**Depreciation Rate**
Buildings	2.5%
Leasehold improvements	4-5%
Plant and Equipment	10-66%

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

c. Leases

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

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

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

d. Financial Instruments

Initial recognition and Measurement

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

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

Classification and Subsequent Measurement

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

Amortised cost is calculated as:

a. the amount at which the financial asset or financial liability is measured at initial recognition;
b. less principal repayments;

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group’s intention to hold these investments to maturity. They 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. They are subsequently measured at fair value with any re measurements other than impairment losses and foreign exchange gains and losses recognized in other comprehensive income. When the financial asset is derecognized, the cumulative gain or loss pertaining to that asset previously recognized in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold after 12 months from the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) *Financial Liabilities*

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

Fair values

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

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

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

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

Financial guarantees

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Client List

The client list was acquired at independent valuation as part of the acquisition of the share registry business. The valuation was based upon the expected future earnings of the client contracts already in existence at the time of the transfer of the business. The effective life of the client list has been determined to be 10 years, and will be amortised over that period. The remaining effective life is 3.5 years. Annual testing for impairment will also be carried out to determine whether the carrying value reflects the value remaining in the client list. Where it is determined that the carrying value has been impaired, an impairment adjustment will be made. The client list is therefore carried at cost less accumulated amortisation and accumulated impairment losses.

g. Employee Benefits

Provision is made for the 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 national government bonds with 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

h. Provisions

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

i. Cash and Cash Equivalents

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

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

j. Revenue and Other Income

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

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

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable. The range of services provided by the Group are generally provided on an ongoing basis, and therefore revenue is recognised on a regular periodic basis for the work performed.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

n. Critical Accounting Estimates and Judgments

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

(i) Impairment – general

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

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

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units, using a value in use discounted cash flow methodology, to which the goodwill and intangibles with indefinite useful lives are allocated. No impairment has been recognised in respect of goodwill for the year ended 30 June 2015. The assumptions used in the estimation of recoverable amount are disclosed in Note 11.

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

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

Key judgments – Provision for Impairment of Receivables

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

impairment has been made for this client and the other clients for which the extended terms have been arranged.

o. Principles of Consolidation

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

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

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

p. Investment Property

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

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

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards. The Group has adopted all of the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period. The Group has not elected to early adopt any other Standards or amendments that are issued but not yet effective.

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

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

AASB 2015-4 *Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent*

AASB 2015-4 amends AASB 128 *Investments in Associates and Joint Ventures* to ensure that its reporting requirements on Australian groups with a foreign parent align with those currently available in AASB 10 *Consolidated Financial Statements* for such groups. AASB 128 will now only require the ultimate Australian entity to apply the equity method in accounting for interests in associates and joint ventures, if either the entity or the group is a reporting entity, or both the entity and group are reporting entities.

AASB 2015-4 is applicable to annual reporting periods beginning on or after 1 July 2015.

The adoption of this amendment has not had a material impact on the Group.

New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting period, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the group but applicable in future reporting periods is set out below:

AASB 9 *Financial Instruments*

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

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

The entity is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.

AASB 1057 Application of Australian Accounting Standards

In May 2015, the AASB decided to revise Australian Accounting Standards that incorporate IFRSs to minimise Australian-specific wording even further. The AASB noted that IFRSs do not contain application paragraphs that identify the entities and financial reports to which the Standards (and Interpretations) apply. As a result, the AASB decided to move the application paragraphs previously contained in each Australian Accounting Standard (or Interpretation), unchanged, into a new Standard AASB 1057 *Application of Australian Accounting Standards.*

The effective date is for annual reporting periods beginning on or after 30 June 2017.

AASB 14 *Regulatory Deferral Accounts*

AASB 14 permits first-time adopters of Australian Accounting Standards who conduct rate-regulated activities to continue to account for amounts related to rate regulation in accordance with their previous GAAP. Accordingly, an entity that applies AASB 14 may continue to apply its previous GAAP accounting policies for the recognition, measurement, impairment and derecognition of its regulatory deferral account balances. This exemption is not available to entities who already apply Australian Accounting Standards.

