

OS AA01Statement of details of parent law and other
information for an overseas company

Companies House

✓ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law

✗ What this form is NOT for
You cannot use this form to register
an alteration of manner of compliance
with accounting requirements

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COMPANIES HOUSE

Part 1 Corporate company nameCorporate name of
overseas company ①

HIRE INTELLIGENCE INTERNATIONAL LTD.

UK establishment
number

B R 0 0 6 6 9 0 / FC024055

→ Filling in this form

Please complete in typescript or in
bold black capitalsAll fields are mandatory unless
specified or indicated by *① This is the name of the company in
its home state**Part 2 Statement of details of parent law and other
information for an overseas company****A1 Legislation**Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited

Legislation ②

AUSTRALIAN

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts**A2 Accounting principles**

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box

☐ No Go to Section A3☒ Yes Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3③ Please insert the name of the
appropriate accounting organisation
or bodyName of organisation
or body ③

CORPORATIONS ACT 2011, INTL FIN REPORTING STANDARDS

A3 Accounts

Accounts

Have the accounts been audited? Please tick the appropriate box

☐ No Go to Section A5☒ Yes Go to Section A4

OS AA01

Statement of details of parent law and other information for an overseas company

A4 Audited accounts		
Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box ☐ No Go to Part 3 'Signature' ☒ Yes Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'	① Please insert the name of the appropriate accounting organisation or body
Name of organisation or body ①	AUSTRALIAN AUDITING STANDARDS	
A5 Unaudited accounts		
Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box ☐ No ☐ Yes	
Part 3 Signature		
	I am signing this form on behalf of the overseas company	
Signature	Signature X  X	
	This form may be signed by ~~Director, Secretary,~~ Permanent representative (CHRIS HUTBER)	

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name

LALAH AKHTAR

Company name

HIRE INTELLIGENCE INTERNATIONAL LTD

Address

UNIT 5 ACTON PARK ESTATE

THE VALE

Post town

ACTON

County/Region

LONDON

Postcode

W 3

7 0 E

Country

UK

DX

Telephone

020 8749 9900



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following:

- ☒ The company name and, if appropriate, the registered number, match the information held on the public Register
- ☒ You have completed all sections of the form, if appropriate
- ☒ You have signed the form



Important information

Please note that all this information will appear on the public record



Where to send

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139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

Northern Ireland

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Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

HIRE INTELLIGENCE INTERNATIONAL LIMITED

ABN 79 098 210 121

2012 ANNUAL REPORT

Hire Intelligence International Limited and its controlled entities
Directors' report
For the year ended 30 June 2012

CORPORATE DIRECTORY

REGISTERED OFFICE

110 Jersey Street
JOLIMONT WA 6014
ABN 79 098 210 121
Telephone 08 9284 1166
Fax 08 9284 1266
www.hire-intelligence.com.au

DIRECTORS AND SECRETARY

Thomas Cragg (Chairman)
Keegan Cragg (Managing Director and Company Secretary)
Jason Cragg (Non-Executive Director)

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 2, 45 St George's Terrace
PERTH WA 6000
Telephone 1300 557 010
Fax 08 9323 2033
www.computershare.com

STOCK EXCHANGE

The Company is listed on the Australian Stock Exchange

LAWYERS

Owen White
Senate House 62/70 Bath Road
Slough SL1 3SR
DX 3409 SLOUGH
United Kingdom

AUDITOR

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

OTHER INFORMATION

Hire Intelligence International Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares

CONTENTS

Company Information	1
Chairman review	3
Directors' report (including remuneration report)	4
Corporate Governance Statement	16
Auditors Independence Declaration	22
Statements of Comprehensive Income	23
Statements of Changes in Equity	24
Statements of Financial Position	25
Statements of Cash Flows	26
Notes to the financial statements	27
Directors' declaration	62
Independent auditor's report to the members	63
ASX additional information	65

This financial report covers both Hire Intelligence International Limited as an individual entity and the consolidated entity consisting of Hire Intelligence International Limited and its subsidiaries. The financial report is presented in the Australian currency.

Hire Intelligence International Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is

Hire Intelligence International Limited
110 Jersey Street
Jolimont WA 6014

A description of the nature of the consolidated entity's operations and principal activities is included in the review of operations and principal activities on pages 10 to 12 of the director's report which are not part of this financial report.

Dear fellow shareholders,

On behalf of your Board of Directors, I present Hire Intelligence International's (HII) 2012 Annual Report

During the 2012 financial year HII increased its loan facility to \$4 million. This together with its cash reserves means it is well placed to take advantage of opportunities as they arise. Your Board decided against making any significant investments during FY2012 given the global economic uncertainties as well as internal issues that needed to be addressed.

During 2011 HII successfully prevented an international corporation's attempts to revoke its trademark. In November 2011 Cityside's last two franchises were terminated making the group's operations 100% company owned. Cityside has commenced legal action against an ex Master Franchisee for alleged contractual breaches on the part of its directors and anticipates legal costs in the order of \$0.5 million during the current financial year.

625 square metres of our building at 23 Barrack Street remained untenanted for the entire financial year. The untenanted section has been gutted and modernised. The entrance is being upgraded and a new lift and bathrooms are being installed.

The above matters resulted in the Property, Franchising and Corporate Divisions performing well below prior year levels yielding an adverse variance against prior year of approximately \$0.7 million.

HII opened new outlets in Manchester and Glasgow during the year. It also added a range of test and measurement equipment to our hire fleet and commenced offering data storage services. Profits for the equipment rental divisions were impacted by the adverse cost impacts of opening the new outlets and the establishment and initial operating costs of the new data storage operation and test and measurement arm of its business which together incurred expenses of approximately \$0.5 million in FY2012.

The euro crisis, high Australian dollar, uncertainties in Greece and generally weakening international economies together with the two speed economy in Australia resulted in a second half slowdown in our core rental business. Key employees have spent significant time establishing the new outlets and launching our new products all of which detracted from the time they would otherwise have spent focussing on our core business. This lowered revenue and profits for our rental division.

Hire Intelligence recorded total sales revenue of \$10.9 million for the year end 30 June 2012 (2011: \$11.9 million).

HII's profit before tax of \$1.6 million in FY2012 compares with a profit before tax of \$2.6 million in FY2011. FY2012 after tax profits were \$1.1 million (FY2011: \$1.8 million).

HII's net tangible assets now stand at 15.4 cents per share.

Outlook

The aforementioned litigation and efforts to grow the new business segments as well as the new outlets in Manchester and Glasgow are expected to have a negative impact on profitability.

The euro crisis, high Australian dollar, uncertainties in Greece and the Eurozone and generally weakening international economies together with the two speed economy in Australia may further adversely impact HII's FY2013 profit expectations.



Tom R Crage
Chairman

Hire Intelligence International Limited and its controlled entities
Directors' report
For the year ended 30 June 2012

The Directors present their report together with the financial report of Hire Intelligence International Limited ('the Company') and of the consolidated entity, being the Company and its controlled entities, for the financial year ended 30 June 2012 and the auditor's report thereon

CONTENTS OF DIRECTORS' REPORT

Directors	5
Company secretary	5
Directors' meetings	5
Audited Remuneration report	6
Principles of compensation	6
Directors' and executive officers' remuneration	8
Principal activities	10
Operating and financial review	10
Dividends	12
Events subsequent to reporting date	12
Likely developments	13
Directors' interests	13
Share options	13
Indemnification and insurance of officers and auditors	13
Non-audit services	14
Lead auditor's independence declaration	14
Environmental regulation	14
Rounding off	14

1. DIRECTORS

The directors of the Company at any time during or since the end of the financial year are

Name, qualifications and independence status	Age	Experience, special responsibilities and other directorships
Thomas R Crag Chairman (Appointed September 2001, Appointed Non-Executive Chairman 1 st September 2011) Public directorships in last 3 years Nil Shares in HII 70,353,678	65	Tom Crag has two university business degrees and has been involved in franchising both as a franchisor and franchisee since September 1973. He has been a Financial Controller of KFC in South Africa and the United Kingdom, Administrative Controller of KFC in the UK, and Director of Finance for Europe, Middle East and Africa of Heublein International. Heublein owned KFC, Smirnoff Vodka, Californian and Portuguese wineries and a host of other products. In Perth, one of his companies operated Chicken Treat franchises granting sub-franchises. It was sold in 1995. Tom is a member of the nomination, disclosure and remuneration committees.
Keegan T Crag B Com, Grad Dip CSP, M Fin, M Mktg, CA, ACIS Managing Director (Appointed 1 December 2005, Appointed Managing Director 1 st September 2011) Public directorships in last 3 years Nil Shares in HII Nil	34	Keegan worked with KPMG where he qualified as a Chartered Accountant prior to joining Hire Intelligence in 2001. Whilst at Hire Intelligence he has held various positions including General Manager of the London and Sydney operations, Franchising and Marketing Controller, Company Secretary and Executive Director. Keegan has completed an executive management program at the University of Oxford, completed two masters degrees including a thesis on franchisor globalisation strategies, and had marketing and franchising articles published in industry magazines. Keegan is a member of the nomination, disclosure and audit committees.
Jason F Crag B Bus, M Fin, CA, ASIA Non-Executive Director (Appointed 19 December 2005) Public directorships in last 3 years Nil Shares in HII Nil	40	Jason has extensive commercial experience with 12 years of assisting organisations throughout Europe, North America and Australia. Jason worked for a WA based Venture Capital fund before undertaking 3 years at Price Waterhouse Coopers during which he qualified as a Chartered Accountant. In 1999 he formed Formzest Ltd in the UK to provide Corporate Performance Management solutions for organisations. In 2003 Jason returned to Australia to extend Formzest's international operations. Through Formzest, Jason has worked with a variety of clients including Universal Studios, BAE, Orange and WPP. Jason is a member of the nomination, disclosure, audit and remuneration committees.

2 COMPANY SECRETARY

Keegan Crag (B Com, Grad Dip CSP, M Fin, M Mktg, CA, ACIS) was appointed to the position of Company Secretary on 6 April 2006. Keegan worked with KPMG Australia and qualified as a Chartered Accountant before joining Hire Intelligence in 2001. Whilst at HII, Keegan has held various positions including General Manager of the London and Sydney operations, Franchising and Marketing Controller, Executive Director and Company Secretary. Keegan has completed an executive management program at the University of Oxford, completed two masters degrees including a thesis on franchisor globalisation strategies and had marketing and franchising articles published in industry magazines.

3. DIRECTORS' MEETINGS

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are

Director	Board Meetings		Audit Committee Meetings		Remuneration Committee Meetings		Nomination Committee Meetings		Disclosure Committee Meetings	
	A	B	A	B	A	B	A	B	A	B
Thomas R Crag	11	12	-	-	2	2	-	-	13	14
Keegan T Crag	12	12	2	2	-	-	-	-	14	14
Jason F Crag	11	12	2	2	2	2	-	-	15	16

A – Number of meetings attended

B – Number of meetings held during the time the director held office during the year

4 REMUNERATION REPORT (AUDITED)

4.1 Principles of compensation

Remuneration is referred to as compensation throughout this report

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and the consolidated entity, including directors of the Company and other executives. Key management personnel for the Company and the consolidated entity are Thomas Cragg (Chairman), Keegan Cragg (Managing Director), Jason Cragg (Non Executive Director), Neil Levin (General Manager), and Chris Hutber (General Manager)

Compensation levels for key management personnel and secretaries of the Company, and relevant key management personnel of the consolidated entity are competitively set to attract and retain appropriately qualified and experienced directors and executives. The remuneration committee reviews the remuneration practices of comparative companies both locally and internationally and the objectives of the Company's compensation strategy to assist in determining the appropriateness of compensation packages of both the Company and consolidated group.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

- the capability and experience of the key management personnel
- the amount of incentives within each key management person's compensation
- the key management personnel's ability to control the relevant segments performance

Compensation packages include a mix of fixed and variable compensation. All base salary amounts are fixed. Variable compensation is determined periodically and is outlined in section 4.2 as a percentage of total remuneration.

Fixed Compensation

Fixed compensation consists of base compensation (which is calculated on a total cost basis and includes any FBT charges related to employee benefits), as well as employer contributions to superannuation funds.

Compensation levels are reviewed annually by the remuneration committee through a process that considers individual, segment and overall performance of the consolidated entity. In addition external information is reviewed to ensure the directors' and senior executives' compensation is competitive in the market place.

Performance-linked compensation

Performance linked compensation are designed to reward key management personnel for meeting or exceeding their financial and personal objectives as set by the company. The short-term incentive is an 'at risk' bonus provided in the form of cash.

Short-term and long-term incentive structure

The remuneration committee considers that the above performance-linked compensation structure is generating the desired outcome.

For the year ended 30 June 2012, the KPIs linked to STI plans were based on group, individual business and personal objectives. The KPIs required performance in reducing operating costs and achieving specific targets in relation to return on assets and shareholder value added (SVA), as well as other key, strategic non-financial measures linked to drivers of performance in future reporting periods. These KPIs are generic across the executive team.

The remuneration committee is responsible for assessing whether the KPIs are met. To help make this assessment, the committee receives detailed reports on performance from management.

The short-term bonus payments may be adjusted up or down in line with under or over achievement against the target performance levels. This is at the discretion of the remuneration committee. The STI target annual payment is reviewed annually. The long-term bonus payments relate to options on shares available to the Managing Director should the share price hit a pre-determined level.

