

COUNT FINANCIAL LIMITED
ABN 19 001 974 625

**APPENDIX 4 E STATEMENT
PRELIMINARY FINAL REPORT**
(The accounts are in the process of being audited)

(Listing rule 4.3A - item 2)
RESULTS FOR ANNOUNCEMENT TO THE MARKET
YEAR ENDED 30 JUNE 2010

	CONSOLIDATED ENTITY		
	30-Jun-10	30-Jun-09	% change prior
	\$A'000	\$A'000	year
1. Revenues from continuing operations (Listing rule 4.3A - item 2.1)	129,865	122,211	6%
2. Profit/(loss) from continuing operations after tax attributable to members (Listing rule 4.3A - item 2.2)	23,994	19,384	24%
3. Net profit/(loss) for the period attributable to members (Listing rule 4.3A - item 2.3)	23,964	19,368	24%
4. Total dividend per ordinary share (Listing rule 4.3A - item 2.4)	cent(s)	cent(s)	
Interim "Christmas" dividend (fully franked at 30% tax rate) paid	2.00c 15-Dec-09	2.00c 15-Dec-08	
Interim "Easter" dividend (fully franked at 30% tax rate) paid	2.00c 15-Apr-10	2.00c 15-Apr-09	
Interim "Tax" dividend (fully franked at 30% tax rate) payable/paid	2.00c 15-Jul-10	2.00c 15-Jul-09	
Final dividend (fully franked at 30% tax rate) payable	2.00c 15-Oct-10	1.00c 15-Oct-09	
Total dividend per ordinary share	8.00c	7.00c	
5. Record date for determining entitlements to the final dividend, (Listing rule 4.3A - item 2.5)			17 September 2010
6. A brief explanation of the figures reported above - please refer to the Managing Director profit announcement - Preliminary Final Report dated 17th August 2010. (Listing rule 4.3A - item 2.6)			

COUNT FINANCIAL LIMITED
YEAR ENDED 30 JUNE 2010

7. STATEMENT OF COMPREHENSIVE INCOME
(Listing rule 4.3A - item 3)

for the year ended 30 June 2010

	CONSOLIDATED	
	2010	2009
	\$'000	\$'000
Revenue	123,858	116,834
Fees, commissions and related costs	(78,489)	(74,275)
GROSS PROFIT	45,369	42,559
Other revenues	2,551	2,788
Interest on loans and advances	1,207	1,408
Share of profit of associates	2,249	1,181
Change in fair value of investments	2,167	(142)
Salaries and employee benefits expense	(9,426)	(9,700)
Lease expenses	(696)	(711)
Depreciation and amortisation expenses	(317)	(379)
Finance costs expensed	(684)	(513)
Share based payments – FIOP	(2,195)	(2,901)
Other expenses from ordinary activities	(6,497)	(5,443)
PROFIT FROM CONTINUING OPERATIONS BEFORE INCOME TAX	33,728	28,147
INCOME TAX EXPENSE	(9,734)	(8,763)
PROFIT FROM CONTINUING OPERATIONS AFTER INCOME TAX	23,994	19,384
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	-	-
TOTAL COMPREHENSIVE INCOME AND PROFIT FOR THE PERIOD	23,994	19,384
Total comprehensive income for the period attributable to:		
Non-controlling interests	29	16
Owners of the parent	23,964	19,368
	23,994	19,384
Basic earnings per share (cents per share)	9.29	7.60
Diluted earnings per share (cents per share)	9.28	7.56