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When AASB 14 becomes effective for the first time for the year ending 30 June 2017, it will not have any impact on the entity.

AASB 15 *Revenue from Contracts with Customers*

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

- establishes a new revenue recognition model;
- changes the basis for deciding whether revenue is to be recognised over time at a point in time;

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

- provides a new and more detailed fuidance on specific topics (eg multiple element arrangements, variable pricing, rights of return and warranties); and
- Expands and improves disclosures about revenue.

The entity is yet to undertake a detailed assessment of the impact of AASB 15. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.

AASB 16 Leases

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

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

The effective date is for annual reporting periods beginning on or after 30 June 2020.

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

This amendment impacts on the use of AASB 11 when acquiring an interest in a joint operation.

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the transactions and balances recognised in the financial statements.

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

The effective date is for annual reporting periods beginning on or after 1 January 2016.

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the transactions and balances recognised in the financial statements.

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

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

The effective date is for annual reporting periods beginning on or after 1 January 2016.*When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the financial statements.*

AASB 2014-10 ***Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture***

The amendments address a current inconsistency between AASB 10 *Consolidated Financial Statements* and AASB 128 Investments in Associates and Joint Ventures (2011). The amendments clarify that, on a sale or contribution of assets to a joint venture or associate or on a loss of control when joint control or significant influence is retained in a transaction involving an associate or a joint venture, any gain or loss recognised will depend on whether the assets or subsidiary constitute a business, as defined in AASB 3 *Business Combinations*. Full gain or loss is recognised when the assets or subsidiary constitute a business, whereas gain or loss attributable to other investors' interests is recognised when the assets or subsidiary do not constitute a business. The effective date is for annual reporting periods beginning on or after 1 January 2018.

When these amendments are first adopted for the year ending 30 June 2019, there will be no material impact on the financial statements.

AASB 2015-1 ***Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle***

These amendments arise from the issuance of *Annual Improvements to IFRSs 2012-2014 Cycle* in September 2014 by the IASB.

Among other improvements, the amendments clarify that when an entity reclassifies an asset (or disposal group) directly from being held for sale to being held for distribution (or vice-versa), the accounting guidance in paragraphs 27-29 of AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* does not apply. The amendments also state that when an entity determines that the asset (or disposal group) is no longer available for immediate distribution or that the distribution is no longer highly probable, it should cease held-for-distribution accounting and apply the guidance in paragraphs 27-29 of AASB 5.

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the financial statements.

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

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

- clarify the materiality requirements in AASB 101, including an emphasis on the potentially detrimental effect of obscuring useful information with immaterial information
- clarify that AASB 101's specified line items in the statement(s) of profit or loss and other comprehensive income and the statement of financial position can be disaggregated
- add requirements for how an entity should present subtotals in the statement(s) of profit and loss and other comprehensive income and the statement of financial position
- clarify that entities have flexibility as to the order in which they present the notes, but also emphasise that understand ability and comparability should be considered by an entity when deciding that order
- remove potentially unhelpful guidance in AASB 101 for identifying a significant accounting policy

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the financial statements.

AASB 2015-9 *Amendments to Australian Accounting Standards – Scope and Application Paragraphs*

AASB 2015-9 inserts scope paragraphs into AASB 8 *Operating Segments* and AASB 133 *Earnings per Share* in place of application paragraph text in AASB 1057.

In July and August 2015, the AASB reissued AASB 8, AASB 133 and most of the Australian Accounting Standards that incorporate IFRSs to make editorial changes. The application paragraphs in the previous versions of AASB 8 and AASB 133 covered scope paragraphs that appear separately in the corresponding IFRS 8 and IAS 33. In moving those application paragraphs to AASB 1057 when AASB 8 and AASB 133 were reissued in August, the AASB inadvertently deleted the scope details from AASB 8 and AASB 133. This amending Standard puts the scope details into those Standards, and removes the related text from AASB 1057. There is no change to the requirements or the applicability of AASB 8 and AASB 133.

When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the financial statements.

AASB 2016-1 *Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses*

AASB 2016-1 amends AASB 112 *Income Taxes* to clarify how to account for deferred tax assets related to debt instruments measured at fair value, particularly where changes in the market interest rate decrease the fair value of a debt instrument below cost.

