BoardRoom

Smart Business Solutions

Annual Report 2010

one team • infinite solutions

BoardRoom
Smart Business Solutions

Contents

Passion Open Driven Partners Long-Lasting Performance Collaborative Proactive

Staying true to Boardroom's dynamic and forward-looking culture, we pride ourselves in being receptive and reactive towards change. It is thus fitting that this annual report celebrates the birth of our new corporate image and showcases the fruition of our re-branding efforts over the past year.

Our redesigned logo takes centre stage, sporting new corporate colours and fonts that exude an air of modernity and authority all at once. At the heart of the logo is the infinity icon, formed by the two cleverly stylised O's, that aptly reflects our cohesive commitment to delivering infinite, long lasting business solutions.

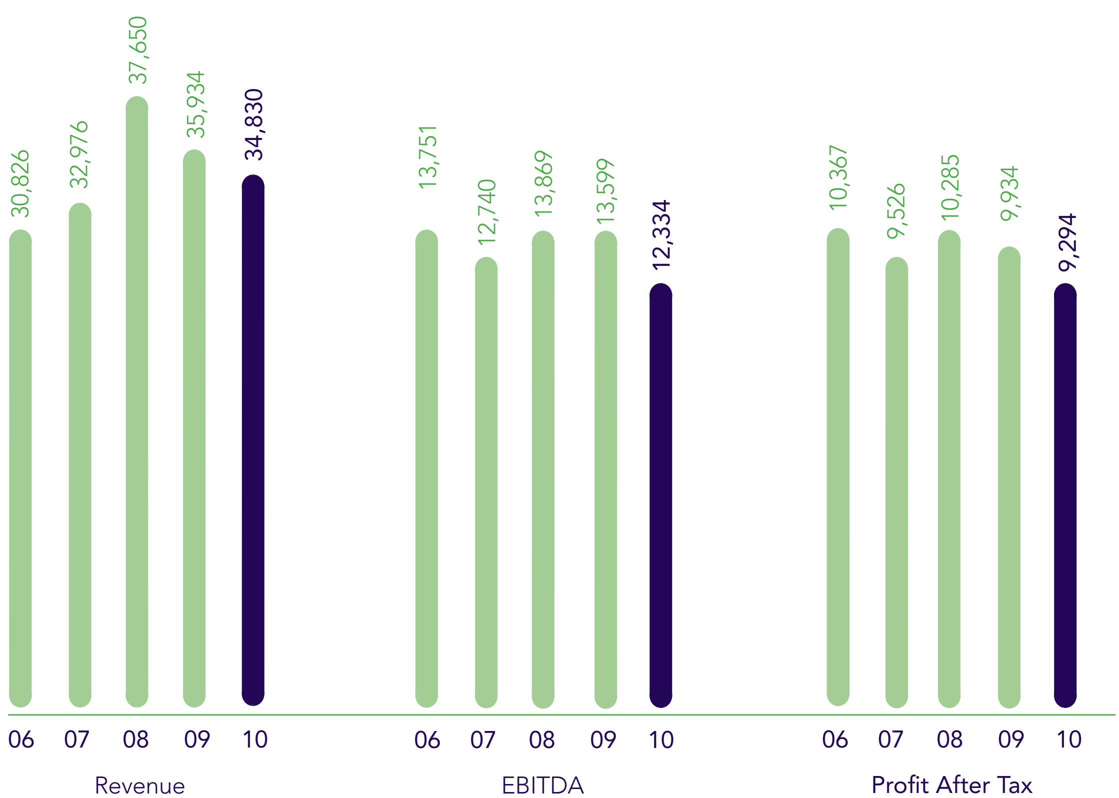
The key to success lies in being driven, collaborative, open, and proactive in the execution of our duties. Equally important is the adoption of a partner-oriented and performance focused mindset. Above all, we must carry an unbridled passion for the work we do. These are behavioural traits that we aim to fully exhibit going forward in order to cultivate and realise our business ideals.

Performance focus

Financial Highlights

Year-ended 30 June	2010 (S$'000)	2009 (S$'000)	2008 (S$'000)	2007 (S$'000)	2006 (S$'000)
Revenue	**34,830**	35,934	37,650	32,976	30,826
EBITDA	**12,334**	13,599	13,869	12,740	13,751
Profit Before Tax	**10,809**	12,119	12,693	11,597	12,702
Profit After Tax	**9,294**	9,934	10,285	9,526	10,367

Revenue, EBITDA & Profit After Tax
Year-ended 30 June (S$'000)



Balance Sheet Highlights As at 30 June	2010 (S$'000)	2009 (S$'000)	2008 (S$'000)	2007 (S$'000)	2006 (S$'000)
Total Assets	72,418	69,681	64,888	62,195	57,682
Total Liabilities	7,923	8,325	9,745	9,579	8,866
Total Shareholders' Fund	64,495	61,356	55,143	52,616	48,816
Net Current Assets	26,566	24,339	19,333	16,657	16,904

Key Financial Ratios	2010	2009	2008	2007	2006
EPS (cents)	5.05	5.40	5.60	5.22	5.76
Net Asset Value Per Share (cents)	35.01	33.36	30.00	28.71	26.82
Current Ratio	4.40	3.96	3.01	2.76	2.94
Debt-to-Equity	0.12	0.14	0.18	0.18	0.18
Return on Equity (%)	14.4	16.2	18.7	18.1	21.2

Segmental Results Year-ended 30 June	2010 %	2009 %	2008 %	2007 %	2006 %
Revenue by Business Unit					
Corporate Secretarial	48.0	50.2	49.4	54.7	58.1
Share Registration	18.0	14.0	13.8	12.5	11.3
Clients Accounting	31.7	33.4	33.2	30.6	29.4
Others	2.3	2.4	3.6	2.2	1.2
	100	100	100	100	100
Revenue by Region					
Singapore	68.3	66.3	67.9	64.7	64.1
Hong Kong	21.3	23.7	22.6	25.2	25.8
Malaysia	10.4	10.0	9.5	10.1	10.1
	100	100	100	100	100
Profit Before Tax by Region					
Singapore	54.0	59.2	61.1	54.4	67.4
Hong Kong	19.1	24.9	29.3	34.5	22.8
Malaysia	12.8	10.6	6.5	10.7	8.1
China (Associate)	-	-	-	-	1.7
Australia (Associate)	14.1	5.3	3.1	0.4	-
	100	100	100	100	100

Proactive approach

Chairman's Statement

Dear Shareholders,

The global economic crisis began to abate by the middle of 2009, and our businesses reflected the subsequent recovery through a growing client base and increased business activity. However, margins were affected as companies continued to step up cost controls amidst keen competition in our areas of business. This ultimately resulted in slightly leaner revenue figures among some of our business units.

For the financial year ended 30 June 2010 (FY2010), we posted revenue of $34.8 million, a 3.1% decline from a year ago. Our net profit decreased 6.4% to $9.3 million, or 5.05 cents per share. Net margins remained reasonably healthy at 26.7%.

Dividend

The Board of Directors has recommended a final tax-exempt cash dividend of 2 cents per ordinary share. Together with the interim tax-exempt one-tier cash dividend of 1 cent per ordinary share paid out in March 2010, the total dividend for the year will amount to 3 cents per ordinary share, or approximately $5.5 million, translating to a dividend payout ratio of about 59%.

Segmental Review And Business Update

Our various business segments responded with mixed results, many of them reflecting the intensity of price competition in the provision of business services.

The share registration business proved most resilient, turning in a significant year-on-year revenue gain of 24.7%. This reflected improved corporate activity as confidence returned to financial markets, with an increase in corporate actions, capital raising initiatives and initial public offerings. The corporate communications and investor relations division was also able to capitalise on these favourable conditions to deliver improved performance.

The corporate secretarial business, affected by competition and price pressures, suffered a 7.2% decline in revenue. It remains our largest revenue contributor.

The accounting, payroll and tax business also had a challenging year, registering a revenue decline of 8.1%. We responded to the challenges by streamlining our operations and growing our platform to provide accounting solutions on a regional level. In the process, we brought aboard an experienced team of tax professionals to offer tax compliance and advisory services to developing small to medium sized enterprises. The positive market response to the tax team has warranted the provision of similar tax services in Hong Kong, China and, in the near future, Malaysia.

Having established a dominant presence in the Singapore share registration market, we found in

> "Global economic uncertainties continue to weigh on sentiment, but for the year ahead, we expect the level of corporate activity to be sustainable."

FY2010 many opportunities to grow regionally. Thus, apart from expanding our scope of services in Malaysia, we acquired an additional 33% stake in our Australian share-registration associate Newreg Pty Ltd (Newreg) in July 2010, bringing our holding to 67%. Subsequently, we have proposed to buy out the remaining minorities, subject to the approval of Boardroom shareholders, so as to be able to drive the Newreg business more effectively.

Since our initial investment three years ago, Newreg has grown from 6% to 11% of the Australian share registration market, which is otherwise dominated by two major players. We believe there is a good opportunity for further growth in Newreg's share of a growing pie in Australia.

Realigning Boardroom Basics

We embarked on a major re-branding exercise during the year to sharpen our competitive edge in the industry. Results of the exercise unveiled a refreshing set of brand values that re-energises the Boardroom name: *Smart, Collaborative, Can Do!* These values will form the foundation of what Boardroom is about and allow us to move ahead with greater drive, passion and focus.

Our logo has also undergone a major facelift, taking on an edgy, modern look with bold colours to portray a more vibrant, progressive and forward moving Boardroom. The new logo was introduced to achieve a solid and common brand identity across the entire Boardroom group of companies. This unified platform will strengthen our position as a strong and internationally credible provider of smart business solutions, guided by a strong adherence to ethical and professional principles.

At the same time, we re-aligned executive responsibilities and made several senior management hires in human resource, IT, sales and marketing. We are now well positioned to attract and retain talent, capitalise on business opportunities and better serve the evolving needs of our expanding client base.

Outlook

Global economic uncertainties continue to weigh on sentiment, but for the year ahead, we expect the level of corporate activity to be sustainable. Barring unforeseen developments, we are fairly optimistic about our operating prospects for the coming year. That said, pricing pressures will remain intense, and it is imperative that we continue to scale up our core businesses while becoming more efficient and effective in providing smart solutions to our clients.

As we re-tool our business to meet ever-increasing customer expectations, we continue to expand our client base and the range of our service offerings, both in Singapore and in newer markets. Newreg will be a key platform for growth, and will be a more significant contributor to Boardroom's earnings in FY2011.

Chairman's Statement

We also acquired ChorPee Corporate Services Pte. Ltd. (ChorPee) in August 2010 and a controlling interest in LSC China Holdings Pte. Ltd., now renamed Boardroom China Holdings Pte. Ltd. (BCH), in September 2010. ChorPee has 38 years of experience in corporate secretarial services and is a natural fit for our Singapore-based corporate secretarial business. The acquisition of BCH brings us back into China, where the business of BCH has been in operation since 1997, specialising in corporate secretarial, business outsourcing (including accounting and payroll), and corporate tax services. We see many opportunities to bolster BCH's business, but are also cognizant of the challenges involved.

Moving forward, we will continue to seek opportunities to open up new horizons for growth, without losing sight of our traditional business strengths.

Appreciation

On behalf of the Board, I wish to extend my heartfelt gratitude to all our valued shareholders, clients and business partners for their steadfast support and confidence in Boardroom. My appreciation also goes to my fellow Board members, the management for their insight and counsel, and employees for their exceptional contribution this past year. Their dedication and unwavering passion for excellence gives me confidence that Boardroom has what it takes to build a robust business as an innovative provider of regional business solutions.

Goh Geok Khim
Chairman

Year In Review

For the year in review, the dynamic marketplace and highly competitive landscape continued to present challenges to the Group. Thankfully, improved sentiments in the wake of the 2008 economic crisis helped to lift the activity level of some of our business segments. And coupled with our sharpened strategic focus, resilient strengths, and flexibility in our approach to client needs, Boardroom turned in a satisfactory performance.

Segmental Review

Corporate Secretarial Services

The corporate secretarial business, with a 40-year track record, is one of the most established providers of corporate secretarial services to both public and private companies in Singapore and the region. Today, this division remains the largest revenue contributor to the Group, comprising about half of our total full year revenue.

The business environment in the region remained highly competitive, particularly with new entrants in Malaysia. Business activity was also generally lower as some existing clients took their corporate secretarial work in-house, ceased operations, or opted for lower cost service providers. Consequently, revenue for the corporate secretarial business declined 7.2% to $16.7 million in FY10.