Currently, there are no long term incentives.

Service contracts

It is the consolidated entity's policy that service contracts for key management personnel are unlimited in term but capable of termination on 2 to 6 weeks notice and that the consolidated entity retains the right to terminate the contract immediately, by making payment equal to 2 to 6 weeks pay in lieu of notice. In the United Kingdom termination notices are based on tenure of service in compliance with United Kingdom legislation.

Thomas Cragg, Non Executive Chairman, has a contract of employment with the Company which provides for a total package of \$50,000 effective from 1st December 2010. The package is reviewed each July against industry surveys, the Company's performance covering the July to June period including annual share price movement and other key performance indicators. The Chairman has no entitlement to termination payment in the event of removal for misconduct. The Chairman's status changed to non-executive effective from 1st September 2011.

Other Directors Contracts All other key management personnel have a contract of employment with the company which can be terminated by either party giving 4 weeks written notice. Keegan Cragg, Managing Director, has a contract of employment with the Company which provides for a base salary of \$300,000 plus superannuation. He is also entitled to participate in any employee bonus or profit scheme.

Non-Executive Directors Total compensation for all non-executive directors, last voted upon by shareholders at the 2001 AGM, is not to exceed \$180,000 per annum and is set based on advice from external advisors with reference to fees paid to other non-executive directors of comparable companies. Directors' base fees are presently up to \$106,425 per annum.

The Executive Director does not receive a fee for being a director. Non-executive directors do not receive performance related compensation. Directors' fees cover all main board activities and membership of committees.

4.2 Directors' and executive officers' remuneration (Company and Consolidated)

Details of the nature and amount of each major element of remuneration of each director of the Company and each of the five named Company executives, relevant group executives who receive the highest remuneration and other key management personnel are

		Short-term			Post-employment Super-annuation benefits \$	Other long term \$	Termination benefits \$	Share-based payment Options and rights \$	Total \$	Percentage related to performance (%)(1)
		Salary & fees \$	STI cash bonus(3) \$	Non- monetary benefits(2) \$						
Directors	Non-executive									
	Jason Cragg	40,142	-	-	3,613	-	-	-	43,755	-
	Non-Executive Director (Appointed December 2005)	38,934	-	-	3,504	-	-	-	42,438	-
	Thomas R Cragg									
	Chairman	50,000	-	(19,917)	4,500	8,171	-	-	42,754	-
	(Appointed February 1996, Appointed Non Executive Chairman 1 st September 2011)	168,081	-	(7,709)	11,336	-	-	-	171,708	-
	Executive									
	Keegan Cragg	295,073	37,500	(2,791)	26,556	-	-	-	356,338	10.5
	Managing Director and Company Secretary	239,524	-	(12,813)	21,557	-	-	-	248,268	-
	(Appointed February 2001, Appointed Managing Director 1 st September 2011)									

	Salary & fees \$	Short-term		Total \$	Post-employment superannuation benefits \$	Other long term \$	Termination benefits \$	Share-based payment Options and rights \$	Total \$	Percentage related to performance (%) (1)
		STI cash bonus \$	Non-monetary benefits(2) \$							
Executives										
Val Crage Group General Manager Sales (Retired 31 August 2011)	2012 22,370	-	(46,698)	(24,328)	2,013	11,114	-	-	(11,201)	-
	2011 133,793	-	(24,567)	109,226	12,041	-	-	-	121,267	-
Neil Levin General Manager (Appointed April 2005)	2012 139,588	3,460	(5,853)	137,195	12,562	-	-	-	149,757	23
	2011 134,814	-	3,111	137,925	12,133	-	-	-	150,058	-
Chris Hutber General Manager (Appointed March 2005)	2012 106,277	13,138	1,649	121,064	-	-	-	-	121,064	109
	2011 100,915	-	678	101,593	-	-	-	-	101,593	-
Total compensation Key management personnel and executives	2012 653,450	54,098	(73,610)	633,938	49,244	19,285	-	-	702,467	77
	2011 816,061	-	(41,300)	774,761	60,571	-	-	-	835,332	-

(1) At risk short term incentive This is comprised of STI cash bonus

(2) Non monetary benefits relate to movements in leave entitlements and directors and officers insurance if it is directly attributable to an employee

(3) STI cash bonus is at risk and determined by management and the remuneration committee on factors including performance

Note Other than Neil Levin, who forms part of the Consolidated group, all other executives form part of the Company There are no loans to Directors or executives Remuneration in pounds has been converted at 0.6736 being the average rate per the ATO for the year ending 30 June 2012

There has been no issue of shares or options to the directors during the year. The overall level of executive reward takes into account the performance of the Group over a number of years with a greater emphasis given to the current year. The following table demonstrates the link between key management personnel incentive compensation and group performance. STI Bonuses are paid in the year following the respective year of performance.

	2005	2006	2007	2008	2009	2010	2011	2012
Normalised EBIT	950,000	1,523,000	1,876,000	1,912,000	1,655,000	1,800,000	2,638,000	1,611,000
Basic EPS (cents)	0.98	1.53	2.76	2.21	1.25	0.75	2.38	1.46
STI	44,576	2,606	60,427	59,326	70,653	9,566	-	62,100
Dividends paid (cents per share)	0.0	0.0	0.0	0.6	2.0	1.0	0.4	1.0
Share Price (cents)	13	16	36	18	14	10	14	11

Executive incentives are currently on a short term basis through a cash bonus scheme that rewards growth in profit on prior year. The bonus at executive level relates to the operation for which that executive is responsible whilst the bonus at director level relates to the group performance. Director level bonuses do not apply to Non Executive Directors or the Chairman of the group. There are no equity based remuneration schemes and therefore no risk of participating in unvested entitlements via transactions in associated products.

At the most recent AGM, the remuneration report was put to vote and adopted by a 99.95% majority.

End of Audited Remuneration Report

5. PRINCIPAL ACTIVITIES AND SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The principal activities of the consolidated entity during the course of the financial year were the rental of IT, audio visual and telecommunications equipment and rental of commercial office space. During the year the consolidated entity established operations in Glasgow and Manchester and began offering test and measurement equipment and online backup services.

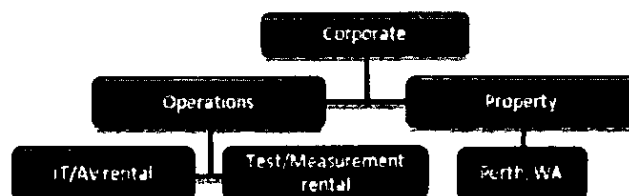
There were no significant changes in the nature of the activities of the consolidated entity during the year.

Objectives

The consolidated entity's objective is to consider structural and investment opportunities that will enhance its ability to build on a secure, solid foundation going forward.

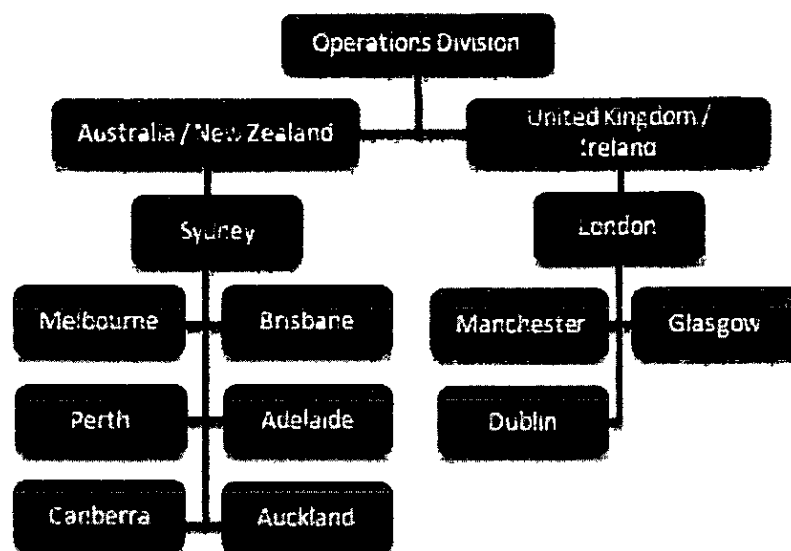
6. OPERATING AND FINANCIAL REVIEW

Hire Intelligence is Australia's dominant, award winning, profitable, short-term business Information Technology (IT) and Audio-Visual (AV) equipment rental supplier, operating domestically since 1996 and building a multinational network.



The group consists of two business divisions, Operations (inclusive online backup services and test and measurement rentals) and Property, each reporting to the Corporate Head Office.

The Operations Division is responsible for outlets in Sydney, Melbourne, Perth, Brisbane, Adelaide, Canberra, Auckland, Dublin, Glasgow, Manchester and London.



Hire Intelligence is the largest short term rental company in Australia and the second largest operator in the UK

Each outlet provides businesses with short-term rentals of IT and AV equipment, as well as videoconferencing, and online backup services. Outlets operate identically, working from the same detailed Operations Manual, with the same IT systems, internal systems and processes. The outlets operate in accordance with a proprietary business process system which is detailed in a comprehensive Operations Manual and training course. Purpose-specific, custom-built IT systems (built and owned in-house) make operations highly cost effective. The company has created a powerful process base on which it operates, and which controls every aspect of a consistently effective and profitable business.

Hire Intelligence Online Backup Pty Ltd was set up to sell online data backup services.

The Property Division owns the freehold at 23 Barrack Street, Perth, Western Australia which is partially tenanted.

Market drivers

Hire Intelligence's traditional market is short-term rental of computing and audiovisual equipment to businesses, government and not for profit organisations for specific short term requirements.

Short term rentals differ from equipment leasing on the basis of the contracts, but more critically on the motivation for customers entering these contracts, which include:

- Budget constraints, and overall preference for operating expenditure over capital expenditure,
- Short-term requirements, *ad hoc* or planned
- Periodic or annual events
- Taxation advantages compared to equipment acquisition
- Flexibility to obtain specific equipment packages and configurations
- Reduced management load for acquisition, management, security and disposal
- Many others

Operations

Hire Intelligence's consistently efficient operations provide a high standard of customer service, through a tightly-managed network of businesses, responding to a head office with clear visibility of everyone's results. This organisational cohesiveness results from a well-defined operating platform – a carefully constructed suite of interlocking processes and procedures, defined in a detailed Operations Manual, along with training and IT support.

The Operations Manual ensures the same policies and procedures are understood and enforced in all Hire Intelligence rental outlets.

Some 950 pages in length, the manual is the training basis for all employees, and a convenient reference in performing day-to-day duties as well as specialised functions. The manual has also provided an unusually clear functional specification for the JBS IT platform, which was developed around it.

Such a consistent process structure enforces high customer service levels while supporting detailed reporting and close management oversight. Management have visibility directly into each operation, which allows them to balance the independence of each outlet with the organisation's core financial priorities.

Underlying earnings

Hire Intelligence achieved earnings before interest and tax (EBIT) for the period of \$1.6 million (2011: \$2.6 million). The net profit for FY2012 of \$1.1 million compares with \$1.8 million in FY2011. The weak British pound and Euro continued to impact on the results of the group.

Net tangible assets on 30 June 2012 were 15.35 cents per share. Sales Revenue totalled \$10.9 million for FY2012 (2011: \$11.9 million). The strength of the Australian dollar adversely impacted on revenue conversions in the UK, Irish and New Zealand rental operations.

Net assets per share at 30 June 2012 were 19.5 cents (2011: 19.1 cents).

Future

Your Board is considering a wide range of structural and investment opportunities.

Significant changes in the state of affairs

There were no significant changes in the nature of business or the state of affairs of the consolidated entity during the year.

7 DIVIDENDS

The following dividends were paid or provided for during the period:

28 September 2011	Fully franked 1.0 cent per share dividend of \$770,329 was paid.
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8 EVENTS SUBSEQUENT TO REPORTING DATE

A portion of the untenanted premises have been let effective 15 September 2012.

9 LIKELY DEVELOPMENTS

The consolidated entity will continue to pursue its policy of increasing the profitability and market share of its major business sectors during the next financial year

Further information about likely developments in the operations of the consolidated entity and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the consolidated entity

10 DIRECTORS' INTERESTS

The relevant interest of each director in the shares or options over such instruments issued by the companies within the consolidated entity and other related bodies corporate, as notified by the directors to the Australian Stock Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows

	Hire Intelligence International Limited	
	Ordinary shares	Options over ordinary shares
Tom Crago	70,353,678	Nil
Keegan Crago	Nil	Nil
Jason Crago	Nil	Nil

11. SHARE OPTIONS

OPTIONS GRANTED TO DIRECTORS AND OFFICERS OF THE COMPANY

5,000,000 options were approved to be granted during the financial year to the Managing Director, Keegan Crago. The options can be exercised at 10 cents once the share price hits 28 cents on 3 or more occasions and expire on 10th November 2016. The options were not issued during the year.

Shares issued on exercise of options

During or since the end of the financial year, the Company has not issued any ordinary shares as a result of the exercise of options (there were no amounts unpaid on the shares issued).