When these amendments are first adopted for the year ending 30 June 2018, there will be no material impact on the financial statements.

AASB 2016-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*

AASB 2016-2 amends AASB 107 *Statement of Cash Flows* to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

When these amendments are first adopted for the year ending 30 June 2018, there will be no material impact on the financial statements.

Note 2: Revenue	**2016 $**	**2015 $**
Revenue		
Registry fees	4,757,653	4,170,303
Client disbursements recovered	1,303,327	987,186
Total Revenue	6,060,980	5,157,489
Other income		
Investment income	30,909	-
Interest received	99,648	140,325
Other income	6,512	2,177
	137,069	142,502

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
Note 3: Profit	**$**	**$**
Expenses		
Depreciation of non-current assets	106,559	110,159
Amortisation of non-current assets, client list	200,200	200,200
Professional fees	26,065	21,736
Occupancy expenses	259,681	256,650
Directors' fees	87,000	87,000
Salaries and wages	1,194,445	1,100,446
Superannuation	124,709	117,324
Postage, printing and stationery	1,097,010	779,295
Share-based payments	-	82,821
Other expenses	351,514	279,400
	3,447,183	3,035,031

Note 4: Income tax

a. The components of tax expense comprise:

	2016	2015
Current tax	913,634	795,852
Deferred tax	(18,944)	(24,314)
	894,690	771,538

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:

	2016	2015
Total accounting profit before income tax at the Group's Statutory income tax rate of 30% (2015:30%)	825,260	679,514
Non-deductible amortisation	60,060	60,060
Other non-allowable items	1,771	751
Share based payments	-	24,847
Non-deductible building depreciation	7,599	6,366
Aggregate income tax expense	894,690	771,538
The applicable weighted average effective tax rate is:	32.52%	34.06%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Note 5: Auditor's Remuneration	**$**	**$**
Remuneration of the auditor of the Group for:		
- audit of the financial report	24,000	19,762
- audit of Share Registry Function for ASX requirements.	2,065	1,974
	26,065	21,736

Note 6 : Cash and cash equivalents	**2016 $**	**2015 $**
Current		
Cash at Bank and on hand	1,020,933	1,351,487
Cash on deposit	2,800,000	3,500,000
	3,820,933	4,851,487

The effective interest rate on short-term bank deposits was 1.90%; these deposits have a maturity of 180 days. (2015: 2.94%)

Note 7: Trade and other receivables	**2016 $**	**2015 $**
Current		
Trade receivables	1,227,847	893,090
Provision for impairment	(140,568)	(110,747)
	1,087,279	782,343
Other receivables	65,298	56,593
	1,152,577	838,936

a. Provision For Impairment of Receivables

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Current trade receivables $	Totals $
Opening Balance as at 1 July 2014	106,597	106,597
Charge for the year	11,994	11,994
Amounts written off	(7,844)	(7,844)
Closing Balance as at 30 June 2015	110,747	110,747
Opening Balance as at 1 July 2015	110,747	110,747
Charge for the year	67,068	67,068
Amounts written off	(37,247)	(37,247)
Closing Balance as at 30 June 2016	140,568	140,568

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)				
2016	**Gross Amount**	**Past Due and Impaired**	**< 30**	**31- 60**	**61 – 90**	**> 90**	**Within Initial Trade Terms**
Trade and term receivables	$1,227,847	$140,568	-	$225,258	$39,185	-	$822,836
Other receivables	$65,298	-	-	-	-	-	$65,298
Total	$1,293,145	$140,568		$225,258	$39,185	-	$888,134

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Gross Amount	Past Due and Impaired	Past Due but Not Impaired (Days Overdue) < 30	31- 60	61 – 90	> 90	Within Initial Trade Terms
2015							
Trade and term receivables	$893,090	$110,747	-	$65,262	$7,474	$27,891	$681,716
Other receivables	$56,593	-	-	-	-	-	$56,593
Total	$949,683	$110,747	-	$65,262	$7,474	$27,891	$738,309

Note 8: Other assets	**Notes**	**2016 $**	**2015 $**
Current			
Prepayments		24,068	22,712