Due to restructuring efforts by our clients and changes in the tax regime for US, Australia and Europe, FY10 saw a number of companies opting to dissolve. In this regard, the division saw higher contribution coming in from members' voluntary liquidation and striking off / deregistration jobs.

Despite the economic challenges ahead, the corporate secretarial business unit will continue to focus on Boardroom's mainstay principles of providing the highest standards in terms of providing professional advice on relevant legal, regulatory and administrational requirements to companies in Singapore and the region. This, along with increasing 'client stickiness' in Malaysia, Hong Kong and China, will allow us to further build this business in the coming year.

Accounting, Payroll & Tax Outsourcing Services

The accounting, payroll and tax outsourcing business is Boardroom's second largest revenue contributor, comprising about 32% of the Group's total revenue in FY10.

While contribution from Singapore eroded in the face of stiff competition, the decline was mitigated by the higher growth rate of the Malaysia-based accounting business. As a result, the business unit closed the year with revenue of $11.0 million, down 8% from the year before.

Year In Review

During the year, the division took steps to re-structure, re-integrate and re-position itself as a regional accounting solutions provider. Following the re-structuring exercise, we began to position ourselves as a regional payroll service provider, processing payroll in new markets such as in Australia, China, Indonesia, India, Japan, Korea, Philippines, Taiwan and Thailand. A payroll hub is also being set up in a lower cost country to improve margins on payroll jobs.

Making headway in tax services, we have built up a solid team of tax professionals to serve the region, and commenced the provision of tax services in Hong Kong and China. We also reported our maiden full year contribution from this business, and are in the process of preparing our Malaysian office to offer similar tax solutions.

To complement our existing traditional accounting and payroll processing work, we expanded our range of value added services to include forensic accounting, internal audit, risk management services, consolidation and interim financial management solutions, as well as advisory and consultancy services for companies preparing to go public.

Although there continues to be a shortage of skilled talent and stringent competition from other service providers in this space, Boardroom believes that with the restructuring and the ability to offer new higher margin accounting services, we are well-poised to efficiently leverage our technical competence and capabilities, and optimally deploy resources via our network of offices.

Share Registration Services

The share registration business unit offers efficient and professional share registration services, and helps companies to maintain accurate shareholder records as part of statutory regulations. The business unit contributed 18% to the Group's total revenue, with FY10 revenue soaring 25% to $6.3 million, compared to $5.0 million in FY09.

FY10 saw a substantial increase in the number of initial public offerings (IPOs) on the Singapore Exchange over the previous financial year. In all, 37 companies were listed in FY10, compared to a dismal 16 in FY09. As strong testimony of our excellent service standards in share registration, Boardroom was appointed share registrar for about 57% of the newly listed companies.

Other types of jobs secured by the division centered on corporate actions, such as rights issue, bonus issues, share placement, share buy-back exercises and exit / cash offers.

As Singapore's largest share registration services provider, we are well positioned to attract companies with larger market capitalisation. Even as concerns over the European crisis linger and shaky consumer confidence in

> “We are well positioned for the upturn, and will continue to strengthen our relationships with existing customers, while tapping new growth opportunities both locally and in the region.”

the US market persists, the division remains fairly positive about the IPO market going forth.

The Group is currently working towards offering share registration services from its office in Malaysia as part of our strategy to grow our geographical presence. Along with this, we re-evaluated our strategic plans and acquired an additional 33% stake in Newreg Pty Ltd, consequently raising our equity interest in the said company to 67% as at July 2010. Prevailing market conditions also further prompted us to make an offer for the remaining 33% in Newreg in August 2010.

The acquisition of Newreg will further bolster Boardroom's footprint and presence in Australia and give greater access to an important new market and a broad-based clientele made up of multi-national corporations, investment banks and retailers.

The business unit will continue to work closely with professional advisers and stock exchanges in the region, to ensure that the Group remains at the forefront of the latest corporate action and share registration needs.

Corporate Communications and Investor Relations Consultancy

Since the unit's inception in November 2006, the corporate communications and investor relations consultancy business division has worked with over 50 companies from South East Asia, North Asia and Europe. The division works closely with clients to develop and drive effective communications strategies, which center on helping the relevant target audience attain a comprehensive understanding of the client's business model, objectives and growth plans.

Capital markets in both Singapore and Malaysia showed healthy signs of recovery in terms of fund raising activities, and the number of corporate deals being undertaken. It was through harnessing our strong capabilities and all-rounded skill sets that we were able to achieve a 100% retainer client retention rate for FY10, along with new clients being added.

On the back of a turnaround in business conditions, we also enjoyed stable contribution from ad-hoc projects. These included IPO publicity communication projects, development and strategising of corporate communication messages, website re-design and content development, English-Chinese translation, and event conceptualisation and management.

We are well positioned for the upturn, and will continue to strengthen our relationships with existing customers, while tapping new growth opportunities both locally and in the region.

Board of Directors

Goh Geok Khim
Non-Executive Chairman

Mr Goh Geok Khim joined the Board as Chairman and Non-Executive Director in November 2004. He is the Executive Chairman of G. K. Goh Holdings Ltd, which owns a 33% stake in Boardroom.

Mr Goh is also Chairman of the Boards of Temasek Foundation (CLG) Limited, The National Museum of Singapore, and Federal Iron Works Sdn Bhd. In addition to these appointments, he is also a member of the National Heritage Board, and a non-executive director of Lam Soon (M) Bhd.

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

Kim Teo Poh Jin
Executive Director & Chief Executive Officer

Mr Kim Teo Poh Jin was appointed to the Board in August 2009 and is responsible for the overall management and strategic direction of the Group.

Prior to Boardroom, Mr Teo was the 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 Chief Executive Officer of AIB Govett Asia Ltd and First State Investments (Singapore).

Mr Teo is currently the 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 a council member of the National Crime Prevention Council. He is also 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 co-founder and Managing Director of the Company. He is responsible for the Group's overall day-to-day operations and development of the Group, and oversees its corporate finance and strategic planning activities, including merger & acquisitions and credit management. On 1 January 2010, Mr Tan also assumed the role of Group Chief Financial Officer. 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. In addition, he is 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 Uzbekistan. Mr Sim had 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.

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 CEO and Head of Corporate Client Solutions in CIMB Bank Singapore. He is also a director of CIMB Securities (Singapore) Pte Ltd. In January 2009, Mr Mak was appointed as Country Head of CIMB, Singapore.

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 Independent 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.

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 Boards of Temasek Holdings Pte Ltd and Boyer Allan Holding Company Ltd, and of various funds managed by Boyer Allan. Mr Goh is Chairman of the Yong Siew Toh Conservatory of Music, Deputy Chairman of the Singapore Symphonia Company Ltd, Chairman of the National University of Singapore (NUS) Investment Committee, and a member of the NUS Board of Trustees.

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

Key Management

REGIONAL

Leong Lai Cheng
Director
Accounting & Payroll Services

Ms Leong Lai Cheng joined the Group in 2006 and is currently Director of the accounting & payroll 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 21 years of audit, accounting and tax experience.

Tan San-Ju
Director
Corporate Secretarial Services

Ms Tan San-Ju is Head of the Group's corporate secretarial business. She possesses some 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 and Unit Trust Registration Services

Ms Khor Yoke Kean joined the Group in July 2006 and is a director of the share and unit trust registration business. She has more than 18 years of experience in this industry. Ms Khor is a member of the Singapore Association of the Institute of Chartered Secretaries & Administrators (SAICSA).

Alvina Tan
Director
Corporate Communications and Investor Relations Consultancy

Ms Alvina Tan joined the Group in January 2007. She is a pioneer in the field of investor relations in Singapore and possesses extensive experience in this discipline. Before joining Boardroom Communications, Ms Tan was head of Corporate Communications at Venture Corporation Limited, and prior to that, spent 10 years with Neptune Orient Lines Limited, where her last held position was Director of Investor Relations. She holds a Bachelor of Arts degree with Honours in Philosophy from the National University of Singapore.

William Chua

Taxation Consultant
Taxation Services

Mr William Chua joined the Group as Tax Consultant in July 2009. He has some 30 years of practical experience in the field of tax, where a substantial portion was spent working as an international tax partner of one of the big four global accounting firms.

Mr Chua has provided tax advisory on restructuring of public listed companies, including MNCs. In particular, he has considerable experience in the restructuring of group companies in multi cross-border situations. His area of expertise ranges from withholding tax, shipping, capital gains tax, to other international tax issues, including indirect taxes such as goods and services tax, and stamp duty.

He is an associate member of the Chartered Institute of Taxation (UK).

Caroline Chan May Leng

Director
Marketing & Sales

Ms Caroline Chan May Leng joined Boardroom in July 2010 as Director, Marketing and Sales, for the Group. She brings with her more than 20 years of marketing and sales experience in the IT industry. Before joining Boardroom, Ms Chan spent more than 13 years at IBM Singapore where she held senior sales and business development leadership positions in Singapore and Asean/South Asia. And prior to IBM, she was responsible for sales at Bloomberg and Accenture. Ms Chan holds a Bachelor's degree in Electrical and Electronic Engineering from the National University of Singapore.

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 more than 10 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.

Key Management

Albert Tan Tian Peng
Group Head
Regional IT

Mr Albert Tan joined Boardroom in 2009 and is currently the Group Head, Regional IT. He leads and overseas the planning, development and operations of the Group's regional IT infrastructure, software development and overall IT resource management, to ensure quality service delivery and operational efficiency. He is also responsible for driving the Group's long-term technology strategy, synergies and benchmarking. He brings to the Group some 23 years of experience in the IT industry, having previously provided consultancy and systems support service to a wide spectrum of businesses both locally and in the region.

SINGAPORE

Robert Baey Cheng Song
Director
Accounting & Payroll Services

Mr Robert Baey joined the Group in 1996 and is currently Director of the accounting & payroll outsourcing business. He is a Fellow of the Chartered Institute of Management Accountants and holds a post-graduate Diploma in Management Studies from the University of Chicago, Graduate School of Business. He brings with him more than 30 years of accounting and finance experience in commercial and industrial companies.

Lynn Wan
Director
Corporate Secretarial Services

Ms Lynn Wan joined the Group in 2006 and is currently a director of the corporate secretarial business. Prior to Boardroom, she was with the secretarial arm of one of the big four audit firms. 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). Ms Wan holds a Practising Certificate from SAICSA and brings with her more than 25 years of experience in the industry.

David Woo Soon Cheong
Director
Share and Unit Trust Registration Services

Mr David Woo joined the Group in 1986 and is currently a director of the share registration business. He brings with him more than 20 years of experience in the industry.

MALAYSIA

Samantha Tai Yit Chan
Managing Director

Ms Samantha Tai joined Boardroom Corporate Services (KL) Sdn Bhd in June 1995 and is currently the Managing Director. She has more than 17 years of corporate secretarial experience in a wide array of corporate exercises such as listing, restructuring, issuance of preference shares, rights issue, liquidation. Prior to Boardroom, she was with Paramount Corporation Berhad, a public company listed on Bursa Malaysia Securities Berhad, and subsequently joined Barbinder & Co. (the secretarial arm of the former Coopers & Lybrand in Singapore).

Ms Tai is an Associate of the Institute of Chartered Secretaries and Administrators (ICSA). She is also a member of the ICSA Strategy Advisory Committee and Conference Organising Committee, as well as the Governance Guide Working Group of MAICSA. She was elected as one of the Top 20 Company Secretaries by MAICSA in 2005.

Irene Liew
Executive Director, Kuala Lumpur

Ms Irene Liew joined the Group in 2004. 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 14 years of working experience in corporate secretarial work.

Lam Voon Kean
Managing Director, Penang

Ms Lam Voon Kean joined in 1994. Prior to that, she was with KPMG since 1974. Ms Lam did her accountancy articleship with KPMG and her last held position was Senior Audit Manager. She is a Chartered Accountant, and a member of the Malaysian Institute of Accountants and a member of the Malaysian Institute of Certified Public Accountants.

Ang Mui Kiow
Managing Director, Johor Bahru

Ms Ang Mui Kiow joined the Group in 1990, after 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.

Key Management

HONG KONG AND CHINA

Rena Lim Yi Ping
Executive Director

Ms Rena Lim was appointed Executive Director of Boardroom Corporate Services (HK) in June 2007 and assumed responsibility for the Group's China operations in September 2010. Ms Lim had previously worked in Arthur Andersen and Deloitte in Singapore and Hong Kong. She has extensive experience in transaction advisory services and has assisted listed and international companies by providing specialised transaction support in mergers and acquisitions in Hong Kong, China, Singapore and other Asia Pacific countries. Ms Lim holds a Bachelor of Commerce from the University of Queensland. 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 on the Executive Committee of the Singapore Chamber of Commerce (Hong Kong).