COUNT FINANCIAL LIMITED
YEAR ENDED 30 JUNE 2010

8. STATEMENT OF FINANCIAL POSITION
(Listing rule 4.3A - item 4)

At 30 June 2010

	CONSOLIDATED	
	2010	2009
	\$A'000	\$A'000
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	5,129	3,612
Trade and other receivables	11,524	12,914
Loans and advances	10,277	2,413
Investments held at fair value through profit or loss	14,923	13,109
Other current assets	50	15
TOTAL CURRENT ASSETS	41,903	33,426
NON-CURRENT ASSETS		
Loans and advances	1,945	11,673
Investments held at fair value through profit or loss	29,440	21,119
Available for sale financial asset	1,662	1,363
Investments in associates	15,789	11,296
Property, plant and equipment	583	753
Intangible assets	78	90
Deferred tax assets	547	1,146
TOTAL NON-CURRENT ASSETS	50,044	46,077
TOTAL ASSETS	91,947	79,503
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	8,375	8,053
Other liabilities	8,067	8,264
Current tax liabilities	4,818	4,607
Provisions	627	649
Interest-bearing loans and borrowings	11,820	9,319
TOTAL CURRENT LIABILITIES	33,707	30,892
NON-CURRENT LIABILITIES		
Trade and other payables	80	217
Provisions	349	351
TOTAL NON-CURRENT LIABILITIES	429	568
TOTAL LIABILITIES	34,136	31,460
NET ASSETS	57,811	48,043
EQUITY		
Issued capital	26,063	24,682
Other reserves	13,948	11,438
Retained Earnings	17,726	11,858
Parent Interest	57,737	47,978
Non Controlling Interest	74	65
TOTAL EQUITY	57,811	48,043

COUNT FINANCIAL LIMITED
YEAR ENDED 30 JUNE 2009

9. CASHFLOW STATEMENT
(Listing rule 4.3A - item 5)

For the year ended 30 June 2010

	CONSOLIDATED	
	2010	2009
	\$A'000	\$A'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	125,224	116,865
Payments to suppliers and employees	(90,827)	(85,583)
Dividends received	2,698	2,399
Interest received – loans to franchisees	1,037	1,226
Interest received – other	210	272
Finance costs	(584)	(356)
Income tax paid	(8,924)	(10,090)
Goods and services tax paid	(3,840)	(3,865)
Donations collected on behalf of Count Charitable Foundation	261	501
Donations paid over to Count Charitable Foundation	(269)	(493)
NET CASH FLOWS GENERATED BY OPERATING ACTIVITIES	25,256	20,876
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	4	1
Purchase of property, plant and equipment	(85)	(19)
Proceeds from sale of securities	3,861	4,075
Purchase of securities	(12,798)	(3,074)
Loans and advances made	(450)	(2,894)
Loans to related parties	(5,029)	(6,576)
Repayment of loans	7,662	6,334
Payment for investment in associate entities	(1,477)	(1,035)
Payment for intangible assets	(50)	(42)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(8,362)	(3,230)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends from associate entities	1,114	534
Proceeds from issues of shares	2,124	1,213
On-market buy-back of ordinary share capital	(2,897)	(2,554)
Associated costs of on-market buy-back of ordinary share capital	(2)	(6)
Proceeds from borrowings other	23,600	39,774
Repayments of borrowings other	(21,200)	(30,612)
Payment of dividends on ordinary shares	(18,116)	(25,546)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(15,377)	(17,197)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,517	449
Cash and cash equivalents brought forward	3,612	3,163
CASH AND CASH EQUIVALENTS CARRIED FORWARD	5,129	3,612

COUNT FINANCIAL LIMITED
YEAR ENDED 30 JUNE 2010

NOTES TO THE FINANCIAL STATEMENTS

10. REVENUE

	CONSOLIDATED	
	2010	2009
	\$A'000	\$A'000
Revenues		
Retail fees and commissions (including franchisee share)*	50,723	49,894
Investment review fee	934	972
Platform fees and commissions (including franchisee share)*	65,685	60,008
Franchisee fees and other income	6,516	5,960
Fees, commissions and related income	123,858	116,834
Interest on loans and advances	1,207	1,408
Other revenues		
Realised gains / (losses) on investment	(666)	75
Dividends - other corporations	3,007	2,441
Interest - other persons/corporations	210	272
Total other revenues	2,551	2,788
Total revenues	127,616	121,030

*These fees and commissions are gross payments, consisting of both amounts paid on to franchisees and amounts retained by Count Financial Limited.

