



To Greater Heights

Annual Report 2012

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## CORPORATE PROFILE

We aim to be the premier provider of professional business and corporate services in Singapore and the Asia Pacific. With our people being our most valued assets, we place utmost emphasis on the recruitment and retention of the right professionals to ensure our business success.

Our esteemed clients are the lifeblood of the Group, and we are committed to intentionally developing and strengthening every business relationship for the long haul. We invest in proactive collaborations, and pride ourselves on our ability to deliver innovative solutions to every client, leveraging our high levels of professionalism and service standards. Our trusted, value-added services enable our clients to better focus on maximising their companies' potential and growing their businesses.

# GREATER HEIGHTS

With its roots firmly entrenched in Singapore, Boardroom has grown to become one of Asia-Pacific's leading providers of professional business and corporate services.

Like spores of a dandelion that are dispersed far and wide by favourable winds, the seeds of our next stage of growth have been sown through Boardroom's strategies and collaborations with partners and stakeholders, traversed geographical boundaries, and where they have landed, marked new frontiers that have become part of Boardroom's growing network.

Nevertheless, the reach of a dandelion spore is underpinned by its ability to withstand and overcome trials that abound. The dandelion's resilience and ability to flourish under harsh conditions are the same qualities that are imbued in every one of us at Boardroom, ensuring our success and growth.

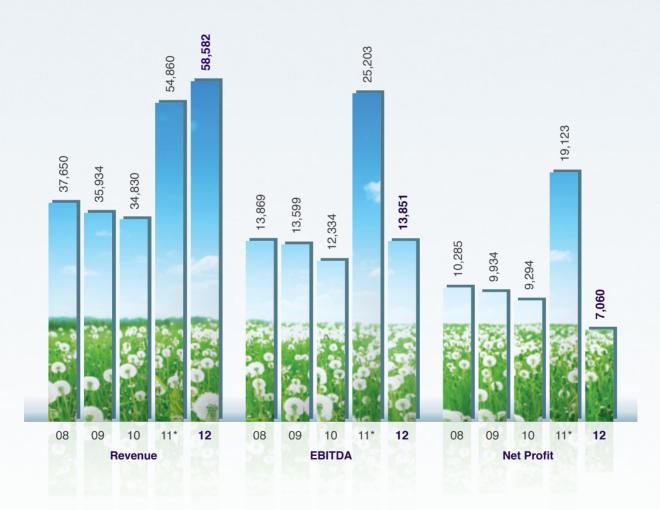
We strive to nurture the capabilities of our people with dedication, execute our duties with drive, and weather challenges with resolve and determination. We continue to leverage current and new opportunities, like growing dandelions, to strengthen our operational synergies so as to create greater value for all our stakeholders.

### FINANCIAL HIGHLIGHTS

Year-ended 30 June	2012	2011*	2010	2009	2008
Revenue (S\$'000)	58,582	54,860	34,830	35,934	37,650
EBITDA (S\$'000)	13,851	25,203	12,334	13,599	13,869
Profit Before Tax (S\$'000)	8,530	21,891	10,809	12,119	12,693
Profit After Tax (S\$'000)	7,060	19,123	9,294	9,934	10,285

REVENUE, EBITDA & PROFIT AFTER TAX

Year-ended 30 June (S\$'000)



<sup>\*</sup>Restated

Balance Sheet Highlights					
As at Year-ended 30 June	2012	2011*	2010	2009	2008
Total Assets (S\$'000)	108,754	107,432	72,418	69,681	64,888
Total Liabilities (S\$'000)	41,369	40,547	7,923	8,325	9,745
Total Shareholders' Fund (S\$'000)	67,385	66,885	64,495	61,356	55,143
Net Current (Liabilities)/Assets (S\$'000)	(470)	1,306	26,566	24,339	19,333
Key Financial Ratios					
EDC (conto)	4.11	10.23	5.05	5.40	5.60
EPS (cents)	36.80	36.25	35.01		
Net Asset Value (cents)				33.36	30.00
Current Ratio (times)	0.98	1.07	4.40	3.96	3.01
Debt-to-Equity (times)	0.61	0.61	0.12	0.14	0.18
Return on Equity (%)	10.5	28.6	14.4	16.2	18.7
Segmental Results					
Year-ended 30 June					
1001 011000 00 00110					
Revenue by Business Unit (%)					
Corporate Secretarial	32.5	33.2	48.0	50.2	49.4
Share Registration	44.5	42.8	18.0	14.0	13.8
Clients Accounting	22.8	22.4	31.7	33.4	33.2
Others	0.2	1.6	2.3	2.4	3.6
	100	100	100	100	100
				4	
Revenue by Region (%)					
Singapore	41.9	46.4	68.3	66.3	67.9
Hong Kong	12.7	12.8	21.3	23.7	22.6
Malaysia	8.0	7.4	10.4	10.0	9.5
China	3.1	2.2	0.0	0.0	0.0
Australia	34.3	31.2	0.0	0.0	0.0
	100	100	100	100	100
Profit Before Tax by Region (%)					
Singapore	20.5	70.4	54.0	59.2	61.1
Hong Kong	6.9	2.2	19.1	24.9	29.3
Malaysia	11.8	3.9	12.8	10.6	6.5
China	(13.9)	(3.0)	_	_	_
Australia	74.7	26.5	14.1	5.3	3.1
	100	100	100	100	100

<sup>\*</sup>Restated

### CHAIRMAN'S STATEMENT

#### Dear Fellow Shareholders,

The financial year ended 30 June 2012 ("FY12") remained a challenging one, with major global economies facing a continued slowdown and stock markets generally volatile. For Boardroom in particular, the benefits of our geographic expansion and new business lines were, in the short term, partially eroded by rising operating costs, particularly staff costs.

Despite the uncertain global backdrop, Group revenue for FY12 was \$58.6 million, an increase of 6.8% compared to \$54.9 million in the previous financial year ("FY11"), with all business units recording growth. Contributing to our growth were our new service offerings and enlarged client base, although this was partially offset by the discontinuation of our investor relations and communications consultancy in September 2011.

Net profit after tax for FY12 amounted to \$7.1 million. Although this was significantly lower than the \$19.1 million reported in FY11, the latter included a one-time \$11.0 million gain resulting from the acquisition of NewReg Pty Ltd, while in FY12, the Group incurred a \$1.6 million non-cash goodwill impairment in relation to the Group's investment in China. Excluding these exceptional non-cash items, net profit after tax would have been \$8.7 million in FY12 compared to \$8.1 million in FY11. This operating performance is reasonably good in the context of the prevailing business conditions.

#### **DIVIDEND**

In view of our performance, the Board has proposed a final one-tier tax-exempt cash dividend of 2.0 cents per ordinary share for the second half of our financial year, which together with the interim one-tier tax-exempt dividend of 1.0 cent per ordinary share, brings the total dividend per ordinary share for FY12 to 3.0 cents. This is unchanged from the total dividend declared for FY11.

#### **FINANCIAL POSITION**

We ended FY12 with total shareholders' equity of \$67.4 million and net asset value per share of 36.8 cents. As at 30 June 2012, cash and cash equivalents stood at \$9.6 million.

#### **MAJOR CORPORATE DEVELOPMENTS**

In February 2012, the Company announced a collaboration with Capita Registrars Limited, the UK's largest provider of share registration and value-added services, to provide joint global solutions to listed and non-listed multinational companies. Such solutions include pre- and post-IPO share registration services, online retail offers, dual listings and Exchange Traded Funds (ETF), as well as corporate secretarial, directors nominee, accounting, payroll and proxy services. This partnership has successfully enabled Boardroom to enlarge its base of European customers looking for solutions in Asia.

In Australia, we expanded our footprint through the acquisition of Sydney-based CRA Plan Managers Pty Ltd in September 2011, and the opening of our second office in Melbourne. We have also started to offer corporate secretarial services and an expanded employee benefit planning and administrative service, on top of our existing share registration services.

Our share registration business in Malaysia and Hong Kong, along with other services such as e-polling, risk management, internal audit and human resource services in Singapore, saw increased business activity, and made its first full-year contribution in FY12.

China continues to be a market with good long-term growth potential. We are working to build upon our presence there as we introduce various services that will enable us to add greater value to our clients.

#### OUTLOOK

Boardroom is positioning itself to reap synergies and increased staff efficiency as we reorganise to leverage our strengths across the various countries in which we operate. The investments that we have put in place in recent years signify a constant reinvention of our business model, adapting to new opportunities on the horizon.

Our emphasis for the next financial year ("FY13") is execution, both internally and externally, as we focus on closer client engagement and better collaboration with our partners.

Going forward, uncertainties in global economic conditions, increasing staff and operating costs, and continued volatility in foreign currencies will continue to cloud the market outlook. Nevertheless, we expect to take advantage of our expanded global footprint and service offerings to increase business activity and yield a positive contribution.

#### **ACKNOWLEDGEMENTS**

On behalf of the Board of Directors, management team and staff, I would like to thank our clients for their continued confidence in us.

I would also like to thank my fellow Board members for their wise counsel and our staff for their diligence, dedication and energy.

Finally, my fellow shareholders, thank you for staying with us as we grow and build Boardroom to its fullest potential.



Chairman



The dandelion is characterised by its hardiness, adaptability and ability to spread. Originating from Asia, the dandelion has spread far and wide and now calls the world its home. That is also what we at Boardroom endeavour to do.

### YEAR IN REVIEW

Boardroom turned in a creditable performance in FY12, despite challenging market conditions, with growth in all three business units. We have also strengthened our position in the region and globally, through acquisitions, alliances and the introduction of new service offerings.

#### SHARE REGISTRATION

Revenue in this segment grew 10.8% in FY12 to \$26.0 million, making it the largest contributor to the Group. This was despite weak equity capital markets that affected the overall number of initial public offerings ("IPOs"). Corporate activity was also muted due to weak global market in Europe and the US. Pricing remained under pressure, due to intense competition among existing and new players.

In Singapore, in spite of the difficulties, the share registration unit managed to secure business from about one-third of the new listings on the SGX Mainboard and Catalist. In addition, we were also engaged for IHH Healthcare Berhad's dual-listing in Malaysia and Singapore. This is expected to be the world's third largest offering for 2012. Along with this, we also secured share registration business in conjunction with Ascendas Hospitality Trust's IPO on SGX Mainboard, during the financial year. Both IHH Healthcare and Ascendas Hospitality Trust were listed in July 2012.

We saw increased interest in scrutineering services for electronic polling at client events, as more listed companies move towards electronic polling to promote transparency at their Annual and Extraordinary General Meetings. Significantly more of our clients engaged us for this service during their shareholder meetings in FY12 compared to FY11 and we see this service continuing to grow strongly in the medium term.

In Australia, Boardroom Holdings Australia Pty Ltd turned in its first full year contribution as a whollyowned subsidiary. From our base in Sydney, we expanded to Melbourne to cater to the needs of listed and unlisted clients in the state of Victoria.

In order to combat a suppressed IPO market in Australia and reduce our reliance on corporate actions, we launched several new businesses to provide diversity and further add value to our clients. These include Employee Equity Plan Administration Services, Corporate Secretarial Services, Voting, Shareholder Analytics, and Investor Solicitation Services. Through our acquisition of CRA Plan Managers Pty Ltd, our service offerings in Australia also include Executive Remuneration Services. The introduction of these new services has enabled Boardroom Australia to differentiate itself from the competition as a provider of true "end-to-end" solutions for clients.

We scored a notable win when one of the ASX 50 companies transitioned its global employee share plan administration to us. We were selected as the successful service provider after a rigorous tender process. The service involves the administration of over 3,800 employees' share plan requirements in multiple tax domiciles. Separately, we also entered into partnerships with Western Union and Bridges stock brokers to facilitate the foreign exchange and sale facility process for clients, investors and employees.

In Malaysia, we saw significant growth despite the addition of the share registration business to our suite of services only in August 2010. The government's plan to divest government-linked companies is expected to continue to generate more opportunities for private investment, which could create more demand for corporate outsourcing services.

Our Hong Kong share registration service was well-received since its launch in June 2011. In the first year of operations, we are very encouraged to have taken over the accounts of a number of listed companies from other providers and completed listings on the Hong Kong Main Board and GEM Board.

Further afield in Europe, we look forward to realising longer-term returns from our alliance with Capita Registrars Limited ("Capita"), which we entered into in February. Capita is the UK's largest provider of share registration and value-added services. This will considerably enlarge our footprint in terms of cross-border services. We see a mutually beneficial partnership with Capita, as they create a gateway for us to Europe, and as we expand their reach in Asia.

#### **CORPORATE SECRETARIAL**

Our corporate secretarial business also showed growth despite pricing pressure and a lacklustre business environment. Revenue increased 4.6% to \$19.0 million in FY12.

Singapore, Malaysia and Hong Kong introduced their revised Corporate Governance codes during the year, which gave us opportunities to offer training and advisory services in this area.

In Singapore, corporate activity was weak due to the prevailing economic conditions in Europe and the US. There were also more companies delisted, struck off and liquidated, and quite a few IPOs had been deferred.

The Corporate Secretarial business in Australia, which was added during the financial year, has experienced strong growth and is well-placed to service the growing corporate governance needs of listed, unlisted and subsidiary entities in FY13.

In Malaysia, the number of company incorporations increased in FY12 as we see more investors showing renewed interest in the country in various sectors such as shared services centres, manufacturing, retail, etc. This was most evident from Japanese companies seeking to broaden their bases overseas to mitigate potential risks following Japan's natural disasters and economic downturn. However, anticipated changes to the Companies Act in FY13, which are likely to include the relaxation of certain legislative requirements for non-listed companies, may pose an added challenge to our operating environment going forward.





Dandelion seeds can survive even after five years. Leaving any part of the plant in the soil while trying to uproot it would allow a new plant to spring up. This is the kind of operational hardiness that characterises Boardroom. We persevere through challenges, and emerge stronger each time.

### YEAR IN REVIEW

#### **BUSINESS SOLUTIONS**

In recent years, Boardroom Business Solutions has expanded beyond its traditional offering of accounting and payroll services to include tax advisory, human resource, risk management and internal audit services.

On the back of new offerings introduced, our Business Solutions segment recorded decent growth, with revenue improving by 9.1% to \$13.4 million. In particular, the division has benefited from increased interest in internal audit and risk management services in the region, with the introduction of enhanced listing and corporate governance requirements.

In Singapore, accounting and payroll services remained under pricing pressure. Nevertheless, the difficulty in hiring suitably skilled finance and accounting professionals has resulted in more companies looking to outsource such functions. Our Human Resources service, which was launched in FY11, has gained credible acceptance with increasing client wins in FY12.

In Malaysia, internal audit and risk management services are expected to grow in FY13 on the back of the new Malaysian Code on Corporate Governance 2012 which requires all public listed companies to have a sound internal control and risk management framework. We have seized this opportunity to offer our clients new services to help draft Board Policies and conduct Corporate Governance reviews.

In view of the Group's growing presence and longterm commitment in China, we have hired a Head of Business Solutions to lead the China team as we work to enhance the suite of services currently offered in China to improve Boardroom's value-add to our clients. Tax services continued to face competitive challenges from more established industry players, notably in China and Malaysia. However, we are benefiting from referrals of newly-incorporated companies from Boardroom's other business units and are seeing steady increases in our portfolio of Singapore and Hong Kong compliance clients. Over the longer term, our collaboration with Capita should put us in a better position to compete, as we leverage Capita's tax expertise in Europe.



### CORPORATE INFORMATION

#### **BOARD OF DIRECTORS**

Goh Geok Khim

Non-Executive Chairman

Kim Teo Poh Jin

Executive Director & Chief Executive Officer

Sebastian Tan Cher Liang

Managing Director & Finance Director

Sim Cheok Lim

Lead Independent Director

Elizabeth Sam Independent Director

Mak Lye Mun Independent Director

William Wong Tien Leong Independent Director

Spencer Lee Tien Chye Independent Director

Goh Yew Lin

Alternate Director to Goh Geok Khim

#### **AUDIT COMMITTEE**

Sim Cheok Lim (Chairman)
Mak Lye Mun
William Wong Tien Leong
Spencer Lee Tien Chye

#### NOMINATING COMMITTEE

Elizabeth Sam (Chairman)
Goh Geok Khim
Sim Cheok Lim

#### REMUNERATION COMMITTEE

William Wong Tien Leong *(Chairman)*Goh Geok Khim
Elizabeth Sam
Spencer Lee Tien Chye

#### **COMPANY SECRETARIES**

Sebastian Tan Cher Liang Tan San-Ju

#### REGISTERED OFFICE

50 Raffles Place #32-01 Singapore Land Tower Singapore 048623 T: +65-6536 5355 F: +65-6536 1360

Website: www.boardroomlimited.com

#### SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623 T: +65-6536 5355

F: +65-6536 1360

#### **AUDITORS**

Ernst & Young LLP One Raffles Quay Level 18 North Tower Singapore 048583

#### **AUDIT PARTNER-IN-CHARGE**

Sam Lo

Date of Appointment: 23 October 2009

### **BOARD OF DIRECTORS**

#### **GOH GEOK KHIM**

Non-Executive Chairman

Mr Goh Geok Khim was appointed Chairman and Non-Executive Director of the Board in November 2004. He is a member of the Nominating Committee and the Remuneration Committee. Mr Goh is also Chairman of the Boards of Temasek Foundation (CLG) Limited and Federal Iron Works Sdn Bhd.

Mr Goh holds a Bachelor of Science degree in Civil Engineering from the University of Colorado.

#### KIM TEO POH JIN

Executive Director & CEO

Mr Kim Teo Poh Jin has been appointed to the Board since August 2009, and is responsible for the overall management and strategic direction of Boardroom.

Prior to Boardroom, Mr Teo was Regional Head of Retail Equities at CIMB-GK Securities, Singapore. He has about 25 years of experience in the finance industry, having worked in senior positions of major global financial institutions. He was formerly the CEO of AIB Govett Asia Ltd and First State Investments (Singapore).

Mr Teo is currently Chairman of the Investment Committee of CIMB Principal Asset Management Berhad and CIMB Wealth Advisors Berhad. He also sits on the investment committee of the National Kidney Foundation and is Finance Chairman of the National Crime Prevention Council. He is a director of The T'ang Quartet, Marina Yacht Services and Livet Company.

Mr Teo holds a Bachelor of Arts (Economics) degree, from the Heriot-Watt University of Edinburgh.



#### SEBASTIAN TAN CHER LIANG

Managing Director & Finance Director

Mr Sebastian Tan Cher Liang is the Group's co-founder and Managing Director. He is responsible for the Group's overall day-to-day operations and development and oversees its corporate finance and strategic planning activities, including mergers & acquisitions, and credit management. Prior to joining the Group, he was with Ernst & Young from 1973 to 1992.

Mr Tan is also an independent director of Freight Links Express Holdings Limited. He is also a director of D.S Lee Foundation and Children's Charity Association, and a trustee of Kwan Im Thong Hood Cho Temple.

Mr Tan is a member of the Institute of Certified Public Accountants of Singapore and a Fellow of the Association of Chartered Certified Accountants, U.K.

He was conferred the Public Service Medal (PBM) in 1996 for his contribution to charitable causes in Singapore.

#### SIM CHEOK LIM

Lead Independent Director

Appointed as Chairman and Director in August 2000, Mr Sim Cheok Lim stepped down as Chairman in 2005 and was re-elected as an independent non-executive director. He also chairs Boardroom's Audit Committee and is a member of the Nominating Committee.

Mr Sim is also a director of Bequest Holdings Pte Ltd, and an independent director of Vicom Ltd. He is Singapore's Ambassador (Non-Resident) to Kazakhstan, and was Ambassador to Uzbekistan from 1999 to April 2011. Mr Sim previously served as Chairman of the Commercial and Industrial Security Corporation (CISCO) and as marketing director in the Shell Group of companies.

Mr Sim graduated from the University of Adelaide with a Bachelor of Engineering (First Class Honours) degree, and holds a Diploma in Competitive Marketing Strategies from the University of California, Berkeley.

Mr Sim is the recipient of the Public Service Star (BBM), the Public Service Medal (PBM) and the Friend of Labour Award.

The sunny bright yellow flowers are often used for decoration, the leaves can be eaten as a vegetable and the roots used as medicine. The flowers are a rich nectar source for bees, and the seeds are eaten by many bird species. Like the dandelion, we aim to be a responsible member of the community even as we grow and prosper within it.

### **BOARD OF DIRECTORS**

#### **ELIZABETH SAM**

Independent Director

Appointed as Non-Executive Director in August 2000, Mrs Elizabeth Sam chairs the Nominating Committee and is a member of the Remuneration Committee. Mrs Sam is a director of SC Global Ltd, AV Jennings Ltd, Kasikorn Bank, Banyan Tree Holdings Ltd and Straits Trading Co. Ltd.