Eliza Man Lai Chun
Executive Director
Accounting & Payroll Services

Ms Eliza Man currently heads the Hong Kong Business Services unit. 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.

AUSTRALIA

Rhett Tregunna
Chief Executive Officer

Mr Rhett Tregunna joined 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 Registries. He has a Bachelor of Science with a major in Biochemistry.

Group of Companies

SINGAPORE

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Group of Companies

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Open
communication

Corporate Governance

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

1. Board Matters

a) Board Composition

The Board comprises 7 directors and 1 alternate director. There are 4 independent directors, 1 non-executive director, 2 executive directors and 1 alternate director to the non-executive director.

The independent and non-executive members of the Board comprise seasoned professionals with management, financial and accounting backgrounds. This enables the management to benefit from their external and objective perspectives of issues that are brought before the Board.

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 in facilitating effective decision-making.

All newly appointed Directors will be 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 strategy and goals for the Company.

The Board meets at least once every quarter, with optional 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.

Corporate Governance

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

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

Names \ Types of Meetings	Board		Audit Committee		Nominating Committee		Remuneration Committee	
	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended
Goh Geok Khim (Alternate - Goh Yew Lin)	8	8	-	-	1	1	2	2
Kim Teo Poh Jin	7	6	-	-	-	-	-	-
Sebastian Tan Cher Liang	8	8	-	-	-	-	-	-
Mak Lye Mun	8	8	4	4	-	-	-	-
Elizabeth Sam	8	6	-	-	1	1	2	2
Sim Cheok Lim	8	6	4	4	1	1	-	-
William Wong Tien Leong	8	7	4	4	-	-	2	2

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").

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 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.

d) Chairman and Chief Executive Officer

Goh Geok Khim is the Chairman of the Board.

The Chairman leads Board discussions and deliberations. The Chairman of the Board also 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 Chief Executive Officer ("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 through management reports.

The CEO's performance and remuneration package would be reviewed periodically by the Nominating Committee and 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.

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.

Corporate Governance

Audit Committee

The Audit Committee ("AC") comprises Sim Cheok Lim, William Wong Tien Leong and Mak Lye Mun, all of whom are non-executives and independent. The Chairman of the AC is Sim Cheok Lim.

Two members of the AC have relevant accounting and financial management experience.

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:

- Reviews the annual audit plan of the Company's external auditors;
- Reviews the results of the external auditors' examination and their evaluation of the Group's internal control system;
- Nominates external auditors of the Company for re-appointment;
- 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 Singapore Exchange Securities Trading Limited ("SGX-ST");
- Reviews the audit plans of the internal and external auditors of the Company and ensure 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;
- Reviews the adequacy and effectiveness of the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditors;
- Approves the internal audit plans and reviews results of internal audits as well as Management's responses to the recommendations of the internal auditors;

- 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;

- 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;

- Conducts any other reviews as required by the Listing Manual of the SGX-ST.

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, has full discretion to invite any Director or executive officer to attend the 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.

The AC confirms that it has undertaken a review of all the non-audit services provided by the Company's auditors during the financial year (S$6,000) and is satisfied that such services would not, in the AC's opinion, affect the independence of the external auditors.

Minutes of the AC meetings are circulated to fellow Directors 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.

Corporate Governance

Its 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. Accordingly, in selecting potential new directors, the NC will seek to identify the competencies required to enable the Board to fulfill its responsibilities. In doing so, the NC will have regard to the results of the annual appraisal of the Board's performance. 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 and William Wong Tien Leong and is satisfied that there are no relationships which would deem any of them not to be independent. 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 - 13 of this Annual Report.

For the year under review, the NC evaluated the Board's performance as a whole. 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 Managing Director is not subject to retirement by rotation as our success 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, and Elizabeth Sam. William Wong Tien Leong is the Chairman of the RC.

The primary functions of the RC are to review and recommend the remuneration packages of the Executive Directors and to implement and administer the Boardroom Share Option Scheme to ensure that a sufficient number of suitable candidates are recruited and/or promoted to leadership positions.

The RC seeks expert advice from external consultants whenever required.

Although the members of the Committee do not participate in any decisions concerning their own remuneration, the Committee had adopted a framework for Directors' Fees and within the framework, the RC had recommended that Directors' Fees of S$275,000 be paid quarterly in arrears for year ending 30 June 2011. In addition, the RC also functions as the Administrative Committee of the Boardroom Share Option Scheme.

Details of remuneration paid to the Directors of the Company are set out on pages 75 - 76 of the Annual Report.

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

Corporate Governance

Remuneration of Key Executives (not being Directors)

Remuneration band and Name of Key Executives	Salary	Bonus	Fees	Other Benefits	Total
	%	%	%	%	%
S$250,000 to below S$500,000					
Tan San-Ju	85	15	0	0	100
Below S$250,000					
Ang Mui Kiow	85	15	0	0	100
Robert Baey Cheng Song	90	8	0	2	100
William Chua	96	0	0	4	100
Khor Yoke Kean	85	15	0	0	100
Lam Voon Kean	85	15	0	0	100
Leong Lai Cheng	85	15	0	0	100
Irene Liew	72	16	11	1	100
Rena Lim Yi Ping	87	12	0	1	100
Eliza Man Lai Chun	88	12	0	0	100
Juliana Stothard	83	15	0	2	100
Samantha Tai Yit Chan	73	17	8	2	100
Alvina Tan	66	33	0	1	100
Albert Tan Tian Peng	82	15	0	3	100
Lynn Wan	87	13	0	0	100
David Woo Soon Cheong	86	12	0	2	100

There were no employees who are immediate family members of the Directors and CEO who earn in excess of S$150,000 in FY2010.

Material Contracts

There is no material contract entered into by the Company and its subsidiary companies 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 practice 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 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 Chairmen of the Audit, Remuneration, and Nominating Committees are usually available at the AGM to answer those questions relating to the work of these committees.

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. Risk Management

The practice of risk management is undertaken by the Company's Executive Directors and senior executives of each business division under the purview of the Board of Directors.

Corporate Governance

The Group continues to review on an on-going basis its 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.

The Group continues to review on an on-going basis, succession plans and other employee-related issues in an effort to recruit and retain a skilled and experienced workforce necessary for its business.

The Group recognises the risks associated with changes in laws and regulations and had reviewed its business plans in the light of legal and regulatory changes in the year. The Group will continue to monitor legal and regulatory changes to keep abreast of developments that may have an impact on its business and operations.

The Group's financial risk management objectives and policies are discussed under Note 25 of the Notes to the Financial Statements, on pages 81 - 87 of the Annual Report.

The Board is satisfied with the Group's risk management practices and that the risks facing the Group have been adequately addressed.

5. Interested Person Transactions

The Company has adopted an internal policy in respect of any transaction with interested persons and 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 SGX-ST listing requirement, the Group confirms that there were interested person transactions during the financial year under review but these were less than S$100,000 in aggregate.

6. Internal Audit

The Company has outsourced its internal audit function, 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;
- Internal controls are in place and functioning as intended; and
- 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 Auditor reports 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.

The AC and the Board are satisfied that there are adequate internal controls in the Group.

Dated: 13 October 2010

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

Goh Yew Lin
Alternate Director to Goh Geok Khim

Audit Committee
Sim Cheok Lim *(Chairman)*
Mak Lye Mun
William Wong Tien Leong

Nominating Committee
Elizabeth Sam *(Chairman)*
Goh Geok Khim
Sim Cheok Lim

Remuneration Committee
William Wong Tien Leong *(Chairman)*
Goh Geok Khim
Elizabeth Sam

Company Secretaries
Sebastian Tan Cher Liang
Tan San-Ju

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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

Financial Statements

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 2010.

Names of directors

The directors 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
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, Cap. 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 in name of director			Shares in which director is deemed to have an interest		
Name of director	As at 1.7.2009	**As at 30.6.2010**	**As at 21.7.2010**	As at 1.7.2009	**As at 30.6.2010**	**As at 21.7.2010**
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	338,000	**458,000**	**458,000**	-	**-**	**-**
Elizabeth Sam	225,000	**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, Cap. 50, are deemed to be interested in the whole of the issued share capital of all the wholly owned subsidiaries of Boardroom Limited.

Directors' interest in shares or debentures (cont'd)

Name of director	Number of options over ordinary shares in the Company registered in the name of director As at 1.7.2009	As at 30.6.2010 and 21.7.2010
	Exercisable at $0.415 per option between 10.11.2005 and 9.11.2009	
Sim Cheok Lim	120,000	-
Elizabeth Sam	120,000	-

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, Cap. 50.

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 period 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 30.6.2010	Aggregate options exercised since commencement of the Scheme to 30.6.2010	Aggregate options lapsed since commencement of the Scheme to 30.6.2010	Aggregate options outstanding as at 30.6.2010
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 and Elizabeth Sam. 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.

Share options granted (cont'd)

(h) Pursuant to the rights issue as disclosed in Note 11(a) to the financial statements, the exercise prices of the share options had been adjusted downwards by 7%.

Share options exercised

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

(i) 18,000 ordinary shares at an exercise price of $0.355 per share.

(ii) 38,000 ordinary shares at an exercise price of $0.335 per share.

(iii) 240,000 ordinary shares at an exercise price of $0.415 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:

Date granted	Adjusted exercise price	Number of options outstanding 1.7.2009	Options granted	Options exercised	Options cancelled/ lapsed	Number of options outstanding 30.6.2010	Exercise period
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	102,000	-	(18,000)	-	84,000	17.10.2005 to 16.10.2013
10.11.2004	$0.335	399,000	-	(38,000)	-	361,000	10.11.2006 to 9.11.2014
10.11.2004	$0.415	240,000	-	(240,000)	-	-	10.11.2005 to 9.11.2009
		838,000	-	(296,000)	-	542,000	

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)

The Audit Committee performs the functions set out in Section 201B(5) of the Companies Act, Cap. 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 balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 30 June 2010 as well as the auditors' report thereon.

Independent auditors

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

On behalf of the Directors

Kim Teo Poh Jin

Tan Cher Liang

Dated: 9 September 2010

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 2010 and of 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: 9 September 2010

Independent Auditors' Report to the Members of Boardroom Limited

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 2010, 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 notes.

The financial statements for the year ended 30 June 2009 were audited by another auditor whose report dated 18 September 2009 expressed an unqualified opinion on those statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the Act) and Singapore Financial Reporting Standards. This responsibility includes 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 account and balance sheet and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' 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 on 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 auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.

Opinion

In our opinion:

(a) 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 Company and of the Group as at 30 June 2010 and the results, changes in equity and cash flows of the Group for the year ended on that date; and

(b) 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, 9 September 2010

Balance Sheets

for the year ended 30 June 2010

	Note	The Company 30 June 2010 $	The Company 30 June 2009 $	The Group 30 June 2010 $	The Group 30 June 2009 $
Assets					
Non-current					
Property, plant and equipment	4	**509,221**	114,472	**2,250,901**	1,281,130
Intangible assets	5	**133,054**	113,692	**27,737,127**	28,315,591
Investments in subsidiaries	6	**25,156,214**	25,156,214	**-**	-
Interests in associate	7	**6,418,152**	6,418,152	**8,049,897**	7,535,032
Staff loans	9(a)	**4,600**	-	**4,600**	-
		32,221,241	31,802,530	**38,042,525**	37,131,753
Current					
Trade receivables	8	**-**	-	**7,498,901**	7,516,690
Unbilled disbursements		**-**	-	**75,557**	76,973
Amount owing by subsidiaries	6	**8,410,062**	7,455,093	**-**	-
Other receivables	9(b)	**1,319,076**	2,170,065	**1,791,477**	986,762
Prepayments		**31,137**	34,698	**323,789**	230,474
Cash and cash equivalents	10	**22,045,092**	19,142,917	**24,685,391**	23,738,843
		31,805,367	28,802,773	**34,375,115**	32,549,742
Total assets		**64,026,608**	60,605,303	**72,417,640**	69,681,495
Equity					
Capital and Reserves					
Share capital	11	**32,576,634**	32,457,914	**32,576,634**	32,457,914
Other reserves	12	**633,673**	633,673	**(2,263,780)**	(1,516,114)
Retained earnings		**27,144,394**	23,904,706	**34,181,994**	30,414,249
Total equity		**60,354,701**	56,996,293	**64,494,848**	61,356,049
Liabilities					
Non-current					
Deferred tax liabilities	13	**47,000**	47,000	**113,369**	115,285
Current					
Trade payables	14(a)	**879,709**	971,253	**4,880,526**	4,799,563
Other payables	14(b)	**10**	-	**114,972**	116,944
Disbursements billed in advance		**-**	-	**49,315**	25,738
Excess of progress billings over work-in-progress	15	**-**	-	**1,484,085**	1,503,404
Amount owing to a subsidiary	6	**2,745,188**	2,590,757	**-**	-
Current tax payable		**-**	-	**1,280,525**	1,764,512
		3,624,907	3,562,010	**7,809,423**	8,210,161
Total liabilities		**3,671,907**	3,609,010	**7,922,792**	8,325,446
Total equity and liabilities		**64,026,608**	60,605,303	**72,417,640**	69,681,495