Note 9: Other Financial Assets

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

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

Note 10: Property, Plant and Equipment

Buildings – at cost	380,794	848,827
Accumulated depreciation	(4,110)	(96,512)
	376,684	752,315
Leasehold improvements – at cost	56,266	56,266
Accumulated depreciation	(13,413)	(12,644)
	42,853	43,622

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Plant and equipment – at cost	894,551	856,876
Accumulated depreciation	(580,294)	(499,836)
	314,257	357,040
Total property, plant and equipment	733,794	1,152,977

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 2014	$773,536	$44,393	$242,121	$1,060,050
Additions	-	-	$203,086	$203,086
Depreciation Expense	($21,221)	($770)	($88,168)	($110,159)
Balance at 30 June 2015	$752,315	$43,623	$357,039	$1,152,977
Additions	380,794	-	$37,676	$418,470
Depreciation Expense	($14,663)	($770)	($80,458)	($95,891)
Reclassification from property plant and equipment to Investment property	($741,762)	-	-	($741,762)
Balance at 30 June 2016	$376,684	$42,853	$314,257	$733,794

Note 11: Investment Property

	2016	2015
Balance at beginning of year	-	-
Reclassification from property plant and equipment to Investment property	$741,762	-
Depreciation Expense	($10,668)	-
Balance at end of year	$731,094	-

The Group has retained its existing office premises at 6/225 Clarence Street, Sydney as a rental investment at market rate rental which began on 1 January 2016. The property has been reclassified from Property Plant and Equipment to Investment Property. The property has been leased out on operating lease. The rental income amounts to $30,909 (2015: Nil) reported under Investment income. Direct operating expenses of $6,298 (2015: Nil) were reported within other operating expenses.

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

	2016	2015
- not later than 12 months	$64,372	-
- between 12 months and 5 years	$43,472	-
	$107,844	-

Note 12: Intangible Assets	2016 $	2015 $
Goodwill – at cost	1,053,690	1,053,690
Net carrying amount	1,053,690	1,053,690
Client book acquired – at cost	2,002,010	2,002,010
Accumulated amortisation	(1,701,704)	(1,501,504)
Net carrying amount	300,306	500,506
Total intangibles	1,353,996	1,554,196

The client book acquired is amortised over its effective life, determined to be 10 years. The remaining amortisation period is 1.5 years. *(Refer Note1 f)*

a. Movements in Carrying Amounts

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

	Goodwill		Client Book Acquired		Total	
	2016	2015	2016	2015	2016	2015
Opening balance	$1,053,690	$1,053,690	$500,706	$700,706	$1,554,196	$1,754,396
Amortisation expense	-	-	($200,200)	($200,200)	($200,200)	($200,200)
Balance at 30 June	$1,053,690	$1,053,690	$300,506	$500,706	$1,353,996	$1,554,196

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Impairment Disclosures

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

Share registry	$1,053,690

The recoverable amount of each cash generating unit above has been determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a 5 year period. The cash flows are discounted by using a risk-free available interest rate, adjusted for an estimated risk premium, at the beginning of the budget period. A terminal value is not included in the value in use calculation.

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

	Growth Rate	Discount Rate
Share registry	3.00%	6.58%

Management has based the value-in-use calculations on budgets for each reporting segment. 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.

	Consolidated Group	
	2016	2015
Note 13: Tax	$	$
Current		
Income tax payable	272,519	187,251

Non- Current

	Opening Balance	Charged to Income	Charged Directly to Equity	Closing Balance
Deferred Tax Liability				
Accrued Income	$5,640	($813)	-	$4,827
Balance at 30 June 2015	$5,640	($813)	-	$4,827
Accrued Income	$4,827	($576)	-	$5,403
Balance at 30 June 2016	$4,827	($576)	-	$5,403
Deferred Tax Assets				
Provisions and Accrued Expenses	$121,282	$23,502	-	$144,784
Balance at 30 June 2015	$121,282	$23,502	-	$144,784

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Provisions and Accrued Expenses	$144,784	$19,519	-	$164,303
Balance at 30 June 2016	$144,784	$19,519	-	$164,303

