Aspermont

Information for Industry

ABN: 66 000 375 048

Appendix 4E: Preliminary Final Report

For the 12 months ended
30 June 2010

Released 31st August 2010

This report comprises information given to the ASX under listing rule 4.3A

CONTENTS

CORPORATE DIRECTORY

Directors
Andrew Leslie Kent
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Lewis George Cross
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David Nizol
Charbel Nader

Chief Executive Officer, Group
Colm O'Brien

Chief Financial Officer
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Advanced Share Registry Services
150 Stirling Hwy Nedlands WA 6009

Bankers
ANZ Banking Group Limited
7/77 St Georges Terrace Perth WA 6000

Australian Stock Exchange Limited
ASX Code : ASP

				A$'000
Revenue from ordinary activities *(Appendix 4E item 2.1)*	down	7%	to	22,967
Profit/ (loss) from ordinary activities after tax attributable to members *(Appendix 4E item 2.2)*	up	322%	to	1,076
Net profit/ (loss) for the period attributable to members *(Appendix 4E item 2.3)*	up	322%	to	1,076

Dividends/distributions *(Appendix 4E item 2.4)*	Amount per security	Franked amount per security
Final dividend	n/a	n/a
Interim dividend	n/a	n/a

The directors are pleased to report on the preliminary results for the year ending 30 June 2010.

Fiscal year 2009/10 has emerged as a very positive year for the company. Given the impacts of the downturn in the previous year and the trickle through effect on this year, the Group results demonstrate the sound financial management of the business and its numerous products. Whilst overall revenue was down year on year given the impact on forward bookings made during the downturn, it is very pleasing to see that we have returned a higher gross profit margin of 65% compared with 58% last year.

We have also further reduced our primary debt year on year from A$11m to A$7.5m in line with a planned debt reduction programme implemented 12 months ago. This debt reduction will continue through FY2010/11.

At the operational level the integration between UK and Australian operations has gathered pace, particularly with cross sales and operational functions. This includes promotion of events, print, advertising and implementation of group subscription offers.

The strong Australian dollar has had a significant impact on our key figures given that circa 50% of our operations are based out of the UK; therefore any eventual strengthening of sterling will have an immediate positive impact.

Key high growth areas emerging are the events and online aspects of the business. These remain high margin products and we have increased our offering to the market particularly in the events space. The stable of print products continues to grow, notwithstanding market trends on the future of print products.

Key objectives for FY 2010/11:

- Maintain focus on product growth across all three channels – print, online and conferences
- Expand our brands into new areas in particular events in Asia and a more global approach to our online products
- Look to further reduce overall debt position at both the primary and secondary levels
- Invest in next generation online technologies to bolster our strong brands
- Return to regular corporate promotion of the company

Financial Highlights

	2010 * $000	**2009 $000**
Revenue		
Group publishing/conferencing	20,987	23,200
Corporate and investment	1,980	1,529
Total	**22,967**	**24,729**
Operating Results		
Group publishing/conferencing	5,215	3,372
Corporate and investment revenue	1,980	1,529
Overheads (excluding depreciation)	(3,948)	(3,290)
EBITDA	**3,247**	**1,611**
Depreciation, interest and tax	(2,171)	(2,095)
Net Profit after Tax	**1,076**	**(484)**

* Accounting years for UK operations have been aligned to the Australian financial year, hence 14 months are reported.

- Significant increase at EBITA 102% and NPAT 322% compared to previous twelve months
- Net assets increased year on year by 17% from $19.3m to $22.5m
- Cash position – our year on year position remains the same through utilising both investment and financing activities. A positive return to revenue and a stronger sterling currency will see cash positions increase in the coming year
- Increase in group costs includes one off payments for consultants and an executive severance payment; the Board size has also been increased by three directors and one board consultant

Operational Highlights - Publishing

- Returned the overall business to a profitable state without taking into consideration one off or development cost add-backs with an NPAT turnaround of A$1.6m
- Launched a successful and profitable Mines & Money in Beijing, to further extend this global brand
- Increased number of customers purchasing more than one Aspermont product by 56%
- Realigned our conference offering in Australia, through divesting from our interest in Tonkin Corporation to concentrate on expanding the Resourceful Events brands
- Reduced our primary debt position by 31% from A$11m to A$7.5m
- Increased our equity position in Kondinin (Agriculture Information Business) from 17% to 30%

2010 Outlook

With the first quarter of this financial year nearing completion, our overall position is ahead of budget, with a positive uplift in forward booking across all our product channels. New product launches are currently being considered for implementation given the positive start to the year. Our new products and services will continue to be of high margin and leverage existing resources rather than adding new fixed costs to the operations.