Mrs Sam has over 40 years of experience in the financial sector, having held senior appointments in the Ministry of Finance, the Monetary Authority of Singapore, Mercantile House Holdings Ltd, and OCBC Bank where she retired as Deputy President.

She was a director of the Singapore International Monetary Exchange of Singapore from its reorganisation in 1983 till its merger with the Stock Exchange of Singapore, and served 2 three-year terms as Chairman.

Mrs Sam graduated from the University of Singapore with a Bachelor of Arts (Honours) degree in Economics.

She was awarded the Public Service Star (BBM) in 1996 for her contribution to financial centre developments.

#### **MAK LYE MUN**

Independent Director

Mr Mak Lye Mun was appointed Non-Executive Director in November 2004. He is a member of the Audit Committee. He is Country Head and CEO of CIMB Bank Singapore. He is also a non-executive director of CIMB Securities Pte Ltd and CIMB Securities International Pte Ltd.

In addition to his current board appointment at Boardroom, Mr Mak is also a non-executive director of Tat Hong Holdings Limited. He holds a Bachelor of Civil Engineering (First Class Honours) degree from the University of Malaya in Malaysia, and a Master of Business Administration degree from the University of Texas at Austin in the United States. Mr Mak is a Chartered Financial Analyst.



#### **WILLIAM WONG TIEN LEONG**

Independent Director

Appointed as Non-Executive Director in January 2005, Mr William Wong chairs the Remuneration Committee and is a member of the Audit Committee. Mr Wong graduated from the National University of Singapore with a law degree and was called to the bar in 1985. He joined Laycock & Ong, one of Singapore's oldest law firms from April 1986 to January 1994. Since February 1994, he has been a partner at Francis Khoo & Lim.

Mr Wong's practice involves corporate commercial matters, which include dealings with lawyers and other professionals in foreign jurisdictions.

Mr Wong is an independent non-executive director of Kluang Rubber Company (Malaya) Berhad, Kuchai Development Berhad and Sungei Bagan Rubber Co. (Malaya) Berhad.

#### SPENCER LEE TIEN CHYE

Independent Director

Mr Spencer Lee was appointed as Non-Executive Director in October 2011. He is a member of the Audit Committee and the Remuneration Committee.

Mr Lee served the Maybank Group for more than 30 years in various executive capacities, including Head of International Business, Head of Consumer of Maybank and resigned in November 2009.

Mr Lee is a non-executive director of Maybank Philippines Incorporated and Maybank Cambodia Plc, and a trustee of Maybank Foundation. He is also a commissioner of PT Bank Internasional Indonesia Tbk.

Mr Lee is a Fellow of the Institute of Chartered Accountants in England and Wales, Member of the Malaysian Institute of Certified Public Accountants and Member of the Malaysian Institute of Accountants.

#### **GOH YEW LIN**

Alternate Director to Goh Geok Khim

Mr Goh Yew Lin was appointed Alternate Director to Mr Goh Geok Khim in November 2004. He is Managing Director of G. K. Goh Holdings Ltd and also serves in a non-executive capacity on the Board of Temasek Holdings Pte Ltd.

Mr Goh is Chairman of the Yong Siew Toh Conservatory of Music at the National University of Singapore (NUS), Seatown Holdings Pte Ltd and Singapore Symphonia Company Ltd. He is also a member of the National University of Singapore (NUS) Board of Trustees.

Mr Goh holds a Bachelor of Science (Economics) degree from the University of Pennsylvania's Wharton School.



### KEY EXECUTIVES

#### **REGIONAL**

#### **LEONG LAI CHENG**

Director, Boardroom Business Solutions

Ms Leong Lai Cheng joined the Group in 2006 and is currently Director of Boardroom Business Solutions - accounting & finance, human resource & payroll, internal audit & risk management, and tax business. Prior to Boardroom Business Solutions, she was with PricewaterhouseCoopers for 10 years and left as a senior manager in 1998 to be an adjunct lecturer in Ngee Ann Polytechnic for eight years. Ms Leong graduated from the National University of Singapore with a Bachelor of Accountancy (Honours) degree, is a CPA and has 24 years of audit, accounting and tax experience.

#### TAN SAN-JU

Director, Corporate Secretarial Services

Ms Tan San-Ju is Director of Boardroom's corporate secretarial services and oversees the business in Singapore and Hong Kong. She possesses over 25 years of professional experience in this field, and has been with the Group and its predecessor companies since 1988. She is a Fellow of the Institute of Chartered Secretaries & Administrators (UK) and a member of the Singapore Association of the Institute of Chartered Secretaries & Administrators (SAICSA). She also holds a Practising Certificate from SAICSA.

#### KHOR YOKE KEAN

Director, Share Registration Services

Ms Khor Yoke Kean joined the Group in July 2006 and is Director of the share registration business. She has more than 17 years of experience in this industry. Ms Khor is a member of the Singapore Association of the Institute of Chartered Secretaries & Administrators (SAICSA).

#### **MALAYSIA**

#### SAMANTHA TAI YIT CHAN

Managing Director, Boardroom Corporate Services (KL)

Ms Samantha Tai Yit Chan joined the company in 1995. She is a Fellow member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and has over 20 years of experience in corporate secretarial work. Ms Tai has provided extensive in-house training for directors of public listed companies and is a regular speaker for seminars organised by MAICSA, Malaysian Institute of Corporate Governance, Malaysian Investor Relations Association and Bursa Malaysia.

Recognised as one of the top 20 company secretaries by MAICSA in 2004, she has extensive experience in corporate secretarial requirements and provides advisory services including due diligence reviews for corporate restructuring and related services such as IPOs, liquidation and preparation of circulars for submission to Bursa Malaysia. Ms Tai is also a member of the Audit Committee and Working Group of MAICSA Governance Guides.



#### HONG KONG

#### **RENA LIM YI PING**

Executive Director, Boardroom Corporate Services (HK) Limited; Director, Boardroom LSC China Limited

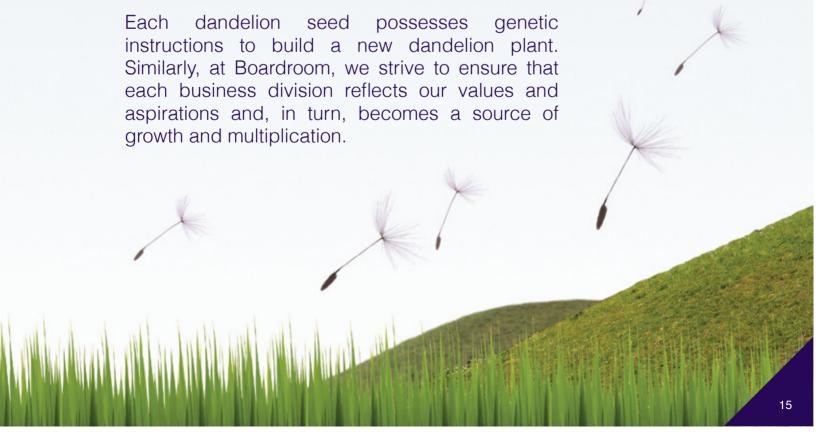
Ms Rena Lim was appointed Executive Director of Boardroom Corporate Services (HK) in June 2007 and Director of Boardroom LSC China in 2010 after previously working at Arthur Andersen and Deloitte in Singapore and Hong Kong. In April 2011, she also became the Executive Director of the newly set up Boardroom Share Registrars (HK) Limited. Ms Lim's regional experience in transaction advisory services makes her an invaluable asset in providing corporate advisory to clients. She is a member of the Institute of Chartered Accountants in Australia, Australia Institute of Certified Public Accountants and Hong Kong Certified Public Accountants. Ms Lim is also in the Executive Committee of the Singapore Chamber of Commerce (Hong Kong).

#### **AUSTRALIA**

#### **RHETT TREGUNNA**

Chief Executive Officer, Boardroom Pty Limited

Mr Rhett Tregunna joined Boardroom Pty Limited (formerly known as Registries Limited) in 2008. Prior to his appointment as CEO, he held the position of General Manager for Operations. Mr Tregunna has accumulated more than 11 years of experience in senior management roles with Eli Lilly Australia and ASX-listed companies Arrow Pharmaceuticals and Sigma Pharmaceuticals, before joining Boardroom. He has a Bachelor of Science with a major in Biochemistry.



### SENIOR MANAGEMENT

#### **REGIONAL**

#### **DAYANAND MENON**

Head, Regional Payroll Services

Mr Dayanand Menon is responsible for the development of the payroll business across the region. Prior to joining Boardroom in 2002, he spent 6 years at Arthur Andersen's client accounting division, where he was responsible for a portfolio of global multi-national clients. Mr Menon brings with him more than 20 years of experience from both the private sector and professional accounting firms. He is a Member of The Association of Accounting Technicians, UK and a graduate from the University of Lincoln, UK.

#### **JULIANA STOTHARD**

Group Head, Regional Human Resource

Ms Juliana Stothard joined Boardroom in January 2010 as Group Head for Regional Human Resource. She brings with her over 16 years of experience in stock broking and international and domestic human resource in the banking and finance industry. Before joining Boardroom, Ms Stothard was with CIMB, Kuala Lumpur, for over 13 years, where she held senior leadership positions in both Retail / Corporate Equity and Human Resources functions. Ms Stothard holds a Bachelor of Arts degree from the University of Sydney, Australia and a Masters of Arts degree from the University of New South Wales, Australia.

#### **SINGAPORE**

#### DAVID WOO SOON CHEONG

Director, Share Registration Services

Mr David Woo is Director of the share registration business. He brings with him more than 20 years of experience in the industry.

#### MAI AYSIA

#### **IRENE LIEW**

Executive Director, Kuala Lumpur

Ms Irene Liew serves as Executive Director of Boardroom's Kuala Lumpur office. Prior to Boardroom, she was with RHB Bank Berhad and was the Assistant Company Secretary from 2001 to 2004. Before that, she was attached to Boardroom Corporate Services (KL) Sdn Bhd from 1996 to 2001. She is an Associate of the Institute of Chartered Secretaries and Administrators (ICSA) and has over 15 years of working experience in corporate secretarial work.

#### **ANG MUI KIOW**

Managing Director, Johor Bahru

Ms Ang Mui Kiow is Managing Director of Boardroom's Johor Bahru office. Prior to Boardroom, Ms Ang spent six years with KPMG, Johor Bahru. She is a company secretary licensed by the Companies Commission of Malaysia and holds a Diploma in Business Studies.



#### **ONG TZE-EN**

Head, Penang

Ms Ong Tze-En has been involved in corporate secretarial work for more than 17 years in both consulting and commercial environments. She started her career with the secretarial arm of one of the Big Four audit firms in Malaysia. Ms Ong has worked with two public listed groups prior to joining Boardroom Corporate Services (Penang) Sdn Bhd.

#### HONG KONG

#### **ELIZA MAN LAI CHUN**

Executive Director, Accounting & Payroll

Ms Eliza Man manages Boardroom's accounting & payroll business. She is a Fellow of the Institute of Business Administration. Ms Man started her career with Ernst & Whinney, and was also a senior manager at RSM Nelson Wheeler prior to Boardroom. She has over 20 years of working experience in accounting, auditing, payroll and pensions administration services for clients across different industries, including local organisations and international trading and service companies.

#### **CHINA**

#### **KELVIN LOH**

Head, Business Solutions, Boardroom LSC China Limited

Mr Kelvin Loh has more than 20 years of finance experience working for large multinational conglomerates across various countries such as Singapore, China, Malaysia, Japan, Australia and Brazil. Mr Loh has a good working knowledge of financial operations in China, as well as business controls for global operations. He also has strong China M&A experience and is well-versed in international sales operations of Original Equipment Manufacturing (OEM) contract negotiations ranging from pricing, terms of sales, production capacity allocation to currency exposure. He is a qualified FCPA, and possesses a proven track record in Crisis Management, ERP Implementation/Management, Cost Down, Risk Management, Business Process Management and Business Steering.



### SENIOR MANAGEMENT

#### **AUSTRALIA**

#### **MARTIN JONES**

General Manager, Operation Risk and Compliance, Boardroom Pty Limited

Mr Martin Jones joined Boardroom Pty Limited in December 2007. Mr Jones has 30 years of experience in the financial sector, having held operational, compliance and senior management roles within in-house securities registration providers for ASX-listed companies, as well as outsourced providers such as Computershare. He also worked for a number of years at the ASX and was involved in the development and implementation of procedures and business rules applying to FAST, CHESS and warrant issues.

Mr Jones holds degrees in Law and Economics from Monash University, a Graduate Diploma in Company Secretarial Practice. He is a Fellow of the Chartered Institute of Secretaries, a Fellow of Chartered Secretaries Australia, and is a member of the Chartered Secretaries Australia NSW Council.

#### PAUL TIMMS

To Greater Heights

General Manager, Corporate Services, Boardroom Pty Limited

Mr Paul Timms is responsible for operational service delivery across the business units. He has worked at Boardroom and its predecessor company for over 8 years and has more than 10 years' experience in the Australian financial markets, prior to which he held a senior management role for a UK-listed Corporate Services business.

Mr Timms holds a Masters in Marketing and Bachelor of Arts in Business Administration.

#### **GEORGE LYGOYRIS**

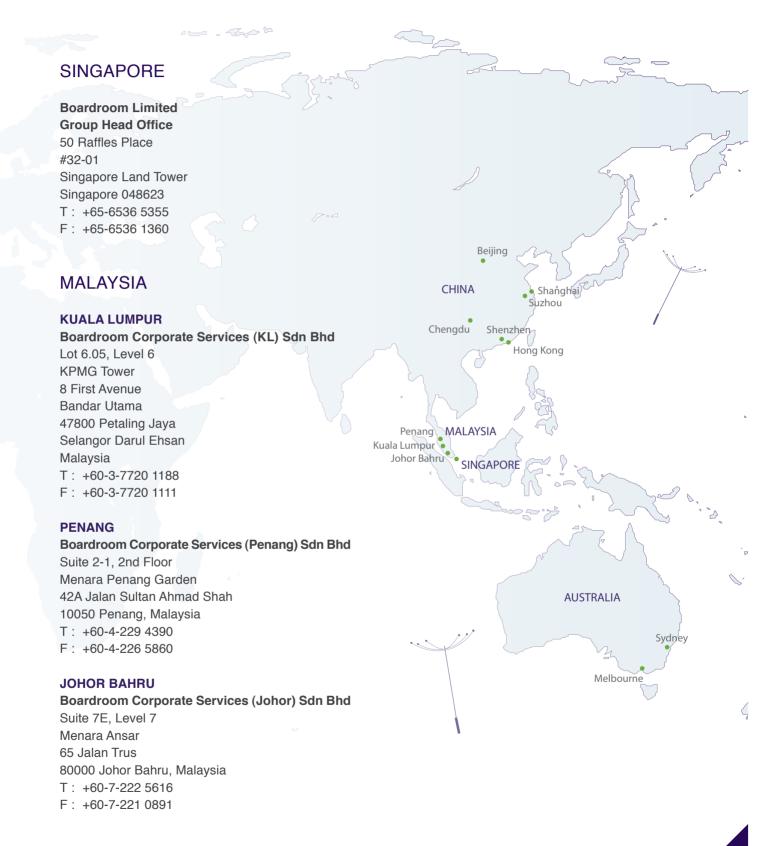
General Manager, Sales and Marketing, Boardroom Pty Limited

Mr George Lygoyris has worked at Boardroom Pty Limited since 2008. He has held senior management roles in several ASX-listed companies within the financial services and pharmaceutical industries for over 15 years. He has extensive experience in new business development including marketing program formation and implementation.

Mr Lygoyris holds a Bachelor of Business majoring in Accounting from Charles Sturt University.



### **BOARDROOM OFFICE LISTING**



### **BOARDROOM OFFICE LISTING**

#### HONG KONG

#### HONG KONG

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#### **AUSTRALIA**

#### SYDNEY

**Boardroom Pty Limited** 

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#### **MELBOURNE**

**Boardroom Pty Limited** 

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### CORPORATE GOVERNANCE

The Board continues to uphold high standards of corporate governance to enhance long term shareholders value. This report outlines Boardroom's corporate governance practices and activities for the financial year in compliance with the Code of Corporate Governance 2005 (the "Code").

#### 1. BOARD MATTERS

#### a) Board Composition

The Board comprises 8 directors and 1 alternate director. There are 5 independent directors, 1 non-executive director, 2 executive directors and 1 alternate director to the non-executive director.

Directors	Position	Date of first appointment	Date of last re-election/ re-appointment	
Goh Geok Khim (Alternate : Goh Yew Lin)	Non-Executive Chairman	18 November 2004	21 October 2011	
Kim Teo Poh Jin	Executive Director & Chief Executive Officer ("CEO")	5 August 2009	23 October 2009	
Sebastian Tan Cher Liang	Managing Director & Finance Director	5 May 2000	Not subject to retirement pursuant to Articles of Association	
Sim Cheok Lim	Independent / Non-Executive	15 August 2000	21 October 2011	
Elizabeth Sam	Independent / Non-Executive	15 August 2000	21 October 2011	
Mak Lye Mun	Independent / Non-Executive	18 November 2004	29 October 2010	
William Wong Tien Leong	Independent / Non-Executive	14 January 2005	21 October 2011	
Spencer Lee Tien Chye	Independent / Non-Executive	27 October 2011	Not applicable	

The majority of the Board comprises independent directors. The independent and non-executive members of the Board comprise seasoned professionals with a diversity of expertise and skills, including management, legal, financial and accounting. The independent directors are able to exercise independent judgment in the best interests of the Company and this enables the management to benefit from their external and objective perspectives of issues that are brought before the Board.

### CORPORATE GOVERNANCE

The Board, through the Nominating Committee, would continue to review the size and composition of the Board from time to time to ensure that the size of the Board is conducive to effective decision-making. The size and composition of the Board was increased by one additional independent and non-executive member during the financial year. The Board is of the opinion that, given the scope and nature of the Group's operations, the present size of the Board is appropriate to facilitate effective decision-making.

All newly appointed Directors are given induction and are briefed by management on the history and business operations of the Group. The Company will, if necessary, organise briefing sessions or circulate memoranda for Directors to enable them to keep pace with regulatory changes, where such changes have a material bearing on the Group.

#### b) Role of the Board of Directors

The Board sets the overall business direction, provides guidance on the Company's strategic plans with particular attention paid to growth and financial performance and oversees the management of the Company. The Board delegates the formulation of business policies and day-to-day management to the Chief Executive Officer and the Managing Director.

The non-executive directors actively participate in setting strategies and goals for the Company and review as well as monitor the performance of management in meeting the strategies and goals.

Board approval is specifically required for major investment or acquisition proposals and the Board also reviews the Group's annual budget.

Matters that are specifically reserved for the Board's decision and approval include:

- · Financial results announcements;
- Annual report and accounts;
- Dividend payment to shareholders;
- Interested person transactions;
- Corporate strategies and financial restructuring; and
- Transactions of a material nature requiring announcement under the listing rules of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The Board meets at least once every quarter, with additional meetings scheduled if there are matters requiring the Board's decision at the relevant times. Attendance at Board Meetings by way of telephone and video conference calls are allowed under the Articles of Association of the Company.

In the course of the year under review, the number of meetings held and attended by each member of the Board and Board Committees are as follows:

Type of Meetings	Во	ard	Audit Committee		Nominating Committee		Remuneration Committee	
Names	No. of Meetings Held	No. of Meetings Attended						
Goh Geok Khim (Alternate - Goh Yew Lin)	5	5	-	-	1	1	1	1
Kim Teo Poh Jin	5	3	-	-	-	-	-	-
Sebastian Tan Cher Liang	5	4	-	-	-	-	-	-
Mak Lye Mun	5	5	4	4	-	-	-	-
Sim Cheok Lim	5	5	4	4	1	1	-	-
Elizabeth Sam	5	5	-	-	1	1	1	1
William Wong Tien Leong	5	5	4	4	-	-	1	1
Spencer Lee Tien Chye	3	3*	-	-	-	-	-	-

<sup>\*</sup> Appointed on 27 October 2011

#### c) Access to Information

Management provides Board members with complete, adequate and timely information prior to Board meetings and on an on-going basis. In addition, all relevant information on budgets, forecasts, monthly accounts, material events and transactions complete with background and explanations are circulated to directors as and when they are available.

The Directors have separate and independent access to the Company's senior management and the advice and services of the Company Secretaries, who also attend meetings of the Board and its Committees. The Company Secretaries are responsible for ensuring that Board procedures are followed. They also ensure that the Company complies with the requirement of all applicable rules and regulations. Directors may, in appropriate circumstances, seek independent professional advice concerning the Company's affairs, at the Company's expense.

### CORPORATE GOVERNANCE

#### d) Chairman and Chief Executive Officer

There is a clear separation of roles and responsibilities of the Chairman and the CEO to ensure a balance of power and authority, increased accountability and greater capacity of the Board for independent decision making. The Chairman and CEO are not related to each other.