	Statement of financial position	
	2016	**2015**
Deferred income tax at 30 June relates to the following:	**$**	**$**
i) Deferred tax liabilities		
Accrued income	5,403	4,827
Net deferred tax liabilities	5,403	4,827
ii) Deferred tax assets		
Superannuation liability	10,540	10,409
Accruals	19,651	22,145
Provisions:		
Doubtful debts	42,170	33,224
Long service leave	34,390	29,517
Annual leave	57,552	49,489
Net deferred tax assets	164,303	144,784

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

Note 14: Trade and other payables	**2016 $**	**2015 $**
Current		
Trade creditors and accruals	330,162	276,936

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

Note 15: Provisions	**Employee Benefits**	**Provision for Dividend**	**Total**
Opening balance at 1 July 2015	$263,349	$19,302	$282,651
Additional provisions	$43,120	$1,943	$45,063
Balance at 30 June 2016	$306,469	$21,245	$327,714

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Analysis of total provisions

Current liabilities – provisions	**2016**	**2015**
	$	**$**
Annual leave	191,839	164,962
Provision for dividend	21,245	19,302
Long service leave	97,171	74,851
	310,255	259,115
Non-current liabilities - provisions		
Long service leave	17,459	23,536

Note 16: Issued Capital

	2016	**2015**
	$	**$**
42,746,500 (2015 : 42,746,500) fully paid ordinary shares)	7,077,155	7,077,155
Return of Capital	(1,043,015)	-
	6,034,140	7,077,155
	No.	**No.**
a. **Ordinary Shares**		
At the beginning of the reporting period	42,746,500	42,616,500
Shares issued during the year on conversion of performance rights:		
- 12 November 2014	-	105,000
- 30 April 2015	-	25,000
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.

Note 17: Cash flow information	**Notes**	**2016**	**2015**
		$	**$**
Reconciliation of Cash Flow from Operations with Profit after Income Tax			
Profit after income tax		1,856,176	1,493,422
Non cash flows in profit:			
Amortisation		200,200	200,200
Depreciation		106,559	110,159
		2,162,935	1,803,781
Changes in equity as a result of adjustments in reserves		-	82,821
Changes in assets and liabilities:			
(Increase)/decrease in trade and term receivables		(313,641)	(76,862)
(Increase)/decrease in prepayments		(1,356)	(14,130)
Increase/(decrease) in trade payables and accrual		53,228	(17,155)
Increase/(decrease) in income taxes payable		85,266	13,546
Increase/(decrease) in deferred taxes payable		(18,944)	(24,314)
Increase/(decrease) in provisions		43,115	58,624
		2,010,603	1,826,311
Non -cash financing and investing activities			
Share-based payments	18	-	82,821

Note 18: Share-based Payments

i) Shares granted to key management personnel as share-based payments:

At the 2014 Annual General Meeting held on 12 November 2014, shareholders approved the issue of shares to all the directors within their fee pool. Accordingly 105,000 fully paid ordinary shares were issued on 12 November 2014.

Grant Date	Number
12 November 2014	105,000

The weighted average fair value of these ordinary shares, determined by reference to market price, was $66,675. These shares were issued in recognition of the then 7 years continued service to the company given duties and responsibilities had increased whilst remuneration paid had decreased.

ii) 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 March 2013	25,000	1 March 2015

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

	Number	Weighted Average Exercise Price
Performance rights outstanding as at 30 June 2014	25,000	$0
Granted	-	-
Forfeited	-	-
Exercised	(25,000)	$0
Expired	-	-
Performance rights outstanding as at 30 June 2015	-	-

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.

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

Weighted average exercise price: Nil

Weighted average life of the rights: 2 years

Expected share price volatility: Nil

Risk- free interest rate: 4.25 %

As employees do not contribute to the cost of the share movement, volatility of the share price has been ignored. The life of the rights is based on the historical exercise patterns, which may not eventuate in the future.

Included in the statement of profit or loss and other comprehensive income for 2016 is Nil (2015: $82,821).