12 INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

INDEMNIFICATION

The Company has agreed to indemnify the following current directors of the Company, Thomas Crago, Keegan Crago and Jason Crago, against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

INSURANCE PREMIUMS

Since the end of the previous financial year the Company has paid insurance premiums of \$11,555 (2011: \$11,598) in respect of directors' and officers' liability and legal expenses' insurance contracts, for current and former directors and officers, including senior executives of the Company and directors, senior executives and secretaries of its controlled entities. The insurance premiums relate to

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage

The premiums were paid in respect of the following officers of the Company and its controlled entities

- premiums totalling \$11,555 (2011: \$11,598) were paid in respect of the following current directors of the Company: Thomas Cragg, Keegan Cragg and Jason Cragg

The insurance policies outlined above do not contain details of the premiums paid in respect of individual officers of the Company

13 NON-AUDIT SERVICES

Details of the amounts paid to the auditor of the Company, BDO, and its related practices for audit and non-audit services provided during the year are set out below. The directors are satisfied the provision of non-audit services did not compromise independence. In addition, amounts paid to other auditors for the statutory audit have been disclosed.

	Consolidated	
	2012 Actual \$	2011 Actual \$
Audit services (BDO Audit (WA) Pty Ltd) Auditors of the Company audit and review of financial reports	58,742	54,040
	58,742	54,040
Services other than statutory audit		
Other services		
Other assurance services (BDO NZ)	7,462	-
Taxation compliance service (BDO Corporate Tax (WA) Pty Ltd)	18,400	12,120
	84,604	66,160

14 LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 22 and forms part of the directors' report for financial year ended 30 June 2012.

15. ENVIRONMENTAL REGULATION

Based on the results of enquiries made, the board is not aware of any significant breaches during the period covered by this report.

16. ROUNDING OFF

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Hire Intelligence International Limited and its controlled entities
Directors' report
For the year ended 30 June 2012

This report is made with a resolution of the directors

A handwritten signature in black ink, appearing to read 'T. Crage', with a horizontal line drawn underneath.

Tom Crage

Chairman

Dated at Perth this 28th day of August 2012

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2012

BOARD OF DIRECTORS

Role of the board

The board's primary role is the protection and enhancement of long-term shareholder value. To fulfil this role, the board is responsible for the overall corporate governance of the consolidated entity including formulating its strategic direction, approving and monitoring capital expenditure, setting remuneration, appointing, removing and creating succession policies for directors and senior executives, establishing and monitoring the achievement of management's goals and ensuring the integrity of internal control and management information systems.

It is also responsible for approving and monitoring financial and other reporting. The board has not implemented a board charter as the corporate governance policy is regarded as sufficient to maintain ethical behaviour. The board has delegated responsibility for operation and administration of the Company to the Managing Director and executive management. Responsibilities are delineated by formal authority delegations with the MD and executive Management reporting to the Board on a monthly basis or more frequently if deemed necessary, on the overall performance of each individual business unit. The MD and Executive Management are formally evaluated on their performance annually and were reviewed during the year in accordance with the policy.

Board processes

To assist in the execution of its responsibilities, the board has established a number of board committees including a Nomination Committee, a Remuneration Committee, a Disclosure Committee and an Audit Committee. These committees have written mandates and operating procedures, which are reviewed on a regular basis. The board has also established a framework for the management of the consolidated entity including a system of internal control, a business risk management process and the establishment of appropriate ethical standards.

The full board currently holds twelve scheduled meetings each year, plus strategy meetings and any extraordinary meetings at such other times as may be necessary to address any specific significant matters that may arise. Board minutes and board charter are available by contacting the company secretary.

The agenda for meetings is prepared in conjunction with the chairman and company secretary. Standing items include the chief executive officer's report, financial reports, operational reports, strategic matters, governance and compliance. Submissions are circulated in advance. Executives are regularly involved in board discussions and directors have other opportunities, including visits to business operations, for contact with a wider group of employees.

Director education

The consolidated entity ensures that new directors are appropriately informed about the nature of the business, current issues, the corporate strategy and the expectations of the consolidated entity concerning performance of directors. Directors also have the opportunity to visit consolidated entity facilities and meet with management to gain a better understanding of business operations. Directors are given access to continuing education opportunities to update and enhance their skills and knowledge.

Independent professional advice and access to company information

Each director has the right of access to all relevant Company information and to the Company's executives and, subject to prior consultation with the chairman, may seek independent professional advice from a suitably qualified adviser at the consolidated entity's expense. The director must consult with an advisor suitably qualified in the relevant field, and obtain the chairman's approval of the fee payable for the advice before proceeding with the consultation. A copy of the advice received by the director is made available to all other members of the board.

Composition of the board

The names of the directors of the Company in office at the date of this report are set out in the Directors' report on page 5 of this report. The composition of the board is determined using the following principles:

- a minimum of three directors, with a broad range of expertise

- at least one non-executive director
- a majority of directors having extensive knowledge of the Company's industries, and those which do not, have reasonable experience in significant aspects of auditing and financial reporting, or risk management of large companies
- enough directors to serve on various committees without overburdening the directors or making it difficult for them to fully discharge their responsibilities
- although there is no limitation on the number of years a director may serve, a third of the directors (except for the Managing Director) must resign by rotation each year

An independent director is a director who is not a member of management (a non-executive director) and who

- holds less than five per cent of the voting shares of the Company and is not an officer of, or otherwise associated, directly or indirectly, with a shareholder of more than five per cent of the voting shares of the Company
- has not within the last two years been employed in an executive capacity by the Company or another group member, or been a director after ceasing to hold any such employment
- within the last two years has not been a principal or employee of a material* professional adviser or a material* consultant to the Company or another group member
- is not a material* supplier or customer of the Company or another group member, or an officer of or otherwise associated, directly or indirectly, with a material* supplier or customer
- has no material* contractual relationship with the Company or another group member other than as a director of the Company
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially* interfere with the director's ability to act in the best interests of the Company

* The board considers, 'material', in this context, to be where any director-related business relationship has represented, or is likely in future to represent the lesser of at least 5 per cent of the relevant segment's or the director-related business's revenue. The board considered the nature of the relevant industries' competition and the size and nature of each director-related business relationship, in arriving at this threshold

The Company's Board does not comprise a majority of independent directors and to that respect does not comply with the corporate governance reporting principles. The Board is of the view that the size of the company, by either turnover or market capitalisation, does not warrant a larger, more diverse Board structure

NOMINATION COMMITTEE

The nomination committee oversees the appointment and induction process for directors and committee members, and the selection, appointment and succession planning process of the Company's Managing Director. The committee makes recommendations to the board on the appropriate skill mix, personal qualities, expertise and diversity of each position. When a vacancy exists or there is a need for particular skills, the committee in consultation with the board determines the selection criteria based on the skills deemed necessary and identifies potential candidates with, where necessary, advice from an external consultant. The board then appoints the most suitable candidate however formal letters of appointment have not been issued.

The committee's nomination of existing directors for reappointment is not automatic and is contingent on their past performance, contribution to the Company and the current and future needs of the board and the Company. Directors displaying unsatisfactory performance are required to retire.

In view of the size of the board, the whole board acts as the nomination committee.

The nomination committee meets as and when it is required. The committee did not meet during the year and committee members' attendance record is disclosed in the table of Directors' meetings on page 5. The terms and conditions of the appointment and retirement of non-executive directors are set out in the Corporate Governance Policy, including expectations of attendance and preparation for all board meetings, appointments to other boards, the procedures for dealing with conflicts of interest, and the availability of independent professional advice.

The nomination committee's charter and policies, including those for appointing directors and senior executives, are available to all Members and directors, but are not published on the Company's website.

REMUNERATION COMMITTEE

The remuneration committee reviews and makes recommendations to the board on remuneration packages and policies applicable to the executive officers and directors themselves of the Company and of other group executives for the consolidated entity. It is also responsible for share option schemes, incentive performance packages, superannuation entitlements, retirement and termination entitlements, fringe benefits policies and professional indemnity and liability insurance policies.

The members of the remuneration committee during the year were

- Jason Crag – Non-Executive
- Tom Crag – Non-Executive

The remuneration committee comprises entirely of non-executive directors.

The remuneration committee meets as required. The committee met twice during the year and committee members' attendance record is disclosed in the table of directors' meetings on page 5.

AUDIT COMMITTEE

The audit committee has a documented charter, approved by the board. The Chairman may not be the Chairman of the board. The committee advises on the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the consolidated entity.

The members of the audit committee during the year were

- Jason Crag (appointed 22 December 2005) – Non-Executive
- Keegan Crag (appointed 2 December 2005) – Executive

The external auditors and the Chairman, are invited to audit committee meetings at the discretion of the committee. The committee met twice during the year and committee members' attendance record is disclosed in the table of directors' meetings on page 5.

The Managing Director declared in writing to the board that the financial records of the Company for the financial year have been properly maintained, the Company's financial reports for the financial year ended 30 June 2012 comply with accounting standards and present a true and fair view of the Company's financial condition and operational results. This statement is required annually.

The external auditors met with the audit committee and the board of directors twice during the year.

The responsibilities of the audit committee include

- reviewing the annual and half-year financial reports and other financial information distributed externally. This includes approving new accounting policies to ensure compliance with Australian Equivalents to International Reporting Standards (AIFRS), and assessing whether the financial information is adequate for shareholder needs.
- assessing corporate risk assessment processes.
- assessing whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence. Each reporting period the external auditor provides an independence declaration in relation to the audit or review.
- providing advice to the board in respect of whether the provision of the non-audit services by the external auditor is compatible with the general standard of independence of auditors imposed by the Corporations Act 2001.
- assessing the adequacy of the internal control framework and the Company's code of ethical standards.
- organising, reviewing and reporting on any special reviews or investigations deemed necessary by the board.
- monitoring the procedures to ensure compliance with the Corporations Act 2001 and the ASX Listing Rules and all other regulatory requirements.
- addressing any matters outstanding with auditors, Australian Taxation Office, Australian Securities and Investments Commission, ASX and financial institutions.
- Selection, appointment and rotation of external audit engagement partners through assessment of the relevant skills, experience and attributes of various appropriately qualified professional auditors.

The audit committee reviews the performance of the external auditors on an annual basis and normally meets with them during the year to

- discuss the external audit, identifying any significant changes in structure, operations, internal controls or accounting policies likely to impact the financial statements and to review the fees proposed for the audit work to be performed. There is no formal internal audit procedure however the functions are covered by the MD and the Special Projects Manager
- review the half-year and preliminary final report prior to lodgement with the ASX, and any significant adjustments required as a result of the auditor's findings, and to recommend board approval of these documents, prior to announcement of results
- review the draft annual and half-year financial report, and recommend board approval of the financial report
- review the results and findings of the auditor, the adequacy of accounting and financial controls, and to monitor the implementation of any recommendations made

RISK MANAGEMENT

Oversight of the risk management system

The board oversees the establishment, implementation, and annual review of the Company's Risk Management System. Management has established and implemented the Risk Management System for assessing, monitoring and managing operational, financial reporting, and compliance risks for the consolidated entity. The Managing Director has declared, in writing to the board, that the financial reporting risk management and associated compliance and controls have been assessed and found to be operating efficiently and effectively. The operational and other risk management compliance and controls have also been assessed and found to be operating efficiently and effectively. All risk assessments covered the whole financial year and the period up to the signing of the annual financial report for all material operations in the consolidated entity. Management are required and have reported to the board, during board meetings on whether risks are being effectively managed.

Risk profile

The audit committee reports to the board as and when required which reports are aimed at ensuring risks are identified, assessed and appropriately managed. Each business operational unit is responsible and accountable for implementing and managing the standards required by the operations manual.

Major risks arise from such matters as actions by competitors, government policy changes, the impact of exchange rate movements, difficulties in sourcing equipment, environment, occupational health and safety, financial reporting, and the purchase, development and use of information systems.

Risk management and compliance and control

The consolidated entity strives to ensure that its products are of the highest standard. The board is responsible for the overall internal control framework, but recognises that no cost-effective internal control system will preclude all errors and irregularities.

Comprehensive practices have been established to ensure

- capital expenditure and revenue commitments above a certain size obtain prior board approval
- occupational health and safety standards and management systems are monitored and reviewed to achieve high standards of performance and compliance with regulations
- business transactions are properly authorised and executed
- the quality and integrity of personnel
- financial reporting accuracy and compliance with the financial reporting regulatory framework (see below)
- environmental regulation compliance

Quality and integrity of personnel

Written confirmation of compliance with policies in the Ethical Standards Manual is not obtained from all operating units. Formal appraisals are conducted at least annually for all employees. An appropriate succession plan, given the size of the business, is also in place to ensure competent and knowledgeable employees fill senior positions when retirements or resignations occur.