Goh Geok Khim is the Chairman of the Board.

The Chairman leads Board discussions and deliberations as well as promotes a culture of openness and debate at board meetings. The Chairman of the Board ensures that board meetings are held when necessary. He sets the meeting agenda and ensures that Directors are provided with complete, adequate and timely information. He also assists in ensuring compliance with the Company's guidelines on corporate governance.

Kim Teo Poh Jin, the CEO, is responsible for the day-to-day management affairs of the Group. He also executes the strategic plans set out by the Board and ensures that the Directors are kept updated and informed of the Group's business.

The CEO's performance and remuneration package would be reviewed periodically by the Nominating Committee and the Remuneration Committee. The majority of these committee members are independent directors of the Company. Therefore, the Board believes that there are adequate safeguards against an uneven concentration of power and authority in a single individual.

Sim Cheok Lim is the Lead Independent Director.

The Lead Independent Director is available to shareholders if they have any concerns relating to matters when contact through the normal channels of the Chairman, CEO or Finance Director has failed to resolve, or where such contact is inappropriate.

#### e) Board Committees

To assist the Board in the execution of its duties, the Board has delegated specific functions to the Audit Committee, Nominating Committee and Remuneration Committee.

#### **Audit Committee**

The Audit Committee ("AC") comprises Sim Cheok Lim, William Wong Tien Leong, Mak Lye Mun and Spencer Lee Tien Chye, all of whom are non-executives and independent. The Chairman of the AC is Sim Cheok Lim. Spencer Lee Tien Chye was appointed as an additional member of the AC on 8 August 2012. Three members of the AC have relevant accounting and financial management experience.

During the financial year, the AC carried out its functions in accordance with the Companies Act, Cap. 50 and its terms of reference. In performing those functions, the AC:

- a) Reviews the annual audit plan of the Company's external auditors;
- b) Reviews the results of the external auditors' examination and their evaluation of the Group's internal control system;
- c) Nominates external auditors of the Company for re-appointment;
- d) Reviews the Company's quarterly results announcements, the financial year statements of the Company and the consolidated financial statements of the Group before submission to the Board for approval of release of the results announcements to the SGX-ST;
- e) Reviews the audit plans of the internal and external auditors of the Company and ensures the adequacy of the Company's system of accounting controls and the co-operation given by the Company's management to the external and internal auditors;
- f) Reviews the adequacy and effectiveness of the Company's material internal controls, including financial, operational and compliance controls and risk management, relying on reviews carried out by the internal auditors;
- g) Approves the internal audit plans and reviews results of internal audits as well as management's responses to the recommendations of the internal auditors;
- h) Reviews the cost effectiveness and the independence and objectivity of the external auditors;
- Reviews the nature and extent of non-audit services provided by the external auditors yearly to determine their independence;
- j) Recommends to the Board the appointment and re-appointment of external auditors, approves the compensation and terms of engagement of the external auditors, and reviews the scope and results of the audit;
- k) Reviews the Company's hedging contracts and the structure and underlying conditions for hedging activities;
- Reviews interested person transactions falling within the scope of the Listing Manual of the SGX-ST; and
- m) Conducts any other reviews as required by the Listing Manual of the SGX-ST.

### CORPORATE GOVERNANCE

The AC has also put in place a policy, whereby staff of the Group may raise concerns about possible improprieties in matters of financial reporting, fraudulent acts and other matters and ensure that arrangements are in place for independent investigations of such matters and appropriate follow up actions.

The AC has full access to and co-operation of management. It has full discretion to invite any Director or executive officer to attend its meetings and has been given reasonable resources to enable it to discharge its functions.

The AC meets with the external auditors, without the presence of the Company's management, at least once a year.

During the financial year, there were no non-audit fees paid to the Company's external auditors for non-audit services and the external auditors have also provided a confirmation of their independence to the AC. For the financial year ended 30 June 2012, the Group has accrued an aggregate amount of audit fees of approximately S\$267,488 to the external auditors for audit services.

The Company and its subsidiaries comply with the requirements of Rules 712 and 715 of the Listing Manual of the SGX-ST in relation to the appointment of auditors.

Minutes of the AC meetings are circulated to Directors (who are not AC members) by the Company Secretaries.

#### **Nominating Committee**

The Nominating Committee ("NC") comprises Elizabeth Sam, Sim Cheok Lim and Goh Geok Khim. The Chairman of the NC is Elizabeth Sam, an independent director who is not directly associated with any substantial shareholder of the Company.

The NC's primary functions are to evaluate and to review nominations for appointment and re-appointment to the Board and the various Committees, to assess the effectiveness of the Board, to nominate any director for re-election at the Annual General Meeting ("AGM"), having regard to the director's contribution and performance and to determine whether or not a director is independent.

The NC is responsible for identifying and recommending to the Board new Board members, after considering the necessary and desirable competencies such as their skills, experience, knowledge and diversity. Accordingly, in selecting potential new directors, the NC will seek to identify the competencies required to enable the Board to fulfil its responsibilities.

During the financial year, the NC recommended and the Board approved the appointment of Spencer Lee Tien Chye as a Director of the Company on 27 October 2011. Mr Lee was subsequently appointed as a member of the AC and Remuneration Committee on 8 August 2012.

The NC may engage consultants to undertake research on, or assess, candidates for new positions on the Board, or to engage such other independent experts as it considers necessary to carry out its duties and responsibilities.

The NC has reviewed the independence of Sim Cheok Lim, Mak Lye Mun, Elizabeth Sam, William Wong Tien Leong and Spencer Lee Tien Chye and is satisfied that there are no relationships which would deem any of them not to be independent. In reviewing the independence, the NC has considered the relationships identified by the Code and additionally, the independent directors are also independent of substantial shareholders of the Company.

Key information on directors of the Company can be found on pages 10 to 13 of this Annual Report.

For the year under review, the NC evaluated the Board's performance as a whole. The performance criteria for the Board evaluation covers amongst other criteria, Board composition, Board processes, Board accountability, CEO performance and succession planning and standard of conduct of the Board. Although the Directors are not evaluated individually, the factors taken into consideration for the re-nomination of the Directors for the current year are based on the Directors' attendance at meetings held during the year and the contribution made by the Directors at the meetings.

The Board is of the view that the financial parameters recommended by the Code as performance criteria for the evaluation of Directors' performance may not fully measure the long-term success of the Company and is less appropriate for the Non-Executive Directors and Board's performance as a whole.

In selecting new directors and in re-nominating directors for re-election or re-appointment, the NC will seek to identify the competencies required to enable the Board to fulfil its responsibilities. In doing so, the NC will have regard to the results of the annual evaluation of directors. Recommendations are put to the Board for its consideration. The Directors, except for the Managing Director, submit themselves for re-election at least once in every three years and each year, one-third of the Directors retire from office at the Company's general meeting. In addition, the Company's Articles of Association also provides that a newly appointed Director must submit himself for re-election at the annual general meeting following the appointment. The Managing Director is not subject to retirement by rotation as the success of the Company is dependent on his experience and skills.

Though some of the Board members have multiple board representations, the NC is satisfied that the Directors have devoted sufficient time and attention to the Group.

#### Remuneration Committee

The Remuneration Committee ("RC") comprises William Wong Tien Leong, Goh Geok Khim, Elizabeth Sam and Spencer Lee Tien Chye. William Wong Tien Leong is the Chairman of the RC. Spencer Lee Tien Chye was appointed as an additional member of the RC on 8 August 2012.

### CORPORATE GOVERNANCE

The primary functions of the RC are to review and recommend a framework of remuneration and the remuneration packages of the Executive Directors and key management and ensure that a sufficient number of suitable candidates are recruited and/or promoted to leadership positions. In addition, the RC also functions as the Administrative Committee of the Boardroom Share Option Scheme.

The RC seeks expert advice from external consultants whenever required.

Although the members of the RC do not participate in any decisions concerning their own remuneration, the RC had adopted a framework for Directors' Fees. Within that framework, the RC had recommended that additional Director's Fee of S\$16,986 be paid for the year ended 30 June 2012 to the additional independent non-executive Director appointed during the financial year and Directors' Fees of up to S\$350,000 be paid quarterly in arrears for year ending 30 June 2013.

Details of remuneration paid to the Directors of the Company are set out on pages 96 and 97 of the Annual Report.

The remuneration in the financial year of Key Executives are set out below in bands of S\$250,000.

Remuneration of Key Executives (not being Directors)

Remuneration band and Name of Key Executives (not being Directors)	Salary %	Bonus %	Fees %	Other Benefits %	Total %
\$500,000 to below \$750,000					
Rhett Tregunna	84	14	0	2	100
\$250,000 to below \$500,000					
Leong Lai Cheng	81	19	0	0	100
Tan San-Ju	81	19	0	0	100
Below \$250,000					
Khor Yoke Kean	85	15	0	0	100
Lim Yi Ping Rena	100	0	0	0	100
Tai Yit Chan Samantha	74	17	0	9	100

There were no employees who are immediate family members of the Directors and CEO who earn in excess of S\$50,000 in FY2012.

#### **Material Contracts**

The Company and its subsidiary companies did not enter into any material contracts involving the interests of the CEO, Director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

#### 2. COMMUNICATION WITH SHAREHOLDERS

The Company does not practise selective disclosure. In line with continuous disclosure obligations of the Company pursuant to the SGX-ST's Listing Rules, the Board's policy is that all shareholders should be equally and timely informed of all major developments that impact the Group.

Information is communicated to shareholders on a timely basis through:

- · Annual reports that are prepared and issued to all shareholders;
- Quarterly financial statements containing a summary of the financial information and affairs of the Group are published through the SGXNET;
- Timely announcements of acquisitions etc; and
- Notices of and explanatory notes for annual general meetings and extraordinary general meetings.

In addition, shareholders are encouraged to attend the AGM to ensure a high level of accountability. The AGM is the principal forum for dialogue with shareholders.

The notice of the AGM is dispatched to shareholders, together with explanatory notes or a circular on items of special business, at least 14 working days before the meeting. The Board welcomes questions from shareholders who have an opportunity to raise issues either informally or formally before or at the AGM. The Chairpersons of the Audit, Remuneration, and Nominating Committees are usually available at the AGM to answer those questions relating to the work of these committees.

### CORPORATE GOVERNANCE

#### 3. DEALING WITH THE COMPANY'S SECURITIES

The Company has adopted a code of conduct to provide guidance to its officers with regard to dealings in the Company's securities. The Company has complied with its Best Practices Guide on Securities Transactions which states that Officers of the Company should not deal in the Company's securities on short-term considerations and during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year or one month before the announcement of the Company's full year financial statements.

#### 4. INTERESTED PERSON TRANSACTIONS

In respect of any transaction with interested persons, the Company has set out the procedures for review and approval of the Company's interested person transactions.

When a potential conflict of interest arises, the director concerned does not participate in discussions and refrains from exercising any influence over other members of the Board.

In compliance with the Listing Manual of SGX-ST, the Group confirms that there were interested person transactions during the financial year but these were less than S\$100,000 in aggregate.

#### 5. INTERNAL AUDIT

The Company resources its own internal audit as well as uses the service of outsourced providers. The scope of internal audit is to:

- Review the effectiveness of the Group's material internal controls;
- Provide assurance that key business and operational risks are identified and managed;
- Ensure that internal controls are in place and functioning as intended; and
- Ensure that operations are conducted in an effective and efficient manner.

Non-compliance and internal control weaknesses noted during the internal audit and the recommendations thereof are reported to the AC as part of the review of the Group's internal control system.

The Internal Auditors report primarily to the AC Chairman and reports administratively to the Finance Director. To ensure the adequacy of the internal audit function, the AC reviews the Internal Auditors' scope of work on an annual basis.

#### 6. RISK MANAGEMENT AND INTERNAL CONTROLS

The Group proactively manages key risks to safeguard shareholders' interests and its assets. The practice of risk management and monitoring of existing internal control systems are undertaken by the Company's Executive Directors and senior executives of each business division under the purview of the AC.

The Group's financial risk management objectives and policies are discussed under Note 28 of the Notes to the Financial Statements, on pages 103 to 111 of the Annual Report;

To address the operational and compliance risks, the Group carries out on-going reviews on the following:

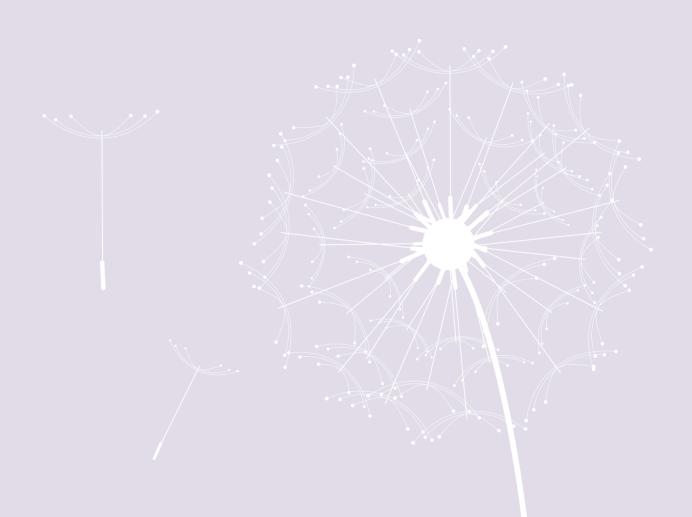
- i) business plans and the internal policies and procedures;
- ii) succession planning and other employee-related issues in an effort to recruit and retain a skilled and experienced workforce necessary for its business;
- iii) Business Continuity Plan, which would allow the Group's business and operations to continue at a designated remote command centre in the event of a crisis or disaster; and
- iv) the legal and regulatory changes to keep abreast with developments which may have an impact on its business and operations.

Based on the internal controls established and maintained by the Company, work performed by the internal and external auditors, and reviews performed by management, Board Committees and the Board, the Audit Committee and the Board are of the opinion that the Company's internal controls, addressing financial, operational and compliance risks, were adequate as at 30 June 2012.

The system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Dated: 5 October 2012

### FINANCIAL STATEMENTS



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### Directors' Report

The directors submit this annual report to the members together with the audited consolidated financial statements of the Group and balance sheet of the Company for the financial year ended 30 June 2012.

#### Names of directors

The directors of the Company in office at the date of this report are:

Goh Geok Khim

Kim Teo Poh Jin

Tan Cher Liang

Mak Lye Mun

Sim Cheok Lim

Elizabeth Sam

William Wong Tien Leong

Spencer Lee Tien Chye (appointed on 27 October 2011)

Goh Yew Lin (alternate to Goh Geok Khim)

#### Arrangements to acquire shares or debentures

During and at the end of the financial year, the Company was not a party to any arrangement the object of which was to enable the directors to acquire benefits through the acquisition of shares in or debentures of the Company or of any other corporate body other than as disclosed in this report.

#### Directors' interest in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act, Chapter 50, the following directors who held office at the end of the financial year were interested in shares and share options of the Company:

	Number of ordinary shares fully paid					
	Shares registered			Shares in which director		
	in	name of direc	tor	is deemed to have an interest		
	As at	As at As at As at			As at	As at
Name of director	1.7.2011	30.6.2012	21.7.2012	1.7.2011	30.6.2012	21.7.2012
Goh Geok Khim	_	_	_	60,528,857	60,528,857	60,528,857
Goh Yew Lin						
(alternate to Goh Geok Khim)	_	_	_	60,528,857	60,528,857	60,528,857
Sim Cheok Lim	458,000	458,000	458,000	_	_	_
Elizabeth Sam	345,000	345,000	345,000	_	_	_
Tan Cher Liang	1,269,000	1,269,000	1,269,000	_	-	-

Goh Geok Khim and Goh Yew Lin, by virtue of the provisions of Section 7 of the Companies Act, Chapter 50, are deemed to be interested in the whole of the issued share capital of all the wholly owned subsidiaries of Boardroom Limited.

### Directors' Report

#### **Directors' benefits**

Since the end of the previous financial year, no director has received or has become entitled to receive a benefit under a contract which is required to be disclosed under Section 201(8) of the Companies Act, Chapter 50.

### Equity compensation plans of the Company Share options granted

- (a) Particulars of the share options pursuant to the Boardroom Share Option Scheme have been set out in the Directors' Report for the financial year ended 30 June 2001.
- (b) No options were granted during the financial year to take up unissued shares of the Company.

Options granted to directors were as follows:

Name of directors	Options granted during the financial year	Aggregate options granted since commencement of the Scheme to 30.6.2012	Aggregate options exercised since commencement of the Scheme to 30.6.2012	Aggregate options lapsed since commencement of the Scheme to 30.6.2012	Aggregate options outstanding as at 30.6.2012
Executive Directors Tan Cher Liang	-	3,250,000	(3,250,000)	_	-
Non-Executive Directors					
Sim Cheok Lim	_	495,000	(395,000)	(100,000)	_
Elizabeth Sam	_	495,000	(395,000)	(100,000)	_

- (c) Save as disclosed in (b) above, no employee has received 5 percent or more of the total number of options available under the Scheme.
- (d) No options were granted during the financial year to take up unissued shares of its subsidiaries.
- (e) The Share Option Scheme is administered by a Committee of Directors comprising William Wong Tien Leong (Chairman), Goh Geok Khim, Elizabeth Sam and Spencer Lee Tien Chye. No controlling shareholder of the Company or his associates is a participant of the Scheme.
- (f) The Scheme is for the employees of the Company and subsidiaries subject to the discretion of the Committee.
- (g) The persons to whom the options have been issued have no right to participate by virtue of the options in any share issue of any other company.
- (h) Pursuant to the rights issue as disclosed in Note 10(a) to the financial statements, the exercise prices of the share options had been adjusted downwards by 7%.

### Directors' Report

#### Share options exercised

The following shares were issued by the Company by virtue of the exercise of options:

(i) 17,000 ordinary shares at an exercise price of \$0.335 per share.

No shares were issued by virtue of the exercise of options to take up unissued shares of any subsidiary.

### Unissued shares under option

At the end of the financial year, unissued ordinary shares under option were as follows:

	Adjusted	Number of options			Options	Number of options	
	exercise	outstanding	Options	Options	cancelled/	outstanding	
Date granted	price	1.7.2011	granted	exercised	lapsed	30.6.2012	Exercise period
04.0.0004	Φ0.000	0.000			(0.000)		04.0.0000100.0.0044
24.9.2001	\$0.230	8,000	_	_	(8,000)	_	24.9.2003 to 23.9.2011
18.7.2002	\$0.390	62,000	_	_	_	62,000	18.7.2004 to 17.7.2012
21.10.2002	\$0.330	27,000	_	_	_	27,000	21.10.2004 to 20.10.2012
17.10.2003	\$0.355	79,000	_	_	_	79,000	17.10.2005 to 16.10.2013
10.11.2004	\$0.335	323,000	_	(17,000)	(3,000)	303,000	10.11.2006 to 9.11.2014
		499,000	_	(17,000)	(11,000)	471,000	

#### **Equity compensation plans of Subsidiary Company**

(a) Particulars of the share options pursuant to the Newreg Pty Ltd Employee Share Option Plan ("Newreg Plan") are as follows:

On 27 March 2009, 394,500 share options were issued to employees under an employee share option plan. These options vest on 27 March 2012 and the earliest exercise date is 27 December 2012.

On 27 March 2008, 582,000 share options were issued to employees under an employee share option plan. These options vest on 27 March 2011 and the earliest exercise date is 27 December 2012.

On 28 July 2010, the Group completed its acquisition of 4,800,000 ordinary shares in Newreg Pty Ltd which represents approximately 33.33% of the entire issued capital of Newreg Pty Ltd. Following the completion of this acquisition, Boardroom Holdings Australia Pty Ltd's ("BRHA's") equity interest in Newreg Pty Ltd increased to approximately 66.67% and accordingly, Newreg Pty Ltd became a subsidiary company of the Group. On 8 November 2010, BRHA completed the acquisition of an additional 33.33% interest in Newreg Pty Ltd. Following the completion of the acquisition, the Group holds the entire issued and paid up capital of Newreg Pty Ltd. As part of a change of ownership in BRHA in FY2011, a modification was made to the existing share option plan. The modification introduced a cash alternative for the employees that were granted the original plan options, whereby the employees can choose whether to receive the shares of cash equal to the number of shares at a fixed price per share.