Although a final dividend has not been declared this year the Directors will be considering a dividend in due course.

Enquiries:

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Chief Executive Officer

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ASPERMONT LIMITED AND ITS CONTROLLED ENTITIES
PRELIMINARY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2010

	Note	Consolidated 2010 $000	Consolidated 2009 $000
Revenue from continuing operations	2	20,905	23,052
Other income	2	2,062	1,677
Cost of sales	3	(8,122)	(10,503)
Gross profit		**14,845**	**14,226**
Distribution expenses		(974)	(1,290)
Marketing expenses		(3,610)	(3,985)
Occupancy expenses		(996)	(927)
Corporate and administration		(3,439)	(3,304)
Finance costs		(1,038)	(1,208)
Other expenses from ordinary activities		(3,360)	(4,124)
		(13,417)	**(14,838)**
Share of net profit in associates	6	306	70
Profit from continuing operations before income tax expense		**1,734**	**(542)**
Income tax benefit/(expense) relating to continuing operations	4	(658)	58
Profit/(loss) for the year		**1,076**	**(484)**
Net profit/(loss) attributable to non-controlling interests		-	-
Net profit/(loss) attributable to equity holders of the parent entity		**1,076**	**(484)**
Other comprehensive income			
Foreign currency translation differences for foreign operations		461	45
Financial assets reserve		(1,645)	-
Income tax benefit relating to other comprehensive income		493	-
Other		-	(77)
Total comprehensive income for the period (net of tax)		**385**	**(516)**
Basic earnings/(loss) per share (cents per share)	8	0.46	(0.22)
Diluted earnings/(loss) per share (cents per share)	8	0.46	(0.22)

The Statements of Comprehensive Income should be read in conjunction with the notes to the Financial Statements.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
PRELIMINARY STATEMENTS OF FINANCIAL PERFORMANCE AS AT 30 JUNE 2010

	Note	Consolidated 2010 $000	2009 $000
CURRENT ASSETS			
Cash and cash equivalents	5	774	797
Trade and other receivables		3,066	1,897
Financial assets		3,887	2,045
TOTAL CURRENT ASSETS		**7,727**	**4,739**
NON-CURRENT ASSETS			
Trade and other receivables		0	1,028
Financial assets		2,757	6,758
Investments accounted for using the equity method	6	1,783	2,526
Property, plant and equipment		338	1,363
Deferred tax assets	4	793	905
Intangible assets and goodwill		32,380	31,327
TOTAL NON-CURRENT ASSETS		**38,051**	**43,907**
TOTAL ASSETS		**45,778**	**48,646**
CURRENT LIABILITIES			
Trade and other payables		4,018	5,986
Income in advance		2,823	2,188
Borrowings		2,125	30
Income tax payable	4	298	411
TOTAL CURRENT LIABILITIES		**9,264**	**8,615**
NON-CURRENT LIABILITIES			
Borrowings		8,788	15,186
Deferred tax liabilities	4	5,041	5,400
Provisions		159	144
TOTAL NON-CURRENT LIABILITIES		**13,988**	**20,730**
TOTAL LIABILITIES		**23,252**	**29,345**
NET ASSETS		**22,526**	**19,301**
EQUITY			
Issued capital		49,125	46,285
Reserves		(558)	692
Accumulated losses		(26,041)	(27,676)
TOTAL EQUITY		**22,526**	**19,301**

The Statements of Financial Performance should be read in conjunction with the notes to the Financial Statements.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
PRELIMINARY STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDING 30 JUNE 2010