Note 19: Events after the Reporting Period

a. Proposed dividend

The Directors proposed that a dividend of 2.25 cents per share fully franked be paid out of the current year earnings. This dividend was declared on 9 August 2016 and paid on 18 August 2016.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

Note 20: Capital and leasing commitments

Non-cancellable operating lease commitments

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

	2016	**2015**
- not later than 12 months	$118,567	$159,083
- between 12 months and 5 years	-	$121,977
- later than 5 years	-	-
	$118,567	$281,060

The property lease is a non-cancellable lease with a 3 year term with rent payable monthly in advance. Contingent rental provisions within the lease agreement require the minimum lease payments shall be increased by CPI % per annum. The lease is currently extended until 31 March 2017.

Note 21: Contingent Liabilities

The Group has no known or identifiable contingent liabilities.

Note 22: Financial Risk Management

Financial Instruments
Categories of Financial Instruments

	2016	**2015**
Financial assets	**$**	**$**
Cash and cash equivalents	3,820,933	4,851,487
Loans and receivables	1,152,577	838,936
Financial assets at fair value through profit or loss		
Investments – held-for-trading	741	741
Total financial assets	4,974,251	5,691,164
Financial liabilities		
Payable and borrowings	330,162	276,936
Total financial liabilities	330,162	276,936

a. General objectives, policies and processes

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

The principal financial instruments from which financial instrument risk arises:

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

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

b. Credit risk

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
Trade debtors	$1,087,279	$782,343

for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

There is no material amounts of collateral held as security at 30 June 2016.

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

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	
	2016	2015	2016	2015
Financial liabilities due for payment				
Trade and other payables	$330,162	$276,936	$330,162	$276,936
Total expected outflows	$330,162	$276,936	$330,162	$276,936
Financial assets – cash flows realisable				
Cash and cash equivalents	$3,820,933	$4,851,487	$3,820,933	$4,851,487
Trade, term and loans receivables	$1,152,577	$838,936	$1,152,577	$838,936
Held-for-trading investments	$741	$741	$741	$741
Total anticipated inflows	$4,974,251	$5,691,164	$4,974,251	$5,691,164
Net / inflow on financial instruments	$4,644,089	$5,414,228	$4,644,089	$5,414,228

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

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

Maturity of notional amounts:	Effective Average Fixed Interest Rate Payable		Notional Principal	
	2016	**2015**	**2016**	**2015**
Less than 1 year	1.90%	2.14%	$4,991,659	$5,653,408
	1.90%	2.14%	$4,991,659	$5,653,408

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

Fair Values

The fair values of:

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

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

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

	Carrying Amount		Fair Value	
	2016	**2015**	**2016**	**2015**
Financial Assets:				
Cash and cash equivalents	$3,820,933	$4,851,487	$3,820,933	$4,851,487
Receivables	$1,152,577	$838,936	$1,152,577	$838,936
Investments – held-for-trading	$741	$741	$741	$741
Total Financial Assets	$4,974,251	$5,691,164	$4,974,251	$5,691,164
Financial Liabilities:				
Trade and sundry payables	$330,162	$276,936	$330,162	$276,936
Total Financial Liabilities	$330,162	$276,936	$330,162	$276,936

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:
- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2015

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

2014

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

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

	2016 **$**	**2015** **$**
Change in profit		
- Increase in interest rate by 1%	28,000	35,000
- Decrease in interest rate by 1%	(28,000)	(35,000)
Change in equity		
- Increase in interest rate by 1%	28,000	35,000
- Decrease in interest rate by 1%	(28,000)	(35,000)

Note 23: Related Party Disclosures

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

Executive Services Agreements

- Kim Chong

The Group has extended its services agreement with Mr Kim Chong for a further three years effective from 11 May 2014. Under the Services Agreement, Mr Chong is engaged by the Group to provide services to the Group in the capacity of Managing Director and Chief Executive Officer.

Mr Chong is to be paid an annual remuneration of $215,700 inclusive of statutory superannuation. Mr Chong will also be reimbursed for reasonable expenses incurred in carrying out his duties. There was $403 to be reimbursed to Mr Chong as at 30 June 2016.

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

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

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 2016 for accounting and secretarial services, was $57,126 including GST (2015:$57,409). The amount owing to Winduss & Associates Pty Ltd at 30 June 2016 is $4,125 (2015: $4,766).