Financial reporting

The Managing Director has declared, in writing to the board that the Company's financial reports are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board

Monthly actual results are reported against budgets approved by the directors and revised forecasts for the year are prepared regularly

Environmental regulation

Based on the results of enquiries made, the board is not aware of any significant breaches during the period covered by this report

ETHICAL STANDARDS

All directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the consolidated entity. The board reviews the Employee Handbook manual as required and processes are in place to promote and communicate these policies

Conflict of interest

Directors must keep the board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. The board has developed procedures to assist directors to disclose potential conflicts of interest

Where the board believes that a significant conflict exists for a director on a board matter, the director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered. Details of director related entity transactions with the Company and consolidated entity are set out in notes 30 and 31 to the financial statements

Code of conduct

The consolidated entity has advised each director, manager and employee that they must comply with the policies outlined in the Employee Handbook

Trading in general Company securities by directors and employees

The Constitution permits directors to acquire shares in the Company. Company policy prohibits directors from dealing in Company shares

- in the three weeks prior to the release of the Company's half year and annual results to the Australian Stock Exchange and in the two weeks prior to the annual general meeting of the Company except where the purchases are associated with a privatisation bid that has been the subject of an Independent Experts' Report
- where the dealing is of a short-term nature except where they advise other directors in advance of predetermined buy and sell prices that must be at least 20% apart, or
- where it is unlawful to do so

Except where the above applies, there should be no objection to dealings in the period between one and 28 days after either the release of the Company's half-year and annual results to the Australian Stock Exchange and after the conclusion of the annual general meeting

At times other than as set out above, or if there is any overlap between prohibited and permitted trading periods, directors should advise the Chairman, or in the case of the Chairman, advise the Board of Directors, through the Company Secretary before they sell or buy shares in the Company. Generally, there should be no objection to dealing in securities notified in accordance with this procedure providing that the Company is in compliance with its continuous disclosure requirements, the Company is not withholding any information from disclosure by reason of the exceptions to Listing Rule 3.1 and the directors do not otherwise possess any price sensitive information in relation to the Company's securities. In accordance with the provisions of the Corporations Act 2001 and the Listing Rules of the Australian Stock Exchange, the directors have undertaken to advise the Company of any transactions conducted by them in shares in the Company. The Company must then advise the Australian Stock Exchange of directors' dealings in Company shares

COMMUNICATION WITH SHAREHOLDERS INCLUDING BALANCED AND TIMELY DISCLOSURE

The board provides shareholders with information using a Continuous Disclosure Policy which includes identifying matters that may have a material effect on the price of the Company's securities, notifying them to the ASX, posting them on the Company's website, and issuing media releases

In summary, the Continuous Disclosure Policy operates as follows

- the Managing Director and the company secretary are responsible for interpreting the company's policy and where necessary informing the board. The company secretary is responsible for all communications with the ASX. Such matters are advised to the ASX on the day they are discovered, and all senior executives must follow a 'Weekly Continuous Disclosure Discovery' process, which involves monitoring all areas of the group's internal and external environment
- the full annual financial report is distributed to all shareholders (unless a shareholder has specifically requested not to receive the document), including relevant information about the operations of the consolidated entity during the year, changes in the state of affairs and details of future developments
- the half-yearly report contains summarised financial information and a review of the operations of the consolidated entity during the period. The half-year reviewed financial report is lodged with the Australian Securities and Investments Commission and the ASX, and sent to any shareholder who requests it
- the external auditor attends the annual general meetings to answer questions concerning the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit

All of the above information, including that of the previous three years, is made available on the Company's website

The board encourages full participation of shareholders at the Annual General Meeting, to ensure a high level of accountability and identification with the consolidated entity's strategy and goals. Important issues are presented to the shareholders as single resolutions

The shareholders are requested to vote on the appointment and aggregate remuneration of directors, the granting of options and shares to directors, the Remuneration report and changes to the Constitution. Copies of the Constitution are available to any shareholder who requests it

Other Information

Further information relating to the company's corporate governance practices and policies has been made publicly available on the company's website at www.hire-intelligence.com.au



Tel +8 6382 4600
Fax +8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

28 August 2012

The Board of Directors
Hire Intelligence International Limited
2/110 Jersey Street
JOLIMONT WA 6014

Dear Sirs,

**DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF
HIRE INTELLIGENCE INTERNATIONAL LIMITED**

As lead auditor of Hire Intelligence International Limited for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit, and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Hire Intelligence International Limited and the entities it controlled during the period.

GLYN O'BRIEN
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia

Hire Intelligence International Limited and its controlled entities
Statements of Comprehensive Income
For the year ended 30 June 2012

		Consolidated		The Company	
	Note	2012	2011	2012	2011
<i>In thousands of AUD</i>					
Sales Revenue	3	10,973	11,931	7,997	9,623
Cost of sales		(2,551)	(2,699)	(2,026)	(2,083)
Gross profit		8,422	9,232	5,971	7,540
Financial income	7	37	3	2	2
Distribution expenses		(481)	(490)	(377)	(357)
Marketing expenses		(582)	(457)	(481)	(365)
Occupancy expenses		(765)	(931)	(628)	(745)
Administrative expenses		(5,015)	(4,701)	(3,508)	(3,209)
Amortisation of trademarks	18	(3)	(3)	-	-
Impairment of receivables/ investments		-	-	(539)	(1,628)
Financial expenses	7	(2)	(15)	(2)	(14)
Profit before income tax		1,611	2,638	438	1,224
Income tax (expense)	8	(492)	(803)	(302)	(469)
Profit for the year		1,119	1,835	136	755
Other Comprehensive income/(expense)					
Non-taxable Foreign exchange translation differences		4	(457)	(8)	239
Total Comprehensive Income attributable to the owners of the Company		1,123	1,378	128	994
Earnings per share for profit attributable to the owners of the Company					
Basic and diluted earnings per share	9	1 45cps	2 38cps	-	-

The Statements of Comprehensive Income are to be read in conjunction with the notes of the financial statements

Hire Intelligence International Limited and its controlled entities
Statements of Changes in Equity
For the year ended 30 June 2012

In thousands of AUD
Consolidated

For the financial year ended 30 June 2011

	Contributed Equity	Retained earnings	Foreign Exchange Reserve	Total equity
Opening Balance at 1 July 2010	37,729	(23,664)	(763)	13,302
Foreign exchange translation differences	-	-	(457)	(457)
Total profit items recognised directly in other comprehensive income for the year	-	-	(457)	(457)
Profit for the year	-	1,835	-	1,835
Total comprehensive income for the year	-	1,835	(457)	1,378
Transactions with owners in their capacity as owners	-	-	-	-
Dividends paid	-	-	-	-
Closing balance at 30 June 2011	37,729	(21,829)	(1,220)	14,680

For the financial year ended 30 June 2012

Opening Balance at 1 July 2011	37,729	(21,829)	(1,220)	14,680
Foreign exchange translation differences	-	-	4	4
Total profit items recognised directly in other comprehensive income for the year	-	-	4	4
Profit for the year	-	1,119	-	1,119
Total comprehensive income for the year	-	1,119	4	1,123
Prior period adjustments	-	13	-	13
Transactions with owners in their capacity as owners	-	(770)	-	(770)
Dividends paid	-	(770)	-	(770)
Closing balance at 30 June 2012	37,729	(21,467)	(1,216)	15,046

Company

For the financial year ended 30 June 2011

Opening Balance at 1 July 2010	37,729	(20,194)	(1,097)	16,438
Foreign exchange translation differences	-	-	239	239
Total profit items recognised directly in other comprehensive income for the year	-	-	239	239
Profit for the year	-	755	-	755
Total comprehensive income for the year	-	755	239	994
Transactions with owners in their capacity as owners	-	-	-	-
Dividends paid	-	-	-	-
Closing balance at 30 June 2011	37,729	(19,439)	(858)	17,432

For the financial year ended 30 June 2012

Opening Balance at 1 July 2011	37,729	(19,439)	(858)	17,432
Foreign exchange translation differences	-	-	(8)	(8)
Total profit items recognised directly in other comprehensive income for the year	-	-	(8)	(8)
Profit for the year	-	136	-	136
Total comprehensive income for the year	-	136	(8)	128
Prior period adjustments	-	13	-	13
Transactions with owners in their capacity as owners	-	(770)	-	(770)
Dividends paid	-	(770)	-	(770)
Closing balance at 30 June 2012	37,729	(20,060)	(866)	16,803

The statements of changes in equity are to be read in conjunction with the notes of the financial statements

Hire Intelligence International Limited and its controlled entities
Statements of Financial Position
For the year ended 30 June 2012

<i>In thousands of AUD</i>	Note	Consolidated		The Company	
		2012	2011	2012	2011
Assets					
Cash and cash equivalents	10	932	1,248	258	205
Trade and other receivables	11	1,005	1,167	772	786
Inventories	12	81	67	61	47
Other assets	13	134	136	106	116
Total current assets		2,152	2,618	1,197	1,154
Investments	28	-	-	3,687	4,226
Available for sale financial asset	28	-	-	-	-
Receivables	11	-	-	2,932	3,939
Deferred tax assets	15	286	421	168	264
Investment properties	16	7,444	7,584	7,444	7,584
Property, plant and equipment	17	3,605	3,386	2,595	2,398
Intangible assets	18	3,210	3,213	10	10
Total non-current assets		14,545	14,604	16,836	18,421
Total assets		16,697	17,222	18,033	19,575
Liabilities					
Trade and other payables	19	1,056	1,158	766	914
Interest-bearing loans and borrowings	20	-	-	-	-
Deferred income	21	304	243	256	178
Income tax payable	14	102	752	102	752
Employee benefits	22	98	196	57	138
Total current liabilities		1,560	2,349	1,181	1,982
Deferred income	21	18	43	18	43
Employee benefits	22	73	150	31	118
Total non-current liabilities		91	193	49	161
Total liabilities		1,651	2,542	1,230	2,143
Net assets		15,046	14,680	16,803	17,432
Equity					
Contributed Equity	24	37,729	37,729	37,729	37,729
Reserves	24	(1,216)	(1,220)	(866)	(858)
Retained earnings	24	(21,467)	(21,829)	(20,060)	(19,439)
Total equity attributable to owners of the parent		15,046	14,680	16,803	17,432

The Statements of Financial Position is to be read in conjunction with the notes to the financial statements

Hire Intelligence International Limited and its controlled entities
Statement of Cash Flows
For the year ended 30 June 2012

		Consolidated		The Company	
<i>In thousands of AUD</i>	Note	2012	2011	2012	2011
Cash flows from operating activities					
Cash receipts from customers		11,443	11,941	8,118	9,615
Cash paid to suppliers and employees		(8,667)	(8,961)	(5,646)	(8,372)
Cash generated from operations		2,776	2,980	2,472	1,243
Other revenue		514	640	514	640
Interest paid		(2)	(15)	(2)	(14)
Income taxes (paid)		(1,005)	(323)	(814)	(18)
Net cash inflow from operating activities	29	2,283	3,282	2,170	1,851
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		226	314	188	347
Payments for investment properties		-	-	-	-
Payments for property, plant and equipment		(2,095)	(1,758)	(1,540)	(1,193)
Payments for other non-current assets		-	-	-	-
Interest received		37	3	2	2
Net cash (outflow) from investing activities		(1,832)	(1,441)	(1,350)	(844)
Cash flows from financing activities					
Repayment of borrowings		-	(950)	-	(950)
Loans from controlled entities repaid		-	-	-	-
Dividends from controlled entities received		-	-	-	-
Loans advanced from controlled entities received		-	-	-	-
Dividends paid		(767)	(314)	(767)	(314)
Net cash inflow/(outflow) from financing activities		(767)	(1,264)	(767)	(1,264)
Net increase/(decrease) in cash and cash equivalents		(316)	577	53	(257)
Cash and cash equivalents at beginning of year		1,248	671	205	462
Cash and cash equivalents at end of year	10	932	1,248	258	205

The Statements of Cash Flows are to be read in conjunction with the notes to the financial statements

1	Significant accounting policies	29
a	Statement of compliance	29
b	Basis of preparation	29
c	Basis of consolidation	29
d	Foreign currency	30
e	Property, plant and equipment	30
f	Intangible assets	31
g	Trade and other receivables	31
h	Inventories	32
i	Cash and cash equivalents	32
j	Impairment	32
k	Investments and other financial assets	33
l	Investment Property	33
m	Employee benefits	33
n	Provisions	34
o	Trade and other payables	34
p	Financial assets	34
q	Revenue	34
r	Expenses	35
s	Income tax	35
t	Operating Segments	36
u	Goods and services tax	36
v	Dividends	37
w	Contributed equity	37
x	Earnings per share	37
y	Accounting estimates and judgements	37
z	New accounting standards and interpretations	38

2 Operating segments	41
3 Revenue	44
4 Other income and expenses	44
5 Personnel expenses	44
6 Auditors' remuneration	45
7 Net financing income	45
8 Income tax expense	46
9 Earnings per share	47
10 Cash and cash equivalents	47
11 Trade and other receivables	48
12 Inventories	48
13 Other assets	48
14 Current tax assets and liabilities	48
15 Deferred tax assets and liabilities	49
16 Investment properties	50
17 Property, plant and equipment	50
18 Intangible assets	51
19 Trade and other payables	52
20 Interest-bearing loans and borrowings	52
21 Deferred income	53
22 Employee benefits	53
23 Provisions	53
24 Capital and reserves	54
25 Financial risk management	56
26 Operating leases	58
27 Contingencies	59
28 Investments and available for sale financial assets	59
29 Reconciliation of cash flows from operating activities	59
30 Key management personnel	60
31 Other related party transactions	61
32 Events subsequent to reporting date	61

1. SIGNIFICANT ACCOUNTING POLICIES

Hire Intelligence International Limited (the 'Company') is a company domiciled in Australia. The consolidated financial report of the Company for the financial year ended 30 June 2012 comprises the Company and its subsidiaries together (referred to as the 'consolidated entity'). The Company has used ASIC Class Order 10/654 and has presented parent company financial statements.

