

ASX Appendix 4E

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Current reporting period: Year ended 30 June 2011
 Previous corresponding period: Year ended 30 June 2010

EARNINGS	Percentage change UP(+)/DOWN(-)	Amount \$A
Revenue from ordinary activities	+19%	28,475,476
Profit from ordinary activities after tax attributable to members	+51%	1,286,670
Net profit for the period attributable to members	+51%	1,286,670

EARNINGS PER SHARE	Percentage change UP(+)/DOWN(-)	30 Jun 2011 ¢/share
Basic earnings per share	+19%	1.41
Diluted earnings per share	+19%	1.41

DIVIDENDS	Percentage change UP(+)/DOWN(-)	Amount per share	Franked amount per share at 30% Australian tax rate
Final dividend (fully entitled shares)	+20%	0.6 cents	0.6 cents
Previous corresponding period		0.5 cents	0.5 cents

Record date for determining entitlements to the 2011 final dividend: 14 October 2011
 Payment date for 2011 final dividend: 4 November 2011

The Company operates a dividend reinvestment plan (DRP). Further details are disclosed in the final dividend details section of this report.

DRP discount rate: 5%
 Date for receipt of DRP election notices for the 2011 final dividend: 21 October 2011

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Following is a brief explanation of directional and percentage changes to revenue and profit:

Consolidated operating revenues of \$28,475,476 were 19% higher than the previous year which reported \$23,874,988 operating revenues. Revenue from ordinary activities increased due to a combination of organic growth and the acquisition of Wojtowicz Kelly Legal in February 2011.

For the year ended 30 June 2011, the consolidated entity generated a net profit after tax of \$1,286,670 compared to the year ended 30 June 2010 of \$853,494, an increase of 51%.

Earnings per share for the year were 1.41 cents per share, compared to 1.18 cents per share for the year ended 30 June 2010, an increase of 19%.

Full Year Results Summary

	Full Year 2010/11 \$m	Full Year 2009/10 \$m	% Growth
Operating Revenue	28.48	23.87	19%
Net Profit after Tax	1.29	0.85	51%
Earnings per Share	1.41 cents	1.18 cents	19%
Dividend per Share	Final - 0.60 cents Interim - 0.30 cents Full Year - 0.90 cents	Final - 0.50 cents Interim - 0.25 cents Full Year - 0.75 cents	20%

Balance Sheet

The Company has maintained a strong balance sheet and is well placed to continue organic and acquisition growth. The following points are highlighted:

- Cash position (including overdrafts) at 30 June 2011 of \$2.44m.
- Bank loans of \$1.95m at 30 June 2011 compared with \$0.95m at 31 December 2010 (debt to equity ratio 15%).
- The Company's bank facility at 30 June 2011 has a limit of \$3.05m (drawn down to \$1.95m at 30 June 2011).
- The Company achieved robust operating cash inflows for the year of \$1.23m (2010: \$1.45m).

Dividend Announcement

The Directors have declared a fully franked final dividend of 0.60 cents.

The dividend will have a record date of 14 October 2011 and a payment date of 4 November 2011. There will be a dividend reinvestment plan available.

In total, the Company has declared fully franked dividends of 0.90 cents per share for the 2010/11 financial year, having paid an interim dividend of 0.30 cents fully franked in May 2011.

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RESULTS FOR ANNOUNCEMENT TO THE MARKET

The Directors consider that the dividend announcements of 2011 have established a pattern for dividends for the Company going forward, subject to the previously stated dividend policy of the Company that dividends will be declared after consideration of the performance of the company and future investment opportunities.

Outlook

The Directors consider that the Company is well placed for the future, in particular noting:

- The Company has good businesses with strong market positions and growth prospects.
- The Company is successfully building a strong culture of like-minded people, with common aspirations for above market growth and business improvement.
- The Company has demonstrated an ability to achieve strong and consistent revenue growth.
- Organic and acquisition growth opportunities for the Group and for member firms.
- The Company has a strong balance sheet and available funding for further growth.
- Scope for business performance improvement in all member firms, providing an opportunity for the increased profitability over time.