### Directors' Report

### Equity compensation plans of Subsidiary Company (cont'd)

- (b) No options were granted during the financial year to take up unissued shares of its controlled entities.
- (c) The Newreg Plan is administered by the Board of Newreg Pty Ltd which currently comprises the directors Christopher Colin Grubb (Chairman), Ryan James Whitelegg, Tan Cher Liang, Kim Teo Poh Jin and Rhett David Tregunna.
- (d) Other than Rhett David Tregunna, no directors or controlling shareholders of the company or their associates are participants of the Newreg Plan.
- (e) The Newreg Plan is for the employees of the company and controlled entities subject to the discretion of the Committee.
- (f) Participants who received 5% or more of the total number of options available under the Newreg Plan were as follows:

Name of employee	Options granted during the financial year	Aggregate options granted since commencement of the Scheme to 30.6.2012	Aggregate options exercised since commencement of the Scheme to 30.6.2012	Aggregate options lapsed since commencement of the Scheme to 30.6.2012	Aggregate options outstanding as at 30.6.2012
Rhett David Tregunna	50,000	338,000	_	(88,000)	250,000
George Lygoyris	50,000	338,000	_	(138,000)	200,000
John Lewis	_	100,000	_	(100,000)	_
Paul Timms	_	56,000	_	_	56,000
Martin Jones	_	36,000	_	_	36,000

- (g) The exercise price of options under the Newreg Plan is \$1.20 (Australian Dollars).
- (h) The persons to whom the options have been issued have no right to participate by virtue of the options in any share issue of any other company.
- (i) No shares were issued by virtue of the exercise of options to take up unissued shares of the subsidiary.

### Directors' Report

### Unissued shares under option

At the end of the financial year, unissued ordinary shares under option were as follows:

	Exercise price	Number of options outstanding	Options	Options	Options cancelled/	Number of options outstanding	
Date granted	(AUD)	1.7.2011	granted	exercised	lapsed	30.6.2012	Exercise period
27.03.2008	\$1.200	307,000	_	_	(118,000)	189,000	27.12.2012 to 27.3.2013
27.03.2009	\$1.200	394,500	112,000	_	_	506,500	27.12.2012 to 27.3.2013
		701,500	112,000	_	(118,000)	695,500	

#### **Audit Committee**

The Audit Committee comprises the following members:

Sim Cheok Lim (Chairman) (Non-Executive Independent Director)

Mak Lye Mun (Non-Executive Independent Director)

William Wong Tien Leong (Non-Executive Independent Director)

Spencer Lee Tien Chye (Non-Executive Independent Director) (appointed on 8 August 2012)

The Audit Committee performs the functions set out in Section 201B(5) of the Companies Act, Chapter 50. In performing its functions, the Committee reviewed the overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls. The Committee also reviewed the consolidated financial statements of the Group and the balance sheet of the Company for the financial year ended 30 June 2012 as well as the auditor's report thereon.

Further details regarding the Audit Committee are disclosed in the Report on Corporate Governance.

#### Independent auditor

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor.

On behalf of the directors

Kim Teo Poh Jin Tan Cher Liang

Dated: 20 September 2012

### Statement by Directors

In the opinion of the directors,

- (a) the accompanying balance sheet of the Company and the consolidated financial statements of the Group, together with the notes thereon, are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2012 and the results of the business, changes in equity and cash flows of the Group for the financial year ended on that date, and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors

Kim Teo Poh Jin Tan Cher Liang

Dated: 20 September 2012

# Independent Auditor's Report to the Members of Boardroom Limited

### Report on the financial statements

We have audited the accompanying financial statements of Boardroom Limited, (the Company) and its subsidiaries (collectively, the Group), which comprise the balance sheets of the Group and the Company as at 30 June 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

### Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## Independent Auditor's Report to the Members of Boardroom Limited

### **Opinion**

In our opinion, the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2012 and of the results, changes in equity and cash flows of the Group for the year ended on that date.

### Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and
Certified Public Accountants

Singapore, 20 September 2012

### **Balance Sheets**

For the year ended 30 June 2012

		The Co	mpany	The Group		
		30 June	30 June	30 June	30 June	
		2012	2011	2012	2011	
	Note	\$	\$	\$	\$	
					(Restated)	
Assets						
Non-current assets						
Property, plant and equipment	4	396,003	523,659	2,586,980	3,309,978	
Intangible assets	5	133,535	135,823	81,930,147	83,199,266	
Investments in subsidiaries	6	85,203,297	81,924,758	-	-	
Deferred tax assets	12	-	-	636,305	500,589	
2010.104 (44) 400010		85,732,835	82,584,240	85,153,432	87,009,833	
		, . ,	,,,,,,	,, -	- ,,	
Current assets						
Trade receivables	7	-	_	10,798,538	10,746,314	
Unbilled disbursements		_	_	90,704	147,548	
Amounts owing by subsidiaries	6	4,694,398	9,607,298		_	
Other receivables	8	1,706,159	905,671	2,794,871	1,663,109	
Prepayments		57,454	14,749	317,658	196,141	
Cash and cash equivalents	9	2,876,411	1,293,913	9,598,729	7,669,091	
		9,334,422	11,821,631	23,600,500	20,422,203	
Total assets		95,067,257	94,405,871	108,753,932	107,432,036	
Equity and liabilities						
Current liabilities						
Trade payables	13	1,075,023	1,000,521	9,544,372	7,642,797	
Other payables	13	3,914	71	1,565,653	1,090,666	
Derivatives	14	264,800	_	264,800	, , , <u> </u>	
Disbursements billed in advance		_	_	77,974	112	
Excess of progress billings over work-in-progress	15	_	_	1,736,140	1,547,009	
Loan and borrowings	17	10,000,000	7,500,000	10,000,000	7,500,000	
Amounts owing to subsidiaries	6	8,342,170	5,020,953	_	_	
Current tax payable		150,775	219,009	881,072	1,335,628	
		19,836,682	13,740,554	24,070,011	19,116,212	
Net current (liabilities)/assets		(10,502,260)	(1,918,923)	(469,511)	1,305,991	
Net current (nabilities)/assets		(10,302,200)	(1,910,923)	(409,511)	1,303,991	
Non-current liabilities						
Provision for employees benefits	16	_	_	373,464	1,291,720	
Other payables	6	_	_	807,313	_	
Deferred tax liabilities	12	88,983	399,515	8,868,251	9,889,537	
Loan and borrowings	17	7,250,000	10,250,000	7,250,000	10,250,000	
		7,338,983	10,649,515	17,299,028	21,431,257	
Total liabilities		27,175,665	24,390,069	41,369,039	40,547,469	
Total habilities		21,173,003	24,090,009	41,009,009	40,547,409	
Net assets		67,891,592	70,015,802	67,384,893	66,884,567	
Equity						
Capital and Reserves						
Share capital	10	32,584,104	32,578,409	32,584,104	32,578,409	
Other reserves	11	633,673	633,673	(14,328,231)	(13,294,751)	
Retained earnings		34,673,815	36,803,720	49,552,157	47,503,988	
	-	67,891,592	70,015,802	67,808,030	66,787,646	
Non-controlling interests				(423,137)	96,921	
Total equity		67,891,592	70,015,802	67,384,893	66,884,567	
Total equity and liabilities		95,067,257	94,405,871	108,753,932	107,432,036	
		00,001,201	0 ., .00,07 1		,	

# Consolidated Statement of Comprehensive Income For the year ended 30 June 2012

	Note	Year ended 30 June 2012 \$	Year ended 30 June 2011 \$ (Restated)
Revenue	3	58,582,054	54,860,345
Other operating income	18	336,426	474,031
Gain on re-measurement of investment in associate to fair value	19	_	11,037,850
Staff costs	20	(33,473,493)	(29,141,169)
Interest on borrowings		(425,346)	(280,382)
Depreciation and amortisation expenses		(3,296,239)	(2,986,297)
Other operating expenses		(13,193,468)	(12,162,901)
Share of associate's profits, net of tax		_	89,908
Profit before taxation	21	8,529,934	21,891,385
Taxation	22	(1,470,245)	(2,768,124)
Profit net of taxation		7,059,689	19,123,261
Other Comprehensive Income:  Exchange translation difference arising from financial statements of foreign subsidiaries and associate company  Total comprehensive income for the year		(646,169) 6,413,520	790,149 19,913,410
Profit net of taxation attributable to:			
- Owners of the Company		7,576,128	18,849,341
- Non-controlling interests		(516,439)	273,920
		7,059,689	19,123,261
Total comprehensive income attributable to: - Owners of the Company - Non-controlling interests		6,933,578 (520,058) 6,413,520	19,648,166 265,244 19,913,410
		0, 110,020	.0,010,110
Earnings per share (in cents)			
- basic	23	4.11	10.23
- diluted	23	4.11	10.23

### Consolidated Statement of Changes in Equity For the year ended 30 June 2012

	Share capital \$	Exchange translation reserve	Premium paid on acquisition of non-controlling interests	Share option capital reserve	Total other reserves \$	Retained earnings \$	Non- controlling interests \$	Total \$
Balance at 30 June 2011 as								
previously reported	32,578,409	(2,355,144)	(11,132,696)	(99,276)	(13,587,116)	48,785,656	96,921	67,873,870
Prior year adjustment (note 2)	_	(31,947)	324,312	_	292,365	(1,281,668)	_	(989,303)
Balance at 1 July 2011 as restated	32,578,409	(2,387,091)	(10,808,384)	(99,276)	(13,294,751)	47,503,988	96,921	66,884,567
Profit net of taxation	-	_	-	-	_	7,576,128	(516,439)	7,059,689
Other comprehensive income for the year	_	(664,120)	_	21,570	(642,550)	_	(3,619)	(646,169)
Total comprehensive income for the year	-	(664,120)	-	21,570	(642,550)	7,576,128	(520,058)	6,413,520
Share option modification	_	_	-	(390,930)	(390,930)	_	-	(390,930)
Issue of shares on exercise of employees' share options	5,695	_	_	_	_	_	_	5,695
2011 one-tier tax-exempt dividend of \$0.020 per share paid	_	_	_	_	_	(3,685,305)	_	(3,685,305)
2012 interim one-tier tax-exempt dividend of \$0.010 per share paid	_	_	_	_	_	(1,842,654)	_	(1,842,654)
Balance at 30 June 2012	32,584,104	(3,051,211)	(10,808,384)	(468,636)	(14,328,231)	49,552,157	(423,137)	67,384,893
Balance at 1 July 2010	32,576,634	(2,897,453)	_	633,673	(2,263,780)	34,181,994	-	64,494,848
Profit net of taxation	_	_	_	_	_	18,849,341	273,920	19,123,261
Other comprehensive income for the year	_	798,825	_	_	798,825	_	(8,676)	790,149
Total comprehensive income for the year	_	798,825	_	_	798,825	18,849,341	265,244	19,913,410
Acquisition of subsidiaries	_	_	_	94,756	94,756	_	7,021,755	7,116,511
Acquisition of non-controlling interests	_	(271,706)	(10,808,384)	(128,631)	(11,208,721)	_	(7,513,278)	(18,721,999)
Issuance of shares by subsidiary to non-controlling interests	_	_	_	_	_	_	323,200	323,200
Share option expenses	_	(16,757)	_	397,612	380,855	_	_	380,855
Transfer to liability	_	_	_	(1,096,686)	(1,096,686)	_	_	(1,096,686)
Issue of shares on exercise of employees' share options	1,775	_	_	_	_	_	_	1,775
2010 one-tier tax-exempt dividend of \$0.020 per share paid	_	_	_	_	_	(3,684,865)	_	(3,684,865)
2011 interim one-tier tax-exempt dividend of \$0.010 per share paid						(1,842,482)		(1,842,482)
Balance at 30 June 2011 as restated	32,578,409	(2.387.091)	(10,808,384)	(99.276)	(13,294,751)	47.503.988	96,921	66,884,567

### Consolidated Cash Flow Statement

For the year ended 30 June 2012

	Year ended 30 June 2012 \$	Year ended 30 June 2011 \$
	<u> </u>	(Restated)
Cash Flows from Operating Activities		
Profit before taxation	8,529,934	21,891,385
Adjustments for:	3,323,33	_ :,00 :,000
Amortisation of intangible assets	2,009,226	1,817,430
Depreciation of property, plant and equipment	1,287,013	1,168,867
Exchange difference	127,291	187,228
Impairment of intangible assets	1,600,000	_
Write off of property, plant and equipment	38,230	17,419
Write off of computer software	_	489
Interest income	(138,883)	(164,200)
Interest expense	425,346	280,382
Share option (modification)/expenses	(328,381)	380,855
Gain on re-measurement on investment in associate to fair value	_	(11,037,850)
Share of associate's profits, net of tax	_	(89,908)
Operating profit before working capital changes	13,549,776	14,452,097
Increase in operating receivables and prepayments	(981,575)	(278,951)
Increase in operating payables	542,174	2,016,824
Increase in excess of progress billings over work-in-progress	161,037	200,930
Cash generated from operations	13,271,412	16,390,900
Interest expense paid	(422,307)	(240,419)
Income tax paid	(3,080,149)	(3,966,239)
Net cash generated from operating activities	9,768,956	12,184,242
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(507,795)	(1,645,649)
Acquisition of computer software	(79,049)	(155,649)
Acquisition of subsidiaries (Note 6)	(1,310,576)	(21,253,254)
Proceeds from sale of property, plant and equipment	515	7,221
Interest received	138,426	189,667
Net cash used in investing activities	(1,758,479)	(22,857,664)
Cash Flows from Financing Activities		
Acquisition of non-controlling interest	_	(18,721,999)
Proceed from issue of share by subsidiary to non-controlling interest	_	323,200
Dividends paid	(5,527,959)	(5,527,347)
Repayment of borrowings	(3,000,000)	(3,250,000)
Proceed from loans and borrowings	2,500,000	21,000,000
Proceeds from exercise of employee share options	5,695	1,775
Net cash used in financing activities	(6,022,264)	(6,174,371)
Net increase/(decrease) in cash and cash equivalents	1,988,213	(16,847,793)
Cash and cash equivalents at beginning	7,669,091	24,685,391
Exchange gain arising from translation of foreign currencies cash and		
cash equivalents	(58,575)	(168,507)
Cash and cash equivalents at end (Note 9)	9,598,729	7,669,091

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

For the year ended 30 June 2012

#### 1 General information

The financial statements of the Company and of the Group for the year ended 30 June 2012 were authorised for issue in accordance with a resolution of the directors on the date of the Statement by Directors.

The Company is a limited liability company and domiciled in the Republic of Singapore.

The registered office and principal place of business of the Company is located at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623.

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are stated in Note 6 to the financial statements.

### 2 Summary of significant accounting policies

### **Basis of preparation**

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") including related Interpretations to FRS ("INT FRS") promulgated by the Accounting Standards Council ("ASC"). The financial statements have been prepared under the historical cost convention, unless as disclosed in the accounting policies below.

#### Prior year adjustment in accordance with FRS 103R Business Combinations

The financial statements for 2011 have been restated to reflect the effects of the retrospective adjustment of the goodwill arising from the finalisation of the fair values of the assets and liabilities, relating to the acquisition of Newreg Pty Ltd, which were acquired during the previous financial year ended 30 June 2011. In accordance with FRS 103R Business Combinations, the adjustments arising from the finalisation of such provisional purchase price allocation, which are to be made within twelve months from the date of acquisition, are made retrospectively.

The goodwill arising from this acquisition had not been finalised by the date of issue of the financial statement for the previous financial year ended 30 June 2011. The Purchase Price Allocation (PPA) exercise in accordance with FRS 103R Business Combinations has now been completed. The provisional goodwill total has been revised for the recognition of the customer relationships and architecture of the proprietary system.

Consequently, the results for the previous financial year ended 30 June 2011 have been restated to include the amortisation and the corresponding reduction in income tax from the finalisation of the Purchase Price Allocation (PPA) exercise in accordance with FRS 103R Business Combinations. The prior year adjustment was also included in the Intangibles Assets, Deferred Taxation and Reserves in the balance sheets.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Basis of preparation (cont'd)

### Prior year adjustment in accordance with FRS 103R Business Combinations (cont'd)

The restatements of each of the affected financial statements line items for the previous financial year ended 30 June 2011 are as follows:

Group	Balance at 30 June 2011, as previously reported \$	Effect of prior year adjustments \$	Balance at 30 June 2011, as restated \$
Statement of Comprehensive Income			
Depreciation and amortisation expenses	(1,297,821)	(1,688,476)	(2,986,297)
Taxation	(3,174,932)	406,808	(2,768,124)
Exchange translation difference	(822,096)	31,947	(790,149)
Balance Sheet			
Intangible assets	74,881,280	8,317,986	83,199,266
Other reserves	(13,587,116)	292,365	(13,294,751)
Retained earnings	48,785,656	(1,281,668)	47,503,988
Deferred tax liabilities	582,248	9,307,289	9,889,537

### Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards and Interpretations of FRS (INT FRS) that are effective for annual periods beginning on or after 1 July 2011. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group and the Company.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Standards issued but not yet effective

The Company and the Group have not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets	1 January 2012
Amendments to FRS 1 Presentation of Items of Other Comprehensive Income	1 July 2012
Revised FRS 19 Employee Benefits	1 January 2013
Revised FRS 27 Separate Financial Statements	1 January 2014
Revised FRS 28 Investments in Associates and Joint Ventures	1 January 2014
FRS 110 Consolidated Financial Statements	1 January 2014
FRS 111 Joint Arrangements	1 January 2014
FRS 112 Disclosure of Interests in Other Entities	1 January 2014
FRS 113 Fair Value Measurements	1 January 2013
Amendment to FRS 107 Offsetting of Financial Assets and Financial Liabilities	1 January 2013
INT FRS 120 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendment to FRS 101 Government Loans	1 January 2013
Amendments to FRS 32 Offsetting Financial Assets and Financial Liabilities	1 January 2014
Improvements to FRSs 2012	1 January 2013

Except for the Amendments to FRS 1, Revised FRS 27, FRS 110, FRS 112 and FRS113, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the Amendments to FRS 1, Revised FRS 27, FRS 110, FRS 112 and FRS 113 are described below.

Amendments to FRS 1 Presentation of Items of Other Comprehensive Income

The Amendments to FRS 1 Presentation of Items of Other Comprehensive Income (OCI) is effective for financial periods beginning on or after 1 July 2012.

The Amendments to FRS 1 changes the grouping of items presented in OCI. Items that could be reclassified to profit or loss at a future point in time would be presented separately from items which will never be reclassified. As the Amendments only affect the presentations of items that are already recognised in OCI, the Group does not expect any impact on its financial position or performance upon adoption of this standard.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Standards issued but not yet effective (cont'd)

FRS 110 Consolidated Financial Statements and Revised FRS 27 Separate Financial Statements (Revised)

FRS 110 and the Revised FRS 27 are effective for financial periods beginning on or after 1 January 2014.

FRS 110 establishes a single control model that applies to all entities (including special purpose entities). The changes introduced by FRS 110 will require management to exercise significant judgment to determine which entities are controlled, and therefore are required to be consolidated by the Group, compared with the requirements that were in FRS27. Therefore, FRS 110 may change which entities are consolidated within a group. The Revised FRS 27 was amended to address accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.

The Group does not expect adoption of these standards to have material impact on the financial statements.

FRS 112 Disclosure of Interests in Other Entities

FRS 112 is effective for financial periods beginning on or after 1 January 2014.

FRS 112 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. FRS 112 requires an entity to disclose information that helps users of its financial statements to evaluate the nature and risks associated with its interests in other entities and the effects of those interests on its financial statements. As this is a disclosure standard, it is not expected to have a significant impact to the financial position and financial performance of the Group when implemented in 2014.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Standards issued but not yet effective (cont'd)

FRS 113 Fair Value Measurements

FRS 113 is effective for financial periods beginning on or after 1 January 2013.

FRS 113 provides a single source of guidance for all fair value measurements. FRS 113 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS/IFRS when fair value is required or permitted by FRS. The Group does not expect the adoption of this standard to have material impact to the financial statements.

#### A) Basis of consolidation

Basis of consolidation from 1 July 2009

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intragroup transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### A) Basis of consolidation (cont'd)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when controls is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- · Recognises any surplus or deficit in profit or loss;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Basis of consolidation prior to 1 July 2009

Certain of the above-mentioned requirements were applied on a prospective basis. The following differences, however, are carried forward in certain instances from the previous basis of consolidation:

- Acquisition of non-controlling interests, prior to 1 July 2009, were accounted for using the parent
  entity extension method, whereby, the difference between the consideration and the book value
  of the share of the net assets acquired were recognised in goodwill.
- Losses incurred by the Group were attributed to the non-controlling interest until the balance was
  reduced to nil. Any further losses were attributed to the Group, unless the non-controlling interest
  had a binding obligation to cover these. Losses prior to 1 July 2009 were not reallocated between
  non-controlling interest and the owners of the Company.
- Upon loss of control, the Group accounted for the investment retained at its proportionate share
  of net asset value at the date control was lost. The carrying value of such investments as at 1 July
  2009 have not been restated.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### B) Business combinations

Business combinations from 1 July 2009

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with FRS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not be remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### B) Business combinations (cont'd)

Business combinations prior to 1 July 2009

In comparison to the above mentioned requirements, the following differences applied:

Business combinations are accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest (formerly known as minority interest) was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in equity. Any additional acquired share of interest did not affect previously recognised goodwill.