11. EXPENSES

(a) Depreciation and amortisation

Depreciation and amortisation expense includes the following:

Plant and equipment	100	143
Software	62	75
Development	0	5
Leasehold improvements	137	138
Decommissioning costs (Goldfields House)	18	18
Total depreciation of non current assets	317	379

(b) Finance costs

Finance costs expense includes the following:

Interest expense	684	513
Total finance costs expense	684	513

(c) Salaries and employee benefits expense

Employee benefits expense includes the following:

Superannuation and salary on costs	1,595	1,599
Other employee benefits expense	7,515	7,470
Share-based payments – ESOP	316	631
Total salaries and employee benefits expense	9,426	9,700

(d) Lease expense

Lease expenses include the following:

Minimum lease payments	696	711
Total operating lease rental	696	711

COUNT FINANCIAL LIMITED
YEAR ENDED 30 JUNE 2010

NOTES TO THE FINANCIAL STATEMENTS-CONTINUED

11. EXPENSES-CONTINUED

	CONSOLIDATED	
	2010	2009
	\$A'000	\$A'000
(e) Other expenses		
Other expenses from operating activities include the following:		
Bad and doubtful debts – trade debtors	35	2
Sales and marketing expenses	1,306	1,197
Administration expenses	5,156	4,244
Total other expenses	6,497	5,443

12. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

(Listing rule 4.3A - item 6)

(a) Dividends proposed and recognised as a liability

Interim franked dividend for 2010: 2.0 cents (2009: 2.0 cents) **5,165** 5,126

(b) Dividends paid during the period

Interim franked dividend for 2010: 4.0 cents (2009: 4.0 cents) **10,337** 10,254

Final franked dividend for 2009: 1.0 cents (2008: 4.0 cents) **2,574** 10,275

18,076 25,655

(c) Dividends proposed and not recognised as a liability

Final franked dividend for 2010: 2.0 cents (2009: 1.0 cents) **5,165** 2,570

The tax rate at which paid dividends have been franked is 30% (2009: 30%). Dividends proposed will be franked at the rate of 30% (2009: 30%). Franking credits were transferred from the wholly-owned entities to the parent entity on 1 July 2003 on entering the tax consolidated group.

13. DETAILS OF DIVIDEND

(Listing rule 4.3A - item 7)

Date the dividend (distribution) is payable **October 15, 2010**

Record date to determine entitlements to the dividend (distribution) (i.e., on the basis of proper instruments of transfers received by 5.00 pm if securities are not CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if securities are CHESS approved)

September 17, 2010

Final dividend declared on

August 16, 2010

COUNT FINANCIAL LIMITED
YEAR ENDED 30 JUNE 2010

14. RECONCILIATION OF RETAINED PROFITS

(Listing rule 4.3A - item 8)

	CONSOLIDATED ENTITY	
	30-Jun-10	30-Jun-09
	\$A'000	\$A'000
Retained profits	<u>17,726</u>	<u>11,858</u>
<i>Movement in retained earnings:</i>		
Balance at the beginning of year	11,858	18,145
Net profit attributable to Members of Count Financial Limited	<u>23,964</u>	<u>19,369</u>
Total available for appropriation	<u>35,822</u>	<u>37,514</u>
Dividends provided for or paid	<u>18,096</u>	<u>25,655</u>
Balance at end of year	<u>17,726</u>	<u>11,858</u>

15. NET TANGIBLE ASSETS PER SECURITY

(Listing rule 4.3A - item 9)

Net Tangible Assets	57,186	46,807
	Number of shares	Number of shares
Weighted average number of ordinary shares of the entity	258,021,958	254,987,831
	cent(s)	cent(s)
Net tangible asset backing per ordinary security	22.16c	18.36c

16. DETAILS OF ENTITIES OVER WHICH CONTROL GAINED OR LOST DURING THE PERIOD

(Listing rule 4.3A - item 10)

Not applicable

17. DETAILS OF ASSOCIATES OR JOINT VENTURE ENTITIES

(Listing rule 4.3A - item 11)

In 2009/2010, Countplus acquired a 25% interest in five businesses: Evolution Advisers Pty Ltd, Robson Partners Pty Ltd, Achieve Corporation Pty Ltd, Kidman Partners Pty Ltd and 360 Financial Vision Pty Ltd. Countplus' interest in these associates is accounted for using the equity method.