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

Consolidated Statement of Comprehensive Income

for the year ended 30 June 2010

	Note	Year ended 30 June 2010 $	Year ended 30 June 2009 $
Revenue	3	**34,830,304**	35,933,552
Other operating income	16	**457,481**	453,654
Staff costs	17	**(18,565,860)**	(18,175,693)
Depreciation and amortisation expenses		**(764,012)**	(828,970)
Other operating expenses		**(6,667,195)**	(5,910,030)
Share of associate's profits, net of tax		**1,518,766**	646,115
Profit before taxation	18	**10,809,484**	12,118,628
Taxation	19	**(1,515,282)**	(2,184,854)
Profit net of taxation		**9,294,202**	9,933,774
Other Comprehensive Income			
Exchange translation difference arising from financial statements of foreign subsidiaries and associate company		**(747,666)**	1,576,470
Other comprehensive income for the year		**(747,666)**	1,576,470
Total comprehensive income for the year		**8,546,536**	11,510,244
Total comprehensive income attributable to shareholders of the Company		**8,546,536**	11,510,244
Earnings per share (in cents)			
- basic	20	**5.05**	5.40
- diluted	20	**5.04**	5.39

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

Consolidated Statement of Changes in Equity

for the year ended 30 June 2010

	Share capital $	Exchange translation reserve $	Share option capital reserve $	Total other reserves $	Retained earnings $	Total $
Balance at 1 July 2008	32,420,074	(3,726,257)	633,673	(3,092,584)	25,814,946	55,142,436
Profit net of taxation	-	-	-	-	9,933,774	9,933,774
Other comprehensive income for the year	-	1,576,470	-	1,576,470	-	1,576,470
Total comprehensive income for the year	-	1,576,470	-	1,576,470	9,933,774	11,510,244
Issue of shares on exercise of employees' share options	37,840	-	-	-	-	37,840
2008 one-tier tax-exempt dividend of $0.019 per share paid	-	-	-	-	(3,494,998)	(3,494,998)
2009 interim one-tier tax-exempt dividend of $0.010 per share paid	-	-	-	-	(1,839,473)	(1,839,473)
Balance at 30 June 2009	**32,457,914**	**(2,149,787)**	**633,673**	**(1,516,114)**	**30,414,249**	**61,356,049**
Profit net of taxation	-	-	-	-	9,294,202	9,294,202
Other comprehensive income for the year	-	(747,666)	-	(747,666)	-	(747,666)
Total comprehensive income for the year	-	(747,666)	-	(747,666)	9,294,202	8,546,536
Issue of shares on exercise of employees' share options	118,720	-	-	-	-	118,720
2009 one-tier tax-exempt dividend of $0.020 per share paid	-	-	-	-	(3,684,305)	(3,684,305)
2010 interim one-tier tax-exempt dividend of $0.010 per share paid	-	-	-	-	(1,842,152)	(1,842,152)
Balance at 30 June 2010	32,576,634	(2,897,453)	633,673	(2,263,780)	34,181,994	64,494,848

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

Consolidated Cash Flow Statement

for the year ended 30 June 2010

	Year ended 30 June 2010 $	Year ended 30 June 2009 $
Cash Flows from Operating Activities		
Profit before taxation	10,809,484	12,118,628
Adjustments for:		
Amortisation of intangible assets	68,158	58,439
Depreciation of property, plant and equipment	695,854	770,531
Exchange difference	(295,645)	86,510
Impairment of intangible assets	83,229	225,000
Write off of property, plant and equipment	287,065	10
Interest income	(257,412)	(300,938)
Share of associate's profits, net of tax	(1,518,766)	(646,115)
Operating profit before working capital changes	9,871,967	12,312,065
(Increase)/decrease in operating receivables and prepayments	(1,076,470)	1,141,184
Increase/(decrease) in operating payables	106,502	(871,179)
Increase/(decrease) in excess of progress billings over work-in-progress	2,050	(453,639)
Cash generated from operations	8,904,049	12,128,431
Income tax paid	(1,923,947)	(2,336,655)
Net cash generated from operating activities	6,980,102	9,791,776
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	(1,959,489)	(138,792)
Acquisition of computer software	(82,768)	(67,301)
Proceeds from sale of property, plant and equipment	11,007	278
Dividends received from Associate	999,167	-
Interest received	350,010	206,803
Net cash (used in)/generated from investing activities	(682,073)	988
Cash Flows from Financing Activities		
Dividends paid	(5,526,457)	(5,334,471)
Proceeds from exercise of employee share options	118,720	37,840
Net cash used in financing activities	(5,407,737)	(5,296,631)
Net increase in cash and cash equivalents	890,292	4,496,133
Cash and cash equivalents at beginning	23,738,843	19,154,988
Exchange gain arising from translation of foreign currencies cash and cash equivalents	56,256	87,722
Cash and cash equivalents at end (Note 10)	24,685,391	23,738,843

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

1 General information

The financial statements of the Company and of the Group for the year ended 30 June 2010 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.

Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 July 2009, the Company and the Group adopted the following standards and interpretations mandatory for annual financial periods beginning on or after 1 January 2009.

- FRS 1 *Presentation of Financial Statements* (Revised)
- Amendments to FRS 18 *Revenue*
- Amendments to FRS 23 *Borrowing Costs*
- Amendments to FRS 32 *Financial Instruments: Presentation and FRS 1 Presentation of Financial Statements* – Puttable Financial Instruments and Obligations Arising on Liquidation
- Amendments to FRS 101 *First-time Adoption of Financial Reporting Standards* and FRS 27 *Consolidated and Separate Financial Statements* – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- Amendments to FRS 102 *Share-based Payment* – Vesting Conditions and Cancellations
- Amendments to FRS 107 *Financial Instruments: Disclosures*
- FRS 108 *Operating Segments*
- Improvements to FRSs issued in 2008
- INT FRS 113 *Customer Loyalty Programmes*
- INT FRS 116 *Hedges of a Net Investment in a Foreign Operation*
- Amendments to INT FRS 109 *Reassessment of Embedded Derivatives and FRS 39 Financial Instruments: Recognition and Measurement* – Embedded Derivatives
- INT FRS 118 *Transfers of Assets from Customers*
- Amendments to FRS 27 *Consolidated and Separate Financial Statements*
- Amendments to FRS 39 *Financial Instruments: Recognition and Measurement* – Eligible Hedged Item
- Revised FRS 103 *Business Combinations*
- Amendments to FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*
- INT FRS 117 *Distributions of Non-cash Assets to Owners*

2 Summary of significant accounting policies (cont'd)

Changes in accounting policies (cont'd)

- Improvements to FRSs issued in 2009:
  - Amendments to FRS 38 *Intangible Assets*
  - Amendments to FRS 102 *Share-based Payment*
  - Amendments to FRS 108 *Operating Segments*
  - Amendments to INT FRS 109 *Reassessment of Embedded Derivatives*
  - Amendments to INT FRS 116 *Hedges of a Net Investment in a Foreign Operation*

Adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group. They did however give rise to additional disclosures, including, in some cases, revisions to accounting policies.

The principal effects of these changes are as follows:

<u>FRS 1 Presentation of Financial Statements – Revised presentation</u>

The revised FRS 1 separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented in the statement of other comprehensive income. In addition, the Standard introduces the statement of comprehensive income which presents income and expense recognised in the period. This statement may be presented in one single statement, or two linked statements. The Group has elected to present this statement as one single statement.

<u>Amendments to FRS 107 Financial Instruments: Disclosures</u>

The amendments to FRS 107 require additional disclosure about fair value measurement and liquidity risk. Fair value measurements are to be disclosed by source of inputs using a three level hierarchy for each class of financial instrument. In addition, reconciliation between the beginning and ending balance for Level 3 fair value measurements is now required, as well as significant transfers between Level 1 and Level 2 fair value measurements. The amendments also clarify the requirements for liquidity risk disclosures. The liquidity risk disclosures and fair value measurement disclosures are presented in Note 25 and Note 27 to the financial statements respectively.

<u>FRS 108 Operating Segments</u>

FRS 108 requires disclosure of information about the Group's operating segments and replaces the requirement to determine primary and secondary reporting segments of the Group. The Group determined that the reportable operating segments are the same as the business segments previously identified under FRS 14 Segment Reporting. Additional disclosures about each of the segments are shown in Note 23, including revised comparative information.

<u>Improvements to FRSs issued in 2008</u>

In 2008, the Accounting Standards Council issued an omnibus of amendments to FRS. There are separate transitional provisions for each amendment. The adoption of the following amendments resulted in changes to accounting policies but did not have any impact on the financial position or performance of the Group:

- FRS 1 Presentation of Financial Statements: Assets and liabilities classified as held for trading in accordance with FRS 39 Financial Instruments: Recognition and Measurement are not automatically classified as current in the balance sheet. The Company and Group amended its accounting policy accordingly and analysed whether Management's expectation of the period of realisation of financial assets and liabilities differed from the classification of the instrument. This did not result in any re-classification of financial instruments between current and non-current in the balance sheet.

2 Summary of significant accounting policies (cont'd)

Changes in accounting policies (cont'd)

Improvements to FRSs issued in 2008 (cont'd)

- FRS 16 Property, Plant and Equipment: Replaces the term "net selling price" with "fair value less costs to sell". The Company and Group amended its accounting policy accordingly, which did not result in any change in the financial position.

Revised FRS 103 Business Combinations and Amendments to FRS 27 Consolidated and Separate Financial Statements

The revised standards are effective for annual periods beginning on or after 1 July 2009. The revised FRS 103 introduces a number of changes in the accounting for business combinations occurring after 1 July 2009. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 27 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments were made to FRS 7 Statement of Cash Flows, FRS 12 Income Taxes, FRS 21 The Effects of Changes in Foreign Exchange Rates, FRS 28 Investments in Associates and FRS 31 Interests in Joint Ventures. As of 1 July 2009, the Group adopted both revised standards at the same time in accordance with their transitional provisions. The changes from revised FRS 103 and Amendments to FRS 27 will affect future acquisitions or loss of control and transactions with minority interests.

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
Improvements to FRSs issued in 2009:	
– Amendments to FRS 1 Presentation of Financial Statements	1 January 2010
– Amendments to FRS 7 Statement of Cash Flows	1 January 2010
– Amendments to FRS 17 Leases	1 January 2010
– Amendments to FRS 36 Impairment of Assets	1 January 2010
– FRS 39 Financial Instruments: Recognition and Measurement	1 January 2010
– Amendments to FRS 105 Non-current Assets Held for Sale and Discontinued Operations	1 January 2010
– Amendments to FRS 108 Operating Segments	1 January 2010
FRS 102 Share-based Payment – Company Cash-settled Share-based Payment Transactions	1 January 2010
FRS 32 Amendment to Financial Instruments: Presentation – Amendment relating to Classification of Rights Issues	1 February 2010
FRS 24 Related Party Disclosures (Revised)	1 January 2011
INT FRS 114 – FRS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction –Amendments relating to Prepayments of a Minimum Funding Requirements	1 January 2011
INT FRS 119 Extinguishing Financial Liabilities with Equity Instruments	1 July 2010

Except for the revised FRS 24, 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 revised FRS 24 are described below.

2 Summary of significant accounting policies (cont'd)

Standards issued but not yet effective (cont'd)

Revised FRS 24 Related Party Disclosures

The revised FRS 24 expand the definition of a related party and would treat two entities as related to each other whenever a person (or a close member of that person's family) or a third party entity has control or joint control over the entity, or has significant influence over the entity. The Group is currently determining the impact of the expanded definition has on the disclosure of related party transactions. As this is a disclosure standard, it will have no impact on the financial position or financial performance of the Group when implemented in 2011.

Basis of Consolidation

Business combinations 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 intra-group transactions 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.

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 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 of the acquiree 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.

2 Summary of significant accounting policies (cont'd)

Basis of Consolidation (cont'd)

Business combinations before 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.

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree are not reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be 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 measurements to the contingent consideration affected goodwill.

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 billed 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.