In particular, an opportunity exists to increase profitability by achieving increased scale at both a Group and member firm level.

At a Group level this means securing more member firms to share the fixed overhead burden of the Corporate office.

And at a member firm level, this means achieving organic and acquisition growth to optimise the use of existing premises, and to share the professional management and infrastructure costs that these firms now have in place.

The Directors believe that long-term competitive advantage can be achieved by the Company supporting member firms in developing scale to underpin future growth and profitability.

A fuller commentary on the results for the reporting period is contained in the ASX release dated 18 August 2011.

AUDIT REPORT

The preliminary final report is based on accounts which are in the process of being audited.

INTEGRATED LEGAL HOLDINGS LIMITED
APPENDIX 4E - PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2011
ACN 120 394 194

Statement of Financial Position

	Note	CONSOLIDATED	
		30 June 2011 \$	30 June 2010 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	2,460,760	2,151,449
Trade and other receivables		7,826,873	7,538,870
Work in progress		2,499,220	1,353,354
Income tax receivable		12,782	-
Total Current Assets		12,799,635	11,043,673
Non-Current Assets			
Plant and equipment		1,170,294	1,181,314
Goodwill		12,900,557	10,470,600
Intangible assets		29,700	65,340
Deferred tax assets		-	101,089
Prepayments		14,614	29,230
Other assets		3,435	2,642
Total Non-Current Assets		14,118,600	11,850,215
TOTAL ASSETS		26,918,235	22,893,888
LIABILITIES			
Current Liabilities			
Trade and other payables		3,813,598	3,317,157
Interest bearing loans and borrowings		2,536,259	1,573,325
Income tax payable		-	177,524
Provisions		986,593	687,057
Other liabilities		255,769	279,933
Total Current Liabilities		7,592,219	6,034,996
Non-Current Liabilities			
Trade and other payables		37,554	75,107
Interest bearing loans and borrowings		143,325	260,913
Provisions		306,092	197,350
Deferred tax liabilities		137,038	-
Other liabilities		689,344	127,608
Total Non-Current Liabilities		1,313,353	660,978
TOTAL LIABILITIES		8,905,572	6,695,974
NET ASSETS		18,012,663	16,197,914
EQUITY			
Issued Capital	6	33,397,152	32,160,426
Accumulated Losses	7	(16,349,358)	(16,688,184)
Reserves	8	964,869	725,672
TOTAL EQUITY		18,012,663	16,197,914

The above Statement of Financial Position should be read in conjunction with the accompanying notes

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Statement of Comprehensive Income

	Note	CONSOLIDATED	
		2011	2010
		\$	\$
Professional fees		28,313,125	23,822,676
Interest revenue		153,015	39,175
Other revenue	3(a)	9,336	13,137
Total revenue		28,475,476	23,874,988
Occupancy expenses		(2,338,627)	(2,114,280)
Salaries and employee benefits expenses		(18,579,646)	(16,149,830)
Depreciation and amortisation expenses	3(b)	(412,841)	(343,759)
Advertising and marketing expenses		(359,123)	(222,928)
Administrative expenses		(3,335,793)	(2,889,908)
Other expenses	3(c)	(1,351,267)	(742,175)
Finance costs	3(d)	(143,193)	(160,597)
Share based payments expense		(41,415)	(19,243)
Total expenses		(26,561,905)	(22,642,720)
Profit before income tax		1,913,571	1,232,268
Income tax expense		(626,901)	(378,774)
Profit after income tax		1,286,670	853,494
Net profit for the year		1,286,670	853,494
Other comprehensive income			
Net gains/(losses) on available-for-sale financial assets		792	(68)
Other comprehensive income/(losses) for the year, net of tax		792	(68)
Total comprehensive income for the year		1,287,462	853,426
Basic earnings per share (cents)		1.41	1.18
Diluted earnings per share (cents)		1.41	1.18