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that otherwise would have been required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

### Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Significant accounting estimates and judgements

The preparation of the financial statements in conformity with FRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

### (a) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Accrual for unbilled revenue

Accrual for unbilled revenue earned is based on time recorded on an assignment estimated to be recoverable in subsequent financial periods and when there are no significant uncertainties regarding the recovery of the consideration due. The estimation of recoverability is made by the management based on an assessment of the agreed fees and budgeted cost.

### · Allowance for anticipated losses under work-in-progress

Allowance for anticipated losses under work-in-progress is based on the estimated average percentage of job costs recoverable during the financial year. The estimated average percentage of job costs is measured by reference to the fees bills and costs incurred. This allowance is made for losses expected to arise on completion of contract assignment entered into before balance sheet date based on past experience and knowledge of the management.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Significant accounting estimates and judgements (cont'd)

- (a) Key sources of estimation uncertainty (cont'd)
  - Allowance for bad and doubtful debts

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Allowances are applied to trade receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the expected outcome is different from the original estimate, such difference will impact carrying value of trade receivables and doubtful debts expenses in the year in which such estimate has been changed.

#### · Impairment losses of goodwill

Impairment losses of goodwill under intangible assets with indefinite useful life are based on estimated future cash flows covering an indefinite period. These cash flows projections are based on the net profitability of the acquired businesses. The estimated future cash flows are discounted to their present value using a pre-tax discount rate of about 5% to 10% over a 5 to 10 years' period that reflect current market assessments of the time value of money. The goodwill at carrying value is allocated to the Australia, Hong Kong, Malaysia, Singapore and China acquired businesses at \$26,195,824, \$17,724,554, \$5,124,889, \$3,098,895 and \$54,057 respectively.

#### Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 6 years. The life expectancies applied are based on management assessment after taking into account historical asset useful life. The carrying amount of the Group's property, plant and equipment as at 30 June 2012 was \$2,586,980 (2011: \$3,309,978). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Significant accounting estimates and judgements (cont'd)

(b) Critical judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made certain judgements, apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

#### Income taxes

Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income tax. There are also claims for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of the Group's tax payables, deferred tax liabilities and deferred tax assets at 30 June 2012 were \$881,072 (2011: \$1,335,628), \$8,868,251 (2011: \$9,889,537[restated]) and \$636,305 (2011: \$500,589) respectively.

### Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment, if any.

Subsequent expenditure, if any, relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Company and the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Property, plant and equipment and depreciation (cont'd)

Depreciation is computed utilising the straight-line method to write off the cost of these assets over their estimated useful lives as follows:

Computers 3 years

Office machinery 5 years

Office furniture 5 years

Office renovation 3 to 6 years

Motor vehicles 5 years

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively. Depreciation methods, useful lives and residual values are reviewed at each balance sheet date and changes, if any, are accounted for prospectively.

The gain or loss on disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the profit or loss.

The carrying amounts of property, plant and equipment are reviewed yearly in order to assess whether their carrying amounts need to be written down to recoverable amounts. Recoverable amount is defined as the higher of value in use and net selling price.

### Intangible assets

### Goodwill

Goodwill arising on acquisition represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired.

Goodwill arising on acquisition or purchased goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is no longer amortised with effect from 1 July 2004 but is tested at least annually for impairment, more frequently if there are indications of impairment.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Intangible assets (cont'd)

#### Goodwill (cont'd)

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments arising on the acquisition of foreign operation on or after 1 January 2005 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated in accordance with the accounting policy for conversion of foreign currencies as set out below.

Goodwill and fair value adjustments which arose on acquisitions of foreign operation before 1 January 2005 are deemed to be assets and liabilities of the Company and are recorded in SGD at the rates prevailing at the date of acquisition.

#### Negative goodwill

Negative goodwill arising on acquisition represents the excess of the fair value of the identifiable net assets acquired over the cost of acquisition. With effect from 1 July 2004, negative goodwill is recognised directly in profit or loss.

### Computer software

Costs relating to computer software acquired, which are not an integral part of related hardware, are capitalised and amortised on straight-line basis over their useful lives of 3 to 10 years.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Customer relationships

Customer relationships were required in a business combination. Following initial recognition, it is carried at cost less accumulated amortision and any accumulated impairment losses. Customer relationships have a finite useful life and are amortised over the period of expected contract period of 19.6 years on a straight-line basis.

### Other intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

#### **Subsidiaries**

For consolidation purposes, a subsidiary is an entity controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether there is control.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

#### **Financial assets**

The Company and the Group classify its financial assets, other than hedging instruments, into the following categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets. Financial assets are assigned to the different categories by management on initial recognition, depending on the purpose for which the financial assets were acquired. The designation of financial assets is re-evaluated and classification may be changed at the reporting date with the exception that the designation of financial assets at fair value through profit or loss is not revocable.

All financial assets are recognised on their trade date - the date on which the Company and the Group commit to purchase or sell the asset. Financial assets are initially recognised at fair value, plus directly attributable transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

Derecognition of financial instruments occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss. An assessment for impairment is undertaken at least at each balance sheet date whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

Non-compounding interest and other cash flows resulting from holding financial assets are recognised in profit or loss when received, regardless of how the related carrying amount of financial assets is measured.

As at the balance sheet date, the Company and the Group carry loans and receivables on its balance sheet. The Company and the Group have no financial assets to be classified as held-to-maturity or available-for-sale financial assets.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Financial assets (cont'd)

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company and the Group provide money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss. Any reversal shall not result in a carrying amount that exceeds what the amortised cost would have been had any impairment loss not been recognised at the date the impairment is reversed. Any reversal is recognised in the profit or loss.

Receivables are provided against when objective evidence is received that the Company and the Group will not be able to collect all amounts due to it in accordance with the original terms of the receivables. The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Loans and receivables include unbilled disbursements, trade and other receivables and related companies' balances on the balance sheet.

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by FRS 39. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

The Group has not designated any financial assets upon initial recognition at fair value through profit or loss.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Financial assets at fair value through profit or loss (cont'd)

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

#### Impairment of financial assets

The Company and the Group assess at each balance sheet date whether there is any objective evidence that a financial asset is impaired.

### (a) Assets carried at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in the profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company and the Group consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Impairment of financial assets (cont'd)

#### (b) Assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

### **Dividends**

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained profits, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the articles of association of the Company grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank deposits and any highly liquid investments which are readily convertible to cash and which are subject to an insignificant risk of changes in value, net of any bank overdrafts which are repayable on demand and which form an integral part of the Company's and Group's cash management.

### Work-in-progress

Work-in-progress is stated at cost which includes direct staff costs, project costs and an appropriate proportion of overhead cost less progress billings. Allowance, where necessary, is made for losses expected to arise on completion of contract assignment entered into before balance sheet date. It is classified as a liability when progress billings exceed the work-in-progress.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

#### **Financial liabilities**

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

The Group has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

### Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortization process.

### De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

#### Income taxes

#### (a) Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively at the end of the reporting period, in the countries where the Group operates and generate taxable income.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (b) Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates
  and interests in joint ventures, where the timing of the reversal of the temporary differences
  can be controlled and it is probable that the temporary differences will not reverse in the
  foreseeable future.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Income taxes (cont'd)

#### (b) Deferred tax (cont'd)

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred income tax asset relating to the deductible temporary difference arises from
  the initial recognition of an asset or liability in a transaction that is not a business combination and,
  at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Income taxes (cont'd)

### (b) Deferred tax (cont'd)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it incurred during the measurement period or in profit or loss.

Group tax relief is available with effect from Year of Assessment 2004 for the Singapore incorporated holding company and all its Singapore incorporated subsidiaries with at least 75% equity ownership, directly or indirectly (excluding any foreign shareholdings in the ownership chain) held by Singapore incorporated companies within the Group. Current year unabsorbed losses and capital allowances are available to be set off against taxable profit of profitable subsidiaries within the Group in accordance with the rules.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Income taxes (cont'd)

#### (c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

#### **Provisions**

Provisions are recognised when the Company and the Group have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Present obligations arising from onerous contracts are recognised as provisions.

The directors review the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of the time is recognised as finance costs.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### **Employee benefits**

### Pension obligations

The Company and the Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Company and the Singapore Companies in the Group make contributions to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees in Singapore. The Company's and the Group's contributions to CPF and similar defined contribution plans, respectively, are recognised as an expense in the period to which the contributions relate.

#### Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. The Company and the Group do not allow the accumulation of annual leave. As such any unconsumed leave as at balance sheet date will be forfeited.

#### Employee share-based compensation

The Company operates an equity-settled, share-based compensation plan for executive directors, non-executive directors and full time employees of the Company and its subsidiaries to subscribe for shares in the Company. The fair value of the employee's services received in exchange for the grant of the options is recognised on a straight-line basis over the vesting period as an expense in the profit or loss with a corresponding increase in share option capital reserve. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets), on the date of grant. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in the profit or loss, and a corresponding adjustment to equity over the remaining vesting period.

When the options are exercised, equity is increased by the amount of the proceeds received. Share option expenses are not considered significant to the Group.

#### Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors are considered key management personnel.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

For the year ended 30 June 2012

### 2 Summary of significant accounting policies (cont'd)

### **Revenue recognition**

Revenue excludes goods and services tax and is arrived at after deduction of trade discounts, if any.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

Revenue from accounting, secretarial and share registration services is recognised when time is recorded on an assignment. If actual client billing for an assignment differs from the amount of revenue accrued at the end of the year, necessary write-ups/downs will be made against the revenue. Revenue excludes disbursements.

Revenue from investor relations services is recognised when services are rendered.

Interest income is recognised on a time-apportioned basis using the effective interest method.

### **Operating leases**

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Rentals on operating leases are charged to the profit or loss on a straight-line basis over the lease term. Lease incentives, if any, are recognised as an integral part of the total lease rentals. Penalty payments on early termination, if any, are recognised in the profit or loss when incurred.

### **Functional and presentation currency**

The Group's financial statements are presented in Singapore dollars ("SGD" or "\$"), which is also the functional currency of the Company. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

For the year ended 30 June 2012

#### 2 Summary of significant accounting policies (cont'd)

#### Conversion of foreign currencies

#### Monetary items

Foreign currency monetary items are translated into the functional currencies of the Group entities at rates of exchange closely approximating those ruling at balance sheet date. Transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates. Except for the situation below, exchange differences arising from such transactions are recorded in the profit or loss in the period in which they arise.

 Where a monetary item in substance forms part of the Company's net investment in the foreign subsidiaries and associates, exchange differences arising on such a monetary item are recorded directly to exchange fluctuation reserve to the extent that the net investment is represented by net assets in the foreign entity until the disposal of the investments when the exchange differences that were recorded in other comprehensive income is recognised in the profit or loss.

#### Non-monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Currency translation differences on non-monetary items, whereby the gains or losses are recognised in the profit or loss, such as equity investments held at fair value through profit or loss or investment properties carried at fair value, are reported as part of the fair value gains or losses in "other gains/losses - net".

Currency translation differences on other non-monetary items whereby the gains or losses are recognised directly in other comprehensive income, such as property, plant and equipment are included in the asset revaluation reserve. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

#### Group entities

The results and financial position of all the entities within the Group that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing exchange rates at the date of the balance sheet;
- (ii) Income and expenses are translated at average exchange rates; and
- (iii) All resulting currency translation differences are taken directly to other comprehensive income.

On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is recognised in the profit or loss.

For the year ended 30 June 2012

#### 2 Summary of significant accounting policies (cont'd)

#### Conversion of foreign currencies (cont'd)

#### Group entities (cont'd)

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit or loss. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 January 2005 are treated as assets and liabilities of the foreign operations and translated at the closing rates at the date of the balance sheet. For acquisitions prior to 1 January 2005, the exchange rates at the dates of acquisition are used.

#### **Segment reporting**

For management purposes, the Group is organised into operating segments based on their geographical locations which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 26, including the factors used to identify the reportable segments and the measurement basis of segment information.

#### **Contingencies**

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the
  occurrence or non-occurrence of one or more uncertain future events not wholly within the control of
  the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) The amount of the obligation cannot be measured with sufficient reliability.

For the year ended 30 June 2012

#### 2 Summary of significant accounting policies (cont'd)

#### Contingencies (cont'd)

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

#### **Related parties**

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
  - (i) Has control or joint control over the Company;
  - (ii) Has significant influence over the Company; or
  - (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
  - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
  - (vi) The entity is controlled or jointly controlled by a person identified in (a);
  - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

For the year ended 30 June 2012

#### 3 Revenue

Revenue of the Group represents fees for services rendered and excludes inter-company transactions. Significant categories of revenue are detailed as follows:

	2012 \$	2011 \$
Accounting services	13,381,933	12,267,948
Corporate secretarial services	19,026,999	18,197,663
Share registration services	26,042,414	23,506,355
Investor relations services	130,708	888,379
	58,582,054	54,860,345

Revenue for the Group excludes applicable goods and services tax.

#### 4 Property, plant and equipment

		Office	Office	Office	
	Computers \$	machinery \$	furniture \$	renovation \$	Total \$
The Company					
Cost					
At 1 July 2010	232,169	42,445	159,041	325,462	759,117
Additions	116,688	_	16,710	31,144	164,542
Disposals	(14,472)	_	_	_	(14,472)
At 30 June 2011					
and 1 July 2011	334,385	42,445	175,751	356,606	909,187
Additions	18,655	893	2,627	_	22,175
Disposals	(35,500)	_	_	_	(35,500)
At 30 June 2012	317,540	43,338	178,378	356,606	895,862
Accumulated depreciation					
At 1 July 2010	205,032	16,204	10,578	18,082	249,896
Depreciation for the year	48,493	7,319	32,629	56,387	144,828
Disposals	(9,196)	_	_	_	(9,196)
At 30 June 2011					
and 1 July 2011	244,329	23,523	43,207	74,469	385,528
Depreciation for the year	46,917	6,390	35,615	60,485	149,407
Disposals	(35,076)	_	_	_	(35,076)
At 30 June 2012	256,170	29,913	78,822	134,954	499,859
Net book value					
At 30 June 2012	61,370	13,425	99,556	221,652	396,003
At 30 June 2011	90,056	18,922	132,544	282,137	523,659

For the year ended 30 June 2012

#### 4 Property, plant and equipment (cont'd)

	Computers \$	Office machinery \$	Office furniture \$	Office renovation \$	Motor vehicles \$	Total \$
The Group						
Cost						
At 1 July 2010	1,655,153	302,106	983,710	1,381,093	33,039	4,355,101
Exchange difference on	1,000,100	002,100	300,710	1,001,000	00,000	4,000,101
translation	(21,275)	1,509	(17,250)	31,319	(1,434)	(7,131)
Acquisitions	368,500	120,464	48,717	625,751	(1,101)	1,163,432
Additions	459,703	162,311	206,938	816,697	_	1,645,649
Disposals	(280,948)	(1,959)	(31,179)	(112,716)	(15,330)	(442,132)
At 30 June 2011	(===,===)	(1,000)	(=:,::=)	(**=,****)	(10,000)	(**=,**=)
and 1 July 2011	2,181,133	584,431	1,190,936	2,742,144	16,275	6,714,919
Exchange difference on						
translation	2,373	(5,256)	6,250	7,378	19	10,764
Acquisitions	66,298	_	87,418	_	_	153,716
Additions	291,926	71,121	106,872	37,876	_	507,795
Disposals	(248,972)	(7,128)	(79,739)	_	(16,294)	(352,133)
At 30 June 2012	2,292,758	643,168	1,311,737	2,787,398	_	7,035,061
Accumulated depreciation						
At 1 July 2010	1,482,191	160,533	194,205	239,978	27,293	2,104,200
Exchange difference on	1,402,101	100,000	104,200	200,070	21,200	2,104,200
translation	(21,392)	(1,175)	(13,232)	6,623	(1,263)	(30,439)
Acquisitions	198,307	46,585	9,579	325,334	-	579,805
Depreciation for the year	284,795	82,860	221,598	574,039	5,575	1,168,867
Disposals	(279,364)	(1,637)	(16,607)	(104,554)	(15,330)	(417,492)
At 30 June 2011	( , , ,			, , ,	, , ,	
and 1 July 2011	1,664,537	287,166	395,543	1,041,420	16,275	3,404,941
Exchange difference on						
translation	(570)	(2,693)	1,131	(4,568)	19	(6,681)
Acquisitions	32,484	_	43,712	_	_	76,196
Depreciation for the year	318,466	101,200	245,229	622,118	_	1,287,013
Disposals	(241,859)	(6,405)	(48,830)	_	(16,294)	(313,388)
At 30 June 2012	1,773,058	379,268	636,785	1,658,970	-	4,448,081
Net book value						
At 30 June 2012	519,700	263,900	674,952	1,128,428	_	2,586,980
At 30 June 2011	516,596	297,265	795,393	1,700,724	_	3,309,978
71. 00 Julie 2011	310,330	201,200	190,090	1,700,724		0,000,010

For the year ended 30 June 2012

#### 5 Intangible assets

	Computer Software
	Software \$
The Company	
Cost	
At 1 July 2010	363,826
Additions	52,420
At 30 June 2011 and 1 July 2011	416,246
Additions	74,290
Write offs	(31,553)
At 30 June 2012	458,983
Accumulated amortisation	
At 1 July 2010	230,772
Amortisation for the year	49,651
At 30 June 2011 and 1 July 2011	280,423
Amortisation for the year	76,578
Write offs	(31,553)
At 30 June 2012	325,448
Net book value	
At 30 June 2012	133,535
At 30 June 2011	135,823

For the year ended 30 June 2012

#### 5 Intangible assets (cont'd)

	Goodwill on consolidation	Customer relationships \$	Computer software \$	Total \$
The Group				
Cost				
At 1 July 2010	29,959,582	_	718,812	30,678,394
Exchange difference on translation	(999,727)	2,354,570	167,218	1,522,061
Acquisitions	24,223,643	29,565,880	2,100,107	55,889,630
Additions	_	_	155,649	155,649
Write offs	_	_	(505)	(505)
At 30 June 2011 (restated) and 1 July 2011	53,183,498	31,920,450	3,141,281	88,245,229
Exchange difference on translation	7,088	(790,480)	(54,367)	(837,759)
Acquisitions (Note 6)	3,029,459	_	_	3,029,459
Additions	_	_	79,049	79,049
Write offs	_	_	(31,553)	(31,553)
At 30 June 2012	56,220,045	31,129,970	3,134,410	90,484,425
Accumulated amortisation and impairment losses				
At 1 July 2010	2,437,359	_	503,908	2,941,267
Exchange difference on translation	(11,921)	39,483	25,125	52,687
Acquisitions	_	_	234,595	234,595
Amortisation for the year	_	1,454,665	362,765	1,817,430
Write offs	_	_	(16)	(16)
At 30 June 2011 (restated) and 1 July 2011	2,425,438	1,494,148	1,126,377	5,045,963
Exchange difference on translation	(3,612)	(51,031)	(14,715)	(69,358)
Amortisation for the year	_	1,603,645	405,581	2,009,226
Impairment loss	1,600,000	_	_	1,600,000
Write offs	_	_	(31,553)	(31,553)
At 30 June 2012	4,021,826	3,046,762	1,485,690	8,554,278
The Group				
Net book value				
At 30 June 2012	52,198,219	28,083,208	1,648,720	81,930,147
At 30 June 2011	50,758,060	30,426,302	2,014,904	83,199,266

For the year ended 30 June 2012

#### 5 Intangible assets (cont'd)

#### Goodwill

The goodwill at carrying value is allocated to the Australia, Hong Kong, Malaysia, Singapore, and China acquired businesses at \$26,195,824, \$17,724,554, \$5,124,889, \$3,098,895 and \$54,057 respectively.

The recoverable amounts have been determined based on value in use calculations using estimated future cash flows approved by the management. The estimated future cash flows are discounted to their present value using a pre-tax discount rate of about 5-10% over a 5 to 10 years' period that reflect current market assessments of the time value of money.

The calculations of value in use are most sensitive to the following assumptions:

Pre-tax discount rates - Discount rates reflect market assessment of the time value of money. This is the benchmark used by management to assess operating performance of the acquired businesses.

Net profitability - Net profitability is based on management's assessment of the margins achieved in the current year.

Growth rates - The forecasted rates are based on management's assessment of the long-term average growth rates of the acquired businesses.

#### Customer relationships

Customer relationships relate to the customers served by Boardroom Pty Limited (formerly Registries Ltd) that were acquired in a business combination. The useful life of these customer relationships is estimated to be 19.6 years. The amortisation is included in the "depreciation and amortisation expenses" line item in profit and loss account.

The recoverable amounts have been determined based on value in use calculations using estimated net excess earnings attributable to the intangible asset including consideration of any capital usage charges. The estimated future cash flows are discounted to their present value using a pre-tax discount rate of about 12-13% over an average economic useful life of 19.6 years' period.

The calculations of value in use are most sensitive to the following assumptions:

Pre-tax discount rates - Discount rates reflect market assessment of the time value of money. This is the benchmark used by management to assess operating performance of the acquired businesses.