The financial report was authorised for issue by the directors on 28th August 2012.

a Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards ('AASBs') adopted by the Australian Accounting Standards Board ('AASB'), other authoritative pronouncements adopted by the Australian Accounting Standards Board (AASB), Australian Accounting Interpretations and the Corporations Act 2001. International Financial Reporting Standards ('IFRSs') form the basis of Australian Accounting Standards ('AASBs') adopted by the AASB, and for the purpose of this report are called Australian equivalents to IFRS ('AIFRS'). Compliance with AIFRS ensures that the financial statements of Hire Intelligence International Limited comply with the International Financial Reporting Standards.

b Basis of preparation

The financial statements are presented in Australian dollars, which is the company's presentation and functional currency.

The financial statements are prepared on the historical cost basis as modified by the revaluation of available for sale financial assets. Non-current assets held for sale are stated at the lower of carrying amount and fair value less costs to sell.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, amounts in the financial statements and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the consolidated entity.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Australian Accounting Standards that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1(y).

The accounting policies have been applied consistently by all entities in the consolidated entity.

c Basis of consolidation

i Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in subsidiaries are carried at their cost of acquisition less any impairment in the Company's financial statements.

ii Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements

d. Foreign currency

i Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the end of the month of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Australian dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the SOCI. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Australian dollars at foreign exchange rates ruling at the dates the fair value was determined.

ii Financial statements of foreign operations

The assets and liabilities of foreign operations are translated to Australian dollars at foreign exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated to Australian dollars at rates approximating to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences on translation are recognised as a separate component of equity.

iii Net investment in foreign operations

Exchange differences arising from the translation of the net investment in foreign operations, and of related hedges are taken to translation reserve. They are recognised in the Statement of Comprehensive Income (SOCI) upon disposal.

e Property, plant and equipment

i Owned assets

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation (see below) and impairment losses (see accounting policy j). The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

ii Leased assets

Leases in terms of which the consolidated entity assumes substantially all the risks and rewards of ownership are classified as finance leases. An asset acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation (see below) and impairment losses (see accounting policy j(i)).

iii Depreciation

All items of property, plant and equipment have limited useful lives and are depreciated/amortised using methods described below over their estimated useful lives.

Assets are depreciated or amortised from the date of acquisition or, in respect of internally generated assets, from the time an asset is completed and held ready for use.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only. Depreciation and amortisation are expensed.

The depreciation/amortisation rates or useful lives used for each class of asset are as follows

	2012	2011	Method
Property, plant and equipment			
Buildings	2 5%	2 5%	straight line
Leasehold improvements	12%-20%	12%-20%	reducing balance
Minor assets	33 3%	33 3%	straight line / reducing balance
Plant and equipment	20%-40%	20%-40%	reducing balance

The residual value, the useful life and the depreciation method applied to an asset are reassessed at least annually

f Intangible assets

i Goodwill

Business combinations

All business combinations are accounted for by applying the purchase method. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is no longer amortised but is tested annually for impairment (see accounting policy j).

Negative goodwill arising on an acquisition is recognised directly in the SOCI.

ii Other intangible assets

Other intangible assets that are acquired by the consolidated entity are stated at cost less accumulated amortisation (see below) and impairment losses (see accounting policy j)).

Expenditure on internally generated intangibles and brands is recognised in the SOCI as an expense as incurred.

iii Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

iv Amortisation

Amortisation is charged to the SOCI on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Goodwill and intangible assets with an indefinite useful life are systematically tested for impairment at each reporting date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives in the current and comparative periods are as follows:

- patents and trademarks 5 years
- capitalised development costs 5 years

g Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently stated at their amortised cost less impairment losses.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the SOCI within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

h Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of other inventories is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

i Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short term bills and call deposits. Cash is held with financial institutions. Deposits have a maturity of less than three months.

j Impairment

The carrying amounts of the consolidated entity's assets, and inventories (see accounting policy h), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see accounting policy j(i)).

For goodwill and assets that have an indefinite useful life the recoverable amount is estimated at each reporting date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the SOCI.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a *pro rata* basis.

i Calculation of recoverable amount

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Significant receivables are individually assessed for impairment. Impairment testing of significant receivables that are not assessed as impaired individually is performed by placing them into portfolios of significant receivables with similar risk profiles and undertaking a collective assessment of impairment. Non-significant receivables are not individually assessed. Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their 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 an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

ii Reversals of impairment

Impairment losses, other than in respect of Goodwill, are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

An impairment loss in respect of goodwill is not reversed.

In respect of other assets, an impairment loss is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the date the impairment loss was recognised.

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, net of depreciation or amortisation, if no impairment loss had been recognised.

k Investments and other financial assets

Classification

The group classifies its financial assets in the following categories: loans and receivables, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired.

i 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 are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables (note 11) and receivables (note 11) in the Statement of Financial Position.

ii Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term. Available-for-sale financial assets are initially recognised at fair value plus transaction costs, and subsequently at fair value. The group assesses at the end of each reporting period whether there is objective evidence that a financial asset is impaired. A significant or prolonged decline in the fair value of an equity security below its cost is considered a good indicator that the securities are impaired. Impairment losses are recognised in the SOCI.

iii Derecognition of financial assets and liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired
- the consolidated entity retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party
- the consolidated entity has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is initially recognised at fair value plus costs and subsequently at fair value. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. 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. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

l Investment property

Investment property, principally comprising freehold office buildings, is held for long term rental yields and is not occupied by the group. Investment property is initially recognised at cost and is subsequently carried at cost less accumulated depreciation.

m Employee benefits

i Long-term service benefits

The consolidated entity's net obligation in respect of long-term service benefits, other than defined benefit superannuation funds, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the reporting date which have maturity dates approximating to the terms of the consolidated entity's obligations.

ii Wages, salaries, annual leave, sick leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date,

are calculated at undiscounted amounts based on remuneration wage and salary rates that the consolidated entity expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax

iii Accumulated contribution superannuation fund

Obligations for contributions to accumulated contribution funds are recognised as an expense in the SOCI as incurred

n Provisions

A provision is recognised in the Statement of Financial Position when the consolidated entity has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability

o. Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently at their amortised cost. Trade payables are non-interest bearing and are normally settled on 30-day terms

p Financial assets

The franchise agreements used in the franchise business include requirements in terms of which certain minimum royalty revenues are receivable by the consolidated entity. These revenues conform to the definition of financial assets under AIFRS. Accordingly the future minimum receivable amounts under these agreements are recognised as a receivable with a corresponding adjustment to deferred revenues. The assets and their corresponding deferred income balance is determined by discounting future cash flows using an appropriate pre tax discount rate. Accounting policy (q) below sets out the revenue recognition basis for this income

q Revenue

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the taxation authority. Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and the revenue can be reliably measured

i Rental contracts

Rental revenue is recognised on a straight line basis over the term of the rental agreement. Where revenue is received in advance it is deferred and recognised as unearned revenue in the Statement of Financial Positions. Unearned revenue is then recognised in the SOCI over the term of the rental agreement

ii Franchise fees

Initial franchise fees are recognised at the date the franchise passes to the franchisee, usually upon completion of the initial training course. Ongoing franchise fees are recognised as they accrue. Minimum future fixed fees are deferred and are only recognised in the SOCI when they become due and payable

iii Sale of licences and other goods

Revenue from the sale of licences and other goods is recognised (net of returns, discounts and allowances) when control of the licence or other goods passes to the customer

iv Rendering of services

Revenue from rendering of services is recognised as it accrues in the period in which the service is provided

v Interest revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset

vi Sale of non-current assets

The net gain or loss of non-current asset sales is included in other revenue at the date control that the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

r Expenses

i Operating lease payments

Payments made under operating leases are recognised in the SOCI on a straight-line basis over the term of the lease. Lease incentives received are recognised in the SOCI as an integral part of the total lease expense and spread over the lease term.

ii Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

iii Net financing costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest method, interest receivable on funds invested, dividend income and foreign exchange gains and losses. Borrowing costs are expensed as incurred and included in net financing costs.

Interest income is recognised in the SOCI as it accrues, using the effective interest method. The interest expense component of finance lease payments is recognised in the SOCI using the effective interest method.

s. Income tax

Income tax on the SOCI for the year comprises current and deferred tax. Income tax is recognised in the SOCI except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for:

Initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

i Tax consolidation

The Company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 1 July 2003 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Hire Intelligence International Limited.

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries is assumed by the head entity in the tax-consolidated group and are recognised as amounts payable (receivable) to (from) other entities in the tax-consolidated group in conjunction with any tax funding arrangement amounts (refer below) Any difference between these amounts is recognised by the Company as an equity contribution or distribution

The Company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the asset can be utilised

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only

ii Nature of tax funding arrangements and tax sharing arrangements

The head entity, in conjunction with other members of the tax-consolidated group, have entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. The tax funding arrangements require payments to/from the head entity equal to the current tax liability (asset) assumed by the head entity and any tax-loss deferred tax asset assumed by the head entity, resulting in the head entity recognising an inter-entity receivable (payable) equal in amount to the tax liability (asset) assumed. The inter-entity receivables (payables) are interest free and at call.

Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity in conjunction with other members of the tax-consolidated group, have also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

t. Operating Segments

Identification and measurement of segments – AASB 8 requires the 'management approach' to the identification measurement and disclosure of operating segments. The 'management approach' requires that operating segments be identified on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker, for the purpose of allocating resources and assessing performance. This could also include the identification of operating segments which sell primarily or exclusively to other internal operating segments.

u Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. The same treatment is applied to equivalent taxes in other jurisdictions including VAT.

Receivables and payables are stated with the amount of GST/VAT included. The net amount of GST/VAT recoverable from, or payable to, the ATO or UK tax authority is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the statement of cash flows on a gross basis. The GST/VAT components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO or UK tax authority are classified as operating cash flows.

v Dividends

Disclosure is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at balance date. The Group also ensures the requirements of the s254T of the Corporations Act are met prior to authorising a dividend.

w. Contributed Equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the entity reacquires its own equity instruments, there is no gain or loss recognised in the SOCI, the instruments are cancelled and deducted from equity, and the consideration paid (net of income tax) is recognised directly in equity.

Transaction costs

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

x Earnings per share

i Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

ii Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

y Accounting estimates and judgements

Management discussed with the Audit Committee the development, selection and disclosure of the consolidated entity's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements 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.

i Key sources of estimation uncertainty

Note 18 contains information about the assumptions and their risk factors relating to goodwill impairment. The group tests annually whether goodwill has suffered any impairment. The recoverable amounts of cash generating units have been determined based on value in use calculations. In note 25 detailed analysis is given of the foreign exchange exposure of the consolidated entity and risks in relation to foreign exchange movements.

ii Impairment of goodwill and intangibles with indefinite useful lives

The consolidated entity assesses whether goodwill and intangibles with indefinite useful lives are impaired at least annually in accordance with the accounting policy in note 18. These calculations involve an estimation of the recoverable amount of the cash-generating units to which the goodwill and intangibles with indefinite useful lives are allocated.

z New accounting standards and interpretations

In the year ended 30 June 2012, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. The following table outlines these impacts.

Reference	Title	Nature of Change	Application date of standard	Impact on the financial statements	Application date
AASB 9 (issued December 2009 and amended December 2010)	Financial Instruments	Amends the requirements for classification and measurement of financial assets. The available-for-sale and held-to-maturity categories of financial assets in AASB 139 have been eliminated. AASB 9 requires that gains or losses on financial liabilities measured at fair value are recognised in profit or loss, except that the effects of changes in the liability's credit risk are recognised in other comprehensive income.	Periods beginning on or after 1 January 2015	Adoption of AASB 9 is only mandatory for the year ending 30 June 2016. The Company has not yet made an assessment of the impact of these amendments.	1 July 2015
AASB 10 (issued August 2011)	Consolidated Financial Statements	Introduces a single 'control model' for all entities, including special purpose entities (SPEs), whereby all of the following conditions must be present: - Power over investee (whether or not power used in practice) - Exposure, or rights, to variable returns from investee - Ability to use power over investee to affect the Entity's returns from investee - Introduces the concept of 'de facto' control for entities with less than 50% ownership interest in an entity, but which have a large shareholding compared to other shareholders. This could result in more instances of control and more entities being consolidated.	Annual reporting periods commencing on or after 1 January 2013	When this standard is first adopted for the year ended 30 June 2014, there will be no impact on transactions and balances recognised in the financial statements because the Entity does not have any special purpose entities. The 'Entity' does not have 'de facto' control of any entities with less than 50% ownership interest in an entity.	1 July 2013
AASB 11 (issued August 2011)	Joint Arrangements	Joint arrangements will be classified as either 'joint operations' (where parties with joint control have rights to assets and obligations for liabilities) or 'joint ventures' (where parties with joint control have rights to the net assets of the arrangement).	Annual reporting periods commencing on or after 1 January 2013	When this standard is first adopted for the year ended 30 June 2014, there will be no impact on transactions and balances recognised in the financial statements because the Entity has not entered into any joint arrangements.	1 July 2013
AASB 12 (issued August 2011)	Disclosure of Interests in Other Entities	Combines existing disclosures from AASB 127 <i>Consolidated and Separate Financial Statements</i> , AASB 128 <i>Investments in Associates</i> and AASB 131 <i>Interests in Joint Ventures</i> . Introduces new disclosure requirements for interests in associates and joint	Annual reporting periods commencing on or after 1 January 2013	As this is a disclosure standard only, there will be no impact on amounts recognised in the financial statements. However, additional disclosures	1 July 2013