Consolidated	Ordinary Share Capital $000	Accumulated Losses $000	Asset Revaluation Reserve $000	Capital Profits Reserve $000	Share Based Reserve $000	Currency Translation Reserve $000	Financial Assets Reserve $000	Minority Interests $000	Total $000
Balance at 1 July 2008	**46,285**	**(27,018)**	**482**	**81**	**135**	**(47)**	**-**	**(101)**	**19,817**
Profit/(loss) attributable to members of parent entity	-	(484)	-	-	-	-	-	-	(484)
Other comprehensive income									
Foreign currency translation differences for foreign operations	-	-	-	-	-	45	-	-	45
Reverse prior year transaction	-	-	(3)	(1)	-	-	-	-	(4)
MI adjustment	-	(174)	-	-	-	-	-	101	(73)
Total comprehensive income	**-**	**(658)**	**(3)**	**(1)**	**-**	**45**	**-**	**101**	**(516)**
Balance at 30 June 2009	**46,285**	**(27,676)**	**479**	**80**	**135**	**(2)**	**-**	**-**	**19,301**
Balance at 1 July 2009	**46,285**	**(27,676)**	**479**	**80**	**135**	**(2)**	**-**	**-**	**19,301**
Profit/(loss) attributable to members of parent entity	-	1,076	-	-	-	-	-	-	1,076
Other comprehensive income									
Transfer to retained earnings/(accumulated losses)	-	559	(479)	(80)	-	-	-	-	-
Foreign currency translation differences for foreign operations	-	-	-	-	-	461	-	-	461
Financial assets reserve movement	-	-	-	-	-	-	(1,645)	-	(1,645)
Income tax relating to components of other comprehensive income	-	-	-	-	-	-	493	-	493
Total comprehensive income	**-**	**1,635**	**(479)**	**(80)**	**-**	**461**	**(1,152)**	**-**	**385**
Transactions with owners in their capacity as owners:									
Shares issued (net of issue costs)	2,840	-	-	-	-	-	-	-	2,840
Balance at 30 June 2010	**49,125**	**(26,041)**	**-**	**-**	**135**	**459**	**(1,152)**	**-**	**22,526**

The Statements of Changes in Equity should be read in conjunction with the notes to the Financial Statements.

ASPERMONT LIMITED AND CONTROLLED ENTITIES
PRELIMINARY STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2010

		Consolidated	
	Note	2010 $000	2009 $000
Cash flows from operating activities			
Cash receipts from customers		20,517	24,221
Cash payments to suppliers and employees		(20,615)	(22,210)
Interest and other costs of finance paid		(738)	(910)
Interest received		12	30
Income tax paid		(42)	-
Net cash provided by/ (used in) operating activities	5(b)	**(866)**	**1,131**
Cash flows from investing activities			
Loans to other entities		(300)	(22)
Proceeds from loans repaid		-	299
Payments for investments		(746)	(1,425)
Proceeds from sale of equity investments		3,585	379
Payments for non-current assets		(531)	(1,077)
Net cash provided by/ (used in) investing activities		**2,008**	**(1,846)**
Cash flows from financing activities			
Proceeds from issue of shares, net of issue costs		2,627	-
Proceeds of borrowings		31	561
Repayment of borrowings		(3,776)	(313)
Dividends paid		-	(139)
Net cash provided by/ (used in) financing activities		**(1,118)**	**109**
Net increase/ (decrease) in cash held		24	(606)
Cash at the beginning of the year		797	1,422
Effects of exchange rate changes on the balance of cash foreign currencies		(47)	(19)
Cash at the end of the year	5(a)	**774**	**797**

The Statements of Cash Flows should be read in conjunction with the notes to the Financial Statements.

1. Significant accounting policies

Basis of Preparation

The Appendix 4E – Preliminary Final Report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E. The report has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Where required by accounting standards comparative figures have been adjusted to conform with changes in presentation for the current financial year. The accounting policies have been consistently applied by the consolidated entity and, except where there has been a change in accounting policy, are consistent with those of the previous year.

The preliminary final report does not include full disclosures of the type normally included in the annual financial report. It is recommended that this report be read in conjunction with the annual financial report for the year ended 30 June 2009, 31 December 2009 half year report, and any public announcements made by Aspermont Limited during the financial year.

Accounting Policies

(a) Principles of Consolidation

The consolidated accounts comprise the accounts of Aspermont Limited and all of its controlled entities. A controlled entity is any entity that Aspermont has the power to control the financial and operating policies of so as to obtain benefits from its activities. A list of controlled entities is contained in the notes to the full year accounts. All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation. Where controlled entities have entered or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased. Outside interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated accounts.