2 Summary of significant accounting policies (cont'd)

Significant accounting estimates and judgements (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 5-13% 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 Hong Kong, Singapore and Malaysia acquired businesses at $19,519,719, $2,475,000 and $5,527,504 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 2010 was $2,250,901 (2009: $1,281,130). 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.

(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 and deferred tax liabilities at 30 June 2010 were $1,280,525 (2009: $1,764,512) and $113,369 (2009: $115,285) respectively.

2 Summary of significant accounting policies (cont'd)

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.

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	3-6 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

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 accumulated impairment losses.

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.

2 Summary of significant accounting policies (cont'd)

Intangible assets (cont'd)

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.

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 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 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.

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.

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.

Associates

An associate is defined as an entity, not being a subsidiary or a joint venture, in which the Group has a long-term interest of 20% to 50% of the equity and over whose financial and operating policy the Group exercises significant influence.

In the Company's separate financial statements, investments in associates are stated at cost less allowance for impairment losses on an individual investment basis.

The Group's share of the post-acquisition results of associates is included in the consolidated profit or loss using the equity method of accounting. In applying the equity method, unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

When the Group's share of losses of an associate equals or exceeds the carrying amount of an investment, the Group ordinarily discontinues including its share of further losses. The investment is reported at nil value. Additional losses are provided for to the extent that the Group has incurred obligations or made payments on behalf of the associate to satisfy obligations of the associate that the Group has guaranteed or otherwise committed for example, in the forms of loans. When the associate subsequently reports profits, the Group resumes including its share of those profits only after its share of the profits equals the share of net losses recognised. The Group's share of the net assets and post-acquisition retained profits and reserves of associates is reflected in the book values of the investments in the consolidated balance sheet.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each balance sheet date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the profit or loss.

Related parties

A party is considered to be related to the Group if:

(a) The party, directly or indirectly through one or more intermediaries,
   (i) controls, is controlled by, or is under common control with, the Group;
   (ii) has an interest in the Group that gives it significant influence over the Group; or
   (iii) has joint control over the Group;
(b) The party is an associate;
(c) The party is a jointly-controlled entity;
(d) The party is a member of the key management personnel of the Group or its parent;
(e) The party is a close member of the family of any individual referred to in (a) or (d); or
(f) The party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or

2 Summary of significant accounting policies (cont'd)

Related parties (cont'd)

(g) The party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

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. 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 and do not carry any financial assets at fair value through profit or loss.

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.

2 Summary of significant accounting policies (cont'd)

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.

(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.

2 Summary of significant accounting policies (cont'd)

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.

Financial liabilities

Financial liabilities within the scope of FRS 39 are recognised on the balance sheet when, and only when, the Company and the Group become a party to the contractual provisions of the financial instrument.

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

Subsequent to initial recognition, derivatives are measured at fair value. Other financial liabilities (except for financial guarantee) are measured at amortised cost using the effective interest method.

For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

A financial liability is derecognised when the obligation under the liability is extinguished. 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 derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

Dividend distributions to shareholders are included in "current liabilities" when the dividends are payable.

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 enacted by the balance sheet date.

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.

(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.

2 Summary of significant accounting policies (cont'd)

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

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.

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 utilised.

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.

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.

2 Summary of significant accounting policies (cont'd)

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.

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.

2 Summary of significant accounting policies (cont'd)

Employee benefits (cont'd)

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.

Impairment of non-financial assets

The carrying amounts of the Company's and the Group's non-financial assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the company at which management controls the related cash flows.

Individual assets or cash-generating units that include goodwill and other intangible assets with an indefinite useful life or those not yet available for use are tested for impairment at least annually, more often if there are indications of impairment. All other individual assets or cash-generating units are tested annually for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to the profit or loss.

With the exception of goodwill,

- An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.
- An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.
- A reversal of an impairment loss is credited as income in the profit or loss.

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.

2 Summary of significant accounting policies (cont'd)

Revenue recognition (cont'd)

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 trade support and investor relations services is recognised when services are rendered.

Dividend income from investments is recognised when the right to receive the dividend has been established.

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

Items included in the financial statements of the Company and the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company ("the functional currency"). The financial statements of the Company and the Group are presented in Singapore dollars ("SGD" or "$"), which is also the functional currency of the Company.

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.

2 Summary of significant accounting policies (cont'd)

Conversion of foreign currencies (cont'd)

Non-monetary items (cont'd)

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.

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 purpose, 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 23, including the factors used to identify the reportable segments and the measurement basis of segment information.

3 Revenue

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

	2010 $	2009 $
Accounting services	**11,038,247**	12,011,439
Corporate secretarial services	**16,722,165**	18,026,950
Share registration services	**6,277,787**	5,036,337
Trade support and investor relations services	**792,105**	858,826
	34,830,304	35,933,552

Revenue for the Group excludes applicable goods and services tax.

Notes to the Financial Statements

for the year ended 30 June 2010

4 Property, plant and equipment

	Computers $	Office machinery $	Office furniture $	Office renovation $	Total $
The Company					
Cost					
At 1 July 2008	204,565	21,386	86,564	78,325	390,840
Additions	23,002	-	-	-	23,002
Disposals	(10,886)	-	-	-	(10,886)
At 30 June 2009	216,681	21,386	86,564	78,325	402,956
Additions	15,948	23,559	159,041	325,462	524,010
Disposals	(460)	(2,500)	(86,564)	(78,325)	(167,849)
At 30 June 2010	232,169	42,445	159,041	325,462	759,117
Accumulated depreciation					
At 1 July 2008	120,372	10,255	25,969	39,163	195,759
Depreciation for the year	47,194	3,554	17,313	26,108	94,169
Disposals	(1,444)	-	-	-	(1,444)
At 30 June 2009	166,122	13,809	43,282	65,271	288,484
Depreciation for the year	39,370	4,895	22,120	31,136	97,521
Disposals	(460)	(2,500)	(54,824)	(78,325)	(136,109)
At 30 June 2010	205,032	16,204	10,578	18,082	249,896
Net book value					
At 30 June 2010	27,137	26,241	148,463	307,380	509,221
At 30 June 2009	50,559	7,577	43,282	13,054	114,472

	Computers $	Office machinery $	Office furniture $	Office renovation $	Motor vehicles $	Total $
The Group						
Cost						
At 1 July 2008	1,532,175	276,750	955,149	963,700	50,182	3,777,956
Exchange difference on translation	12,889	584	4,673	6,929	(568)	24,507
Additions	106,103	4,861	2,593	10,138	15,097	138,792
Disposals	(7,580)	(20,285)	(421)	(3,129)	(16,674)	(48,089)
At 30 June 2009	1,643,587	261,910	961,994	977,638	48,037	3,893,166
Exchange difference on translation	1,871	3,261	4,955	1,774	1,648	13,509
Additions	90,572	62,005	695,436	1,111,476	-	1,959,489
Disposals	(80,877)	(25,070)	(678,675)	(709,795)	(16,646)	(1,511,063)
At 30 June 2010	1,655,153	302,106	983,710	1,381,093	33,039	4,355,101

Notes to the Financial Statements

for the year ended 30 June 2010

4 Property, plant and equipment (cont'd)

	Computers $	Office machinery $	Office furniture $	Office renovation $	Motor vehicles $	Total $
Accumulated depreciation						
At 1 July 2008	1,173,340	94,965	228,621	362,649	26,027	1,885,602
Exchange difference on translation	2,269	(300)	1,126	1,010	(401)	3,704
Depreciation for the year	213,767	48,441	189,093	309,242	9,988	770,531
Disposals	(5,929)	(20,275)	(421)	(3,129)	(18,047)	(47,801)
At 30 June 2009	**1,383,447**	**122,831**	**418,419**	**669,772**	**17,567**	**2,612,036**
Exchange difference on translation	**4,019**	**2,067**	**1,986**	**104**	**1,125**	**9,301**
Depreciation for the year	**175,596**	**50,150**	**189,200**	**257,881**	**23,027**	**695,854**
Disposals	**(80,871)**	**(14,515)**	**(415,400)**	**(687,779)**	**(14,426)**	**(1,212,991)**
At 30 June 2010	**1,482,191**	**160,533**	**194,205**	**239,978**	**27,293**	**2,104,200**
Net book value						
At 30 June 2010	**172,962**	**141,573**	**789,505**	**1,141,115**	**5,746**	**2,250,901**
At 30 June 2009	260,140	139,079	543,575	307,866	30,470	1,281,130

5 Intangible assets

	Computer Software $
The Company	
Cost	
At 1 July 2008	316,058
Additions	-
At 30 June 2009	**316,058**
Additions	**47,768**
At 30 June 2010	**363,826**
Accumulated amortisation	
At 1 July 2008	167,965
Amortisation for the year	34,401
At 30 June 2009	**202,366**
Amortisation for the year	**28,406**
At 30 June 2010	**230,772**
Net book value	
At 30 June 2010	**133,054**
At 30 June 2009	113,692

5 Intangible assets (cont'd)

	Goodwill on consolidation $	Computer software $	Total $
The Group			
Cost			
At 1 July 2008	29,117,790	568,719	29,686,509
Exchange difference on translation	1,343,035	-	1,343,035
Additions	-	67,301	67,301
At 30 June 2009	**30,460,825**	**636,020**	**31,096,845**
Exchange difference on translation	(501,243)	24	(501,219)
Additions	-	82,768	82,768
At 30 June 2010	**29,959,582**	**718,812**	**30,678,394**
Accumulated amortisation and impairment losses			
At 1 July 2008	2,121,900	377,305	2,499,205
Exchange difference on translation	(1,390)	-	(1,390)
Amortisation for the year	-	58,439	58,439
Impairment loss	225,000	-	225,000
At 30 June 2009	**2,345,510**	**435,744**	**2,781,254**
Exchange difference on translation	8,620	6	8,626
Amortisation for the year	-	68,158	68,158
Impairment loss	83,229	-	83,229
At 30 June 2010	**2,437,359**	**503,908**	**2,941,267**
Net book value			
At 30 June 2010	**27,522,223**	**214,904**	**27,737,127**
At 30 June 2009	28,115,315	200,276	28,315,591

The goodwill at carrying value is allocated to the Hong Kong, Singapore and Malaysia acquired businesses at $19,519,719, $2,475,000 and $5,527,504 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 5-13% 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 growth rates are based on management's assessment of the long-term average growth rates of the acquired businesses.

6 Subsidiaries

The Company	2010 $	2009 $
Unquoted equity investments, at cost	**25,156,214**	25,156,214
Loans to subsidiaries - non interest-bearing	**5,730,579**	6,374,909
Amount owing by subsidiaries - trade	**46,849**	37,266
Amount owing by subsidiaries - non-trade	**2,632,633**	1,042,918
	8,410,061	7,455,093
Amounts owing to a subsidiary		
- trade	**28,057**	5,436
- non-trade	**2,717,131**	2,585,321
	2,745,188	2,590,757

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

Trade balances are generally on 30 days (2009: 30 days) basis.

The loans to subsidiaries are unsecured and repayable on demand.

The subsidiaries as at 30 June 2010 are:

Name	Country of incorporation/ principal place of business	Cost of investment 2010 $	Cost of investment 2009 $	Percentage of equity held 2010	Percentage of equity held 2009	Principal activities
* Boardroom Corporate & Advisory Services Pte. Ltd.	Singapore	**4,258,312**	4,258,312	**100%**	100%	Secretarial and share registration services
* Boardroom Business Solutions Pte. Ltd.	Singapore	**1,147,900**	1,147,900	**100%**	100%	Accounting services
* Boardroom Communications Pte. Ltd.	Singapore	**1**	1	**100%**	100%	Investor relations services
# Boardroom Corporate Services (HK) Limited	Hong Kong	**19,750,000**	19,750,000	**100%**	100%	Corporate secretarial, accounting, payroll and trade support services
+ Boardroom Corporate Secretaries (HK) Ltd (1)	Hong Kong	**-**	-	**100%**	100%	Secretarial services

6 Subsidiaries (cont'd)

Name	Country of incorporation/ principal place of business	Cost of investment 2010 $	Cost of investment 2009 $	Percentage of equity held 2010	Percentage of equity held 2009	Principal activities
+ BL Services Ltd (1)	British Virgin Islands/ Hong Kong	-	-	**100%**	100%	Dormant
# Boardroom (Malaysia) Sdn. Bhd.	Malaysia	1	1	**100%**	100%	Investment holding
# Boardroom Corporate Services (KL) Sdn. Bhd. (2)	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. (2)	Malaysia	-	-	**100%**	100%	Corporate secretarial services
# Boardroom Corporate Services (Penang) Sdn. Bhd. (2)	Malaysia	-	-	**100%**	100%	Corporate secretarial, accounting services
# Boardroom Communications Sdn. Bhd. (2)	Malaysia	-	-	**100%**	100%	Dormant
# Boardroom Nominees (Tempatan) Sdn. Bhd. (3)	Malaysia	-	-	**100%**	100%	Dormant
		25,156,214	25,156,214			

\+ *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*

(1) *Subsidiary of Boardroom Corporate Services (HK) Limited*

(2) *Subsidiary of Boardroom (Malaysia) Sdn Bhd.*

(3) *Subsidiary of Boardroom Corporate Services (KL) Sdn Bhd.*

7 Associate

	The Company		The Group	
	2010	2009	2010	2009
	$	$	$	$
Unquoted equity investments, at cost				
- Beginning balance	6,418,152	6,418,152	7,535,032	6,845,969
- Additional acquisition	-	-	-	-
- Ending balance	6,418,152	6,418,152	7,535,032	6,845,969
Dividend from associate	-	-	(999,167)	-
Share of post-acquisition profits	-	-	1,518,766	646,115
Exchange (loss)/gain on translation of revenue reserve	-	-	(4,734)	42,948
	6,418,152	6,418,152	8,049,897	7,535,032

The summarised information of the associate is as follows:

	2010	2009
	$	$
- Assets	25,967,368	24,048,434
- Liabilities	3,140,870	3,244,095
- Revenue	19,832,135	14,427,079
- Net profit after taxation	4,556,297	1,938,345

The Group's share of post-acquisition profits for the year and the related share of taxation of associate as at 30 June 2010 are $2,197,067 (2009: $1,071,979) and $678,301 (2009: $425,864) respectively, which are based on the management accounts of Newreg Pty Ltd.