		arrangements, as well as new requirements for unconsolidated structured entities		will be required for interests in associates and joint arrangements, as well as for unconsolidated structured entities	
AASB 13 (issued September 2011)	Fair Value Measurement	AASB 13 establishes a single framework for measuring fair value of financial and non-financial items recognised at fair value in the statement of financial position or disclosed in the notes in the financial statements Additional disclosures required for items measured at fair value in the statement of financial position, as well as items merely disclosed at fair value in the notes to the financial statements Extensive additional disclosure requirements for items measured at fair value that are 'level 3' valuations in the fair value hierarchy that are not financial instruments	Annual reporting periods commencing on or after 1 January 2013	When this standard is adopted for the first time for the year ended 30 June 2014, additional disclosures will be required about fair values	1 July 2013
AASB 119 (reissued September 2011)	Employee Benefits	Employee benefits expected to be settled (as opposed to due to be settled under current standard) wholly within 12 months after the end of the reporting period are short-term benefits, and therefore not discounted when calculating leave liabilities. Annual leave not expected to be used wholly within 12 months of end of reporting period will in future be discounted when calculating leave liability.	Annual periods commencing on or after 1 January 2013	When this standard is first adopted for 30 June 2014 year end, annual leave liabilities will be recalculated on 1 July 2012 as long-term benefits because they are not expected to be settled wholly within 12 months after the end of the reporting period. This will result in a reduction of the annual leave liabilities recognised on 1 July 2012, and a corresponding increase in retained earnings at that date.	1 July 2013
AASB 2010-8 (issued December 2010)	Amendments to Australian Accounting Standards – Deferred Tax Recovery of Underlying Assets (AASB 112)	For investment property measured using the fair value model, deferred tax assets and liabilities will be calculated on the basis of a rebuttable presumption that the carrying amount of the investment property will be recovered through sale.	Periods commencing on or after 1 January 2012	The Entity does not have any investment property measured using the fair value model. There will therefore be no impact on the financial statements when these amendments are first adopted.	1 July 2012
AASB 2011-4 (issued July 2011)	Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	Amendments to remove individual key management personnel (KMP) disclosure requirements from AASB 124 to eliminate duplicated information required under the <i>Corporation Act 2001</i> .	Annual periods commencing on or after 1 July 2013	When this standard is first adopted for the year ended 30 June 2014 the Entity will show reduced disclosures under Key Management Personnel note to the financial statements.	1 July 2013
AASB 2011-9 (issued)	Amendments to Australian	Amendments to align the presentation of items of other comprehensive	Annual periods	When this standard is first adopted for the	1 July 2012

September 2011)	Accounting Standards - Presentation of Items of Other Comprehensive Income	Income (OCI) with US GAAP Various name changes of statements in AASB 101 as follows • 1 statement of comprehensive income – to be referred to as 'statement of profit or loss and other comprehensive income' • 2 statements – to be referred to as 'statement of profit or loss' and 'statement of comprehensive income' • OCI items must be grouped together into two sections those that could subsequently be reclassified into profit or loss and those that cannot	commencing on or after 1 July 2012	year ended 30 June 2013, there will be no impact on amounts recognised for transactions and balances for 30 June 2013 (and comparatives)	
AASB 2012-5 (issued June 2012)	Annual Improvements to Australian Accounting Standards 2009-2011 Cycle	Non-urgent but necessary changes to IFRSs (IAS1, IAS 16 & IAS 32)	Periods commencing on or after 1 January 2013	When this standard is first adopted for the year ended 30 June 2013, there will be no material impact	1 July 2013
IFRS (issued December 2011)	Mandatory Effective Date of IFRS 9 and Transition Disclosures	Entities are no longer required to restate comparatives on first time adoption. Instead, additional disclosures on the effects of transition are required	Annual reporting periods commencing on or after 1 January 2015	As comparatives are no longer required to be restated, there will be no impact on amounts recognised in the financial statements. However, additional disclosures will be required on transition, including the quantitative effects of reclassifying financial assets on transition	1 July 2015

2. OPERATING SEGMENTS

Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources. Inter-segment revenue represents sales between segments which are at arm's length. Inter-segment revenue is eliminated on consolidation.

The Company is managed primarily on the basis of business category. Operating segments are therefore determined on the same basis. Management assesses segment performance based on profitability.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Company.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Company as a whole and are not allocated. Segment liabilities include trade and other payables.

Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- net gains on disposal of available-for-sale investments,
- impairment of assets and other non-recurring items of revenue or expense,
- income tax expense,
- discontinuing operations

The consolidated entity comprises the following operating segments

- IT and AV Equipment Rentals
- Franchising
- Web development
- Property rental

	Computer Equipment Rentals		Franchising		Web Development		Property Rental		Eliminations		Consolidated	
<i>In thousands of AUD</i>	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Revenue												
External segment revenue	10,198	10,934	213	343	48	14	514	640	-	-	10,973	11,931
Inter-segment revenue	672	267	-	489	-	286	-	-	(672)	(1,042)	-	-
Total segment revenue	10,870	11,201	213	832	48	300	514	640	(672)	(1,042)	10,973	11,931
Total revenue	10,973 11,931											
Result												
Operating lease rentals	(551)	(802)	-	-	-	-	-	-	-	-	(551)	(802)
Depreciation	(1,743)	(1,835)	-	-	-	-	-	-	-	-	(1,743)	(1,835)
Operational expenses	(4,946)	(4,427)	(282)	285	(20)	(120)	(438)	(197)	(535)	(1,341)	(6,221)	(5,800)
Segment result	3,630	4,137	(69)	1,117	28	180	76	443	(1,207)	(2,383)	2,458	3,494
Unallocated corporate expenses	(847) (856)											
Profit before tax	1,611 2,638											
Income tax expense	(492) (803)											
Net profit	1,119 1,835											

2. OPERATING SEGMENTS (continued)

Segment assets	Computer Equipment Rentals	Franchising	Web Development	Property Rental	Eliminations	Consolidated
Segment assets as at 30 June 2011	8,453	154	1,031	7,584	-	17,222
Segment asset increases/ (decreases) for the period	324	(138)	(435)	(276)	-	(525)
Segment assets as at 30 June 2012	8,777	16	596	7,308	-	16,697
Total assets from continuing operations	8,777	16	596	7,308	-	16,697
Segment liabilities						
Segment liabilities as at 30 June 2011	2,451	90	1	-	-	2,542
Segment liability increases/ (decreases) for the period	(820)	(70)	(1)	-	-	(891)
Segment liabilities as at 30 June 2012	1,631	20	-	-	-	1,651
Total liabilities from continuing operations	1,631	20	-	-	-	1,651

The entity is domiciled in Australia. The amount of revenue from external customers in Australia is \$6,644,000 (2011 \$7,663,000) and the total revenue from external customers in other countries is \$4,329,000 (2011 \$4,268,000). Segment revenues are allocated based on the country in which the customer is located. There is no significant concentration of revenues to any one particular external customer.

3 REVENUE

	Notes	Consolidated		The Company	
<i>In thousands of AUD</i>		2012	2011	2012	2011
From continuing operations					
<i>Sales revenue</i>					
Sale of goods		220	314	191	347
Sale of services		10,239	10,977	7,292	8,636
Property rental income		514	640	514	640
		10,973	11,931	7,997	9,623

4. OTHER INCOME AND EXPENSES

		Consolidated		The Company	
<i>In thousands of AUD</i>		2012	2011	2012	2011
Net bad and doubtful debts		(92)	(80)	(9)	(63)
Forgiven debts/write down of intangible		-	-	-	(1,628)
Intercompany dividends received		-	-	-	1,267
Operating lease rental and related payments		(551)	(802)	(444)	(646)
Foreign exchange gains / (losses)		2	(10)	-	(10)
Impairment – available for sale financial assets		-	-	-	-
Impairment – goodwill		-	-	-	-
Depreciation	17	(1,743)	(1,835)	(1,292)	(1,313)
Amortisation	18	(3)	(3)	-	-

5 PERSONNEL EXPENSES

		Consolidated		The Company	
<i>In thousands of AUD</i>		2012	2011	2012	2011
Wages and salaries		2,933	2,778	1,891	1,740
Increase /(decrease) in liability for bonus		(9)	122	-	98
Contributions to defined contribution superannuation funds		192	190	94	91
Increase in liability for annual and long service leave		160	84	78	3
		3,276	3,174	2,063	1,932

6 AUDITORS' REMUNERATION

	Consolidated		The Company	
<i>In actual AUD</i>	2012	2011	2012	2011
Audit services				
Auditors of the Company				
BDO Audit (WA) Pty Ltd –Audit services	58,742	54,040	48,351	54,040
	58,742	54,040	48,351	54,040
Other services				
Other assurance services – BDO NZ	7,462	-	7,462	-
Taxation services – BDO Corporate Tax (WA)	18,400	12,120	18,400	12,120
	84,604	66,160	74,213	66,160

7. NET FINANCING INCOME

	Consolidated		The Company	
<i>In thousands of AUD</i>	2012	2011	2012	2011
Interest income	37	3	2	2
Financial income	37	3	2	2
Interest expense	(2)	(15)	(2)	(14)
Financial expenses	(2)	(15)	(2)	(14)
Net financing income	35	(12)	-	(12)

8. INCOME TAX EXPENSE

RECOGNISED IN THE STATEMENT OF COMPREHENSIVE INCOME

	Consolidated		The Company	
<i>In thousands of AUD</i>	2012	2011	2012	2011
Current tax expense				
Current year	357	835	206	455
Adjustments for prior years	-	-	-	-
Foreign exchange adjustments	-	-	-	-
	357	835	206	455
Deferred tax expense				
Origination and reversal of temporary differences	135	(32)	96	14
Total income tax expense/(benefit)	492	803	302	469
Attributable to				
Continuing operations	492	803	302	469
Numerical reconciliation between tax expense and pre-tax net profit				
Profit before tax	1,611	2,638	438	1,224
Income tax expense/(benefit) using the domestic corporation tax rate of 30% (2010 30%)	483	791	131	367
Increase in income tax expense due to				
International tax rate differences	9	12	9	12
Non-deductible expenses	5	-	167	90
	497	803	307	469
Under / (over) provided in prior years	(5)	-	(5)	-
Income tax expense on pre-tax net profit	492	803	302	469

9. EARNINGS PER SHARE

BASIC EARNINGS PER SHARE

The calculation of basic earnings per share at 30 June 2012 was based on the profit attributable to ordinary shareholders of 1.45 cents per share (2011: 2.38 cents per share) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2012 of 77,032,958 (2011: 77,032,958), calculated as follows:

PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

In thousands of AUD
Profit for the period

Consolidated	
2012	2011
1,119	1,835

WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

Number of Shares
Issued ordinary shares throughout the year

Consolidated	
2012	2011
77,032,958	77,032,958

DILUTED EARNINGS PER SHARE

There were no dilutive instruments during the year.

10. CASH AND CASH EQUIVALENTS

In thousands of AUD

Cash on hand
At Bank
Interest bearing/deposit
Cash and cash equivalents

Consolidated		The Company	
2012	2011	2012	2011
5	5	4	4
367	239	250	197
560	1,004	4	4
932	1,248	258	205

The group has \$4million (2011: \$nil) facilities available but not drawn down as at 30 June 2012.

11 TRADE AND OTHER RECEIVABLES

<i>In thousands of AUD</i>	Consolidated		The Company	
	2012	2011	2012	2011
Current				
Other trade receivables	943	1,108	710	727
Rent bond	62	59	62	59
	<u>1,005</u>	<u>1,167</u>	<u>772</u>	<u>786</u>
Non-current				
Fixed franchise fees	-	-	-	-
Loans to controlled entities	-	-	2,932	3,939
	<u>-</u>	<u>-</u>	<u>2,932</u>	<u>3,939</u>

As at 30 June 2012 there were no impaired receivables (30 June 2011 Nil) Please refer to note 25 for details of receivables that are past due but not impaired

12 INVENTORIES

<i>In thousands of AUD</i>	Consolidated		The Company	
	2012	2011	2012	2011
Finished goods	81	67	61	47

13 OTHER ASSETS

<i>In thousands of AUD</i>	Consolidated		The Company	
	2012	2011	2012	2011
Prepayments	134	136	106	116

14. CURRENT TAX ASSETS AND LIABILITIES

<i>In thousands of AUD</i>	Consolidated		The Company	
	2012	2011	2012	2011
Current tax payable	102	752	102	752

In accordance with the tax consolidation legislation, the Company as the head entity of the Australian tax-consolidated group has assumed the current tax liability (asset) initially recognised by the members in the tax-consolidated group

15 DEFERRED TAX ASSETS AND LIABILITIES

RECOGNISED DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities are attributable to the following

Consolidated <i>In thousands of AUD</i>	Assets		Liabilities		Net	
	2012	2011	2012	2011	2012	2011
Employee benefits	22	67	-	-	22	67
Provisions	27	102	-	-	27	102
Other creditors	201	82	-	-	201	82
Depreciable assets	36	168	-	-	36	168
Accrued Income	-	-	-	2	-	2
Tax (assets) / liabilities	286	419	-	2	286	421