(b) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(b) Income Tax (continued)

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income. In this case, the tax is also recognised in other comprehensive income and directly in equity.

Aspermont Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the Tax Consolidation System. Aspermont Limited is responsible for recognising the current and deferred tax assets and liabilities for the tax consolidated group. The group notified the ATO in April 2004 that it had formed an income tax consolidated group to apply from July 2002.

(c) Foreign Currency

Foreign currency transactions are translated to Australian currency at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies are translated at the rates of exchange ruling at balance date. Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of comprehensive income in the period in which the operation is disposed.

(d) Provisions

Provision for Doubtful Debts
The collectability of debts is assessed at year-end and provision is made for any doubtful accounts.

(e) Employee Benefits

Provision is made for the company's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and annual leave, which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements. Contributions are made by the economic entity to employee superannuation funds and are charged as expenses when incurred.

(f) Intangibles

Goodwill

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business exceeds the fair value attributed to its net assets at date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

Mastheads

Mastheads acquired separately are capitalised at cost and from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets.

Mastheads are tested for impairment where an indicator of impairment exists, and the carrying amount is reviewed annually by the directors to ensure that it is not in excess of the recoverable amount. The recoverable amount is assessed based upon the present value of expected future cash flow.

IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include direct payroll and payroll related costs of employees time spent on the project. Amortisation is calculated on a diminishing value basis over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the group has an intention and ability to use the asset.

(g) Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable any accumulated depreciation. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amounts are assessed on the basis of the expected net cash flows and have not been discounted to their present values in determining recoverable amounts. The depreciable amounts of all plant and equipment are depreciated on a diminishing value basis over their useful lives to the economic entity commencing from the time an asset is held ready for use.

The depreciation rates used for depreciable assets are:

Class of Fixed Asset	**Depreciation Rate**
Plant and equipment	13.5% - 40%

(h) Revenue Received in Advance

Print magazine and internet news subscriptions are received in advance for the subscription period applied for. Subscriptions received during the financial year for issues expected to be published and news services to be provided after balance date have been deferred in creditors and will be brought to account and recognised in the accounting period in which the respective magazines or news services subscribed for are published. Conference bookings received in advance are brought to account when the conference occurs.

(i) Revenue

Advertising and subscription revenue is brought to account and recognised in the accounting period in which the respective magazines or news sites containing the booked advertisements are published or displayed. All revenue is stated net of the amount of goods and services tax (GST).

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(j) Financial Instruments

Recognition

The group recognises receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the group becomes a party to the contractual provisions of the instrument.

Financial assets are classified based on the objective of the group's business model for managing the financial assets and the characteristics of the contractual cash flows.

The group derecognises a financial asset when the contractual cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows such that substantially all the risks and rewards of ownership of the financial asset are transferred.

The group has the following financial assets:

Financial assets at fair value

Financial assets at fair value are non-derivative financial assets.

Financial assets at fair value are measured initially at fair value which includes transaction costs directly attributable to the acquisition of the financial asset. They are measured subsequently at fair value with movements in fair value being recognised in the statement of comprehensive income, unless:

- The financial asset is an equity investment, and
- The group has made an irrevocable election to present gains and losses on the financial asset in other comprehensive income. This election has been made on an individual equity basis.

Dividends from equity investments are included in the statement of comprehensive income regardless of whether the election has been made to recognise movements in fair value in other comprehensive income.

Profit or loss arising on the sale of equity investments is recognised in the statement of comprehensive income unless the election has been made to recognise fair value movements in other comprehensive income.

Impairment

Impairment losses on financial assets at fair value are recognised in the statement, unless the election has been made to recognise movements in fair value in other comprehensive income.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

(k) Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(l) Cash

For the purpose of the statement of cash flows, cash includes:

i. cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and
ii. investments in money market instruments with less than 14 days to maturity.

(m) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the assets, but not the legal ownership that is transferred to entities in the economic entity, are classified as finance leases.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(n) Rounding of amounts

The parent entity has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial report and directors' report have been rounded off to the nearest $1,000.

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(p) Share based payment transactions

The company provides benefits to employees (including directors) whereby a component of remuneration includes the issue of share options. The cost of these transactions with employees is measured by reference to the fair value at the date at which they are granted. The cost is recognised together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (vesting date).