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes

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Statement of Cash Flows

	Note	CONSOLIDATED	
		2011	2010
		\$	\$
Cash flows from operating activities			
Receipts from customers		30,069,018	24,249,661
Interest received		153,015	39,175
Other revenue		9,336	13,103
Payments to suppliers and employees		(28,365,293)	(22,800,109)
Interest and other costs of finance paid		(81,891)	(92,984)
Income tax received/(paid)		(552,446)	39,315
Net cash flows from operating activities		1,231,739	1,448,161
Cash flows from investing activities			
Purchase of plant and equipment		(209,596)	(807,264)
Proceeds from the disposal of plant and equipment		-	5,135
Payment for the acquisition of businesses net of cash acquired	9	(979,148)	-
Net cash flows used in investing activities		(1,188,744)	(802,129)
Cash flows from financing activities			
Proceeds from loans		1,546,545	993,027
Repayment of borrowings		(643,929)	(1,584,315)
Dividends paid		(441,556)	(131,122)
Proceeds from issue of shares		-	1,674,510
Payments for share issue expenses		(17,389)	(115,058)
Net cash flows from financing activities		443,671	837,042
Net increase in cash held		486,666	1,483,074
Cash and cash equivalents at the beginning of the financial year		1,948,949	465,875
Cash and cash equivalents at the end of the financial year	5	2,435,615	1,948,949

The above Statement of Cash Flows should be read in conjunction with the accompanying notes

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Statement of Changes in Equity

CONSOLIDATED	Issued Capital \$	Accumulated Losses \$	Net Unrealised Gains/(Losses) Reserve \$	General Reserve \$	Total Equity \$
Balance as at 1 July 2009	30,504,813	(16,641,034)	(1,373)	-	13,862,406
Profit for the year	-	853,494	-	-	853,494
Other comprehensive losses	-	-	(68)	-	(68)
Total comprehensive income/(loss) for the year	-	853,494	(68)	-	853,426
Transactions with owners in their capacity as owners					
Transfer to general reserve	-	(727,113)	-	727,113	-
Dividends paid	-	(173,531)	-	-	(173,531)
Share based payments	19,243	-	-	-	19,243
Issue of shares	1,716,910	-	-	-	1,716,910
Transaction costs on issue of shares	(115,058)	-	-	-	(115,058)
Income tax on items taken directly to or transferred from equity	34,518	-	-	-	34,518
Balance as at 30 June 2010	32,160,426	(16,688,184)	(1,441)	727,113	16,197,914
CONSOLIDATED	Issued Capital \$	Accumulated Losses \$	Net Unrealised Gains/(Losses) Reserve \$	General Reserve \$	Total Equity \$
Balance as at 1 July 2010	32,160,426	(16,688,184)	(1,441)	727,113	16,197,914
Profit for the year	-	1,286,670	-	-	1,286,670
Other comprehensive income	-	-	792	-	792
Total comprehensive income for the year	-	1,286,670	792	-	1,287,462
Transactions with owners in their capacity as owners					
Transfer to general reserve	-	(238,405)	-	238,405	-
Dividends paid	-	(709,439)	-	-	(709,439)
Share based payments	41,415	-	-	-	41,415
Issue of shares	1,207,483	-	-	-	1,207,483
Transaction costs on issue of shares	(17,389)	-	-	-	(17,389)
Income tax on items taken directly to or transferred from equity	5,217	-	-	-	5,217
Balance as at 30 June 2011	33,397,152	(16,349,358)	(649)	965,518	18,012,663

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

Notes to the Financial Statements

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These preliminary consolidated financial statements relate to Integrated Legal Holdings Limited and the entities it controlled during the year ended 30 June 2011. The accounting policies adopted are consistent with those disclosed in its most current financial statements.

2) SEGMENT INFORMATION

The Group has identified its operating segments based on the internal management reporting that is used by the executive management team (the chief operating decision maker) in assessing performance and allocating resources. Integrated Legal Holdings Limited's operating segments have been identified based on how the financial and operating results of the Group are monitored and presented internally to the executive management team.

