

# FORM: Half yearly/preliminary final report

Name of *issuer*

AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED AND CONTROLLED ENTITIES

ACN or ARBN

109 469 383

Half yearly  
(tick)

✓

Preliminary  
final (tick)

Half year/financial year ended  
(‘Current period’)

01/07/2011 to 31/12/2011

## For announcement to the market

				\$A,000
Revenue	down	19.62%	to	408
Profit (loss) for the period	down	218.80%	to	(99)
Profit (loss) for the period attributable to members of the parent	down	218.80%	to	(99)
<b>Dividends</b>		Current period		Previous corresponding period
Franking rate applicable:		N/A		N/A
<b>Final dividend</b> <i>(preliminary final report only)</i>				
Amount per <i>security</i>		N/A		N/A
Franked amount per <i>security</i>				
<b>Interim dividend</b> <i>(Half yearly report only)</i>				
Amount per <i>security</i>		N/A		N/A
Franked amount per <i>security</i>				
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
N/A				

## NTA Backing

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security (cents)	(0.31)	(0.19)

## Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange.

Identify other standards used

N/A

2. This statement, and the financial statements under the *Corporations Act 2001* (if separate), use the same accounting policies.
3. This statement does/~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.
4. This statement is based on financial statements to which one of the following applies:
- |  |                                     |  |
|--|-------------------------------------|--|
| The financial statements have been audited.  | <input checked="" type="checkbox"/> | The financial statements have been subject to review by a registered auditor (or overseas equivalent). |
| The financial statements are in the process of being audited or subject to review. |                                     | The financial statements have <i>not</i> yet been audited or reviewed.                                 |
5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/~~will follow immediately they are available~~\* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)
6. The issuer ~~has~~/does not have\* (*delete one*) a formally constituted audit committee.



Sign here: ..... Date: 28 February 2012  
(*Director/Company secretary*)

Print name: Susan Williams

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED AND  
CONTROLLED ENTITIES**  
ABN 21 109 469 383

**Interim Financial Report  
For the Half Year Ended 31 December 2011**

**This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2011 and any public announcements made by Australian Small Scale Offerings Board Limited and its controlled entities during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.**

# **AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED AND CONTROLLED ENTITIES**

ABN 21 109 469 383

## **Interim Financial Report For the Half Year Ended 31 December 2011**

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**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED AND CONTROLLED ENTITIES**  
**ABN 21 109 469 383**

**DIRECTORS' REPORT**

**FOR THE HALF YEAR ENDED 31 DECEMBER 2011**

The directors present their report on the consolidated group, consisting of Australian Small Scale Offerings Board Limited and the entities it controlled, for the half-year ended 31 December 2011.

**Directors**

The names of the directors in office during the half-year and until the date of this report are as follows unless otherwise stated:

Mr Anthony Puls  
Mr Paul Niederer  
Ms Susan Williams  
Mr Peter Stirling

**Company overview**

The Australian Small Scale Offerings Board remains the largest and most successful capital raising platform for showcasing and facilitating equity investment opportunities in high-growth, unlisted Australian companies. ASSOB's core business continues to raise capital for Australian businesses that have found difficulty in obtaining bank finance and funding elsewhere.

**Operating results**

The consolidated group's operating result after tax for the half year ended 31 December 2011 was a loss of \$98,620 (2010 profit: \$83,010).

This is a disappointing result, however capital raising for small and medium sized businesses continues month after month even though the investment climate is difficult.

During the six months a wealth of early stage and growth companies have chosen ASSOB to facilitate their capital raising. They operate in many different segments, including online shoes, bottled water, skincare, children's furniture, photography, consultants online, telecommunications, robotics, video production, baby products, perfumes, daily deals and energy provider choice.

The Directors' focus remains on balancing expenditure with income while ensuring ASSOB continues to provide a cost effective platform for unlisted companies to raise capital. Some restructuring of the in-house sponsor occurred during the half year which will result in lower operating costs.

A registry and trust account business was set up during the half year and the Directors anticipate that this will be cash flow positive during the second half of the year.

**Dividends**

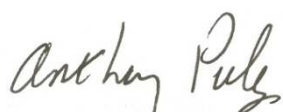
No dividends were paid or proposed during the half-year ended 31 December 2011.