18. SIGNIFICANT INFORMATION FOR THE INVESTOR TO MAKE AN INFORMED ASSESSMENT OF THE ENTITY'S FINANCIAL PERFORMANCE AND FINANCIAL POSITION

(Listing rule 4.3A - item 12)

Refer to Managing Director profit announcement - Preliminary Final Report dated 17th August 2010

COUNT FINANCIAL LIMITED
YEAR ENDED 30 JUNE 2010

19. ACCOUNTING STANDARDS USED BY FOREIGN ENTITIES

(Listing rule 4.3A - item 13)

Not applicable

20. COMMENTARY ON THE RESULT FOR THE PERIOD, DISCUSSION OF PERFORMANCE TRENDS AND FEATURES OF OPERATING PERFORMANCE

(Listing rule 4.3A - item 14, item 14.3 and item 14.5)

Refer to Managing Director profit announcement - Preliminary Final Report dated 17th August 2010

21. THE EARNINGS PER SECURITY AND THE NATURE OF ANY DILUTION ASPECTS

(Listing rule 4.3A - item 14.1)

Earnings per security (EPS)	30-Jun-10	30-Jun-09	
Basic EPS (cents)	9.29c	7.60c	22.24% up
Diluted EPS (cents)	9.28c	7.56c	22.75% up

Basic Earnings Per Share calculation:

Weighted average number of ordinary shares of the entity used as the denominator in calculating basic EPS

258,021,958

Diluted Earnings Per Share calculation:

Weighted average number of ordinary shares and potential ordinary shares of the entity used as the denominator in calculating diluted EPS

258,178,747

	CONSOLIDATED	
	2010	2009
	\$'000	\$'000
The following reflects the income and share data used in the calculations of basic and diluted earnings per share:		
Earnings used in calculating basic and diluted earnings per share	23,964	19,368
	Number of shares	
Weighted average number of ordinary shares used in calculating basic earnings per share	258,021,958	254,987,831
Effect of dilutive securities:		
Share options	156,788	1,102,512
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	258,178,747	256,090,343
Basic earnings per share (cents per share)	9.29	7.60
Diluted earnings per share (cents per share)	9.28	7.56

Options

Options and other distributions are considered to be potentially ordinary shares and have been included in the determination of diluted earnings per share. The diluted earnings per share calculations include all employee and franchisee options issued as at the date of signing the accounts; it excludes any options that may be issued in the future. The options have not been included in the determination of basic earnings per share.

COUNT FINANCIAL LIMITED
YEAR ENDED 30 JUNE 2010

22. RETURNS TO SHAREHOLDERS INCLUDING DISTRIBUTIONS AND BUY BACKS

(Listing rule 4.3A - item 14.2)

Dividend per security

		Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
		cent(s)	cent(s)	cent(s)
Final dividend: *	Current year	2.00	2.00	nil
	Previous year	1.00	1.00	nil
Interim dividends:	Current year	6.00	6.00	nil
	Previous year	6.00	6.00	nil

* not provided in the accounts as per AASB 137 'Provisions, Contingent Liabilities and Contingent Assets'

	CONSOLIDATED ENTITY	
	30-Jun-10	30-Jun-09
	\$A'000	\$A'000
Total dividend (distribution) per security (interim plus final)	8.00 c	7.00 c

Currently, there are no dividend reinvestment plans

Franking credit balance

The amount of franking credits available for the subsequent financial year are:

– franking account balance as at the end of the financial year at 30% (2009: 30%) tax rate.	9,150	7,960
– franking credits that will arise from the payment of income tax payable as at the end of the financial year	4,927	4,815
– franking debits that will arise from the payment of dividends as at the end of the financial year	(2,214)	(2,197)
	11,863	10,578

The amount of franking credits available for future reporting periods:

– impact on the franking account of dividends proposed or declared before the financial report was authorised for issue but not recognised as a distribution to equity holders during the period.	(2,214)	(1,099)
	9,649	9,479

As at balance date, the Directors consider there are sufficient franking credits available to pay franked dividends during the year 2009-2010.