The Group's reportable segments are identified by management based on the nature of the business and the similarities of services provided, method of delivery and type of clients as the Group's risks and returns are affected predominantly by differences in legal products and services performed.

The operating businesses are organised and managed separately according to the nature of the legal products and services provided, with each segment representing a strategic business unit that offers different legal products and serves different markets.

The following reportable segments have been identified by management:

- **Legal Services Division**
Operator of legal practices throughout Australia.
- **Information Technology Division**
Provides an internet portal designed to provide easy access to a range of legal and other documents to the legal profession and public alike and information about various areas of law.

The accounting policies used by the Group in reporting segments internally are the same as those contained in the financial report for the year ended 30 June 2010.

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Business segments

The following tables present revenue and profit information for business segments for the years ended 30 June 2011 and 30 June 2010.

Year ended 30 June 2011	Legal Services \$	Information Technology \$	Total \$
Revenue			
Professional fees	27,448,512	864,613	28,313,125
Interest revenue	79,112	2	79,114
Other revenue:			
Advertising revenue	-	1,250	1,250
Sundry revenue	7,960	-	7,960
Total segment revenue	<u>27,535,584</u>	<u>865,865</u>	28,401,449
Unallocated revenue:			
Interest received			73,901
Dividends received			<u>126</u>
Total unallocated revenue			74,027
Inter-segment elimination			<u>-</u>
Total revenue per statement of comprehensive income			<u>28,475,476</u>
Result			
Segment result	<u>3,471,878</u>	<u>345,444</u>	3,817,322
Unallocated items:			
Interest revenue			73,901
Salaries and employee benefits expenses			(1,044,323)
Administrative expenses			(662,617)
Other unallocated items			<u>(127,519)</u>
Total unallocated items			<u>(1,717,610)</u>
Profit before tax and finance costs			2,056,764
Finance costs			<u>(143,193)</u>
Profit before income tax			1,913,571
Income tax expense			<u>(626,901)</u>
Net profit after income tax			<u>1,286,670</u>

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Year ended 30 June 2010	Legal Services \$	Information Technology \$	Total \$
Revenue			
Professional fees	22,980,838	841,838	23,822,676
Interest revenue	11,890	-	11,890
Other revenue:			
Advertising revenue	-	7,372	7,372
Sundry revenue	3,699	1,975	5,674
Total segment revenue	22,996,427	851,185	23,847,612
Unallocated revenue:			
Interest received			27,285
Dividends received			91
Total unallocated revenue			27,376
Inter-segment elimination			-
Total revenue per statement of comprehensive income			23,874,988
Result			
Segment result	2,427,771	290,200	2,717,971
Unallocated items:			
Interest revenue			27,285
Salaries and employee benefits expenses			(860,664)
Administrative expenses			(407,209)
Other unallocated items			(84,518)
Total unallocated items			(1,325,106)
Profit before tax and finance costs			1,392,865
Finance costs			(160,597)
Profit before income tax			1,232,268
Income tax expense			(378,774)
Net profit after income tax			853,494

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Total assets have increased by 11% since the last annual report. Segment assets for the years ended 30 June 2011 and 30 June 2010 are as follows:

	Legal Services \$	Information Technology \$	Total \$
As at 30 June 2011			
Segment assets			
Segment operating assets	23,247,332	2,149,281	23,247,332
Unallocated assets:			
Cash and cash equivalents			2,218,461
Deferred tax assets			118,855
Prepayments			11,173
Available-for-sale financial assets			3,435
Plant and equipment			4,003
Income tax receivable			12,782
Total unallocated assets			2,368,709
Inter-segment eliminations			1,302,194
Total assets from continuing operations per statement of financial position			26,918,235
	Legal Services \$	Information Technology \$	Total \$
As at 30 June 2010			
Segment assets			
Segment operating assets	18,476,679	2,157,378	20,634,057
Unallocated assets:			
Cash and cash equivalents			2,134,217
Deferred tax assets			214,582
Prepayments			42,523
Available-for-sale financial assets			2,642
Plant and equipment			3,735
Total unallocated assets			2,397,699
Inter-segment eliminations			(137,868)
Total assets from continuing operations per statement of financial position			22,893,888