## **Auditor's Independence Declaration**

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 7 for the half year ended 31 December 2011.

This report is made in accordance with a resolution of directors.

On behalf of the Directors

A handwritten signature in dark ink, appearing to read 'Anthony Puls', written in a cursive style.

Tony Puls  
Director

Dated this 28<sup>th</sup> day of February 2012



AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO DIRECTORS OF  
AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2011 there have been:

- a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit review; and
- b. assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.



Rothsay Chartered Accountants

**FRANK VRACHAS**  
**PARTNER**

Dated in Sydney on 28 February 2012



**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED AND CONTROLLED ENTITIES**  
**ABN 21 109 469 383**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**for the half year ended 31 December 2011**

<b>Continuing Operations</b>	<b>Consolidated Group</b>	
	<b>31.12.11</b>	<b>31.12.10</b>
	<b>\$</b>	<b>\$</b>
Sales revenue	407,816	493,901
Other revenue	43	13,473
Total revenue	<u>407,859</u>	<u>507,374</u>
Depreciation and amortisation expense	(18,599)	(16,606)
Employee benefits expenses	(209,353)	(169,985)
Occupancy costs	(30,315)	(16,375)
Sales and marketing expenses	(21,150)	(33,317)
Other cost of sales	(2,454)	(2,627)
Office expenses	(15,126)	(12,155)
Travel costs	(13,526)	(16,442)
Telephone and internet costs	(19,226)	(17,510)
Other expenses from ordinary activities	(74,589)	(63,516)
Legal expenses	(20,915)	(35,630)
Professional expenses	(51,271)	(94,382)
Financial costs	(18,610)	(17,929)
Total Expenses	<u>(495,134)</u>	<u>(496,474)</u>
Profit from ordinary activities before income tax	(87,275)	10,900
Income tax benefit/(expense)	(11,345)	72,110
Profit from ordinary activities after related income tax expense	<u>(98,620)</u>	<u>83,010</u>
Other comprehensive income/(loss) after related income tax expense	-	-
Total comprehensive income/(loss) after related income tax expense	<u>(98,620)</u>	<u>(98,620)</u>

**Earnings per share**

From continuing operations:		
Basic earnings per share (cents)	(0.07)	0.06
Diluted earnings per share (cents)	(0.07)	0.06

The accompanying notes form part of this report



**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED AND CONTROLLED ENTITIES**  
**ABN 21 109 469 383**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

as at 31 December 2011

	<b>Consolidated Group</b>	
	<b>31.12.11</b>	<b>30.06.11</b>
	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	71,148	41,520
Trade and other receivables	62,309	74,157
Other assets	26,552	21,893
<b>Total Current Assets</b>	<u>160,009</u>	<u>137,570</u>
<b>Non-Current Assets</b>		
Property, plant and equipment	62,121	62,358
Intangibles	100,493	94,445
Deferred tax assets	14,018	44,749
<b>Total Non-Current Assets</b>	<u>176,632</u>	<u>201,552</u>
<b>TOTAL ASSETS</b>	<u>336,641</u>	<u>339,122</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	146,100	75,637
Employee benefits payable	35,032	36,250
Provisions	5,390	14,860
<b>Total Current Liabilities</b>	<u>186,522</u>	<u>126,747</u>
<b>Non-Current Liabilities</b>		
Borrowings	489,001	454,002
Employee benefits provisions	4,977	3,612
<b>Total Non-Current Liabilities</b>	<u>493,978</u>	<u>457,614</u>
<b>TOTAL LIABILITIES</b>	<u>680,500</u>	<u>584,361</u>
<b>NET ASSETS DEFICIT</b>	<u>(343,859)</u>	<u>(245,239)</u>
<b>Shareholders' Equity</b>		
Issued share capital	15,292,480	15,292,480
Accumulated losses	(15,636,339)	(15,537,719)
<b>TOTAL EQUITY</b>	<u>(343,859)</u>	<u>(245,239)</u>

The accompanying notes form part of this report

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED AND CONTROLLED ENTITIES**  
**ABN 21 109 469 383**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

for the half year ended 31 December 2011

	<b>Issued Capital Ordinary \$</b>	<b>Retained Losses \$</b>	<b>Total \$</b>
<b>Balance at 1.7.2010</b>	15,292,480	(15,556,975)	(264,495)
Total comprehensive income for the period	-	83,010	83,010
<b>Balance at 31.12.2010</b>	15,292,480	(15,473,965)	(181,485)
<b>Balance at 1.7.2011</b>	15,292,480	(15,537,719)	(245,239)
Total comprehensive income for the period	-	(98,620)	(98,620)
<b>Balance at 31.12.2011</b>	15,292,480	(15,636,339)	(343,859)