Net profitability - Net profitability is based on management's assessment of the expected margins.

Growth rates - The forecasted rates are based on management's assessment of the long-term average growth rates of the acquired businesses.

For the year ended 30 June 2012

#### 6 Subsidiaries

	2012	2011
The Company	\$	\$
Unquoted equity investments, at cost	86,803,297	81,924,758
Impairment losses	(1,600,000)	_
	85,203,297	81,924,758
Loans to subsidiaries - non-interest bearing	_	5,062,939
Loans to a subsidiary - interest bearing	1,356,545	_
Amounts owing by subsidiaries - non-trade	3,337,853	4,544,359
Total amounts owing by subsidiaries	4,694,398	9,607,298
Amounts owing to subsidiaries		
- trade	17,339	12,720
- non-trade	8,324,831	5,008,233
Total amounts due to subsidiaries	8,342,170	5,020,953

The non-trade amounts owing by/to subsidiaries representing advances, are unsecured, interest-free and repayable on demand.

Trade balances are generally due on presentation.

Loans due from a subsidiary bear interest rate at 0.25% per annum above the costs of funds, are unsecured, and repayable on demand.

The non-interest bearing loans to subsidiaries are unsecured and repayable on demand.

For the year ended 30 June 2012

#### 6 Subsidiaries (cont'd)

The subsidiaries as at 30 June 2012 are:

Name	Country of incorporation/ principal place of business	Carrying value of Percentage of investment equity held		Principal activities		
		2012 \$	2011 \$	2012	2011	
* Boardroom Corporate & Advisory Services Pte. Ltd.	Singapore	4,258,312	4,258,312	100%	100%	Corporate secretarial and share registration services
* Boardroom Business Solutions Pte. Ltd.	Singapore	1,147,900	1,147,900	100%	100%	Accounting and payroll services
* Boardroom Communications Pte. Ltd.	Singapore	1	1	100%	100%	Investor relations services
* Chorpee Corporate Services Pte Ltd (1)	Singapore	-	-	100%	100%	Corporate secretarial services
# Boardroom Corporate Services (HK) Limited	Hong Kong	19,750,000	19,750,000	100%	100%	Corporate secretarial, accounting, payroll and tax services
# Boardroom Corporate Secretaries (HK) Ltd (2)	Hong Kong	-	-	100%	100%	Corporate secretarial services
+ BL Services Ltd (2)	British Virgin Islands/ Hong Kong	-	_	100%	100%	Dormant
# Boardroom Share Registrars (HK) Ltd (2)	Hong Kong	-	-	100%	100%	Share registration services
# Boardroom Trustee Limited (2)	Hong Kong	_	-	100%	-	Dormant
# Boardroom (Malaysia) Sdn. Bhd.	Malaysia	4,878,540	1	100%	100%	Investment holding
# Boardroom Corporate Services (KL) Sdn. Bhd. (3)	Malaysia	-	-	100%	100%	Corporate secretarial, accounting, payroll and investor relations services
# Boardroom CS (KL) Sdn. Bhd. (2)	Malaysia	-	-	100%	100%	Corporate secretarial services
# Boardroom Corporate Services (Johor) Sdn. Bhd. (3)	Malaysia	-	-	100%	100%	Corporate secretarial services
# Boardroom Corporate Services (Penang) Sdn. Bhd. <sup>(3)</sup>	Malaysia	-	_	100%	100%	Corporate secretarial and accounting services

For the year ended 30 June 2012

#### 6 Subsidiaries (cont'd)

Name	Country of incorporation/ principal place of business	Carrying inves		Percent equity		Principal activities
		2012 \$	2011 \$	2012	2011	
# Boardroom Communications Sdn. Bhd. <sup>(3)</sup>	Malaysia	-	_	100%	100%	Dormant
# Boardroom Nominees (Tempatan) Sdn. Bhd. (4)	Malaysia	-	-	100%	100%	Dormant
# Boardroom China Holdings Pte Ltd.	Singapore	460,400	2,060,400	60%	60%	Investment holding
@Boardroom LSC China Ltd. (5)	China	-	_	100%	100%	Business advisory and consultancy services
@Boardroom LSC Beijing Ltd. <sup>(6)</sup>	China	-	_	100%	100%	Business advisory and consultancy services
# Boardroom Holdings Australia Pty Ltd.	Australia	54,708,144	54,708,144	100%	100%	Investment holding
# Newreg Pty Ltd (7)	Australia	_	_	100%	100%	Investment holding
# Registries Holdings Australia Pty Limited (8)	Australia	-	_	100%	100%	Investment holding
# Registries Pty Ltd [formerly known as Westforth Services Pty Limited <sup>(9)</sup> ]	Australia	-	_	100%	100%	Investment holding
# Boardroom Pty Limited (10)	Australia	-	_	100%	100%	Share registry and related services
# Boardroom Financial Services Pty Ltd (11)	Australia	-	-	100%	100%	Registry related services
# Boardroom (Victoria) Pty Ltd (11)	Australia	-	-	100%	100%	Share registry and related services
# CRA Plan Managers Pty Ltd <sup>(7)</sup>	Australia	-	-	100%	-	Consultancy services
		85,203,297	81,924,758			

- + Not required to be audited by the law in the country of incorporation
- \* Audited by Ernst & Young LLP, Singapore
- # Audited by member firm of Ernst & Young Global in the respective countries
- @ Reviewed by member firm of Ernst & Young Global in China, and audited by Shanghai Huaxia Certified Public Accountant Co. Ltd
- (1) Subsidiary of Boardroom Corporate Advisory Services Pte Ltd
- (2) Subsidiary of Boardroom Corporate Services (HK) Ltd
- (3) Subsidiary of Boardroom (Malaysia) Sdn Bhd
- (4) Subsidiary of Boardroom Corporate Services (KL) Sdn Bhd
- (5) Subsidiary of Boardroom China Holdings Pte Ltd
- (6) Subsidiary of Boardroom LSC China Ltd
- (7) Subsidiary of Boardroom Holdings Australia Pty Ltd
- (8) Subsidiary of Newreg Pty Ltd
- (9) Subsidiary of Registries Holdings Australia Pty Limited
- (10) Subsidiary of Registries Pty Ltd [formerly known as Westforth Services Pty Limited]
- (11) Subsidiary of Boardroom Pty Limited

For the year ended 30 June 2012

#### 6 Subsidiaries (cont'd)

#### Impairment testing of investment in a subsidiary

The Company further increased the registered capital of its indirect subsidiary, Boardroom LSC China Limited from RMB 5.6 million to RMB 10 million through an injection of cash during the year. The Company has an existing Put and Call Option with LSC Management Consultants Pte Limited (LSC) in respect of the remaining 40% equity interest in Boardroom China Holdings Pte Ltd owned by LSC. The Option Period commences from 1 September 2012 until either the Company or LSC ceases to be a shareholder of Boardroom China Holdings Pte Ltd. The fair value of this option shall be not less than \$1.05 million.

During the financial year, management performed an impairment test for the investment in Boardroom LSC China Ltd as this subsidiary had been persistently making losses. An impairment loss of \$1,600,000 was recognised for the year ended 30 June 2012 to write down this subsidiary to its recoverable amount. The recoverable amount of the investment in Boardroom LSC China Ltd has been determined based on a value in use calculation using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate of 5% applied to the cash flow projection and the forecasted growth rate of 5% are used to extrapolate cash flow projections beyond the 5 years period.

#### Acquisition of a subsidiary

On 30 September 2011, the Company's wholly-owned subsidiary, Boardroom Holdings Australia Pty Ltd ("BRHA"), acquired the entire issued and paid-up share capital of CRA Plan Managers Pty Ltd ("CRA") from the existing shareholders for a consideration of \$3.2 million (equivalent to A\$2.5 million). CRA is a specialist consultancy and advisory business dedicated to all aspects of executive compensation and equity incentive strategies.

#### Contingent consideration arrangement

As part of the purchase agreement with the previous owner of CRA, a contingent consideration has been agreed. Additional cash payments shall be due to the previous owner of CRA of:

- (a) a deferred payment which is equivalent to the amount which the 25% for 5 times of earning before interest, taxes, depreciation and amortization ("EBITDA") of the company from 1 October 2011 to 30 September 2012 ("Year 1") exceeds A\$625,000, subject to a maximum of A\$625,000.
- (b) a deferred payment which is equivalent to the amount which the 25% for 5 times of EBITDA of the company from 1 October 2012 to 30 September 2013 ("Year 2") exceeds A\$625,000, subject to a maximum of A\$625,000.

As at the acquisition date, the carrying amounts for deferred considerations which amounted to \$807,313 are reasonable approximation of fair value which have been disclosed as other payables (non-current) in the balance sheet.

For the year ended 30 June 2012

#### 6 Subsidiaries (cont'd)

#### Acquisition of a subsidiary (cont'd)

Contingent consideration arrangement (cont'd)

As of 30 June 2012, the key performance indicators of the CRA show that target (a) and (b) are probable due to business synergies implemented.

The fair values of the identifiable assets and liabilities as at the acquisition date were:

	Fair value recognised on acquisition \$
Property, plant and equipment	77,520
Trade receivables	143,430
Cash and cash equivalents	271,299
·	492,249
Trade payables	
Other payables	(127,411)
Excess of progress billings over work-in-progress	(52,064)
Provisions - non-current employee benefits	(72,108)
Deferred tax liabilities	(56,126)
Provision for taxation	(50,249)
	(357,958)
Total identifiable net asset at fair value	134,291
Goodwill arising from acquisition	3,029,459
	3,163,750
Consideration transferred for the acquisition	
Cash paid	1,581,875
Deferred cash settlement	1,581,875
	3,163,750
Effect of the acquisition on cash flows	
Consideration settled in cash	1,581,875
Cash and cash equivalents acquired	271,299
Cash outflow on acquisitions	1,310,576
Goodwill on acquisition (Note 5)	
- Goodwill arising from acquisition	3,029,459

Provisional accounting of the acquisition of CRA Plan Managers Pty Ltd

As at 30 June 2011, the goodwill arising from the acquisition of CRA Plan Managers Pty Ltd has been provisionally determined to be \$3,029,459. The provisional goodwill will be adjusted accordingly following the completion of the Purchase Price Allocation exercise in accordance with FRS 103 (R) Business Combinations.

For the year ended 30 June 2012

#### 7 Trade receivables

	The Co	mpany	The Group		
	<b>2012</b> 2011		2012	2011	
	\$	\$	\$	\$	
Trade receivables	_	_	11,616,729	11,424,822	
Less:					
Allowance for doubtful trade receivables	_	_	(818,191)	(678,508)	
	_	_	10,798,538	10,746,314	
Add:					
Other receivables, current (Note 8)	1,706,159	905,671	2,794,871	1,663,109	
Amounts owing by subsidiaries, current (Note 6)	4,694,398	9,607,298	_	_	
Total trade and other receivables  Add:	6,400,557	10,512,969	13,593,409	12,409,423	
Cash and cash equivalents (Note 9)	2,876,411	1,293,913	9,598,729	7,669,091	
Total loans and receivables	9,276,968	11,806,882	23,192,138	20,078,514	

There is no specific trading term as all invoices are due on presentation. The Group does not identify any specific concentrations of credit risk as the amounts resemble a large number of receivables spread over a large number of clients.

Receivables that are past due but not impaired

The Group has trade receivables amounting to \$10,798,538 (2011: \$10,746,314) that are past due at the balance sheet date but not impaired. These receivables are unsecured and the analysis of their aging at the balance sheet date is as follows:

	2012 \$	2011 \$
Past due 1 day to 3 months	8,416,155	8,632,986
Past due 3 to 6 months	1,296,177	1,010,499
Past due over 6 months	1,086,206	1,102,829
	10,798,538	10,746,314

For the year ended 30 June 2012

#### 7 Trade receivables (cont'd)

Receivables that are impaired

The Group's trade receivables that are impaired at the balance sheet date and the movement of the allowance accounts used to record the impairment are as follows:

	2012 \$	2011 \$
Trade receivables – nominal amounts Impairment of trade receivables	1,079,376	977,715
Beginning balance	(678,508)	(339,956)
Currency translation difference	(689)	8,711
Acquisitions	-	(90,906)
Impairment made	(335,845)	(318,201)
Impairment utilised	65,950	23,550
Impairment written back	130,901	38,294
Ending balance	(818,191)	(678,508)
Net trade receivables	261,185	299,207

The receivables that are individually determined to be impaired at the balance sheet date relate to debtors that have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

Trade receivables (net) are denominated in the following currencies:

	2012	2011
	\$	\$
Singapore Dollar	5,108,567	6,046,897
Australian Dollar	2,427,993	2,088,508
Hong Kong Dollar	1,488,983	1,317,579
Malaysia Ringgit	1,481,298	1,010,244
Renminbi	291,697	283,086
	10,798,538	10,746,314

For the year ended 30 June 2012

#### 8 Other receivables

	The Company		The C	Group
	2012	2011	2012	2011
	\$	\$	\$	\$
Staff loans	_	4,500	1,558	4,866
Sundry receivables	75,735	6,003	217,185	62,925
Management fee receivable from subsidiaries	491,405	340,993	_	_
Deposits	1,138,685	554,175	2,427,520	1,557,164
Interest receivable	334	_	458	_
Tax recoverable	_	_	148,150	38,154
	1,706,159	905,671	2,794,871	1,663,109

Staff loans are unsecured, interest-free and repayable by monthly instalments within the next 12 months. Staff loans are carried at absolute loan amount as this is not considered significant.

Other receivables are denominated in the following currencies:

	The Company		The C	Group
	2012 \$	2011 \$	2012 \$	2011 \$
Singapore Dollar	1,706,159	905,671	1,237,267	610,061
Australian Dollar	_	_	735,062	505,162
Hong Kong Dollar	_	_	645,128	389,484
Malaysia Ringgit	_	_	50,478	51,392
Renminbi	_	_	126,936	107,010
	1,706,159	905,671	2,794,871	1,663,109

#### 9 Cash and cash equivalents

	The Company		The C	Group
	2012 \$	2011 \$	2012 \$	2011 \$
Fixed deposits	2,510,000	_	4,325,515	2,996,880
Cash and bank balances	366,411	1,293,913	5,273,214	4,672,211
	2,876,411	1,293,913	9,598,729	7,669,091

Fixed deposits are placed with financial institutions and earned interest at the rates ranging from 0.25% to 3.60% (2011: 2.30% to 5.10%) per annum. The fixed deposits have maturity terms of 1 day to 12 months (2011: 1 day to 30 days) from the balance sheet date.

For the year ended 30 June 2012

#### 9 Cash and cash equivalents (cont'd)

Cash and cash equivalents are denominated in the following currencies:

	The Company		The C	Group
	2012 \$	2011 \$	2012 \$	2011 \$
Singapore Dollar	2,876,411	1,293,913	4,931,088	2,869,196
Australian Dollar	_	_	2,507,582	2,617,192
Hong Kong Dollar	_	_	529,136	808,710
Malaysia Ringgit	_	_	1,080,996	1,355,097
Renminbi	_	_	549,927	18,896
	2,876,411	1,293,913	9,598,729	7,669,091

Clients' monies held under trust represent the following:

	The Company		The G	Group
	2012 \$	2011 \$	2012 \$	2011 \$
Held under trust				
Clients' bank accounts - contra	_	_	17,015,845	16,505,524
Clients' ledger balances - contra	_	_	(17,015,845)	(16,505,524)
	_	_	_	_

#### 10 Share capital

	2012	2011 of shares	2012	2011
The Company and The Group		ar value	\$	\$
Issued and fully paid: Balance at beginning	184,248,250	184,243,250	32,578,409	32,576,634
Issued and fully paid pursuant to employee share options exercised at an exercise price of:				
- \$0.355 per share	_	5,000	_	1,775
- \$0.335 per share	17,000	_	5,695	_
Balance at end	184,265,250	184,248,250	32,584,104	32,578,409

(a) On 11 July 2005, 36,164,250 new ordinary shares of par value of \$0.05 each in the capital of the Company were allotted. The new ordinary shares is in relation to the rights issue on the basis of one rights shares for every four existing shares of par value of \$0.05 each in the capital of the Company held by the shareholders ("Rights Issue"). Exercise prices for employee share options have been adjusted downwards by 7% accordingly.

For the year ended 30 June 2012

#### 10 Share capital (cont'd)

(b) The ordinary shares have no par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. All shares rank equally with regard to the Company's residual assets.

The Company operates the Boardroom Share Option Scheme (the "Scheme"). Particulars of the Scheme have been set out in the Directors' Report for the financial year ended 30 June 2001 as well as in the Directors' Report for the current year. Information with respect to outstanding share options granted under the Scheme is as follows:

	2012	2011
The Company and The Group	Number of	of options
Balance at beginning	499,000	542,000
Exercised	(17,000)	(5,000)
Cancelled/lapsed	(11,000)	(38,000)
Balance at end	471,000	499,000

Details of share options granted and cancelled/lapsed during the financial year are as follows:

	Exercise price*	Gra	nted	Cancelle	d/Lapsed
		2012	2011	2012	2011
			Number	of options	
Formation mentions					
Exercise period					
24.9.2003 to 23.9.2011	\$0.230	-	_	8,000	_
10.11.2006 to 9.11.2014	\$0.335	_	_	3,000	38,000
		_	_	11,000	38,000

Details of share options exercised during the financial year are as follows:

	Exercise price*	Exercise price* Number of opt	
		2012	2011
Exercise period			
17.10.2005 to 16.10.2013	\$0.355	_	5,000
10.11.2006 to 9.11.2014	\$0.335	17,000	_
		17,000	5,000
Aggregate proceeds of shares issued (\$)		\$5,695	\$1,775

<sup>\*</sup> Pursuant to the Rights Issue on 11 July 2005, the exercise prices of the share options have been adjusted downwards by 7%.

For the year ended 30 June 2012

#### 10 Share capital (cont'd)

Terms of share options outstanding as at 30 June 2012 are as follows:

Exercise period	Adjusted exercise price	Number outstanding	Number Exercisable	Proceeds if exercised \$
18.7.2004 to 17.7.2012	\$0.390	62,000	62,000	24,180
21.10.2004 to 20.10.2012	\$0.330	27,000	27,000	8,910
17.10.2005 to 16.10.2013	\$0.355	79,000	79,000	28,045
10.11.2006 to 9.11.2014	\$0.335	303,000	303,000	101,505
		471,000	471,000	162,640

#### 11 Other reserves (non-distributable)

	The Company		The C	Group
	2012 \$	2011 \$	2012 \$	2011 \$
				(Restated)
Share option capital reserve	633,673	633,673	(468,636)	(99,276)
Exchange translation reserve	_	_	(3,051,211)	(2,387,091)
Premium paid on acquisition of Non-Controlling Interests	_	_	(10,808,384)	(10,808,384)
	633,673	633,673	(14,328,231)	(13,294,751)

Share option capital reserve refers to capital reserve on the grant of the options in exchange for employee services. The reserve is made up of cumulative services received from employees of the Company and the Group and recorded on grant of equity-settled share options by the Company and the Group. It is not available for distribution as dividend as it is capital in nature.

Exchange translation reserve arises from the translation of foreign subsidiaries' assets and liabilities.

In prior year, the Group acquired an additional 66.67% in Newreg Pty Ltd from its non-controlling interests for a cash consideration of \$36,715,066. As a result of this acquisition, Newreg Pty Ltd became a whollyowned subsidiary of the Group. The difference of \$10,808,384 (restated) between the consideration and the carrying value of the additional interest acquired has been recognised as "Premium paid on acquisition of non-controlling interests" within equity.

For the year ended 30 June 2012

#### 12 Deferred tax assets / (liabilities)

	The Company		The Group			
		ınce		ed balance	Consolidated income	
	she	eet	sh	eet	state	ment
	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$
				(Restated)		(Restated)
Deferred tax liabilities						
Acquired intangibles	-	_	(8,600,138)	(9,307,289)	(480,873)	(406,808)
Differences in depreciation						
for tax purposes	(88,983)	(91,641)	(268,113)	(274,374)	(5,980)	164,100
Interest receivable	-	-	_	_	_	(4,300)
Preference Shares	_	(307,874)	_	(307,874)	(307,874)	307,874
	(88,983)	(399,515)	(8,868,251)	(9,889,537)		
Deferred tax assets						
Provisions	_	_	578,900	500,589	(33,618)	(115,331)
Unutilised tax losses	_	_	57,405	_	(56,669)	_
Deferred tax expense (Note 22)	-	_	636,305	500,589	(885,014)	(54,465)

#### 13 Trade and other payables

	The Company		The G	Group	
	2012	2011	2012	2011	
	\$	\$	\$	\$	
Trade and other payables (current):					
Trade payables	1,075,023	1,000,521	9,544,372	7,642,797	
Other payables	3,914	71	1,565,653	1,090,666	
Amounts owing to subsidiaries (Note 6)	8,342,170	5,020,953	_	_	
	9,421,107	6,021,545	11,110,025	8,733,463	
Other payables (non-current):					
Contingent consideration for business					
consideration (Note 6)	_	_	807,313		
Total trade and other payables	9,421,107	6,021,545	11,917,338	8,733,463	
Add:					
Loan and borrowings (Note 17)	17,250,000	17,750,000	17,250,000	17,750,000	
Total financial liabilities carried					
at amortised cost	26,671,107	23,771,545	29,167,338	26,483,463	

Trade payables are generally on 30 (2011: 30) days credit terms.