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3) REVENUE AND EXPENSES

	Consolidated	
	2011	2010
	\$	\$
Revenue and expenses from continuing operations		
a) Other revenue		
Dividends received	126	91
Sundry income	9,210	13,046
	9,336	13,137
b) Depreciation and amortisation expenses		
Depreciation of plant and equipment	371,633	305,209
Amortisation of:		
o Equipment under finance lease	5,568	2,910
o Identified intangible assets	35,640	35,640
	412,841	343,759
c) Other expenses		
Author royalty fees	84,032	81,773
Consulting fees	119,503	242,591
Bad and doubtful debts	930,772	274,365
Bank fees	202,143	137,687
Other expenses	14,817	5,759
	1,351,267	742,175
d) Finance costs		
Interest – other entities	128,718	146,458
Interest accretion	14,475	14,139
	143,193	160,597

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4) DIVIDENDS DECLARED

	2011		2010	
	Cents per share	Total \$	Cents per share	Total \$
a) Dividends declared, recognised and paid				
Interim dividend (fully franked)	0.30	267,883	0.25	173,531
b) Dividends declared and not recognised				
Final dividend (fully franked) ^(c)	0.60	582,986	0.50	441,457

c) Final Dividend Details

Amount per share	0.6 cents
Amount franked	Fully franked at a 30% tax rate
Record date to determine entitlements to the dividend	14 October 2011
Date the final dividend is payable	4 November 2011

d) Recognised dividends

The 2011 interim dividend of \$267,883 was paid on 2 May 2011 and was fully satisfied by an issue of shares under the Group's dividend reinvestment plan (DRP) via an underwriting arrangement.

Under the Group's DRP eligible shareholders were offered the opportunity to reinvest all or part of the interim dividend in additional shares in the Group. The Shares were issued at 12.5 cents per share, being a 5% discount to the weighted average market price of shares sold on the ASX during a period of 10 trading days (rounded to the nearest half cent), with the period commencing on the second trading day after the dividend record date, 11 April 2011.

e) Unrecognised dividends

A 2011 final dividend of 0.6 cents per ordinary fully paid share, fully franked at 30% was announced on 18 August 2011 and is payable on 4 November 2011 to shareholders registered on 14 October 2011. The 2011 final dividend has not been recognised in the financial report because it was determined, declared and publicly announced subsequent to year end.

The final dividend amount of \$582,986 has been determined based on the number of eligible ordinary shares on issue at the date of this financial report. No further shares are expected to be issued which will be entitled to participate in the dividend.

The Group's DRP will apply to the 2011 final dividend.

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f) Dividend Reinvestment Plan

The Company operates a dividend reinvestment plan (DRP) which offers eligible shareholders the opportunity to reinvest all or part of their dividends in additional shares in the Group. The Shares are issued at a 5% discount to the weighted average market price of shares sold on the ASX during a period of 10 trading days (rounded to the nearest half cent), with the period commencing on the second trading day after the dividend record date.

The last date for receipt of an election notice for participation in the DRP with respect to the above interim dividend is 21 October 2011.

5) CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	2011	2010
	\$	\$
Cash at bank and in hand	2,460,760	2,151,449

Cash at bank earns interest at floating rates based on daily bank deposit rates. The carrying amounts of cash and cash equivalents approximates fair value.