The accompanying notes form part of this report

**AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED AND CONTROLLED ENTITIES**  
**ABN 21 109 469 383**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

for the half year ended 31 December 2011

	<b>Consolidated Group</b>	
	<b>31.12 2011</b>	<b>31.12.2010</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipt from customers	372,996	509,087
Payments to suppliers and employees	(394,767)	(563,529)
Finance Costs	(18,567)	(17,930)
Income tax refund received	64,034	100,909
<b>Net cash provided by operating activities</b>	<u>23,696</u>	<u>28,537</u>
<b>Cash flows from investing activities</b>		
Purchase of non-current assets	(29,068)	(7,117)
<b>Net cash (used in) investing activities</b>	<u>(29,068)</u>	<u>(7,117)</u>
<b>Cash flows from financing activities</b>		
Loan from related parties	35,000	-
Repayment of borrowings	-	(15,000)
<b>Net cash flow provided by / (used in) financing activities</b>	<u>35,000</u>	<u>(15,000)</u>
<b>Net increase in cash held</b>	29,628	6,420
Cash and cash equivalents at beginning of the half year	41,250	45,486
<b>Cash and cash equivalents at the end of the half financial year</b>	<u>71,148</u>	<u>51,906</u>

The accompanying notes form part of this report.

## **NOTES TO THE FINANCIAL STATEMENTS**

**for the half year ended 31 December 2011**

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

#### **Basis of Preparation**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2011 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

Compliance with Australian Accounting Standards ensures that financial statements and notes also comply with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Australian Small Scale Offerings Board Limited and its controlled entities (referred to as the Consolidated Group or Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2011, together with any public announcements made during the half-year.

The financial report was authorised for issue 28 February 2012.

#### **Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

#### **New and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period**

For the half-year reporting period to 31 December 2011, a number of new and revised Accounting Standard requirements became mandatory for the first time, some of which are relevant to the Group. A discussion of these new and revised requirements that are relevant to the Group is provided below:

- AASB 124: Related Party Disclosures (December 2009)

AASB 124 (December 2009) introduces a number of changes to the accounting treatment of related parties compared to AASB 124 (December 2005, as amended), including the following:

- The definition of a "related party" is simplified, clarifying its intended meaning and eliminating inconsistencies with the definition, including:
  - The definition now identifies a subsidiary and an associate with the same investor as related parties of each other;
  - Entities significantly influenced by one person and entities significantly influenced by a close member of the family of that person are no longer related parties of each other;
  - The definition now identifies that, whenever a person or entity has both joint control over a second entity and joint control or significant influence over a third party, the second and third entities are related to each other; and
  - The definition now clarifies that a post-employment benefit plan and an employer sponsor of such a plan are related parties of each other.
- A partial exemption is provided from the disclosure requirements for government-related entities. Entities that are related by virtue of being controlled by the same government can provide reduced related party disclosures.

Application of AASB 124 (December 2009) did not have a significant impact on the financial statements of the Group.

## **NOTES TO THE FINANCIAL STATEMENTS**

**for the half year ended 31 December 2011**

### **Note 1: Summary of Significant Accounting Policies (cont'd)**

- AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13]

This Standard details numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. Key changes include:

- Clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;
- Adding an explicit statement to AASB 7 that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from the financial instruments;
- Amending AASB 101 to clarify that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
- Adding a number of examples to the list of events and transactions that require disclosure under AASB 134; and
- Making sundry editorial amendments to various Standards and Interpretations.

Application of the amendments in AASB 2010-4 did not have a significant impact on the financial statements of the Group.

- AASB 1054: Australian Additional Disclosures and AASB 2011-1: Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 and Interpretations 2, 112 & 113]

AASB 1054 sets out the Australian-specific disclosures that are additional to IFRS disclosure requirements. The disclosure requirements in AASB 1054 were previously located in other Australian Accounting Standards.

Application of the amendments in AASB 2010-4 did not have a significant impact on the financial statements of the Group.