Tenancy Agreement

- Cherry Field Pty Ltd

The Group required an additional area to assist in operations during the period. On 1 April 2014, the Group entered into a lease agreement with Cherry Field Pty Ltd, a Company owned and controlled by an associate of Mr Chong. The agreement has been concluded on a commercial monthly tenancy basis. The Group has incurred $170,621 including GST for the year ended 30 June 2016 (2015: $170,316).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Note 24: Earnings per share	**2016 $**	**2015 $**
Earnings used in the calculation of EPS		
Profit	1,856,174	1,493,422
Earnings per share		
Basic earnings per share	4.34c	3.50c
Diluted earnings per share	4.34c	3.50c

	2016 No	**2015 No**
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	42,746,500	42,686,842
Weighted average number of dilutive rights outstanding	-	-
Weighted average number of ordinary shares used - in calculating diluted EPS	**42,746,500**	**42,686,842**

Note 25: 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 operating in the geographical region of Australia. The provision of share registry services is considered to be one business segment.

	2016 $	**2015 $**
Revenue by geographical region		
Australia	$6,198,049	$5,299,991
Assets by geographical region		
Australia	$7,981,506	$8,565,833

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Major customers

The Group has a number of customers to whom it provides services. Although the Group has no single external customer that accounts for more than 10% of its income, a group of 10 customers, each exceeding 2% of the Group's income, accounts for approximately 38% (2015: 9 customers each exceeding 2% of the Group's income accounted for 27%) of the Group's income.

Note 26: Dividends	2016 $	2015 $
Distributions paid		
Final fully franked dividend of 1.70 cents (2015: 1.85 cents) per share franked at the tax rate of 30% (2015: 30%)	726,691	788,405
Interim dividend fully franked of 2 cents (2015: 2 cents) per share franked at the tax rate of 30% (2015: 30%)	854,430	854,430
	1,581,621	1,642,835

	2016 $	2015 $
a. Final 2016 fully franked dividend of 2.25 cents declared subsequent to 30 June 2016 (2015: 1.70 cents per share franked at the tax rate of 30% (2015: 30%)	961,796	726,691
b. Balance of franking account at year end adjusted for franking credits arising from:		
- Payment of provision for income tax	1,400,670	1,164,672
Subsequent to year end, the franking account would be reduced by the proposed dividend as follows:	(412,198)	(311,438)

Note 27: 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 2016.
The totals of remuneration paid to KMP of the Group during the year are as follows:

	2016 $	2015 $
Short -term employee benefits	297,681	300,143

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Post-employment benefits	31,310	29,780
Long -term benefits	4,622	4,293
Equity- settled Share-based Payments	-	66,675
	333,613	400,891

Note 28: Reserves

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

Note 29: Interest in Subsidiaries

On 18 September 2013, Advanced Share Registry Ltd incorporated a wholly owned subsidiary. The subsidiary Advanced Custodial Services Pty has not yet commenced trading. The new company is intended to provide additional complementary services to the clients of Advanced Share Registry.
Set out below is the Group's subsidiary at 30 June 2016. The subsidiary listed below has share capital consisting solely of ordinary shares, which are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group.

Name of Subsidiary	**Principal Place of Business**	**Ownership Interest Held by the Group**		**Proportion of Non- Controlling Interests**	
		30.06.2016	**30.06.2015**	**30.06.2016**	**30.06.2015**
Advanced Custodial Services Pty Ltd	Perth, Australia	100%	100%	-	-
Consideration Paid	-	$100	$100	-	-

Note 30: 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	**2016 $**	**2015 $**
ASSETS		
Current Assets	5,000,483	5,715,604
Non-current Assets	2,983,187	2,851,957
TOTAL ASSETS	7,983,670	8,567,561
LIABILITIES		
Current Liabilities	912,936	723,302

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Non-current liabilities	22,862	28,363
TOTAL LIABILITIES	935,798	751,665
EQUITY		
Issued Capital	6,034,140	7,077,155
Retained earnings	1,013,732	738,741
TOTAL EQUITY	7,047,872	7,815,896

	2016	2015
Statement of Profit or Loss and Other Comprehensive Income	**$**	**$**
Total profit	1,856,612	1,493,665
Total other comprehensive income, net of tax	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**1,856,612**	**1,493,665**

Guarantees

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

Contingent liabilities

The Company has no known or identifiable contingent liabilities.