The associate is:

Name	Country of incorporation	Percentage of equity held		Principal activities
		2010	2009	
Newreg Pty Ltd	Australia	33 1/3%	33 1/3%	Investment holding
Held by Newreg Pty Ltd				
Registries Limited	Australia	33 1/3%	33 1/3%	Share registration services

The purpose for the interest in Newreg Pty Ltd was to acquire 100% interest in Registries Limited. Newreg Pty Ltd is audited by a member firm of Ernst & Young Global.

8 Trade receivables

	The Company		The Group	
	2010	2009	2010	2009
	$	$	$	$
Trade receivables	-	-	7,838,857	7,851,210
Less:				
Allowance for doubtful trade receivables	-	-	(339,956)	(334,520)
	-	-	7,498,901	7,516,690
Add:				
Other receivables, current (Note 9b)	1,319,076	2,170,065	1,791,477	986,762
Amount owing by subsidiaries, current (Note 6)	8,410,062	7,455,093	-	-
Staff loans, non-current (Note 9a)	4,600	-	4,600	-
Total trade and other receivables (current and non-current)	9,733,738	9,625,158	9,294,978	8,503,452
Add:				
Cash and cash equivalents (Note 10)	22,045,092	19,142,917	24,685,391	23,738,843
Total loans and receivables	31,778,830	28,768,075	33,980,369	32,242,295

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 $7,498,901 (2009: $7,516,690) 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:

	2010	2009
	$	$
Past due 1 day to 3 months	5,702,705	5,726,464
Past due 3 to 6 months	971,950	1,098,026
Past due over 6 months	824,246	692,200
	7,498,901	7,516,690

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:

	2010	2009
	$	$
Trade receivables – nominal amounts	641,808	549,611
Impairment of trade receivables		
Beginning balance	(334,520)	(478,294)
Currency translation difference	(1,463)	(3,988)
Impairment made	(280,865)	(66,963)
Impairment utilised	215,214	17,673
Impairment written back	61,678	197,052
Ending balance	(339,956)	(334,520)
Net trade receivables	301,852	215,091

8 Trade receivables (cont'd)

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:

	2010 $	2009 $
Singapore Dollar	**5,337,906**	5,311,177
Hong Kong Dollar	**1,388,494**	1,542,255
Malaysia Ringgit	**772,501**	663,258
	7,498,901	7,516,690

9(a) Staff Loans

	The Company		The Group	
	2010 $	2009 $	2010 $	2009 $
Staff loans	**14,200**	-	**15,406**	2,182
Receivable not later than one year (Note 9b)	**(9,600)**	-	**(10,806)**	(2,182)
Receivable later than one year	**4,600**	-	**4,600**	-

Staff loans are unsecured, interest-free and repayable by monthly instalments within the next 18 months. Staff loans are carried at absolute loan amount as this is not considered significant.

9(b) Other receivables

	The Company		The Group	
	2010 $	2009 $	2010 $	2009 $
Staff loans (Note 9a)	**9,600**	-	**10,806**	2,182
Sundry receivables	**82,192**	1,793	**295,187**	55,387
Management fee receivable from subsidiaries	**520,581**	1,637,645	**-**	-
Deposits	**664,326**	335,335	**1,417,984**	700,986
Interest receivable	**25,467**	118,065	**25,467**	118,065
Tax recoverable	**16,910**	77,227	**42,033**	110,142
	1,319,076	2,170,065	**1,791,477**	986,762

Other receivables are denominated in the following currencies:

Singapore Dollar	**1,319,076**	2,170,065	**1,027,150**	648,967
Hong Kong Dollar	**-**	-	**696,865**	232,357
Malaysia Ringgit	**-**	-	**67,462**	105,438
	1,319,076	2,170,065	**1,791,477**	986,762

10 Cash and cash equivalents

	The Company		The Group	
	2010	2009	2010	2009
	$	$	$	$
Fixed deposits	21,204,965	18,920,746	21,640,385	20,203,014
Cash and bank balances	840,127	222,171	3,045,006	3,535,829
	22,045,092	19,142,917	24,685,391	23,738,843

Fixed deposits are placed with financial institutions and earned interest at the rates ranging from 0.001% to 2.60% (2009: 0.004% to 3.90%) per annum. The fixed deposits have maturity terms of 7 days to 12 months (2009: 21 days to 11 months) from the balance sheet date.

Cash and cash equivalents are denominated in the following currencies:

	The Company		The Group	
	2010	2009	2010	2009
	$	$	$	$
Singapore Dollar	21,044,939	19,142,917	21,623,143	19,810,468
Hong Kong Dollar	-	-	786,958	1,511,606
Malaysia Ringgit	-	-	1,275,137	2,416,769
Australian Dollar	1,000,153	-	1,000,153	-
	22,045,092	19,142,917	24,685,391	23,738,843

Clients' monies held under trust represent the following:

	The Company		The Group	
	2010	2009	2010	2009
	$	$	$	$
Held under trust				
Clients' bank accounts - contra	-	-	13,337,151	11,498,811
Clients' ledger balances - contra	-	-	(13,337,151)	(11,498,811)
	-	-	-	-

11 Share capital

	2010	2009	2010	2009
The Company and The Group	Number of shares of no par value		$	$
Issued and fully paid:				
Balance at beginning	183,947,250	183,834,250	32,457,914	32,420,074
Issued and fully paid pursuant to employee share options exercised at an exercise price of:				
- $0.230 per share	-	5,000	-	1,150
- $0.330 per share	-	46,000	-	15,180
- $0.355 per share	18,000	37,000	6,390	13,135
- $0.335 per share	38,000	25,000	12,730	8,375
- $0.415 per share	240,000	-	99,600	-
Balance at end	184,243,250	183,947,250	32,576,634	32,457,914

11 Share capital (cont'd)

(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.

(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 period 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:

	2010	2009
The Company and The Group	Number of options	
Balance at beginning	**838,000**	1,012,000
Exercised	**(296,000)**	(113,000)
Cancelled/lapsed	**-**	(61,000)
Balance at end	**542,000**	838,000

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

	Exercise price*	Granted		Cancelled/Lapsed	
		2010	2009	**2010**	2009
		Number of options			
Exercise period					
18.7.2004 to 17.7.2012	$0.390	**-**	-	**-**	10,000
17.10.2005 to 16.10.2013	$0.355	**-**	-	**-**	19,000
10.11.2006 to 9.11.2014	$0.335	**-**	-	**-**	32,000
		-	-	**-**	61,000

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

	Exercise price*	Number of options exercised	
		2010	2009
Exercise period			
24.9.2003 to 23.9.2011	$0.230	**-**	5,000
21.10.2004 to 20.10.2012	$0.330	**-**	46,000
17.10.2005 to 16.10.2013	$0.355	**18,000**	37,000
10.11.2005 to 9.11.2009	$0.415	**240,000**	-
10.11.2006 to 9.11.2014	$0.335	**38,000**	25,000
		296,000	113,000
Aggregate proceeds of shares issued ($)		**$118,720**	$37,840

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

11 Share capital (cont'd)

Terms of share options outstanding as at 30 June 2010 are as follows:

Exercise period	Adjusted exercise price	Number outstanding	Number Exercisable	Proceeds if exercised $
24.9.2003 to 23.9.2011	$0.230	8,000	8,000	1,840
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	84,000	84,000	29,820
10.11.2006 to 9.11.2014	$0.335	361,000	361,000	120,935
		542,000	542,000	185,685

12 Other reserves (non-distributable)

	The Company		The Group	
	2010	2009	**2010**	2009
	$	$	**$**	$
Share option capital reserve	**633,673**	633,673	**633,673**	633,673
Exchange translation reserve	**-**	-	**(2,897,453)**	(2,149,787)
	633,673	633,673	**(2,263,780)**	(1,516,114)

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. It is not available for distribution as dividend as it is capital in nature.

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

13 Deferred tax liabilities

	The Company		The Group	
	2010	2009	**2010**	2009
	$	$	**$**	$
Balance at beginning	**47,000**	47,000	**115,285**	115,662
Credited to profit or loss (Note 19)	**-**	-	**(2,268)**	(270)
Exchange difference on translation	**-**	-	**352**	(107)
Balance at end	**47,000**	47,000	**113,369**	115,285

The balance comprises tax on:

	Interest receivable $	Excess of net book value over tax written down value of qualifying property, plant and equipment $	Total $
The Company			
Balance at 1 July 2008 and 30 June 2009	17,000	30,000	47,000
Charged/(credited) to profit or loss	**(12,700)**	**12,700**	**-**
Balance at 30 June 2010	**4,300**	**42,700**	**47,000**

13 Deferred tax liabilities (cont'd)

	Interest receivable $	Excess of net book value over tax written down value of qualifying property, plant and equipment $	Total $
The Group			
Balance at 1 July 2008	17,000	98,662	115,662
Credited to profit or loss	-	(270)	(270)
Exchange difference on translation	-	(107)	(107)
Balance at 30 June 2009	17,000	98,285	115,285
Charged/(credited) to profit or loss	(12,700)	10,432	(2,268)
Exchange difference on translation	-	352	352
Balance at 30 June 2010	4,300	109,069	113,369

Unrecognised temporary differences relating to investments in subsidiaries
At the end of the reporting period, no deferred tax liability (2009: nil) has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries as the Group has determined it can enjoy tax exemption on the undistributed earnings of its subsidiaries.

Tax consequences of proposed dividends
There are no income tax consequences (2009: nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 21).

14(a) Trade payables

	The Company		The Group	
	2010 $	2009 $	**2010 $**	2009 $
Trade payables	**879,709**	971,253	**4,880,526**	4,799,563
Add:				
Other payables (Note 14b)	**10**	-	**114,972**	116,944
Amount owing to a subsidiary (Note 6)	**2,745,188**	2,590,757	**-**	-
Total financial liabilities carried at amortised cost	**3,624,907**	3,562,010	**4,995,498**	4,916,507

Trade payables are generally on 30 days (2009: 30 days) credit terms.