For the year ended 30 June 2012

#### 13 Trade and other payables (cont'd)

Trade and other payables are denominated in the following currencies:

	The Company 2012 2011 \$		The Group		
			2012 \$	2011 \$	
Singapore Dollar	9,421,107	6,021,545	4,625,752	5,014,309	
Australian Dollar	_	_	4,766,308	1,806,220	
Hong Kong Dollar	_	_	827,358	824,341	
Malaysia Ringgit	_	_	1,000,050	630,420	
Renminbi	_	_	697,870	458,173	
	9,421,107	6,021,545	11,917,338	8,733,463	

#### 14 Derivatives

	The Group and the Company					
		2012			2011	
		\$			\$	
	Contract/			Contract/		
	Notional			Notional		
	Amount	Assets	Liabilities	Amount	Assets	Liabilities
	A\$	\$	\$	A\$	\$	\$
Forward currency contracts, representing total financial liabilities at fair value through profit or loss	2,000,000	_	264,800	_	_	_

Forward currency contracts are used to hedge foreign currency risk arising from the Group's foreign currency exposure of the Australian Dollar against the Singapore Dollar.

For the year ended 30 June 2012

#### 15 Excess of progress billings over work-in-progress

The Group	2012 \$	2011 \$
Work-in-progress	1,916,762	1,888,926
Allowance for anticipated losses	(390,173)	(321,675)
	1,526,589	1,567,251
Progress billings	(3,262,729)	(3,114,260)
	(1,736,140)	(1,547,009)

#### 16 Provision for employees benefits

Provision for employees benefits relates to cash settlement upon the exercise of share options by employees of a subsidiary. The holders of the options have the right to exercise the options and take shares or cash settlement.

The Group has recorded the expected cash payment and classified the instruments as a liability.

#### 17 Loan and borrowings

	The Company		The Group		
	2012	2011	2012	2011	
	\$	\$	\$	\$	
Bank borrowings, current portion					
Term loan	3,000,000	3,000,000	3,000,000	3,000,000	
Revolving credit	7,000,000	4,500,000	7,000,000	4,500,000	
	10,000,000	7,500,000	10,000,000	7,500,000	
Bank borrowings, non-current portion					
Term loan	7,250,000	10,250,000	7,250,000	10,250,000	
Total loan and borrowings	17,250,000	17,750,000	17,250,000	17,750,000	

The term loan which is unsecured, bears interest at the rate of 1.75% (2011: 1.75%) per annum above the cost of fund for interest period of 1, 3 and 6 months.

The term loan is repayable in 59 monthly instalments of \$250,000 each and a final instalment of the balance amount outstanding.

The revolving credit facility is unsecured, bears an interest at mutually agreed rates of 2.27% to 2.60% (2011: 2.13% to 2.23%) per annum and is payable on demand.

For the year ended 30 June 2012

#### 18 Other operating income

The Group	2012 \$	2011 \$
Interest income - fixed deposits	138,883	164,200
Other income	197,543	309,831
	336,426	474,031

#### 19 Gain on re-measurement of investment in associate to fair value

Amount pertained to one-off gain and was recognized as a result of having re-measured to fair value the original 33.33% equity interest in Newreg Pty Ltd, before combining the additional 33.33% stake in Newreg Pty Ltd.

#### 20 Staff costs

	2012	2011
The Group	\$	\$
Directors' remuneration other than fees (key management)		
- directors of the Company		
- Salaries and related expenses	1,297,850	903,500
- Defined contribution expenses	21,711	14,617
- directors of the subsidiaries		
- Salaries and related expenses	2,487,223	3,602,394
- Defined contribution expenses	42,216	59,249
- Grant of share options	_	186,193
Staff costs (others)		
- Salaries and related expenses	28,809,795	23,160,790
- Defined contribution expenses	1,143,079	1,019,764
- (Share option modification)/Grant of share options	(328,381)	194,662
	33,473,493	29,141,169

For the year ended 30 June 2012

#### 21 Profit before taxation

The Group	Note	2012 \$	2011 \$
o di oup	11010	*	(Restated)
Profit before taxation has been arrived at after charging:			
Allowance for impairment of trade receivables	7	335,845	318,201
Amortisation of intangible assets	5	2,009,226	1,817,430
Auditors' remuneration			
- auditors of the Company			
- statutory audit fee		94,000	90,000
- non-audit fee		-	6,000
- auditors of subsidiaries			
- statutory audit fee		173,488	90,436
- non-audit fee		-	334,560
Bad debts written off - trade		110,974	32,169
Depreciation of property, plant and equipment	4	1,287,013	1,168,867
Directors' fee		345,008	301,596
Impairment of intangible assets	5	1,600,000	_
Write off of property, plant and equipment		38,230	17,419
Write off of computer software		-	489
Operating lease rentals of office premises and equipment		4,333,029	4,142,427
and crediting:			
Reversal of allowance for impairment of trade receivables	7	130,901	38,294
Bad debts recovered - trade		9,962	10,892

For the year ended 30 June 2012

#### 22 Taxation

	2012	2011
The Group	\$	\$
		(Restated)
Current taxation	2,539,986	2,881,017
Deferred taxation (Note 12)	(885,014)	(54,465)
	1,654,972	2,826,552
Over provision of current taxation in respect of prior years	(184,727)	(58,428)
	1,470,245	2,768,124

The tax expense on the results of the financial year for the Group varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on the Group's profits as a result of the following differences:

Profit before taxation and share of associate's profits	8,529,934	21,801,477
Tax at statutory rate of 17% (2011:17%)	1,450,089	3,706,251
Tax effect on non-taxable income	(941,150)	(2,302,640)
Tax effect on non-deductible expenses	851,931	762,771
Singapore statutory stepped income exemption	(78,997)	(70,405)
Utilisation of deferred tax assets not recognised in prior years	3,345	_
Utilisation of previously unrecognised tax loss	_	_
Difference in foreign tax rates	430,107	739,673
Over provision of current taxation in respect of prior years	(184,727)	(58,428)
Others	(60,353)	(9,098)
	1,470,245	2,768,124

#### 23 Earnings per share

The earnings per share is calculated based on the Group's profit after taxation of \$7,576,128 (2011: \$18,849,341[restated]) on the weighted average number of ordinary shares in issue of 184,260,291 (2011:184,244,916) shares during the financial year.

Diluted earnings per share was calculated on the Group's profit after taxation of \$7,576,128 (2011: \$18,849,341[restated]) divided by 184,421,501 (2011: 184,435,483) ordinary shares. The ordinary shares were calculated based on the assumption that the holders of the exercisable share options exercised their subscription rights at the respective exercise prices.

For the year ended 30 June 2012

#### 24 Dividend

At the Annual General Meeting to be held, a final one-tier tax-exempt dividend of \$0.02 per share amounting to \$3,685,305 will be proposed based on 184,265,250 number of ordinary shares in issue. These financial statements do not reflect these dividends payable, which will be accounted for in shareholders' equity as distribution of retained earnings in the financial year ending 30 June 2013.

#### 25 Disclosure of directors' remuneration

The following number of directors of the Company in remuneration bands is disclosed in compliance with paragraph 4 of Appendix 11 of the SGX-ST Listing Manual:

Number of directors	2012	2011
A750 000 I . I		
\$750,000 and above	_	_
\$500,000 to \$749,999	2	2
\$250,000 to \$499,999	_	_
Below \$250,000	7	6
	9	8

#### \$500,000 to \$749,999

	Kim Teo Poh Jin		Tan Che	er Liang
	2012	2011	2012	2011
	%	%	%	%
Fee	_	_	_	_
Salary	52	56	50	55
Bonus	-	_	-	_
Allowance	1	1	1	1
Leave entitlement	-	_	-	_
Profit share	46	42	47	43
CPF contributions	1	1	2	1
Notice in lieu	-	_	-	_
Ex-gratia payment	-	_	-	_
	100	100	100	100

For the year ended 30 June 2012

#### 25 Disclosure of directors' remuneration (cont'd)

Below	\$250	.000
-------	-------	------

	Goh Geok Khim		Goh Yew Lin		Sim Cheok Lim	
	2012	2011	2012	2011	2012	2011
	%	%	%	%	%	%
Fee	100	100	_	_	100	100
Salary	_	_	_	_	_	_
Bonus	_	_	_	_	-	_
Allowance	_	_	_	_	-	_
Profit share	_	_	_	_	_	_
CPF contributions	-	_	-	_	-	_
Notice in lieu	-	_	-	_	_	_
	100	100	-	_	100	100

	Elizabe	th Sam	Mak Lye Mun		William Wong Tien Leong	
	2012 %	2011 %	2012 %	2011 %	2012 %	2011 %
Fee	100	100	100	100	100	100
Salary	_	_	_	_	_	_
Bonus	_	_	_	_	_	_
Allowance	_	_	_	_	_	_
Profit share	_	_	_	_	_	_
CPF contributions	_	_	_	_	_	_
Notice in lieu	_	_	_	_	_	_
	100	100	100	100	100	100

	Spencer Lee	e Tien Chye
	2012	2011
	%	%
Fee	_	_
Salary	-	_
Bonus	-	_
Allowance	-	_
Profit share	-	_
CPF contributions	_	_
Notice in lieu	-	_
	_	_

For the year ended 30 June 2012

#### 26 Statement of operations by segment

#### The Group

- (a) For management purposes, the Group is organised into business units based on their geographical locations, and has five reportable operating segments as follows:
  - (i) Singapore
  - (ii) Malaysia
  - (iii) Hong Kong
  - (iv) Australia
  - (v) China

The Group is a professional business services group and the core services provided are corporate secretarial, share registration and accounting services. Corporate secretarial and accounting services to external customers are included in Singapore, Malaysia, Hong Kong and China segments. Share registration services to external customers are included in Singapore and Australia segments.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

(b) Segment revenue and expense

All segment revenue and expenses are directly attributable to the segments.

(c) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating receivables, unbilled disbursements, staff loans, property, plant and equipment and intangible assets, net of allowances and provisions.

Segment liabilities include all operating liabilities and consist principally of operating payables and excess of billings over work-in-progress.

Segment assets and liabilities exclude deferred tax assets, provision for taxation and deferred tax liabilities.

Segment accounting policies are the same as the policies included in Note 2.

For the year ended 30 June 2012

#### 26 Statement of operations by segment (cont'd)

	Singapore	Malaysia	Hong Kong	Australia	China	Elimination	Notes	Consolidated
	\$	\$	\$	\$	\$	\$		\$
2012								
Revenue								
External sales	24,547,630	4,684,909	7.458.993	20,061,894	1.828.628	_		58,582,054
		-,,	-,,,,,,,,,		1,000,000			
Results								
Profit before								
taxation	1,744,302	1,009,636			(1,184,751)	_		8,529,934
Income taxes	501,627	306,877		537,179	_	_		1,470,245
Profit for the year	1,242,675	702,759	467,501	5,831,505	(1,184,751)	_		7,059,689
Other information								
Segment assets	15,816,170	8 N6/ 500	20,931,973	61 051 327	1 // 2 711	(95,153)	Α	108,117,627
Unallocated	13,010,170	0,004,000	20,301,370	01,331,027	1,440,711	(33,130)	^	100,117,027
corporate assets								636,305
Consolidated								
total assets								108,753,932
		4 445 404	4 007 000		745.000	(407.075)		04.040.740
Segment liabilities	22,987,168	1,445,424	1,887,092	5,082,898	715,009	(497,875)	В	31,619,716
Unallocated corporate liabilities								0.740.222
Consolidated								9,749,323
total liabilities								41,369,039
Capital expenditure								
- property, plant								
and equipment	102,744	109,363		143,426		_		507,795
- intangible assets	74,290	3,596	-	1,163		_		79,049
Interest income	2,484	14,426	508	121,020	445	-		138,883
Depreciation and								
amortisation expenses	600,982	132,911	296,897	2,142,124	123,325	_		3,296,239
Allowance for	000,302	132,911	290,097	2,142,124	123,323	_		3,290,239
impairment of								
debts - trade	136,118	102,231	39,624	57,872	_	_		335,845
Impairment of								
intangible assets	1,600,000	-	-	-	-	_		1,600,000
Write-off / (gain on								
disposal) of								
property, plant and equipment,								
and computer								
software	(53)	263	_	36,845	1,175	-		38,230
	. ,			*	•			•

For the year ended 30 June 2012

#### 26 Statement of operations by segment (cont'd)

	Singapore \$	Malaysia \$	Hong Kong \$	Australia \$ (Restated)	China \$	Elimination \$	Notes	Consolidated \$ (Restated)
2011								
Revenue								
External sales	25,457,570	4,063,651	7,030,190	17,110,618	1,198,316	_		54,860,345
B II.								
Results								
Profit before taxation	15,413,260	844,650	489,557	5,802,478	(658,560)	_		21,891,385
Income taxes	1,160,718	341,119	147,698	1,056,193	62,396	_		2,768,124
Profit for the year	14,252,542	503,531	341,859	4,746,285	(720,956)			19,123,261
1 Tollt for the year	17,232,372	303,331	341,033	4,740,203	(120,330)			19,123,201
Other information								
Segment assets	14,358,650	7,962,692	20,313,829	61,679,454	947,317	1,669,505	Α	106,931,447
Unallocated								
corporate assets								500,589
Consolidated								
total assets								107,432,036
Segment liabilities	23,339,295	1,047,015	1,773,185	3,042,183	461,619	(340,993)	В	29,322,304
Unallocated		1,011,010	1,110,100	0,0 1=,100	101,010	(0.10,000)	_	
corporate liabilities	3							11,225,165
Consolidated								
total liabilities								40,547,469
Capital expenditure								
- property, plant								
and equipment	350,337	77,541	806,407	177,491	233,873	_		1,645,649
- intangible assets	56,420	23,202	_	17,988	58,039	_		155,649
Interest income	7,847	12,810	8	143,181	354	_		164,200
Depreciation and	-,	,		,				101,000
amortisation								
expenses	579,186	123,901	277,119	1,919,880	86,211	-		2,986,297
Allowance for								
impairment of	106 527	20 602	01 071					210 201
debts - trade Write-off / (gain on	186,537	39,693	91,971	_	_	_		318,201
disposal) of								
property, plant								
and equipment,								
and computer	/=	/==:						,
software	(5,262)	(89)	23,259	-	_	-		17,908

For the year ended 30 June 2012

#### 26 Statement of operations by segment (cont'd)

Notes: Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A The following items are added to/(deducted from) segment assets to arrive total assets reported in the consolidated balance sheet:

	2012 \$	2011 \$
Inter-segment assets	(95,153)	1,669,505
Balance at end	(95,153)	1,669,505

B The following items are added to/(deducted from) segment liabilities to arrive total liabilities reported in the consolidated balance sheet:

	2012 \$	2011 \$
Inter-segment assets	(497,875)	(340,993)
	(497,875)	(340,993)

#### (d) Business segments information

The Group is a professional business services group and the core services provided are corporate secretarial, share registration and accounting.

#### Corporate secretarial

The Group provides secretarial services mainly to private limited companies and to public listed corporations. Services under Corporate Secretarial include acting as company secretary and providing corporate secretarial consultancy, advisory, assistance and support.

#### Share registration

Services are provided predominantly to public listed corporations. Under Share Registration, the services provided include acting as share registrar, share transfer agent, warrant agent, employee equity plan administration, voting, shareholder analytics, investor solicitation, and executive remuneration.

For the year ended 30 June 2012

#### 26 Statement of operations by segment (cont'd)

(d) Business segments information (cont'd)

#### Accounting

Services rendered include book-keeping, preparation of financial statements, payroll and payment processing, Goods and Services Tax accounting, tax advisory, human resource, risk management and internal audit.

#### Others

Other services represent income from investor relations.

#### **Business information**

	Revenue		Non-current assets	
	2012 \$	2011 \$	2012 \$	2011 \$
				(Restated)
Corporate secretarial	19,026,999	18,197,663	18,458,641	18,501,030
Share registration	26,042,414	23,506,355	56,366,984	56,895,711
Accounting	13,381,933	12,267,948	7,977,847	7,702,535
Others	130,708	888,379	2,349,960	3,910,557
	58,582,054	54,860,345	85,153,432	87,009,833

Non-current assets information presented above consist of property, plant and equipment, intangible assets, investment in associates and staff loans as presented in the consolidated balance sheet.

#### **Major customer information**

The Group does not have revenue concentration from major customers. Revenue is spread over a large number of clients.

For the year ended 30 June 2012

#### 27 Operating lease commitments

At the balance sheet date, the Company and the Group were committed to making the following rental payments in respect of operating lease of office premises and office equipment with an original term of more than one year.

	The Company		The Group	
	2012	2011	2011 <b>2012</b>	
	\$	\$	\$	\$
Not later than one year  Later than one year and not later than	1,414,284	1,989,999	3,646,067	4,152,908
five years	28,980	1,800,926	1,990,277	5,594,681
Later than five years	_	_	375	_

The leases on the Group's office equipment on which rentals are payable will expire between 31 August 2012 and 31 August 2017, subject to an option to renew and the current rent payable on all leases range from \$155 per month to \$1,142 per month which are subject to revision on renewal.

The lease on the Group's office premises for which rentals are payable will expire between 31 August 2012 and 30 November 2016.

The Company recharges monthly rental for office premises ranging from \$45,722 to \$78,668 to its subsidiaries.

The total of future minimum sublease payments expected to be received by the Company from its subsidiaries at balance sheet date is \$971,039.

#### 28 Financial risk management objectives and policies

#### Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

Risk management is carried out by the Finance Division under policies approved by the Board of Directors. The Finance Division identifies, evaluates and hedges financial risks in close co-operation with the Company's and the Group's operating units.

There has been no change to the Company's and the Group's exposure to these financial risks or the manner in which it manages and measures the risk, except as disclosed in Note 28.2 Currency risk section. Market risk exposures are measured using sensitivity analysis indicated below.

For the year ended 30 June 2012

#### 28 Financial risk management objectives and policies (cont'd)

#### 28.1 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Company's and the Group's exposure to interest rates risk arises primarily due to its fixed/short-term deposits placed with and its loan and borrowing from financial institutions.

In respect of interest-bearing financial assets and liabilities, the following table indicates their effective interest rate at balance sheet date and the periods in which they reprice or mature, whichever is earlier.

### The Group 2012

2012					
		Effective		Less than	1 to 5
		interest rate	Total	1 year	Years
	Note	(per annum)	\$'000	\$'000	\$'000
Financial assets					
Fixed deposits	9	0.25% to 3.60%	4,326	4,326	_
Loan and borrowings	17	See Note	(17,250)	(10,000)	(7,250)
2011					
		Effective		Less than	1 to 5
		interest rate	Total	1 year	Years
	Note	(per annum)	\$'000	\$'000	\$'000
Financial assets					
Fixed deposits	9	2.30% to 5.10%	2,997	2,997	_
Loan and borrowings	17	See Note	(17,750)	(7,500)	(10,250)
The Company					
2012					
		Effective		Less than	1 to 5
		interest rate	Total	1 year	Years
	Note	(per annum)	\$'000	\$'000	\$'000
Financial assets					
Fixed deposits	9	0.25% to 3.60%	2,510	2,510	_
Loan and borrowings	17	See Note	(17,250)	(10,000)	(7,250)
2011					
		Effective		Less than	1 to 5
		interest rate	Total	1 year	Years
	Note	(per annum)	\$'000	\$'000	\$'000
Financial assets					
Fixed deposits	9	_	_	_	_
Loan and borrowings	17	See Note	(17,750)	(7,500)	(10,250)

For the year ended 30 June 2012

#### 28 Financial risk management objectives and policies (cont'd)

#### 28.1 Interest rate risk (cont'd)

For illustrative purpose, the sensitivity analysis performed below is based on the exposure to interest rates for financial instruments at the balance sheet date and the stipulated change taking place at the beginning of the financial year with all other variables held constant throughout the financial year ended 30 June 2012.

	Profit before taxation		
The Group	2012	2011	
	\$ '000	\$'000	
Interest rate			
- decreased by 1% per annum	129	148	
- increased by 1% per annum	(129)	(148)	

	Profit before taxation		
The Company	2012 \$ '000	2011 \$'000	
Interest rate			
- decreased by 1% per annum	147	178	
- increased by 1% per annum	(147)	(178)	

#### 28.2 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group operates in Asia and Australia with dominant operations in Singapore and Australia. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies") such as the Singapore dollar ("SGD"), Malaysia ringgit ("RM"), Hong Kong dollar ("HKD"), Australian dollar ("AUD") and China Renminbi ("RMB").