2. Revenue

	Consolidated	
	2010	2009
	$000	$000
Continuing operations:		
Sales revenue – subscriptions & advertising	15,571	17,375
Conferencing revenue	5,334	5,677
	20,905	**23,052**
Other income:		
Government grants	-	69
Interest	36	29
Corporate advisory	196	243
Gain on sale of shares	1,309	526
Gain in fair value of shares	592	425
Profit/ (loss) on sale of associate	(236)	-
Other income	165	385
	2,062	**1,677**
	22,967	**24,729**

3. Expenses

Profit from ordinary activities before income tax has been determined after:

	Consolidated	
	2010	2009
	$000	$000
(a) Expenses:		
Cost of sales	8,122	10,503
Bad debts written off	77	314
Legal costs	64	75
Interest expenses	1,038	1,208
Consulting & accounting services	687	334
Write-down of non-current investments to recoverable amount	-	216
Depreciation and amortisation of plant, equipment and web sites	475	945
Directors' fees	241	174
Rental expense on operating leases	786	645
Movement in provisions for employee entitlements	(33)	105
Superannuation	634	718
(b) Remuneration of auditors of the parent entity for:		
Auditing or reviewing the accounts - BDO Audit (WA) Pty Ltd	58	-
Auditing or reviewing the accounts - MSI Marsdens	43	52

4. Taxation

	Consolidated 2010 $000	Consolidated 2009 $000
(a) Income tax expense/ (revenue)		
The components of tax expense/ (revenue) comprise:		
Current tax	310	434
Deferred tax	286	(542)
Prior year adjustments	62	50
	658	(58)
The prima facie tax on profit from ordinary activities before tax is reconciled to the income tax as follows:		
Profit from operations	1,734	(542)
Income tax expense calculated at 30%	520	(163)
Tax effect of permanent differences:		
Increase in income tax expense due to:		
Non-deductible expenditure	182	28
Write-downs to recoverable amounts	-	126
Prior year adjustments	62	50
Decrease in income tax expense due to:		
Change in tax rates	(16)	(26)
Non-assessable income	(90)	(21)
Utilisation of deferred tax asset not previously recognized	-	(52)
Income tax expense/ (revenue) attributable to profit from ordinary activities	658	(58)
Effective tax rate	38%	11%
Income tax payable		
Opening balance	411	-
Charged to income	(101)	434
Currency movements	(12)	(23)
	298	411

4. Taxation (continued)

	Consolidated 2010 $000	Consolidated 2009 $000
(b) Deferred tax		
Deferred income tax at 30 June relates to the following:-		
Liabilities		
Revaluation adjustments taken directly to equity	(493)	-
Fair value gain adjustments	1,712	1,578
Share revaluation adjustments taken in relation to business combinations	3,822	3,822
Total	5,041	5,400
Assets		
Provisions	190	238
Future benefit of carried forward losses	569	635
Other	34	32
	793	905

(c) Reconciliations

The movement in deferred tax liability for each temporary difference during the year is as follows:

	2010 $000	2009 $000
Share revaluation adjustments taken directly to equity		
At 1 July 2009	-	194
Net revaluations during the current period	(493)	(194)
At 30 June 2010	(493)	-
Fair value gain adjustments		
At 1 July 2009	1,578	539
Net revaluations during the current period	134	1,039
At 30 June 2010	1,712	1,578
Unearned revenue		
At 1 July 2009	-	450
Net change during the current period	-	(450)
At 30 June 2010	-	-
Other		
At 1 July 2009	3,822	4,255
Net change during the current period	-	(433)
At 30 June 2010	3,822	3,822
Total deferred tax liabilities	5,041	5,400

4. Taxation (continued)

(c) Reconciliations (continued)	Consolidated 2010 $000	2009 $000
The movement in deferred tax assets for each temporary difference during the year is as follows:		
Provisions		
At 1 July 2009	238	125
Net changes during the current period	(48)	113
At 30 June 2010	190	238
Recognition of carried forward losses		
At 1 July 2009	635	-
Net changes during the current period	(66)	635
At 30 June 2010	569	635
Other		
At 1 July 2009	32	36
Net revaluations during the current period	2	(4)
At 30 June 2010	34	32
Total deferred tax assets	793	905

The company has not fully recognised the benefits of potential carried forward income and capital losses as deferred tax assets pending the review of the status of unrecognised tax losses incurred.