COUNT FINANCIAL LIMITED
YEAR ENDED 30 JUNE 2010

22. RETURNS TO SHAREHOLDERS INCLUDING DISTRIBUTIONS AND BUY BACKS – CONTINUED
(Listing rule 4.3A - item 14.2)

ISSUED, BUY BACK AND QUOTED SECURITIES AT END OF CURRENT PERIOD

Ordinary Securities

	2010		2009	
	Number of Shares	\$	Number of Shares	\$
Beginning of the financial year	256,846,852	24,681,812	248,411,062	11,268,618
Issued during the year as a result of exercise of options				
– Franchisee share incentive scheme				
– FIOF 2003 at 67.6 cents per share	-	-	459,212	310,427
– FIOF 2004 at 78.1 cents per share	1,866,325	1,456,306	724,441	565,788
– FIOF 2005 at 131.4 cents per share	419,660	551,433	174,115	228,787
– Employee share incentive scheme:				
– ESOP 2003 at 60.0 cents per share	-	-	83,600	50,160
– ESOP 2004 at 84.7 cents per share	135,500	114,851	68,700	58,189
– ESOP 2008 at 154.2 cents per share	648	999	-	-
Shares issued for Countplus investments	1,612,318	2,156,131	1,740,439	2,378,656
Shares issued for finconnect investments	-	-	7,514,501	12,381,065
Associated costs of on-market buy-back of ordinary share capital	-	(2,028)	-	(5,516)
Bought back during the year	(2,046,034)	(2,896,773)	(2,329,218)	(2,554,363)
End of the financial year	258,835,269	26,062,731	256,846,852	24,681,812

Ordinary Shares

Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company.

23. SEGMENT RESULTS
(Listing rule 4.3A - item 14.4)

Business segments	FINANCIAL PLANNING AND RELATED ACTIVITIES		UNALLOCATED ITEMS		CONSOLIDATED	
	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
Sales to customers outside the consolidated entity	123,858	116,834	6,007	5,377	129,865	122,211
Total segment revenue	123,858	116,834	6,007	5,377	129,865	122,211
Results						
Segment result	25,554	22,973	8,174	5,174	33,728	28,147

COUNT FINANCIAL LIMITED YEAR ENDED 30 JUNE 2010

The consolidated entity's principal business segment is financial planning services, including investment reviews and leasing via its network of franchises. The consolidated entity's business segments are located in Australia.

24. ANY OTHER FACTORS WHICH HAVE AFFECTED THE RESULTS IN THE PERIOD OR WHICH ARE LIKELY TO AFFECT RESULTS IN THE FUTURE, INCLUDING THOSE WHERE THE EFFECT COULD NOT BE QUANTIFIED

(Listing rule 4.3A - item 14.6)

Refer to the Preliminary Final Report dated 17th August 2010

25. COMPLIANCE STATEMENT

(Listing rule 4.3A - item 15)

- i. This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and other standards acceptable to ASX.
- ii. This report, and the accounts upon which the report is based, use the same accounting policies.
- iii. This report does give a true and fair view of the matters disclosed.
- iv.

✓ **The accounts are in the process of being audited.**

- v. The entity has a formally constituted audit committee.

Sign here: Date 16 August 2010

Print name: **Barry Martin Lambert**
Executive Chairman

26. ANNUAL MEETING

The annual meeting will be held as follows:

Place:	Level 19, Gold Fields House 1 Alfred Street Cnr George Street Circular Quay Sydney NSW 2000
Date:	16 November 2010
Time:	10.00 am
Approximate date the annual report will be available	11 October 2010