The Group is exposed to foreign exchange fluctuation risk to the extent of the difference between the revenue earned in various currencies and the respective local components of cost of sales incurred. The Company uses forward contracts to hedge the Group's foreign currency exposure of the AUD.

For the year ended 30 June 2012

#### 28 Financial risk management objectives and policies (cont'd)

#### 28.2 Currency risk (cont'd)

The Company's and the Group's exposures to various currencies are as follows:

<b>←</b> 30 June 2012			<b></b>		
Singapore Dollar \$	Malaysia Ringgit \$	Hong Kong Dollar \$	Australian Dollar \$	China Renminbi \$	Total \$
6,345,834	1,531,776	2,134,111	3,163,055	418,633	13,593,409
4 024 000	1 000 006	E00 106	0 507 500	E40 007	0 500 700
4,931,000	1,080,990	329,130	2,307,362	549,927	9,598,729
(4,625,752)	(1,000,050)	(827,358)	(4,766,308)	(697,870)	(11,917,338)
_	_	_	(264,800)	_	(264,800)
6,651,170	1,612,722	1,835,889	639,529	270,690	11,010,000
◀			e 2011		<b></b>
Singapore	Malaysia		Australian	China	
	Ringgit	Dollar	Dollar	Renminbi	Total
\$	\$	\$	\$	\$	\$
\$	\$	\$	\$	\$	\$
<u> </u>	\$	\$	\$	\$	\$
6,656,958	1,061,636	\$ 1,707,063	\$ 2,593,670	\$ 390,096	\$ 12,409,423
6,656,958	1,061,636	1,707,063	2,593,670	390,096	12,409,423
·	·	·	·	·	·
6,656,958	1,061,636	1,707,063	2,593,670	390,096	12,409,423
	0,345,834 4,931,088 (4,625,752) - 6,651,170	Dollar Ringgit \$  6,345,834 1,531,776  4,931,088 1,080,996  (4,625,752) (1,000,050)   6,651,170 1,612,722  Singapore Malaysia	Singapore Dollar       Malaysia Ringgit       Hong Kong Dollar         6,345,834       1,531,776       2,134,111         4,931,088       1,080,996       529,136         (4,625,752)       (1,000,050)       (827,358)         −       −       −         6,651,170       1,612,722       1,835,889         Singapore       Malaysia       Hong Kong	Singapore Dollar \$       Malaysia Ringgit \$       Hong Kong Dollar \$       Australian Dollar \$         6,345,834       1,531,776       2,134,111       3,163,055         4,931,088       1,080,996       529,136       2,507,582         (4,625,752)       (1,000,050)       (827,358)       (4,766,308)         −       −       −       (264,800)         6,651,170       1,612,722       1,835,889       639,529         ✓       30 June 2011         Singapore       Malaysia       Hong Kong       Australian	Singapore Dollar Singapore Dollar Singapore Dollar Singapore Singapore Dollar Singapore Singapore Dollar Singapore Singapore Malaysia         Hong Kong Dollar Dollar Singapore Malaysia         Australian Dollar Renminbi Singapore Malaysia         China Renminbi Singapore Malaysia           4,931,088 1,080,996 529,136 2,507,582 549,927         2,507,582 549,927         549,927           (4,625,752) (1,000,050) (827,358) (4,766,308) (697,870) — (264,800) — (2

A 5% strengthening of Singapore dollar against the following currencies at the reporting date would increase/(decrease) profit before taxation by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

For the year ended 30 June 2012

#### 28 Financial risk management objectives and policies (cont'd)

#### 28.2 Currency risk (cont'd)

	Profit before taxation
The Group	\$
30 June 2012	
Malaysia Ringgit	(80,636)
Hong Kong Dollar	(91,794)
Australian Dollar	(31,976)
China Renminbi	(13,535)
30 June 2011	
Malaysia Ringgit	(89,316)
Hong Kong Dollar	(84,572)
Australian Dollar	(170,232)
China Renminbi	2,459

A 5% weakening of Singapore dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

#### 28.3 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

As the Group and Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet.

The Company's and the Group's major classes of financial assets are bank deposits and trade receivables.

For the year ended 30 June 2012

#### 28 Financial risk management objectives and policies (cont'd)

#### 28.3 Credit risk (cont'd)

The credit risk for trade receivables for the Group is as follows:

	2012	2011
The Group	\$	\$
By geographical areas		
Singapore	5,108,567	6,046,897
Australia	2,427,993	2,088,508
Hong Kong	1,488,983	1,317,579
Malaysia	1,481,298	1,010,244
China	291,697	283,086
	10,798,538	10,746,314

#### (i) Financial assets that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

Cash and cash equivalents are placed with financial institutions with high credit ratings.

#### (ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables. All trade receivables past due have been fully provided for in the accounts.

For the year ended 30 June 2012

#### 28 Financial risk management objectives and policies (cont'd)

#### 28.3 Credit risk (cont'd)

The carrying amount of trade receivables individually determined to be impaired and the movement in the related impairment for doubtful debts are as follows:

The Group	2012 \$	2011 \$
Trade receivables - Gross	11,616,729	11,424,822
Impairment for doubtful receivables		
Beginning of year	(678,508)	(339,956)
Currency translation difference	(689)	8,711
Acquisitions	_	(90,906)
Impairment made	(335,845)	(318,201)
Impairment utilised	65,950	23,550
Impairment written back	130,901	38,294
End of year	(818,191)	(678,508)
Trade receivables - carrying amount	10,798,538	10,746,314

#### 28.4 Market risk

Market risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The Company and the Group do not hold any quoted or marketable financial instrument and hence, is not exposed to any movements in market prices.

#### 28.5 Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company's and the Group's objective is to maintain a balance between sufficient cash and cash equivalents and internally generated cash flows and the use of credit facilities to finance their operating activities and committed liabilities. At the end of the reporting period, approximately 58% (2011: 42%) of the Group's loan and borrowings will mature in less than one year based on the carrying amount reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low and access to sources of funding is sufficiently available.

For the year ended 30 June 2012

#### 28 Financial risk management objectives and policies (cont'd)

#### 28.5 Liquidity risk (cont'd)

The tables below analyses the maturity profile of the Group's and Company's financial assets and financial liabilities based on contractual undiscounted cash flows:

The	Group
-----	-------

The Group				
	1 4	Between	Over	
	Less than	2 and 5	5	Total
	1 year \$	years \$	years \$	Total \$
	Ψ	Ψ	φ	Ψ
At 30 June 2012				
Financial assets:				
Trade and other receivables	13,593,409	_	-	13,593,409
Cash and cash equivalents	9,598,729	_	-	9,598,729
Total undiscounted financial assets	23,192,138	_	_	23,192,138
Financial liabilities:				
Trade and other payables	11,110,025	807,313	_	11,917,338
Loan and borrowings	10,000,000	7,250,000	_	17,250,000
Derivatives	264,800	_	_	264,800
Total undiscounted financial liabilities	21,374,825	8,057,313	_	29,432,138
Total net undiscounted financial assets/(liabilities)	1,817,313	(8,057,313)	_	(6,240,000)
At 30 June 2011				
Financial assets:				
Trade and other receivables	12,409,423	_	_	12,409,423
Cash and cash equivalents	7,669,091	_	_	7,669,091
Total undiscounted financial assets	20,078,514	_	_	20,078,514
Financial liabilities:				
Trade and other payables	8,733,463	_	_	8,733,463
Loan and borrowings	7,500,000	10,250,000	_	17,750,000
Total undiscounted financial liabilities	16,233,463	10,250,000	_	26,483,463
Total net undiscounted financial assets/(liabilities)	3,845,051	(10,250,000)	_	(6,404,949)

For the year ended 30 June 2012

#### 28 Financial risk management objectives and policies (cont'd)

#### 28.5 Liquidity risk (cont'd)

The	Co	m	pa	ny

	Less than 1 year \$	Between 2 and 5 years \$	Over 5 years \$	Total \$
At 30 June 2012				
Financial assets:				
Trade and other receivables	1,706,159	_	_	1,706,159
Amount owing by subsidiaries	4,694,398	_	_	4,694,398
Cash and cash equivalents	2,876,411	_	_	2,876,411
Total undiscounted financial assets	9,276,968	_	-	9,276,968
Financial liabilities:				
Trade and other payables	1,078,937	_	_	1,078,937
Amount owing to subsidiaries	8,342,170	_	_	8,342,170
Loan and borrowings	10,000,000	7,250,000	_	17,250,000
Total undiscounted financial liabilities	19,421,107	7,250,000	_	26,671,107
Total net undiscounted financial liabilities	(10,144,139)	(7,250,000)	_	(17,394,139)
At 30 June 2011				
Financial assets:				
Trade and other receivables	905,671	_	_	905,671
Amount owing by subsidiaries	9,607,298	_	_	9,607,298
Cash and cash equivalents	1,293,913	_	_	1,293,913
Total undiscounted financial assets	11,806,882	_	_	11,806,882
Financial liabilities:				
Trade and other payables	1,000,592	_	_	1,000,592
Amount owing to a subsidiary	5,020,953	_	_	5,020,953
Loan and borrowings	7,500,000	10,250,000	_	17,750,000
Total undiscounted financial liabilities	13,521,545	10,250,000	_	23,771,545
Total net undiscounted financial liabilities	(1,714,663)	(10,250,000)	_	(11,964,663)

For the year ended 30 June 2012

#### 29 Capital management

The Group's objectives when managing capital are:

- (a) To safeguard the Group's ability to continue as a going concern, so that it continues to provide returns for shareholders and benefits for other stakeholders:
- (b) To support the Group's stability and growth; and
- (c) To provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group currently does not adopt any formal dividend policy.

The Group monitors capital using a current ratio, which is current assets divided by current liabilities.

	Group	
	2012	2011
	\$	\$
Trade receivables (Note 7)	10,798,538	10,746,314
Unbilled disbursements	90,704	147,548
Other receivables (Note 8)	2,794,871	1,663,109
Prepayments	317,658	196,141
Cash and cash equivalents (Note 9)	9,598,729	7,669,091
Total current assets	23,600,500	20,422,203
Trade payables (Note 13)	9,544,372	7,642,797
Other payables (Note 13)	1,565,653	1,090,666
Derivatives (Note 14)	264,800	_
Disbursements billed in advance	77,974	112
Excess of progress billings over work-in-progress (Note 15)	1,736,140	1,547,009
Loan and borrowing	10,000,000	7,500,000
Current tax payable	881,072	1,335,628
Total current liabilities	24,070,011	19,116,212
Current ratio	0.98	1.07

For the year ended 30 June 2012

#### 30 Financial instruments

#### A. Fair values of financial instruments that are carried at fair value

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

Group	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	\$	\$	\$	\$
2012				
Financial liabilities:				
Derivatives				
- Forward currency contracts (note 14)	_	(264,800)	_	(264,800)
Contingent consideration for business combination (note 6)	_	_	(807,313)	(807,313)
At 30 June 2012	_	(264,800)	(807,313)	(1,072,113)
Company	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	\$	\$	\$	\$
2012				
Financial liabilities:				
Derivatives				
- Forward currency contracts (note 14)	_	(264,800)	_	(264,800)
At 30 June 2012	_	(264,800)	_	(264,800)

For the year ended 30 June 2012

#### 30 Financial instruments (cont'd)

#### A. Fair values of financial instruments that are carried at fair value (cont'd)

#### Fair value hierarchy

The Group classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:

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

#### Derivative (Note 14):

Forward currency contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques is forward pricing, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, and forward rate curves.

Contingent consideration for business combination (Note 6):

Please see Note 6 for details in relation to the determination of fair value of contingent consideration for business combination.

There has been no transfer from Level 2 to Level 3 during the financial year ended 30 June 2012.

## B. Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of the financial assets and financial liabilities (except derivative financial instruments and contingent consideration for business combination) as reflected in the balance sheet approximate their respective fair values either due to their short-term nature or they are floating rate instruments that are re-priced to market interest rates on or near the balance sheet date.

The Company and the Group do not anticipate that the carrying amounts recorded at balance sheet date would be significantly different from the values that would be eventually received or settled.

# STATISTICS OF SHAREHOLDINGS

As at 13 September 2012

#### **DISTRIBUTION OF SHAREHOLDINGS**

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 - 999	13	1.97	2.906	0.00
1,000 - 10,000	328	49.85	1,474,911	0.80
10,001 - 1,000,000	302	45.90	21,917,869	11.90
1,000,001 and above	15	2.28	160,869,564	87.30
Total	658	100.00	184,265,250	100.00

#### TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	Salacca Pte. Ltd.	60,528,857	32.85
2	DBSN Services Pte Ltd	26,053,329	14.14
3	Nanyang Press (Singapore) Limited	22,616,612	12.27
4	Raffles Nominees (Pte) Ltd	13,248,857	7.19
5	HSBC (Singapore) Nominees Pte Ltd	10,852,000	5.89
6	Wong Chau Yuen	5,001,000	2.71
7	Glen Holdings Pte Ltd	4,778,000	2.59
8	Jen Shek Voon	4,394,711	2.38
9	Tan Man Eng @ Tan Mang Eng	3,327,537	1.81
10	D.S. Lee Specialists Group Pte. Ltd.	2,858,000	1.55
11	Ong Eng Teong	1,846,161	1.00
12	DBS Nominees Pte Ltd	1,579,500	0.86
13	Citibank Nominees Singapore Pte Ltd	1,309,000	0.71
14	Tan Cher Liang	1,269,000	0.69
15	Yvonne Choo Mrs Yvonne Goh	1,207,000	0.66
16	Shah Viren Prafulchandra	1,000,000	0.54
17	United Overseas Bank Nominees Pte Ltd	994,750	0.54
18	Chiang Kok Meng	700,000	0.38
19	Yeo Seng Kia	678,000	0.37
20	Estate of Tan Eng Heng, Deceased	606,000	0.33
	Total	164,848,314	89.46

## STATISTICS OF SHAREHOLDINGS

As at 13 September 2012

#### SHAREHOLDERS' INFORMATION

	Number of	
Class of equity securities	equity securities	Voting Rights
Ordinary	184,265,250	One vote per share

#### SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Deemed Interest	%
G.K. Goh Holdings Limited (3)	_	_	60,528,857	32.85
GKG Investment Holdings Pte Ltd (4)	_	_	60,528,857	32.85
Goh Geok Khim (1)	_	_	60,528,857	32.85
Goh Yew Lin (2)	_	_	60,528,857	32.85
Nanyang Press (Singapore) Limited	22,616,612	12.27	_	_
Salacca Pte Ltd	60,528,857	32.85	_	_
Third Avenue Management LLC (5)	_	_	23,048,784	12.51

#### Notes:

- (1) Mr Goh Geok Khim is deemed to have an interest in the shares which GKG Investment Holdings Pte Ltd ("GKGI") has an interest by virtue of his holding not less than 20% of the voting shares in GKGI.
- (2) Mr Goh Yew Lin is deemed to have an interest in the shares which GKGI has an interest by virtue of his holding not less than 20% of the voting shares in GKGI.
- (3) G.K. Goh Holdings Limited, which is the holding company of Salacca Pte Ltd, is deemed to have an interest in the shares in which Salacca Pte Ltd has an interest in.
- (4) GKGI as the ultimate holding company of G.K. Goh Holdings Limited is deemed to have an interest in the shares in which G.K. Goh Holdings Limited has an interest in.
- (5) Third Avenue Management LLC is deemed to have an interest in 22,522,784 shares held by DBSN Services Pte Ltd and 526,000 shares held by other nominees.

As at 13 September 2012, 41% of the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of SGX-ST.

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Boardroom Limited ("the Company") will be held at Seminar Room, CIMB Investment Centre, Ground Floor, 50 Raffles Place #01-02, Singapore Land Tower, Singapore 048623 on Tuesday, 23 October 2012 at 9.30 a.m. for the following purposes:

#### **AS ORDINARY BUSINESS**

- To receive and adopt the Directors' Report and the Audited Accounts of the Company for the year ended
   June 2012 together with the Auditors' Report thereon.

  (Resolution 1)
- To declare a final (one-tier) tax exempt dividend of 2.0 Singapore cents per ordinary share for the year ended 30 June 2012. [2011: A final (one-tier) tax-exempt dividend of 2.0 Singapore cents per ordinary share]

  (Resolution 2)
- 3. To re-elect the following Directors of the Company retiring pursuant to Articles 110 and 120 of the Articles of Association of the Company:
  - a) Mr Kim Teo Poh Jin (Retiring under Article 110)

(Resolution 3)

b) Mr Spencer Lee Tien Chye (Retiring under Article 120)

(Resolution 4)

Mr Lee will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and Remuneration Committee and will be considered independent.

- 4. To re-appoint the following Directors, each of whom will retire and seek re-appointment under Section 153(6) of the Companies Act, Cap. 50, to hold office from the date of this Annual General Meeting until the next Annual General Meeting of the Company:
  - a) Mr Goh Geok Khim

(Resolution 5)

b) Mr Sim Cheok Lim

(Resolution 6)

c) Mrs Elizabeth Sam

(Resolution 7)

[See Explanatory Note (i)]

Mr Goh will, upon re-appointment as a Director of the Company, remain as a member of the Nominating Committee and Remuneration Committee and will be considered non-independent.

Mr Sim will, upon re-appointment as a Director of the Company, remain as Chairman of the Audit Committee and a member of the Nominating Committee and will be considered independent.

Mrs Sam will, upon re-appointment as a Director of the Company, remain as Chairman of the Nominating Committee and a member of the Remuneration Committee and will be considered independent.

5. To approve the payment of additional Director's fee of S\$16,986 for the year ended 30 June 2012. [See Explanatory Note (ii)] (Resolution 8)

# NOTICE OF ANNUAL GENERAL MEETING

- 6. To approve the payment of Directors' fees of up to \$\$350,000 for the year ending 30 June 2013 to be paid quarterly in arrears. [2012: \$\$275,000] (Resolution 9)
- To re-appoint Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. (Resolution 10)
- 8. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

#### **AS SPECIAL BUSINESS**

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

#### 9. Authority to issue Shares

That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,
  - at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

#### provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

- (2) (subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
  - (a) new shares arising from the conversion or exercise of any convertible securities;
  - (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
  - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Articles of Association of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iii)]

(Resolution 11)

#### 10. Authority to issue shares under the Boardroom Share Option Scheme

That pursuant to Section 161 of the Companies Act, Cap. 50, the Directors of the Company be authorised and empowered to offer and grant options under the prevailing Boardroom Share Option Scheme ("the Scheme") and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Scheme shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. [See Explanatory Note (iv)]

By Order of the Board

Tan Cher Liang Tan San-Ju Secretaries

# NOTICE OF ANNUAL GENERAL MEETING

#### **Explanatory Notes:**

- (i) The effect of the Ordinary Resolutions 5 to 7 proposed in item 4 above, is to re-appoint Directors of the Company who are over 70 years of age.
- (ii) The Ordinary Resolution 8 proposed in item 5 above is to approve additional Director's fee of S\$16,986 for the year ended 30 June 2012. At the last Annual General Meeting held on 21 October 2011, shareholders approved an amount of S\$275,000 as Directors' fees for the year ended 30 June 2012. The additional Director's fee is payable to Mr Spencer Lee Tien Chye who was appointed during the financial year ended 30 June 2012.
- (iii) The Ordinary Resolution 11 in item 9 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

(iv) The Ordinary Resolution 12 in item 10 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted or to be granted under the Scheme up to a number not exceeding in aggregate (for the entire duration of the Scheme) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time.

#### Notes:

- 1. A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a Member of the Company.
- 2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than forty-eight (48) hours before the time appointed for holding the Meeting.

## **Boardroom Limited**

Company Registration No. 200003902Z (Incorporated in Singapore with limited liability)

### PROXY FORM

\* Delete where inapplicable

I/We, \_

(Please see notes overleaf before completing this Form)

#### IMPORTANT:

- 1. For investors who have used their CPF monies to buy Boardroom Limited's shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
- 2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
- 3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

Name		NRIC/Passport No.	Proportion of Shareholdings		
			No. of Shares		%
Addr	ress				
and/c	or (delete as appropriate)				
Name	·	NRIC/Passport No.	Proportion of Shareholdings No. of Shares %		
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#### Notes:

- 1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
- 2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
- 3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
- 4. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
- 5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 not less than 48 hours before the time appointed for the Meeting.
- 6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument. Where the instrument appointing a proxy or proxies of a corporation is executed under the hand of an officer of such corporation, a duly certified copy of the resolution of the directors of the corporation authorising such officer must be lodged with the instrument.
- 7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

#### General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.



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www.boardroomlimited.com

Company Registration No. 200003902Z