The Company <i>In thousands of AUD</i>	Assets		Liabilities		Net	
	2012	2011	2012	2011	2012	2011
Employee benefits	9	60	-	-	9	60
Provisions	14	13	-	-	14	13
Other creditors	68	21	-	-	68	21
Depreciable assets	77	168	-	-	77	168
Accrued Income	-	-	-	2	-	2
Tax (assets) / liabilities	168	262	-	2	168	264

In accordance with accounting standards, the deferred tax assets and liabilities have applied the set off provisions to net off the amounts

Movements – Consolidated <i>In thousands of AUD</i>	Employee Benefit	Provisions	Depreciable Assets	Other	Total
At 1 July 2010	243	75	18	53	389
(Charged)/credited to statement of comprehensive income	(176)	27	150	31	32
(Charged)/credited directly to equity	-	-	-	-	-
As at 30 June 2011	67	102	168	84	421
At 1 July 2011	67	102	168	84	421
(Charged)/credited to statement of comprehensive income	(45)	(75)	(132)	117	(135)
(Charged)/credited directly to equity	-	-	-	-	-
As at 30 June 2012	22	27	36	201	286
Movements – Parent <i>In thousands of AUD</i>					
At 1 July 2010	228	10	18	22	278
(Charged)/credited to statement of comprehensive income	(168)	3	150	1	(14)
(Charged)/credited directly to equity	-	-	-	-	-
As at 30 June 2011	60	13	168	23	264
At 1 July 2011	60	13	168	23	264
(Charged)/credited to statement of comprehensive income	(51)	1	(91)	45	(96)
(Charged)/credited directly to equity	-	-	-	-	-
As at 30 June 2012	9	14	77	68	168

16. INVESTMENT PROPERTY

<i>In thousands of AUD</i>	Consolidated		The Company	
	2012	2011	2012	2011
Land and Buildings				
Opening	7,895	7,895	7,895	7,895
Net Acquisitions/Disposals	(111)	-	(111)	-
Closing	7,784	7,895	7,784	7,895
Capitalised work in progress	131	-	131	-
Chattel depreciation				
Opening	(311)	(60)	(311)	(60)
Depreciation	(160)	(251)	(160)	(251)
Closing	(471)	(311)	(471)	(311)
Carrying value	7,444	7,584	7,444	7,584

All operating expenses from investment properties are managed and paid by the leasing agent, which are subsequently recovered from tenants. Rental income was \$514,000 (2011: \$640,000) in the current reporting period. The company has an agreement with Schindler to install a new lift, with the remaining obligation being immaterial. There was no material movement in the fair value of land and buildings in the current reporting period.

17. PROPERTY, PLANT AND EQUIPMENT

<i>In thousands of AUD</i>	Leasehold improvements	Consolidated Plant and equipment	Total	Leasehold improvements	The Company Plant and equipment	Total
Cost						
Balance at 1 July 2010	339	8,793	9,132	221	5,621	5,842
Acquisitions	7	2,061	2,068	7	1,472	1,479
Disposals	-	(1,374)	(1,374)	-	(908)	(908)
Effect of movements in foreign exchange	(29)	(456)	(485)	(29)	(596)	(625)
Balance at 30 June 2011	317	9,024	9,341	199	5,589	5,788
Balance at 1 July 2011	317	9,024	9,341	199	5,589	5,788
Acquisitions	2	2,050	2,052	2	2,050	2,052
Disposals	-	(1,075)	(1,075)	-	(1,075)	(1,075)
Effect of movements in foreign exchange	5	(55)	(50)	3	(28)	(25)
Balance at 30 June 2012	324	9,944	10,268	204	6,536	6,740
Depreciation and impairment losses						
Balance at 1 July 2010	198	5,175	5,373	111	3,100	3,211
Depreciation charge for the year	37	1,798	1,835	19	1,294	1,313
Disposals	-	(806)	(806)	-	(536)	(536)
Effects of movements in foreign exchange	(22)	(425)	(447)	(15)	(583)	(598)
Balance at 30 June 2011	213	5,742	5,955	115	3,275	3,390
Balance at 1 July 2011	213	5,742	5,955	115	3,275	3,390

Depreciation charge for the year	21	1,722	1,743	21	1,271	1,292
Disposals	-	(769)	(769)	-	(769)	(769)
Effects of movements in foreign exchange	2	(268)	(266)	(2)	234	232
Balance at 30 June 2012	236	6,427	6,663	134	4,011	4,145
Carrying amounts						
At 1 July 2010	141	3,618	3,759	110	2,521	2,631
At 30 June 2011	104	3,282	3,386	84	2,314	2,398
At 1 July 2011	104	3,282	3,386	84	2,314	2,398
At 30 June 2012	88	3,517	3,605	70	2,525	2,595

18 INTANGIBLE ASSETS

	Consolidated			The Company	
	Goodwill	Patents and Trademarks	Total	Patents and Trademarks	Total
<i>In thousands of AUD</i>					
Cost					
Balance at 1 July 2010	11,137	1,891	13,028	1,874	1,874
Acquisitions	-	5	5	6	6
Balance at 30 June 2011	11,137	1,896	13,033	1,880	1,880
Balance at 1 July 2011	11,137	1,896	13,033	1,880	1,880
Acquisitions	-	-	-	-	-
Balance at 30 June 2012	11,137	1,896	13,033	1,880	1,880
Amortisation and impairment losses					
Balance at 1 July 2010	7,937	1,880	9,817	1,870	1,870
Impairment	-	-	-	-	-
Amortisation	-	3	3	-	-
Balance at 30 June 2011	7,937	1,883	9,820	1,870	1,870
Balance at 1 July 2011	7,937	1,883	9,820	1,870	1,870
Impairment	-	-	-	-	-
Amortisation	-	3	3	-	-
Balance at 30 June 2012	7,937	1,886	9,823	1,870	1,870
Carrying amounts					
At 1 July 2010	3,200	11	3,211	4	4
At 30 June 2011	3,200	13	3,213	10	10
At 1 July 2011	3,200	13	3,213	10	10
At 30 June 2012	3,200	10	3,210	10	10

AMORTISATION AND IMPAIRMENT CHARGE

The amortisation and impairment charge is recognised in the following line items in the statement of comprehensive income

<i>In thousands of AUD</i>	Consolidated		The Company	
	2012	2011	2012	2011
Amortisation of trademarks	(3)	(3)	-	-

IMPAIRMENT TESTS FOR CASH GENERATING UNITS CONTAINING GOODWILL

The following business units have significant carrying amounts of goodwill

<i>In thousands of AUD</i>	Consolidated		The Company	
	2012	2011	2012	2011
Franchising business	-	-	-	-
Sydney and Canberra operation – Hi-Intelli Pty Ltd	3,200	3,200	-	-
	3,200	3,200	-	-

The recoverable amount of both of the above cash-generating units, which includes intangibles with an indefinite useful life, is based on value in use calculations. Those calculations use cash flow projections based on actual operating results and the annual business plan. Cash flows for a further 8-year period are extrapolated using varying limited growth rates which are considered appropriate. A pre-tax discount rate of 13 per cent (2011: 13%) has been used in discounting the projected cash flows.

The key assumptions and the approach to determining their value in the current and previous period are

Assumption	How determined
CPI for wages and cost growth	Statistical analysis of long-term CPI trends
Asset replacement cost	A material reduction in the replacement cost may impact both the volume of sales required to maintain profitability and the willingness of customers to use the group's products. Replacement costs have been assumed to remain stable for the foreseeable future.

The carrying amount of the business units are exceeded by its calculated value in use amount. Any adverse change in assumptions could reduce the unit's value in use amount below carrying amount.

If the pre-tax discount rate applied to projected cashflows was 13.5% instead of 13%, the carrying amount would not exceed the recoverable amount. A reasonably possible change in any of the other key assumptions would not cause the carrying amount to exceed its recoverable amount.

19. TRADE AND OTHER PAYABLES

<i>In thousands of AUD</i>	Consolidated		The Company	
	2012	2011	2012	2011
Trade payables	601	906	467	758
Accrued expenses	455	252	299	156
	1,056	1,158	766	914

Loans from controlled entities are repayable on demand and are interest free.

20. INTEREST-BEARING LOANS AND BORROWINGS

During the year ending 30 June 2011 interest bearing debt was reduced to \$nil. The group has not sought to utilise further debt funding in the current financial year. The company maintains a strong net asset position should funding be required in the future.

21. DEFERRED INCOME

In thousands of AUD

Current

Deferred contract income

Consolidated 2012	2011	The Company 2012	2011
304	243	256	178
304	243	256	178
18	43	18	43

Non-current

Fixed franchise fees

22. EMPLOYEE BENEFITS

In thousands of AUD

Current

Liability for annual leave

Consolidated 2012	2011	The Company 2012	2011
98	196	57	138
98	196	57	138
73	150	31	118
73	150	31	118

Non-current

Liability for long-service leave

Total employee benefits

23. PROVISIONS

Consolidated

In thousands of AUD

Balance at 1 July 2010

Provisions made during the year

Provisions used during the year

Balance at 30 June 2011

Advertising fund	Dividends	Other	Totals
-	316	5	321
-	-	-	-
-	(316)	(5)	(321)
-	-	-	-
-	-	-	-
-	770	-	-
-	(770)	-	-
-	-	-	-

Balance at 1 July 2011

Provisions made during the year

Provisions used during the year

Balance at 30 June 2012

Company

In thousands of AUD

Balance at 1 July 2010

Provisions made during the year

Provisions used during the year

Balance at 30 June 2011

Balance at 1 July 2011

Provisions made during the year

Provisions used during the year

Balance at 30 June 2012

-	-	-	-
-	770	-	-
-	(770)	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	770	-	-
-	(770)	-	-
-	-	-	-

24 CAPITAL AND RESERVES

Reconciliation of movement in capital and reserves attributable to equity holders of the parent

	Issued capital	Retained earnings	Foreign Exchange reserve	Total equity
Consolidated				
For the financial year ended 30 June 2011				
<i>In thousands of AUD</i>				
Opening balance at 1 July 2010	37,729	(23,664)	(763)	13,302
Foreign exchange translation differences	-	-	(457)	(457)
Total non-profit items recognised directly in equity	-	-	(457)	(457)
Total comprehensive income	-	1,835	-	1,835
Dividends	-	-	-	-
Closing balance at 30 June 2011	37,729	(21,829)	(1,220)	14,680

For the financial year ended 30 June 2012

<i>In thousands of AUD</i>				
Opening balance at 1 July 2011	37,729	(21,829)	(1,220)	14,680
Foreign exchange translation differences	-	-	4	4
Total non-profit items recognised directly in equity	-	-	4	4
Total comprehensive income	-	1,119	-	1,119
Prior period adjustments	-	13	-	13
Dividends	-	(770)	-	(770)
Closing balance at 30 June 2012	37,729	(21,467)	(1,216)	15,046

Company

For the financial year ended 30 June 2011

<i>In thousands of AUD</i>				
Opening balance at 1 July 2010	37,729	(20,194)	(1,097)	16,438
Foreign exchange translation differences	-	-	239	239
Total non-profit items recognised directly in equity	-	-	239	239
Total comprehensive income	-	755	-	755
Dividends	-	-	-	-
Closing balance at 30 June 2011	37,729	(19,439)	(858)	17,432

For the financial year ended 30 June 2012

<i>In thousands of AUD</i>				
Opening balance at 1 July 2011	37,729	(19,439)	(858)	17,432
Foreign exchange translation differences	-	-	(8)	(8)
Total non-profit items recognised directly in equity	-	-	(8)	(8)
Total comprehensive income	-	136	-	136
Prior period adjustments	-	13	-	13
Dividends	-	(770)	-	(770)
Closing balance at 30 June 2012	37,729	(20,060)	(866)	16,803

Share Capital

In thousands of shares
On issue at 1 July
On issue at 30 June – fully paid

The Company Ordinary Shares	
2012	2011
77,032	77,032
77,032	77,032

Effective 1 July 1998 the Company Law Review Act abolished the concept of par value shares and the concept of authorised capital. Accordingly the company does not have authorised capital or par value in respect of its issued shares.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

FOREIGN EXCHANGE RESERVE

The foreign exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity, as well as from the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

DIVIDENDS

The following dividends were paid or provided for during the period:

28 September 2011 Fully franked 10 cent dividend of \$770,330 was paid.

No further dividends were declared, approved, or provided for during the period.

DIVIDEND FRANKING ACCOUNT

The Company

In thousands of AUD

30 per cent franking credits available to shareholders of Hire Intelligence International Limited for subsequent financial years

	2012	2011
	2,704	3,240

The above available amounts are based on the balance of the dividend franking account at year-end adjusted for:

- (a) franking credits that will arise from the payment of the current tax liabilities,
- (b) franking debits that will arise from the payment of dividends recognised as a liability at the year-end,
- (c) franking credits that will arise from the receipt of dividends recognised as receivables by the tax consolidated group at the year-end, and
- (d) franking credits that the entity may be prevented from distributing in subsequent years.

The ability to utilise the franking credits is dependent upon being able to declare dividends.

CAPITAL RISK MANAGEMENT

The Group considers capital to entail net assets and debt that can be used to further generate future returns for the Group. The Group's and the parent entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistently with others in the industry, the Group and the parent entity monitor capital on the basis of the gearing ratio. The group has repaid all interest bearing debt. The yield on investment properties is monitored regularly. In 2010 these assets were positively geared at 2% for the Group and 3% for the Parent. There is no debt in the current year and the assets are no longer geared.