Deferred tax assets relating to the current and prior year losses only have been recognised.

Tax consolidation

Aspermont and its wholly-owned Australian subsidiaries are a tax consolidated group. The accounting policy in relation to this legislation is set out in note 1 (b).

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which limits the joint and several liability of the wholly-owned entities in the case of a default by the head entity, Aspermont Limited.

5. Cash flow information

	Consolidated 2010 $000	2009 $000
(a) Reconciliation of cash and cash equivalents		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:		
Cash at bank and on deposit	774	797
	774	**797**
(b) Reconciliation of operating profit/ (loss) after tax to net cash provided by operating activities		
Profit/ (loss) after income tax	1,076	(484)
Non-cash flows in profit/ (loss)		
Profit on sale of non current assets	(1,072)	(312)
Depreciation	483	945
Write-downs to recoverable amount	-	216
Shares issued in lieu of expense payments	-	-
Share of profit of associates net of dividends received	(306)	(70)
Shares consideration received	(48)	-
Exchange rate movements	(34)	(86)
Unrealised gains on investments	(592)	(654)
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(472)	1,808
(Increase) decrease in prepayments	(70)	124
(Decrease) increase in creditors & accruals	(355)	318
(Decrease) increase in unearned revenue	311	(657)
Increase (decrease) in provisions current	(24)	75
Increase (decrease) in provisions non-current	14	44
Increase (decrease) in income taxes payable	44	459
Increase (decrease) in deferred taxes payable	208	(543)
Increase (decrease) in short term borrowings	(6)	(21)
Increase (decrease) in long term borrowings	(23)	(31)
Net cash provided used in operating activities	**(866)**	**1,131**

Non-cash financing for the year included $520,000 of investment securities provided to lenders to offset loans outstanding.

6. Associated companies

(a) Movement in carrying amounts

	Consolidated 2010 $000	Consolidated 2009 $000
Carrying amount at the beginning of the financial year	2,526	2,456
New associates during the year	1,473	-
Sale of associates during the year	(2,482)	-
Dividends received	(40)	-
Share of profits after income tax	306	70
Carrying amount at the end of the financial year	1,783	2,526

(b) Summarised financial information of associates

The Group's share of the results of its principal associates and it's aggregated assets (including goodwill) and liabilities are as follows:

2010	Ownership Interest	Assets	Liabilities	Revenues	Profit
		$000	$000	$000	$000
WME Media Pty Ltd	30%	488	116	372	28
Kondinin Information Services Pty Ltd	30%	1,799	388	680	(63)
Tonkin Corporation *	49%	-	-	2,769	341
		2,287	504	3,821	306

2009	Ownership Interest	Assets	Liabilities	Revenues	Profit
		$000	$000	$000	$000
WME Media Pty Ltd	30%	420	76	348	(10)
Tonkin Corporation	49%	2,804	622	2,539	80
		3,224	698	2,887	70

All of the above associates are incorporated in Australia.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting and are carried at cost by the parent entity.

* Tonkin Corporation purchased Aspermont's 49% share in May 2010.

7. Segment information

The economic entity primarily operates in the media publishing industry as well as in conferencing and investing, within Australia and in the United Kingdom.

Segment Reporting 2010	Print		Online		Conferencing		Investments	Total
	AUS	UK	AUS	UK	AUS	UK	AUS	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue								
Sales	5,963	6,050	3,304	254	1,368	3,966	-	20,905
Other revenue	34	-	46	-	2	-	1,860	1,942
Total segment revenue	5,997	6,050	3,350	254	1,370	3,966	1,860	**22,847**
Result								
Segment result	853	2,640	225	(145)	181	1,461	1,860	**7,075**
Assets and liabilities								
Segment assets	23,211	3,576	3,305	(197)	6,471	1,979	5,868	**44,213**
Corporate assets								1,565
Total assets								**45,778**
Segment liabilities	4,413	1,603	2,445	67	581	1,051	551	**10,711**
Corporate liabilities								12,541
Total liabilities								**23,252**
Other segment information								
Investment in associates	1,784	-	-	-	-	-	-	**1,784**
Share of net profits of associates	(35)	-	-	-	341	-	-	**306**
Acquisitions property, plant & equipment	-	11	-	-	5	7	-	23
Depreciation expense	62	12	35	1	20	8	-	138