	CONSOLIDATED	
	2011	2010
	\$	\$
Reconciliation to statement of cash flows		
For the purposes of the statement of cash flows, cash and cash equivalents comprise the following at 30 June:		
Cash at bank and in hand	2,460,760	2,151,449
Bank overdrafts	(25,145)	(202,500)
	2,435,615	1,948,949

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6) ISSUED CAPITAL

a) Ordinary shares

	Consolidated 2011 Shares	Consolidated 2010 Shares	Consolidated 2011 \$	Consolidated 2010 \$
Fully paid shares	95,908,111	86,112,999	33,321,656	32,126,345
Partly paid shares ⁽¹⁾	1,256,217	371,667	75,496	34,081
Forfeited shares held in trust ⁽¹⁾	-	26,667	-	-
	97,164,328	86,511,333	33,397,152	32,160,426

(1) Deferred Employee Share Plan

b) Movements in ordinary share capital

	Shares	\$
Opening balance as at 1 July 2009	69,346,178	30,504,813
Issue of shares under Share Placement (Tranche 1) on 8 April 2010	7,000,000	700,000
Issues of shares under Dividend Reinvestment Plan on 9 April 2010	353,488	42,410
Issues of shares under Share Placement (Tranche 2) on 12 May 2010	4,100,000	410,000
Issues of shares under Share Purchase Plan on 26 May 2010	5,645,000	564,500
Costs associated with the capital raising, net of tax	-	(80,540)
Issue of shares under the Deferred Employee Share Plan	66,667	19,243
Balance as at 30 June 2010	86,511,333	32,160,426
	Shares	\$
Opening balance as at 1 July 2010	86,511,333	32,160,426
Issue of shares to The Argyle Partnership in final satisfaction of deferred consideration payable on 22 September 2010	1,800,000	180,000
Issue of shares in part satisfaction of 2010 Principal profit share entitlement on 16 December 2010	125,000	15,000
Issue of shares to vendors of Wojtowicz Kelly Legal on 1 February 2011	5,727,000	744,600
Issue of shares under Dividend Reinvestment Plan on 2 May 2011	2,143,112	267,883
Costs associated with shares issued on the acquisition of Wojtowicz Kelly Legal, net of tax	-	(12,172)
Issue of shares under the Deferred Employee Share Plan	857,883	41,415
Balance as at 30 June 2011	97,164,328	33,397,152

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7) ACCUMULATED LOSSES

	Consolidated	
	2011	2010
	\$	\$
Accumulated losses	(16,354,909)	(16,688,184)
Balance at beginning of year	(16,688,184)	(16,641,034)
Net profit for the year	1,286,670	853,494
Dividends paid	(709,439)	(173,531)
Transfer to general reserve (refer note 8)	(238,405)	(727,113)
Balance at end of the year	(16,349,358)	(16,688,184)

8) RESERVES

	Consolidated	
	2011	2010
	\$	\$
Net losses on available-for-sale financial assets	(649)	(1,441)
General reserve ⁽¹⁾	965,518	727,113
Balance at end of the year	964,869	725,672

- (1) Due to accumulated losses incurred prior to the listing of the company on 17 August 2007, the Directors resolved to isolate profits derived from trading activities since listing through the establishment of a General Reserve.

During the period, \$238,405, representing trading profits to 30 June 2010 less dividends paid, was transferred to the General Reserve from Accumulated Losses.

Notes to the Financial Statements

9) BUSINESSES COMBINATIONS

Acquired legal practice – Wojtowicz Kelly Legal

On 1 February 2011 the Company acquired the legal practice of Wojtowicz Kelly Legal (incorporating Civic Legal, the Simpson Kelly Group, Gibson Tovey & Associates, All Property Conveyancing and Jan Simpson Settlements) under merger arrangements with the existing member firm Civic Legal Pty Ltd (formerly Tax Lawyers Australia Pty Ltd) trading as Brett Davies Lawyers.

The merged business will trade as Civic Legal.

The consideration for the transaction is a combination of the issue of 5.7m shares and an upfront cash payment of \$924,000 (funded from surplus cash reserves). A deferred cash consideration of \$125,000 was paid in July 2011.

Additionally, under the merger agreement, a maximum of \$600,000 and minimum of nil in contingent cash consideration may be payable in September 2013 subject to the merged business achieving agreed profitability (Net Profit Before Tax) targets in the financial years ended 30 June 2012 and 30 June 2013. The contingent consideration will be settled in cash or shares at the discretion of the Board.