25 FINANCIAL RISK MANAGEMENT

The Group's management of financial risk is aimed at ensuring net cash flows are sufficient to

- Meet all its financial commitments as and when they fall due
- Maintain the capacity to fund its forecast business development strategies
- Ensure a reasonable return to shareholders, and
- Maintain a strong long term credit rating

Market, liquidity and credit risk arise in the normal course of the Group's business. These risks are managed under Board approved directives which underpin treasury policies and procedures. The Group's principal financial instruments include cash, trade receivable, borrowings, and trade payables, which arise directly from operations.

CREDIT RISK

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The consolidated entity does not require collateral in respect of financial assets.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

At the statement of financial position date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, in the Statement of Financial Position.

The maximum exposure to credit risk at the reporting date was as follows:

<i>In thousands of AUD</i>	Note	Consolidated		The Company	
		2012	2011	2012	2011
Cash and cash equivalents		932	1,248	258	205
Trade receivables	11	943	1,167	710	786
Intercompany receivables		-	-	2,932	3,939

Credit ratings for institutions holding cash and cash equivalents are considered to be "AA-". There is no change from prior year.

The following are details of receivables past due but not impaired

2012

<i>In thousands of AUD</i>	Total	<30days	30-60 days	>60 days
Consolidated Trade receivables	943	493	361	89
Parent Trade receivables	710	442	236	32

2011

<i>In thousands of AUD</i>	Total	<30days	30-60 days	>60 days
Consolidated Trade receivables	1,167	455	280	432
Parent Trade receivables	786	545	131	110

These relate to a number of independent customers for whom there is no recent history of default

MARKET RISK

The consolidated entity is not exposed to material market risk. The company has a geographically diversified business which naturally mitigates any specific market risk. The consolidated entity monitors general market conditions globally and responds to market changes accordingly.

FOREIGN CURRENCY RISK

The consolidated entity is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the AUD. The currencies giving rise to this risk are primarily British Pounds, but the company has limited exposure to transactions denominated in Euros and New Zealand Dollars.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency and net investments in foreign operations. The risk is not measured other than through 12 monthly forecasts. The consolidated entity does not hedge the exposure in respect of monetary assets or liabilities.

As at 30 June 2012 and 30 June 2011, the Group and Company is not materially exposed foreign currency risk.

PRICE RISK

No material price risk from investments.

EFFECTIVE INTEREST RATES AND REPRICING ANALYSIS

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the reporting date and the periods in which they reprice.

	Note	Effective interest rate	Total	6 months or less	6-12 months
2012					
<i>In thousands of AUD</i>					
<i>Financial Assets</i>					
Cash and cash equivalents	10	3.66%	932	932	-
<i>Financial Liabilities</i>					
Interest bearing loan		-	-	-	-
2011					
<i>In thousands of AUD</i>					

Financial Assets

Cash and cash equivalents

10 0.21% 1,248 1,248 -

Financial Liabilities

Interest bearing loan

- - - -

The Group has limited interest rate risk. As at 30 June 2012, if interest rates had increased or decreased by 75 basis points from the year end rates with all other variables held constant, before tax profit would have been \$6,990 lower or higher respectively (2011: 9,360 higher or lower respectively).

LIQUIDITY RISK

The Group has no material liquidity risk. The company monitors cashflow on an ongoing basis. The Group continues to have positive operating cashflows and sufficient cash reserves to meet all its financial obligations.

ESTIMATION OF FAIR VALUES

All amounts reflected in the accounts approximate their estimated fair values. The following summarises the major methods and assumptions used in estimating the fair values:

Finance Lease Liabilities

The fair value is estimated as the present value of future cash flows, discounted at market interest rates for homogeneous lease agreements. The estimated fair values reflect change in interest rates.

Trade and other receivable/payables

For receivables / payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value and are non interest bearing. All other receivables / payables are discounted to determine the fair value if the amounts are considered material.

26 OPERATING LEASES AND COMMITMENTS

LEASES AS LESSEE

Non-cancellable operating lease rentals are payable as follows:

<i>In thousands of AUD</i>	Consolidated		The Company	
	2012	2011	2012	2011
Less than one year	555	529	555	375
Between one and five years	1,767	2,198	1,767	1,254
More than five years	-	-	-	-
	2,322	2,727	2,322	1,629

The consolidated entity leases a number of trading facilities under operating leases. The leases typically run for a period of 2-3 years, with an option to renew the lease after that date. Lease payments are increased annually to reflect CPI. None of the leases includes contingent rentals.

During the financial year ended 30 June 2012, \$550,000 was recognised as an expense in the SOCI in respect of operating leases (2011: \$682,000) which is exclusive of rates and taxes.

During the year the Group entered into an Agreement with Schindler to install a new lift into the investment property. There is 105,160 outstanding as at 30 June 2012.

27 CONTINGENCIES

The directors are not aware of any contingent assets or liabilities as at the date of this report

28 INVESTMENTS

<i>In thousands of AUD</i>	Consolidated		The Company	
	2012	2011	2012	2011
Available for sale financial asset – listed equity	-	-	-	-
Investments in controlled entities at cost	-	-	3,687	4,226
	-	-	3,687	4,226

<i>In thousands of AUD</i>	Note	Country of Incorporation	Ownership interest	
			2012	2011
Parent entity				
Hire Intelligence International Limited		Australia		
Subsidiaries				
Hi- Intelli Pty Ltd		Australia	100%	100%
Cityside asset Pty Ltd		Australia	100%	100%
Hire Intelligence Online Backup Pty Ltd		Australia	100%	100%
(formerly Hire Intelligence USA Pty Ltd)		United Kingdom	100%	-
Hire Intelligence Limited				

29 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

<i>In thousands of AUD</i>	Note	Consolidated		The Company	
		2012	2011	2012	2011
Profit for the period		1,119	1,835	136	755
Adjustments for					
Depreciation	17	1,743	1,835	1,292	1,313
Amortisation and impairment	18	3	3	-	-
Gain on debt forgiveness		-	-	-	794
Foreign exchange movements		4	(457)	(8)	239
Net loss/(profit) on sale of investment assets		196	238	151	18
Impairment		-	-	-	-
Investment income	7	(37)	(3)	(2)	(2)
(Decrease)/ increase in income tax payable		(649)	514	(649)	514
Operating profit before changes in working capital and provisions		2,379	3,965	920	3,631
(Increase)/decrease in other assets		(21)	(9)	(12)	(2)
(Increase)/decrease in deferred tax asset		136	(32)	98	14
(Increase)/decrease in trade and other receivables		163	35	(517)	245
(Increase)/decrease in inventories		(150)	24	(150)	12
(Decrease)/increase in deferred income		60	(171)	78	(130)
(Decrease)/increase in trade and other payables		(108)	(542)	1,923	(1,891)
(Decrease)/Increase in provisions and employee benefits		(176)	12	(170)	(28)
Net cash from operating activities		2,283	3,282	2,170	1,851

30 KEY MANAGEMENT PERSONNEL

The following were key management personnel of the consolidated entity at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period

Executive directors	Non-executive directors	Executives
Keegan Cragg (Managing Director)	Tom Cragg (Chairman) (Managing Director until 31 August 2011)	Val Cragg
	Jason Cragg	Chris Hutber
		Neil Levin

The key management personnel compensation included in 'personnel expenses' (see note 5) are as follows

<i>In thousands of AUD</i>	Consolidated		The Company	
	2012	2011	2012	2011
Short-term employee benefits	634	775	497	637
Post-employment benefits	68	60	55	48
	<u>702</u>	<u>835</u>	<u>552</u>	<u>685</u>

INDIVIDUAL DIRECTORS AND EXECUTIVES COMPENSATION DISCLOSURES

Information regarding individual directors and executives compensation is provided in the Remuneration Report section of the Directors' report on pages 6 to 10

Apart from the details disclosed in this note, no director has entered into a material contract with the Company or the consolidated entity since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end

LOANS TO KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES (CONSOLIDATED)

There are no loans outstanding at the reporting date to key management personnel or their related parties

OTHER KEY MANAGEMENT PERSONNEL TRANSACTIONS WITH THE COMPANY OR ITS CONTROLLED ENTITIES

During the period Solution Minds Pty Ltd purchased equipment from the company at arm's length for \$nil (2011 \$3,314) Jason Cragg (Non Executive director) is a director of Solution Minds Pty Ltd and exerts significant influence over the financial and operating policies of the company

During the period \$43,661 (2011 \$32,276) was paid to Ledger Corporate Pty Ltd or its associated entities in respect of professional consultancy services provided to the company Ledger Corporate Pty Ltd's Managing Director is a relative of Thomas Cragg (Chairman) These services are provided at arm's length in all instances

No other entities relating to any key management personnel transacted with the Company or its subsidiaries during the reporting period

DIRECTORS' DECLARATION

1 In the opinion of the directors of Hire Intelligence International Limited ('the Company')

- (a) the financial statements and notes as set out on pages 23 to 62, are in accordance with the Corporations Act 2001, including
 - (i) giving a true and fair view of the financial position of the Company and the consolidated entity as at 30 June 2012 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date, and
 - (ii) complying with Australian Accounting Standards, the Corporations Regulations 2001, and other mandatory professional reporting requirements, and
- (b) the audited remuneration disclosures included in the Directors' report For the year ended 30 June 2012, comply with section 300A of the Corporations Act 2001
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable
- (d) the consolidated entity has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards

2 The directors have been given the declarations required by Section 295A of the Corporations Act from the chief executive officer and chief financial officer for the financial year ended 30 June 2012

Dated at 110 Jersey St, Jolimont Perth this 28th day of August 2012

Signed in accordance with a resolution of the directors



Thomas Cragg

Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HIRE INTELLIGENCE INTERNATIONAL LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Hire Intelligence International Limited, which comprises the statements of financial position as at 30 June 2012, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company and the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1(a), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Hire Intelligence International Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



Opinion

In our opinion

- (a) the financial report of Hire Intelligence International Limited is in accordance with the *Corporations Act 2001*, including
 - (i) giving a true and fair view of the Company's and consolidated entity's financial positions as at 30 June 2012 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1(a)

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2012. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Hire Intelligence International Limited for the year ended 30 June 2012 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

Glyn O'Brien
Director

Perth, Western Australia
Dated this 28th day of August 2012

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below

SHAREHOLDINGS AS AT 17th August 2012

SUBSTANTIAL SHAREHOLDERS

The number of shares held by substantial shareholders and their associates are set out below

Shareholder	%	Number
HAMWREX NOMINEES PTY LTD and associated companies	91.33%	70,353,678

VOTING RIGHTS

Ordinary shares

Refer to note 24 in the financial statements

Options

Refer to note 11 of the Directors Report

Distribution of equity security holders by number

Category	Ordinary shares
1 - 1,000	7
1,001 - 5,000	28
5,001 - 10,000	33
10,001 - 100,000	65
100,001 and over	16
	<u>149</u>

The number of shareholders holding less than a marketable parcel of ordinary shares is 21, holding 40,124 shares

STOCK EXCHANGE

The Company is listed on the Australian Stock Exchange

OTHER INFORMATION

Hire Intelligence International Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares

ON-MARKET BUY-BACK

There is no current on-market buy-back

TWENTY LARGEST SHAREHOLDERS

Name	Number of ordinary shares held	Percentage of capital held
HAMWREX NOMINEES PTY LTD <THE CRAGE FAMILY A/C>	61,643,677	80.02
DREAMLAND PTY LTD	7,700,000	10.00
CRAGE FAMILY SUPERANNUATION PTY LTD <CRAGE FAMILY SUPER FUND A/C>	1,000,000	1.30
DAVID GRAY & COMPANY PTY LTD	580,000	0.75
MEGGIES PTY LTD	530,550	0.69
DORRAN PTY LTD	500,000	0.65
MRS EMILY VIVIEN MACMANUS	497,427	0.65
MISS PIER COTTEE	423,750	0.55
STIBBCO INVESTMENTS PTY LTD <STIBBS FAMILY S/F A/C>	198,500	0.26
LARKIN INVESTMENT PORTFOLIO PTY LTD <SUPERANNUATION FUND A/C>	185,000	0.24
MR CRAIG LIDDELL	184,053	0.24
MR DOUGLAS ROBERT GRAHAM NEILD	178,028	0.23
MS ANNABEL PETA SOPHIE CATTO	145,477	0.19
MR PETER ALASTAIR SIM + MRS SHEILA MARY MEIKLE SIM <SIM SUPER FUND A/C>	142,060	0.18
REID SUPER CO PTY LTD <WILLOUGHBY SUPER FUND A/C>	133,860	0.17
MR JOHN MICHAEL DE RAY + MRS MICHELE ANN DE RAY <THE DE RAY SUPER FUND A/C>	110,000	0.14
MR EDWARD JAMES DALLY + MRS SELINA DALLY <E J DALLY SUPER FUND A/C>	100,000	0.13
MR JOHN JANSEN + MRS DALE LORRAINE JANSEN <THE JJ RETIREMENT FUND A/C>	100,000	0.13
M G ROGERS & ASSOCS PTY LTD <ROGERS SUPER FUND A/C>	100,000	0.13
R S HALES MANUFACTURING PTY LTD <THE ROBERT HALES S/FUND A/C>	100,000	0.13
	74,552,382	96.78%