### **Note 2: Impairment of Assets**

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

## **NOTES TO THE FINANCIAL STATEMENTS**

**for the half year ended 31 December 2011**

### **Note 2: Impairment of Assets (cont'd)**

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years.

A reversal of an impairment loss is recognised in the profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation increase.

### **Note 3: Segment Reporting**

AASB 8 results in a significant change in the approach to segment reporting, as it requires adoption of a 'management approach' to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and deciding how to allocate resources to operating segments. The Group operates in Australia in only one operational segment, therefore, there has been no change in the segmental disclosure as a result of the adoption of this standard.

### **Note 4: Subsequent Events**

There were no material events subsequent to 31 December 2011 that have significantly affected or may significantly affect the consolidated entity.

### **Note 5: Going Concern**

The consolidated entity has a net asset deficit of \$343,859 (30 June 2011: \$245,239) and net current liabilities of \$26,513 (net current assets 30 June 2011: \$10,823). Furthermore, there are contingent liabilities of approximately \$279,000 as detailed in Note 6 below. Notwithstanding the above, the financial report has been prepared on the basis that the group is a going concern, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

In determining this basis, the Directors have regard to the following:

- New subsidiary established to provide trust account and registry services
- First clients signed up for internal sponsor subsidiary
- Positive cash flow projections for the Group based on the budget and business plan prepared and approved by the board
- A director being a major shareholder of the company who provides funds as and when required

Based on the above the Directors are of the opinion that the Group will continue to be able to meet its obligations as they become due and payable over the next twelve months.

### **Note 6: Contingent Liabilities**

There is a current dispute with a former landlord regarding a tenancy lease over previous office space. As per the lease contract, the lease expired on 30 April 2009. The landlord is disputing that the lease expired on that date and the consolidated entity is defending its position that no lease exists.

No liability is recognised in the financial statements on the basis that there is no certainty the liability has been incurred. In the event that the Company is unsuccessful a potential liability of approximately \$279,000 exists.

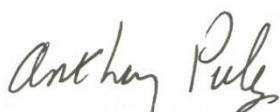
## **DIRECTORS' DECLARATION**

In the directors' opinion:

- 1) the financial statements and notes set out on pages 8 to 14 are in accordance with the Corporations Act 2001, including:
  - a) complying with AASB 134 Interim Financial Reporting, and mandatory professional reporting requirements; and
  - b) giving a true and fair view of the consolidated group's financial position as at 31 December 2011 and of its performance, for the half-year ended on that date; and
- 2) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Signed on behalf of the Directors

A handwritten signature in dark ink, appearing to read 'Anthony Puls', is written over a faint, illegible printed name.

Tony Puls  
Director

28 February 2012  
Bundall Qld



INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF AUSTRALIAN SMALL SCALE OFFERINGS BOARD LIMITED  
AND ITS CONTROLLED ENTITIES

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year consolidated financial report of Australian Small Scale Offerings Board Limited, which comprises the condensed statement of financial position as at 31 December 2011, condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes to the financial statements, other selected explanatory notes and the directors' declaration.

### Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report which gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*, and for such control as the directors determine is necessary to enable the preparation of a half-year financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the company's year ended 31 December 2011 and its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of Australian Small Scale Offerings Board Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company on 28 February 2012, would be in the same terms if given to the directors as at the date of this auditor's review report.





## Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year consolidated financial report of Australian Small Scale Offerings Board Limited is not in accordance with the *Corporations Act 2001* including:

- i. giving a true and fair view of the Group's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

## Material Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, we draw attention to Note 5 to the financial statements, which discloses that the consolidated entity has net assets deficit at 31 December 2011 of \$343,859 (30 June 2011: \$245,239) and net current liabilities at 31 December 2011 of \$26,513 (net current assets at 30 June 2011: \$10,823). Furthermore, there are contingent liabilities of \$279,000 as disclosed in Note 6 to the financial statements.

These conditions, along with the other matters set out in Note 5, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern, and therefore whether the consolidated entity may realise its assets and extinguish its liabilities other than in the ordinary course of business and in amounts different from those stated in the financial statements.

28 February 2012  
Sydney, Australia



**ROTHSAY CHARTERED ACCOUNTANTS**  
**FRANK VRACHAS**  
**PARTNER**