The Directors consider that the contingent consideration will support and foster a “united principal group” environment for the merged firm, by incentivising teamwork in the realisation of merger revenue and cost synergies.

The contingent consideration has been formulated using Integrated Legal Holdings Limited’s minimum expectations as a base (i.e. the contingent consideration is only payable on outperformance above these minimum expectations).

Furthermore, any contingent consideration will only be payable following the achievement of minimum expected lock-up (Work-in-progress and debtors) performance by the firm.

The acquisition is structured with significant employment constraints and conditions, consistent with the Company’s disciplined acquisition model and strict criteria.

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FOR THE YEAR ENDED 30 JUNE 2011
ACN 120 394 194

Notes to the Financial Statements

The following constitutes the provisional calculation of the consideration given and the fair value of net assets acquired:

	Provisional Fair Value	Carrying Amount
	\$	\$
Consideration		\$
Cash	924,000	
Deferred cash consideration	125,000	
Contingent cash consideration	601,564	
Total cash consideration	1,650,564	
Shares issued as consideration	744,600	
Total acquisition cost	2,395,164	
	Provisional Fair Value	Carrying Amount
	\$	\$
Net assets acquired		
Assets		
Plant and equipment	156,585	156,585
Prepayments	33,720	33,720
Deferred tax asset	48,316	48,316
Total assets acquired	238,621	238,621
Liabilities		
Deferred tax liability	26,899	26,899
Interest bearing loans and borrowings	73,261	73,261
Provisions	161,054	161,054
Total liabilities acquired	261,214	261,214
Net liabilities acquired	(22,593)	(22,593)
Goodwill on acquisition	2,417,757	

As the integration of the business is still occurring there may be some movement in the provisional calculation.

The acquiree's contribution to the net profit of the Group cannot be determined as this business has been incorporated into Brett Davies Lawyer's business, and it is impracticable to disclose the total revenue and profit for the combined entity as though the acquisition had taken place at the beginning of the period.

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10) SUBSEQUENT EVENTS

Acquisition of legal practice of PLN Lawyers

On 1 August 2011 the Company acquired the legal practice of PLN Lawyers under tuck-in arrangements with the existing member firm Argyle Lawyers.

The consideration for the transaction is a combination of the issue of 3.04m ILH shares at 11.5 cents per share and cash, and includes a deferred cash component payable in September 2012 subject to the PLN business achieving revenue and profitability targets for the period to 30 June 2012.

The acquisition is structured with significant employment constraints and conditions, consistent with the Company's disciplined acquisition model and strict criteria.

The transaction is effective 1 August 2011 and has been funded through surplus cash reserves.

At the date of this report, initial accounting for the business acquisition has not yet been determined with the fair value assessment of the identified assets and liabilities acquired at acquisition and the estimate of the fair value of the contingent consideration to be finalised. As a result, it is not possible to disclose the fair value of the identified assets and liabilities that will be recognised at 1 August 2011, the acquisition date, fair value of consideration transferred or to calculate the value of goodwill.

Declaration of Final Dividend

The Directors have declared a fully franked final dividend of 0.60 cents.

The dividend will have a record date of 14 October 2011 and a payment date of 4 November 2011. There will be a dividend reinvestment plan available.

Renewal of Bank Funding Facilities

After balance date the Company renegotiated bank funding facilities. As at 30 June 2011, the following bank funding facilities were in place:

Facility	Facility Limit	Drawn-down as at 30/06/2011	Undrawn Facility Available	Expiry
	\$m	\$m	\$m	
1	2.50	1.95	0.55	September 2011
2	0.55	-	0.55	September 2011
TOTAL	3.05	1.95	1.10	

After balance date, the facilities were renewed as follows:

Facility	Facility Limit	Drawn-down	Undrawn Facility Available	Expiry
	\$m	\$m	\$m	
1	2.50	1.95	0.55	September 2013
2	1.00	-	1.00	September 2012
TOTAL	3.50	1.95	1.55	