Trade payables are denominated in the following currencies:

	The Company		The Group	
	2010 $	2009 $	**2010 $**	2009 $
Singapore Dollar	**879,709**	971,253	**3,863,059**	3,904,948
Hong Kong Dollar	**-**	-	**567,766**	553,335
Malaysia Ringgit	**-**	-	**449,701**	341,280
	879,709	971,253	**4,880,526**	4,799,563

14(b) Other payables

Other payables are denominated in the following currencies:

	The Company		The Group	
	2010	2009	2010	2009
	$	$	$	$
Singapore Dollar	10	-	20,734	23,832
Hong Kong Dollar	-	-	63,122	34,351
Malaysia Ringgit	-	-	31,116	58,761
	10	-	114,972	116,944

15 Excess of progress billings over work-in-progress

The Group	2010 $	2009 $
Work-in-progress	1,928,163	1,175,455
Allowance for anticipated losses	(406,043)	(232,615)
	1,522,120	942,840
Progress billings	(3,006,205)	(2,446,244)
	(1,484,085)	(1,503,404)

16 Other operating income

The Group	2010 $	2009 $
Interest income - fixed deposits	257,412	300,938
Other income	200,069	152,716
	457,481	453,654

17 Staff costs

The Group	2010 $	2009 $
Directors' remuneration other than fees (key management)		
- directors of the Company		
- Salaries and related expenses	1,193,838	1,002,267
- Defined contribution expenses	19,745	15,633
- directors of the subsidiaries		
- Salaries and related expenses	2,768,294	2,768,735
- Defined contribution expenses	66,127	67,685
Staff costs (others)		
- Salaries and related expenses	13,594,521	13,393,897
- Defined contribution expenses	923,335	927,476
	18,565,860	18,175,693

18 Profit before taxation

The Group	Note	2010 $	2009 $
Profit before taxation has been arrived at			
after charging:			
Allowance for impairment of trade receivables	8	280,865	66,963
Amortisation of intangible assets	5	68,158	58,439
Auditors' remuneration			
- auditors of the company			
- statutory audit fee		80,000	77,500
- non-audit fee (tax-compliance and review fee)		6,000	28,100
- auditors of subsidiaries		37,523	38,293
Bad debts written off - trade		108,705	93,171
Depreciation of property, plant and equipment	4	695,854	770,531
Directors' fee		275,000	165,000
Impairment of intangible assets	5	83,229	225,000
Write off of property, plant and equipment		287,065	10
Operating lease rentals of office premises and equipment		2,719,152	2,489,667
and crediting:			
Reversal of allowance for impairment of trade receivables	8	61,678	197,052
Bad debts recovered - trade		6,308	67,727

19 Taxation

The Group	2010 $	2009 $
Current taxation	1,566,527	2,084,301
Deferred taxation (Note 13)	(2,268)	(270)
	1,564,259	2,084,031
(Over)/under provision of current taxation in respect of prior years	(48,977)	100,823
	1,515,282	2,184,854

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	9,290,718	11,472,513
Tax at statutory rate of 17% (2009:17%)	1,579,421	1,745,390
Tax effect on non-taxable income	(123,858)	(4,550)
Tax effect on non-deductible expenses	150,567	345,837
Singapore statutory stepped income exemption	(77,775)	(77,775)
Deferred tax assets on temporary differences not recognised	-	8,418
Utilisation of deferred tax assets not recognised in prior years	(26,907)	(21,180)
Utilisation of previously unrecognised tax loss	(55,334)	-
Difference in foreign tax rates	100,379	87,891
(Over)/under provision of current taxation in respect of prior years	(48,977)	100,823
Others	17,766	-
	1,515,282	2,184,854

20 Earnings per share

The earnings per share is calculated based on the Group's profit after taxation of $9,294,202 (2009: $9,933,774) on the weighted average number of ordinary shares in issue of 184,158,208 (2009: 183,925,498) shares during the financial year.

Diluted earnings per share was calculated on the Group's profit after taxation of $9,294,202 (2009: $9,933,774) divided by 184,367,440 (2009: 184,157,115) 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.

21 Dividend

At the Annual General Meeting to be held, a final one-tier tax-exempt dividend of $0.02 per share amounting to $3,684,865 will be proposed based on 184,243,250 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 2011.

22 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	**2010**	2009
$750,000 and above	**-**	-
$500,000 to $749,999	**2**	1
$250,000 to $499,999	**-**	1
Below $250,000	**6**	5
	8	7

$500,000 to $749,999	Kim Teo Poh Jin		Tan Cher Liang	
	2010	2009	**2010**	2009
	%	%	**%**	%
Fee	**-**	-	**-**	-
Salary	**63**	-	**57**	55
Bonus	**-**	-	**-**	-
Allowance	**1**	-	**1**	1
Leave entitlement	**-**	-	**-**	-
Profit share	**35**	-	**41**	43
CPF contributions	**1**	-	**1**	1
Notice in lieu	**-**	-	**-**	-
Ex-gratia payment	**-**	-	**-**	-
	100	-	**100**	100

22 Disclosure of directors' remuneration (cont'd)

$250,000 to $499,999	Goh Geok Khim	
	2010	2009
	%	%
Fee	-	-
Salary	-	22
Bonus	-	-
Allowance	-	-
Leave entitlement	-	-
Profit share	-	77
CPF contributions	-	1
Notice in lieu	-	-
Ex-gratia payment	-	-
	-	100

Below $250,000	Goh Geok Khim		Goh Yew Lin		Sim Cheok Lim	
	2010	2009	2010	2009	2010	2009
	%	%	%	%	%	%
Fee	84	-	-	-	100	100
Salary	-	-	-	-	-	-
Bonus	-	-	-	-	-	-
Allowance	-	-	-	-	-	-
Profit share	15	-	-	-	-	-
CPF contributions	1	-	-	-	-	-
Notice in lieu	-	-	-	-	-	-
	100	-	-	-	100	100

	Elizabeth Sam		Mak Lye Mun		William Wong Tien Leong	
	2010	2009	2010	2009	2010	2009
	%	%	%	%	%	%
Fee	100	100	100	100	100	100
Salary	-	-	-	-	-	-
Bonus	-	-	-	-	-	-
Allowance	-	-	-	-	-	-
Profit share	-	-	-	-	-	-
CPF contributions	-	-	-	-	-	-
Notice in lieu	-	-	-	-	-	-
	100	100	100	100	100	100

23 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 four reportable operating segments as follows:
(i) Singapore
(ii) Malaysia
(iii) Hong Kong
(iv) Australia

23 Statement of operations by segment (cont'd)

The Group (cont'd)

(a) 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 and Hong Kong 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.

	Singapore $	Malaysia $	Hong Kong $	Australia $	Elimination $	Notes	Consolidated $
2010							
Revenue							
External sales	23,806,462	3,608,742	7,415,100	-	-		34,830,304
Results							
Profit before taxation	5,841,152	1,383,855	2,065,711	1,518,766	-		10,809,484
Income taxes	919,422	310,816	285,044	-	-		1,515,282
Profit for the year attributable to shareholders	4,921,730	1,073,039	1,780,667	1,518,766	-		9,294,202

23 Statement of operations by segment (cont'd)

(c) Segment assets and liabilities (cont'd)

	Singapore $	Malaysia $	Hong Kong $	Australia $	Elimination $	Notes	Consolidated $
Other information							
Investment in associates	6,418,152	-	-	-	1,631,745	A	8,049,897
Segment assets	34,118,134	8,002,720	22,757,067	-	(510,178)	A	64,367,743
Consolidated total assets							72,417,640
Segment liabilities	4,534,941	851,021	1,663,517	-	(520,581)	B	6,528,898
Unallocated corporate liabilities							1,393,894
Consolidated total liabilities							7,922,792
Capital expenditure							
- property, plant and equipment	1,903,171	33,644	22,674	-	-		1,959,489
- intangible assets	82,768	-	-	-	-		82,768
Interest income	224,491	32,904	17	-	-		257,412
Depreciation and amortisation expenses	508,538	130,040	125,434	-	-		764,012
Allowance for impairment of debts - trade	173,180	15,671	92,014	-	-		280,865
Impairment of intangible assets	-	83,229	-	-	-		83,229
Write off of property, plant and equipment	284,671	2,394	-	-	-		287,065
2009							
Revenue							
External sales	23,817,583	3,580,510	8,535,459	-	-		35,933,552
Results							
Profit before taxation	7,172,492	1,286,944	3,013,077	646,115	-		12,118,628
Income taxes	1,300,614	388,924	495,316	-	-		2,184,854
Profit for the year attributable to shareholders	5,871,878	898,020	2,517,761	646,115	-		9,933,774

23 Statement of operations by segment (cont'd)

(c) Segment assets and liabilities (cont'd)

	Singapore $	Malaysia $	Hong Kong $	Australia $	Elimination $	Notes	Consolidated $
Other information							
Investment in associates	6,418,152	-	-	-	1,116,879	A	7,535,031
Segment assets	30,847,725	8,974,060	23,919,210	-	(1,594,531)	A	62,146,464
Consolidated total assets							69,681,495
Segment liabilities	5,839,849	679,473	1,563,972	-	(1,637,645)	B	6,445,649
Unallocated corporate liabilities							1,879,797
Consolidated total liabilities							8,325,446
Capital expenditure							
- property, plant and equipment	70,793	41,726	26,273	-	-		138,792
- intangible assets	66,774	527	-	-	-		67,301
Interest income	268,885	26,671	5,382	-	-		300,938
Depreciation and amortisation expenses	557,359	130,406	141,205	-	-		828,970
Allowance for impairment of debts - trade	26,256	1,758	38,949	-	-		66,963
Impairment of intangible assets	225,000	-	-	-	-		225,000
Write off of property, plant and equipment	-	10	-	-	-		10

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:

	2010 $	2009 $
Investment in associate	**1,631,745**	1,116,879
Inter-segment assets	**(510,178)**	(1,594,531)
Balance at end	**1,121,567**	(477,652)

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

	2010 $	2009 $
Inter-segment assets	**(520,581)**	(1,637,645)
	(520,581)	(1,637,645)

23 Statement of operations by segment (cont'd)

The Group

(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 and warrant agent.

Accounting

Services rendered include book-keeping, preparation of financial statements, payroll and payment processing and Goods and Services Tax accounting.

Others

Other services represent income from trade support and investor relations.

Business information

	Revenue		Non-current assets	
	2010	2009	**2010**	2009
	$	$	**$**	$
Corporate secretarial	**16,722,165**	18,026,950	**19,476,980**	19,636,324
Share registration	**6,277,787**	5,036,337	**282,738**	84,736
Accounting	**11,038,247**	12,011,439	**8,403,523**	8,361,004
Others	**792,105**	858,826	**9,879,284**	9,049,689
	34,830,304	35,933,552	**38,042,525**	37,131,753

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.

24 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	
	2010	2009	**2010**	2009
	$	$	**$**	$
Not later than one year	**2,015,773**	1,058,692	**3,108,219**	1,840,009
Later than one year and not later than five years	**3,390,681**	46,777	**6,019,067**	425,203
Later than five years	**-**	-	**-**	-

The leases on the Group's office equipment on which rentals are payable will expire between 30 November 2011 and 22 April 2014, subject to an option to renew and the current rent payable on all leases range from $727 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 14 July 2010 and 1 July 2013.

The Company recharges monthly rental for office premises ranging from $5,394 to $79,119 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 $4,062,105.

25 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. Market risk exposures are measured using sensitivity analysis indicated below.

25.1 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 financial institutions.

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

25 Financial risk management objectives and policies (cont'd)

25.1 Interest rate risk (cont'd)

The Group

2010

	Note	Effective interest rate (per annum)	Total $'000	Less than 1 year $'000	1 to 5 years $'000
Financial assets					
Fixed deposits	10	**0.001% to 2.6%**	**21,640**	**21,640**	-

2009

	Note	Effective interest rate (per annum)	Total $'000	Less than 1 year $'000	1 to 5 years $'000
Financial assets					
Fixed deposits	10	0.004% to 3.9%	20,203	20,203	-

The Company

2010

	Note	Effective interest rate (per annum)	Total $'000	Less than 1 year $'000	1 to 5 years $'000
Financial assets					
Fixed deposits	10	**0.001% to 2.6%**	**21,205**	**21,205**	-

2009

	Note	Effective interest rate (per annum)	Total $'000	Less than 1 year $'000	1 to 5 years $'000
Financial assets					
Fixed deposits	10	0.004% to 3.9%	18,921	18,921	-

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 2010.

25 Financial risk management objectives and policies (cont'd)

25.1 Interest rate risk (cont'd)

The Group	2010 Profit before taxation $'000	2010 Equity $'000	2009 Profit before taxation $'000	2009 Equity $'000
Interest rate				
- decreased by 1% per annum	(216)	-	(202)	-
- increased by 1% per annum	216	-	202	-

The Company	2010 Profit before taxation $'000	2010 Equity $'000	2009 Profit before taxation $'000	2009 Equity $'000
Interest rate				
- decreased by 1% per annum	(212)	-	(189)	-
- increased by 1% per annum	212	-	189	-

25.2 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 with dominant operations in Singapore. 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 ("HK$") and Australian dollar ("AUD").