Contractual commitments

Details of contractual commitments are set in Note 20.

At 30 June 2016, the Company had not entered into any contractual commitments for the acquisition of property, plant and equipment (2015: Nil).

DIRECTORS DECLARATION

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

   (a) the financial statements and notes set out on pages 22 to 66 and the Remuneration disclosures that are contained in pages 17, 18 and 19 of the Remuneration Report in the Director's Report, are in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the Group's financial position as at 30 June 2016 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 Group 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 2016.

Signed in accordance with a resolution of the Directors.

……………………………………………………………..
Simon Cato
Chairman of Directors

Signed at Perth on 29 September 2016

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

Report on the financial report

We have audited the accompanying financial report of Advanced Share Registry Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes 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. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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

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

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

Auditor's opinion
In our opinion:

a the financial report of Advanced Share Registry Limited is in accordance with the Corporations Act 2001, including:

   i giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report
We have audited the remuneration report included in pages 17 to 19 of the directors' report for the year ended 30 June 2016. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Advanced Share Registry Limited for the year ended 30 June 2016, complies with section 300A of the Corporations Act 2001.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

P W Warr
Partner – Audit & Assurance

Perth, 29 September 2016

SHAREHOLDER INFORMATION

(Current as at 21 September, 2016)

A. Substantial Shareholders

Name	Number of Shares	Percentage of Issued Capital
KMC Automation Pty Ltd	23,916,489	55.95
Washington H Soul Pattinson and Company Ltd	4,494,726	10.51
Link Market Services Ltd	4,153,627	9.72

B. Distribution of Fully Paid Ordinary Shares

i) Distribution Schedule of Holdings	Holders	Number of Shares	Percentage of Issued Capital
1-1,000	49	24,941	0.06%
1,001-5,000	113	414,426	0.97%
5,001-10,000	81	744,482	1.74%
10,001-100,000	163	5,144,443	12.04%
100,001 and over	24	36,418,208	85.20%
Total number of holders	430	42,746,500	100%

ii) Holding less than a marketable parcel 26

C. Twenty Largest Shareholders

	Twenty Largest Shareholders	Number of Shares	Percentage of Issued Capital
1	KMC Automation Pty Ltd	23,916,489	55.95
2	Washington H Soul Pattinson and Company Ltd	4,494,726	10.51
3	Pacific Custodians Pty Ltd	3,508,577	8.21
4	The Australian Superannuation Group (WA) Pty Ltd	645,050	1.51
5	J M Molyneux & W A Hutchison & J E Hutchison<Hutchison Family Super A/C>	438,245	1.03
6	Richard Alexander Isles	300,000	0.70
7	S K Cato	375,000	0.87
8	Ostle Investments Pty Ltd, <Tan Family Super Fund A/C>	305,000	0.72
9	Alberta Resources Pty Ltd<British Columbia Superannuation Fund A/C>	250,000	0.58
10	Yonatan Widjaya & Mela Widjaya	230,000	0.54
11	Morse's Run Pty Ltd<The Number 69 Prov Fund A/C>	225,000	0.53
12	WJK Investments Pty Ltd<WJK Superannuation Fund A/C>	217,182	0.51
13	Alan Winduss	215,000	0.50
14	Synchronised Software Pty Ltd	177,500	0.42
15	Edward James Dally & Selina Dally< E J Dally SF >	160,000	0.37
16	J Davidson & E Davidson	148,439	0.35
17	Rosemont Asset Pty Ltd	125,000	0.29
18	Batten Resources Pty Ltd<Batten Super Fund>	125,000	0.29
19	J D Mckay & C L Brittain <The John Mckay Super Fund>	125,000	0.29
20	United Overseas Australia Ltd	125,000	0.29

D. Restricted Securities

There were no securities under escrow at 30 June 2016 or 30 June 2015.

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.