7. Segment information (continued)

Segment Reporting 2009	Print		Online		Conferencing		Investments	Total
	AUS	UK	AUS	UK	AUS	UK	AUS	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue								
Sales	6,979	6,946	3,249	201	1,419	4,258	-	23,052
Other revenue	33	-	110	-	5	-	966	1,114
Total segment revenue	7,012	6,946	3,359	201	1,424	4,258	966	**24,166**
Result								
Segment result	572	2,634	(1,346)	(177)	(60)	1,749	966	**4,338**
Assets and liabilities								
Segment assets	22,115	3,219	3,184	(217)	8,514	2,246	7,883	**46,944**
Corporate assets								1,702
Total assets								**48,646**
Segment liabilities	6,034	1,669	2,809	48	517	1,045	823	**12,945**
Corporate liabilities								16,400
Total liabilities								**29,345**
Other segment information								
Investment in associates	344	-	-	-	2,182	-	-	**2,526**
Share of net profits of associates	(10)	-	-	-	80	-	-	**70**
Acquisitions property, plant & equipment	622	100	289	3	-	63	-	**1,077**
Depreciation expense	503	125	234	4	-	78	-	**945**

7. Segment information (continued)

Reconciliation of reportable segment profit or loss:

	2010 $000	2009 $000
Total profit for reportable segments	7,075	4,338
Other income	120	563
Overheads	(4,423)	(4,235)
Interest	(1,038)	(1,208)
Consolidated profit before income tax from continuing operations	1,734	(542)

Description of segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Chief Executive Officer who makes strategic decisions.

The segments derive revenue from the following products and services:

- The print division derives subscription and advertising revenues from traditional print publications across a number of trade sectors including mining, contracting, energy and the resources sector.
- The internet media segment develops and maintains web sites and daily news services covering various sectors including mining, energy, construction and longwalls. Revenue is derived from subscription, advertising and sponsorships.
- The conferencing division derives revenues from running events and holding conferences in various locations and across a number of sectors.
- The investment division receives revenue from advisory fees and general investment income including fair value gains/losses on share investments held.

These segments are the basis on which the Group reports its segment information.

Segment revenue and expenses:

Segment revenue and expenses are accounted for separately and are directly attributable to the segments.

Segment assets and liabilities:

Segment assets include all assets used by a segment and consist principally of receivables and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of accounts payable, wages and accrued expenses. Segment assets and liabilities do not include deferred income taxes.

Inter-segment transfers:

There are no inter-segment transactions at this time.

8. Earnings per share (EPS)

	Consolidated 2010	2009
(a) Basic earnings/ (loss) per share (cents per share)	0.46	(0.22)
(b) Diluted earnings/ (loss) per share (cents per share)	0.46	(0.22)
(c) Earnings/ (loss) used in calculating earnings per share		
Profit/ (loss) attributable to the ordinary equity holders of the company used in calculating basic earnings per share	1,076	(484)
Profit/ (loss) attributable to the ordinary equity holders of the company used in calculating diluted earnings per share	1,076	(484)
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	233,281,096	217,358,509
Options	-	-
Weighted average number of ordinary shares outstanding during the year used in calculation of diluted EPS	233,281,096	217,358,509

Options granted to employees under the employee option scheme are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent they are dilutive.

All options outstanding at 30 June 2010 and 30 June 2009 were anti-dilutive and therefore excluded from the diluted earnings per share calculations.

Retained Earnings (Appendix 4E item 8)

	2010 $	2009 $
Retained earnings at the beginning of the financial year	(27,676)	(27,018)
MI adjustment	-	(174)
Net profit/(loss) attributable to members of Aspermont Limited	1,076	(484)
Transfer to retained earnings	559	-
Retained earnings at the end of the financial year	(26,041)	(27,676)

NTA Backing (Appendix 4E item 9)

	2010 $	2009 $
Net tangible asset backing per ordinary share	(4.16)*	(5.53)*

* Internally generated mastheads are not valued on the Statement of Financial Position.

Audit (Appendix 4E items 15 - 17)

This report is based on accounts which are in the process of being audited and are likely to be subject to a limitation of scope due to an inability to access audited financial data of an associate.