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

	30 June 2010				
	Singapore Dollar $	Malaysia Ringgit $	Hong Kong Dollar $	Australian Dollar $	Total $
The Group					
Trade and other receivables	6,365,056	839,962	2,085,360	-	9,290,378
Cash and cash equivalents	21,623,143	1,275,137	786,958	1,000,153	24,685,391
Trade and other payables	(3,883,793)	(480,817)	(630,888)	-	(4,995,498)
	24,104,406	1,634,282	2,241,430	1,000,153	28,980,271

25 Financial risk management objectives and policies (cont'd)

25.2 Currency risk (cont'd)

	30 June 2009 Singapore Dollar $	Malaysia Ringgit $	Hong Kong Dollar $	Total $
The Group				
Trade and other receivables	5,960,144	768,696	1,774,612	8,503,452
Cash and cash equivalents	19,810,468	2,416,769	1,511,606	23,738,843
Trade and other payables	(3,928,780)	(400,041)	(587,686)	(4,916,507)
	21,841,832	2,785,424	2,698,532	27,325,788

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

The Group	Equity $	Profit before taxation $
30 June 2010		
Malaysia Ringgit	-	(81,714)
Hong Kong Dollar	-	(112,072)
Australian Dollar	-	(50,008)
30 June 2009		
Malaysia Ringgit	-	(139,271)
Hong Kong Dollar	-	(134,927)

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.

25.3 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.

25 Financial risk management objectives and policies (cont'd)

25.3 Credit risk (cont'd)

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

The Group	2010 $	2009 $
By geographical areas		
Singapore	5,337,906	5,311,177
Hong Kong	1,388,494	1,542,255
Malaysia	772,501	663,258
	7,498,901	7,516,690

(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.

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	2010 $	2009 $
Trade receivables - Gross	7,838,857	7,851,210
Impairment for doubtful receivables		
Beginning of year	(334,520)	(478,294)
Currency translation difference	(1,463)	(3,988)
Impairment made	(280,865)	(66,963)
Impairment utilised	215,214	17,673
Impairment written back	61,678	197,052
End of year	(339,956)	(334,520)
Trade receivables - carrying amount	7,498,901	7,516,690

25.4 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.

25.5 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.

25 Financial risk management objectives and policies (cont'd)

25.5 Liquidity risk (cont'd)

The Company's and the Group's liquidity risk is minimal as the Company and the Group maintain sufficient cash and cash equivalents and internally generated cash flows to finance their operating activities and committed liabilities.

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

The Group	Less than 1 year $	Between 2 to 5 years $	Over 5 years $	Total $
At 30 June 2010				
Financial assets:				
Trade and other receivables	9,290,378	4,600	-	9,294,978
Cash and cash equivalents	24,685,391	-	-	24,685,391
Total undiscounted financial assets	33,975,769	4,600	-	33,980,369
Financial liabilities:				
Trade and other payables	4,995,498	-	-	4,995,498
Total undiscounted financial liabilities	4,995,498	-	-	4,995,498
Total net undiscounted financial assets	28,980,271	4,600	-	28,984,871
At 30 June 2009				
Financial assets:				
Trade and other receivables	8,503,452	-	-	8,503,452
Cash and cash equivalents	23,738,843	-	-	23,738,843
Total undiscounted financial assets	32,242,295	-	-	32,242,295
Financial liabilities:				
Trade and other payables	4,916,507	-	-	4,916,507
Total undiscounted financial liabilities	4,916,507	-	-	4,916,507
Total net undiscounted financial assets	27,325,788	-	-	27,325,788
The Company				
At 30 June 2010				
Financial assets:				
Trade and other receivables	1,319,076	4,600	-	1,323,676
Amount owing by subsidiaries	8,410,062	-	-	8,410,062
Cash and cash equivalents	22,045,092	-	-	22,045,092
Total undiscounted financial assets	31,774,230	4,600	-	31,778,830
Financial liabilities:				
Trade and other payables	879,719	-	-	879,719
Amount owing to a subsidiary	2,745,188	-	-	2,745,188
Total undiscounted financial liabilities	3,624,907	-	-	3,624,907
Total net undiscounted financial assets	28,149,323	4,600	-	28,153,923
At 30 June 2009				
Financial assets:				
Trade and other receivables	2,170,065	-	-	2,170,065
Amount owing by subsidiaries	7,455,093	-	-	7,455,093
Cash and cash equivalents	19,142,917	-	-	19,142,917
Total undiscounted financial assets	28,768,075	-	-	28,768,075

25 Financial risk management objectives and policies (cont'd)

25.5 Liquidity risk (cont'd)

The Company	Less than 1 year $	Between 2 to 5 years $	Over 5 years $	Total $
Financial liabilities:				
Trade and payables	971,253	-	-	971,253
Amount owing to a subsidiary	2,590,757	-	-	2,590,757
Total undiscounted financial liabilities	3,562,010	-	-	3,562,010
Total net undiscounted financial assets	25,206,065	-	-	25,206,065

26 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	
	2010 $	2009 $
Trade receivables (Note 8)	**7,498,901**	7,516,690
Unbilled disbursements	**75,557**	76,973
Other receivables (Note 9b)	**1,791,477**	986,762
Prepayments	**323,789**	230,474
Cash and cash equivalents (Note 10)	**24,685,391**	23,738,843
Total current assets	**34,375,115**	32,549,742
Trade payables (Note 14a)	**4,880,526**	4,799,563
Other payables (Note 14b)	**114,972**	116,944
Disbursements billed in advance	**49,315**	25,738
Excess of progress billings over work-in-progress (Note 15)	**1,484,085**	1,503,404
Current tax payable	**1,280,525**	1,764,512
Total current liabilities	**7,809,423**	8,210,161
Current ratio	**4.40**	3.96

27 Financial instruments

Fair values

The carrying amounts of the financial assets and financial liabilities 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.

28 Events occurring after the balance sheet date

(a) On 22 July 2010, the Company set up a wholly-owned subsidiary, Boardroom Holdings Australia Pty Ltd ("BRHA") in Australia with an initial issued and paid-up share capital of 10 shares of A$1.00 each. This subsidiary will serve as the Company's investment holding company for its investments in Australia.

(b) On 28 July 2010, BRHA 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 for a cash consideration of A$14,666,667 (equivalent to approximately $17.99 million). Following the completion of this acquisition, BRHA's equity interest in Newreg Pty Ltd increased to approximately 66.67% and accordingly, Newreg Pty Ltd has become a subsidiary company of the Group.

(c) On 31 July 2010, the Company's wholly-owned subsidiary, Boardroom Corporate & Advisory Services Pte Ltd ("BCAS"), acquired the entire issued and paid-up share capital of ChorPee Corporate Services Pte Ltd ("ChorPee") from the existing shareholders for a consideration of $450,000. ChorPee is a private company established in 1972 providing corporate secretarial services.

(d) On 18 August 2010, the Company entered into a sale and purchase and subscription agreement with LSC Management Consultants Pte. Limited (the "Vendor") and LSC China Holdings Pte Ltd ("LSCH") ("SPA") for the acquisition of 193,920 shares (the "Sale Shares") or 60% of the issued and paid-up capital of LSCH on the terms and conditions set out in the SPA for a sale consideration of $1,575,600. The Company completed the acquisition on 3 September 2010. Simultaneously, the Vendor and the Company have each subscribed for 323,200 and 484,800 new shares at a consideration of Singapore Dollar One per share on the terms and conditions set out in the SPA for the purpose of providing additional operating capital to LSCH. With effect from 3 September 2010, the Company owns 60% of LSCH. On completion, LSCH has also changed its name to Boardroom China Holdings Pte Ltd. It is based in Shanghai with branches in Beijing, Suzhou, Chengdu, Tianjin and Shenzhen and will provide business advisory and consultancy services - corporate secretarial, business outsourcing (including accounting and payroll) and corporate tax services.

(e) On 26 August 2010, the Company announced a proposed acquisition of an additional 33.33% interest in Newreg Pty Ltd at a sale consideration of A$7,333,333 (equivalent to approximately S$8.9 million) which is subject to shareholders approval. Upon the completion of this acquisition, BRHA's equity interest in Newreg Pty Ltd will increase to 100%.

29 Comparatives

The financial statements for the previous financial year ended 30 June 2009 were audited by another firm of Certified Public Accountants.

Statistics of Shareholdings

As at 15 September 2010

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 - 999	15	2.28	4,156	0.00
1,000 - 10,000	332	50.54	1,452,100	0.79
10,001 - 1,000,000	295	44.90	20,908,719	11.35
1,000,001 and above	15	2.28	161,878,275	87.86
Total	657	100.00	184,243,250	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	Salacca Pte. Ltd.	60,528,857	32.85
2	Nanyang Press (Singapore) Limited	22,616,612	12.28
3	DBSN Services Pte Ltd	22,602,784	12.27
4	Raffles Nominees (Pte) Ltd	15,769,000	8.56
5	HSBC (Singapore) Nominees Pte Ltd	11,187,000	6.07
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	2.39
9	Tan Man Eng @ Tan Mang Eng	3,327,537	1.81
10	Merrill Lynch (Singapore) Pte Ltd	2,820,363	1.53
11	DBS Nominees Pte Ltd	2,480,250	1.35
12	D.S. Lee Specialists Group Pte. Ltd.	2,050,000	1.11
13	Ong Eng Teong	1,846,161	1.00
14	Tan Cher Liang	1,269,000	0.69
15	Yvonne Choo Mrs Yvonne Goh	1,207,000	0.66
16	Citibank Nominees Singapore Pte Ltd	927,500	0.50
17	Della Suantio Mrs Della Suantio Lee	684,000	0.37
18	Yeo Seng Kia	678,000	0.37
19	Estate of Tan Eng Heng, Deceased	606,000	0.33
20	Teh Cheong Hua	595,000	0.32
	Total	165,368,775	89.76

Statistics of Shareholdings

As at 15 September 2010

SHAREHOLDERS' INFORMATION

Class of equity securities	Number of equity securities	Voting Rights
Ordinary	184,243,250	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	12.28	--	--
Salacca Pte Ltd	60,528,857	32.85	--	--
Third Avenue Management LLC (5)	--	--	22,522,784	12.22

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.

As at 15 September 2010, 42% 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

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

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 #01-01, Singapore Land Tower, Singapore 048623 on Friday, 29 October 2010 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and the Audited Accounts of the Company for the year ended 30 June 2010 together with the Auditors' Report thereon.
(Resolution 1)

2. To declare a final (one-tier) tax exempt dividend of 2.0 Singapore cents per ordinary share for the year ended 30 June 2010. [2009: A final (one-tier) tax exempt dividend of 2.0 Singapore cents per ordinary share]
(Resolution 2)

3. To re-elect Mr Mak Lye Mun, a Director retiring pursuant to Article 110 of the Articles of Association of the Company.
(Resolution 3)

   Mr Mak will, upon re-election as a Director of the Company, remain as a member of the Audit 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.
[See Explanatory Note (i)]

   a) Mr Goh Geok Khim **(Resolution 4)**
   b) Mr Sim Cheok Lim **(Resolution 5)**
   c) Mrs Elizabeth Sam **(Resolution 6)**

   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 Directors' fees of S$275,000 for the year ending 30 June 2011 to be paid quarterly in arrears. [2010: S$275,000]
(Resolution 7)

6. 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 8)

7. 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:

8. **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 (ii)]

(Resolution 9)

9. **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 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 (iii)]

(Resolution 10)

By Order of the Board

Tan Cher Liang
Tan San-Ju
Secretaries

Singapore, 13 October 2010

Notice of Annual General Meeting

Explanatory Notes:

(i) The effect of the Ordinary Resolutions 4 to 6 proposed in item 4 above, is to re-appoint directors of the Company who are over 70 years of age.

(ii) The Ordinary Resolution 9 in item 8 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.

(iii) The Ordinary Resolution 10 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 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)

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.

Proxy Form

(Please see notes overleaf before completing this Form)

I/We, ____

of ____

being a member/members of Boardroom Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (the "Meeting") of the Company to be held on 29 October 2010 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(Please indicate your vote "For" or "Against" with a tick [✔] within the box provided.)

No.	Resolutions relating to:	For	Against
1.	Directors' Report and Audited Accounts for the year ended 30 June 2010		
2.	Payment of proposed final dividend		
3.	Re-election of Mr Mak Lye Mun as a Director		
4.	Re-appointment of Mr Goh Geok Khim as a Director		
5.	Re-appointment of Mr Sim Cheok Lim as a Director		
6.	Re-appointment of Mrs Elizabeth Sam as a Director		
7.	Approval of Directors' fees amounting to S$275,000		
8.	Re-appointment of Ernst & Young LLP as Auditors		
9.	Authority to issue new shares		
10.	Authority to issue shares under the Boardroom Share Option Scheme		

Dated this ____________ day of ____________ 2010

Total number of Shares in:	Number of Shares
(a) CDP Register	
(b) Register of Members	

____

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

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.

BoardRoom
Smart Business Solutions

50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623
Tel:+65 6536 5355 Fax: +65 6536 1360
www.boardroomlimited.com

Company Registration No. 200003902Z