

# Appendix 4E (Rule 4.3A)

## Preliminary Final Report

<b>Name of Entity</b>	ICSGLOBAL LIMITED
<b>ABN</b>	72 073 695 584
<b>Financial Year Ended</b>	30 June 2005
<b>Previous Corresponding Reporting Period</b>	Year ended 30 June 2004

### Results for announcement to the market

	\$'000	Percentage increase / (decrease) over previous corresponding period
Revenue from ordinary activities	607	47.4%
Profit / (loss) from ordinary activities after tax attributable to members	(2,479)	(3.2%)
Net profit / (loss) for the period attributable to members	(2,479)	(3.2%)
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	Not applicable	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:		
<ul style="list-style-type: none"> <li>The consolidated loss of the financial year after income tax amounted to \$2,479,495 (2004: \$2,559,882).</li> <li>The accounting policies used to determine the result are consistent with the prior year. This includes the Company's policy of writing off all internal costs associated with the development and deployment of the THELMA service.</li> <li>The revenue growth reflects an increase in THELMA transaction and subscription revenue</li> <li>The Company remains committed to becoming cashflow positive and profitable as soon as possible.</li> </ul>		

## Dividends

Date the dividend is payable	Not applicable
Record date to determine entitlement to the dividend	Not applicable
Amount per security	Not applicable
Total dividend	Not applicable
Amount per security of foreign sourced dividend or distribution	Not applicable
Details of any dividend reinvestment plans in operation	Not applicable
The last date for receipt of an election notice for participation in any dividend reinvestment plans	Not applicable

## NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	0.84 cents	1.39 cents

## Other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position

The accounting policies used to determine the result are consistent with the prior year. This includes the Company's policy of writing off all internal costs associated with the development and deployment of the THELMA service.

Subsequent to year end, the following significant events have occurred:

- On 12 July 2005, the economic entity announced that it had made a placement of 5,783,334 shares at an issue price of \$0.30, raising \$1.735 million.
- On 28 July 2005, the economic entity announced that THELMA has gone live in the British healthcare sector, providing the central B2B infrastructure for the electronic Claims and Billing System (eCABS™), a new bureau service in the UK that will electronically process the claims from consultants (ie medical specialists) in private practice, and collect payment on their behalf.

## Commentary on the Results for the Period

The earnings per security and the nature of any dilution aspects:		
	<b>Consolidated</b>	
	<b>2005</b>	<b>2004</b>
• Basic earnings per share	(3.3) cents	(3.6) cents
• Diluted earnings per share is not materially different from basic earnings per share	(2.8) cents	(3.1) cents
• Weighted average number of ordinary shares Outstanding during the year used in the calculation of basic earnings per share	76,341,148	69,147,091
▪ Weighted average number of ordinary shares Outstanding during the year used in the calculation of diluted earnings per share	88,245,543	81,717,152
• Earnings used to calculate earnings per share	(2,479,495)	(2,559,882)
Returns to shareholders including distributions and buy backs:		
• Not applicable		
Significant features of operating performance:		
• Refer to other comments		
The results of segments that are significant to an understanding of the business as a whole:		
• During the year, the Company sole focus has been the provision of services to the health industry and the ownership and operation of THELMA, the Transactional Health Exchange Linking Multiple Applications.		
Discussion of trends in performance:		
• Volumes in the two initial transactions (eligibility and hospital claims) continues to grow. There is still substantial growth to come from the current contracted customer base, which has continued to grow steadily to about 160 hospitals. Health fund coverage stands at about 70% in NSW and 65% in Victoria, with the national average being 57%.		
• Volumes in these two transactions are expected to increase significantly during the remainder of 2005 as a result of the subsidy offered by Medibank Private Limited ("Medibank"). As announced in March 2005, Medibank signed a three-year extension to their User Agreement for THELMA. The User Agreement was also varied slightly in that, in an effort to progress the development of e-commerce among Australian hospitals, Medibank opted to introduce a subsidy to reduce the fees that hospitals would normally pay to use THELMA for lodging their claims electronically to Medibank. The impact of the Medibank subsidy on THELMA volumes will be realised from July 2005 onwards, as Medibank progressively complete their negotiations with hospitals.		
• In April 2005, THELMA started processing bulk billed medical claims through to Medicare via HIC Online.		
• The development of the eCABS service for the United Kingdom has been a significant effort for the company. The successful adaptation of the THELMA system to service MackenzieHealth Limited in the United Kingdom has the potential to generate significant income for the company in the long term. It also demonstrates to other interested international parties that the Thelma technology can be adapted to address the differences inherent in the health systems of different countries.		

Any other factor which has affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified:

- No factors noted.

### **Audit/Review Status**

This report is based on accounts to which one of the following applies:

The accounts have been audited	Yes	The accounts have been subject to review	
The accounts are in the process of being audited or subject to review		The accounts have not yet been audited or reviewed	

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:

- Not applicable

If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:

- Not applicable

### **Attachments Forming Part of Appendix 4E**

<b>Attachment #</b>	<b>Details</b>
1	Financial Statements
2	Auditors Report

**Signed By (Director/Company Secretary)**



**Print Name:** Timothy Murray

**Date:** 19 August 2005

**ICSGlobal Limited**  
A.B.N. 72 073 695 584

**FINANCIAL STATEMENTS**  
**FOR YEAR ENDED 30 JUNE 2005**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005**

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## **DIRECTORS' REPORT**

Your directors present their report on the Company and its controlled entities for the financial year ended 30 June 2005.

### **DIRECTORS**

The names of the directors in office at any time during or since the end of the financial year are:

- Mr Dean A. Pritchard
- Mr Timothy J. Murray
- Mr Geoffrey E. Lambert

All the directors have been in office since the start of the financial year to the date of this report.

### **PRINCIPAL ACTIVITIES**

The principal activities of the economic entity during the financial year were the provision of services to the health industry and the ownership and operation of THELMA, the Transactional Health Exchange Linking Multiple Applications.

### **RESULTS OF OPERATIONS**

The consolidated loss for the financial year, after income tax, amounted to \$2,479,495 (2004: \$2,559,882). The accounting policies used to determine the result are consistent with the prior year. This includes the economic entity's policy of writing off all internal costs associated with the development and deployment of the THELMA service.

### **REVIEW OF OPERATIONS**

#### *Progress in Australia - Phase 1: Private hospital eligibility checking and electronic claiming*

Volumes in these two initial transactions continue to grow. There is still substantial growth to come from the current contracted customer base, which has continued to grow steadily to about 160 hospitals. Health fund coverage stands at about 70% in NSW and 65% in Victoria, with the national average being 57%.

Volumes in these two transactions are expected to increase significantly during the remainder of 2005 as a result of the subsidy offered by Medibank Private Limited ("Medibank"). As announced in March 2005, Medibank signed a three-year extension to their User Agreement for THELMA. The User Agreement was also varied slightly in that, in an effort to progress the development of e-commerce among Australian hospitals, Medibank opted to introduce a subsidy to reduce the fees that hospitals would normally pay to use THELMA for lodging their claims electronically to Medibank. The impact of the Medibank subsidy on THELMA volumes will be realised from July 2005 onwards, as Medibank progressively complete their negotiations with hospitals.

#### *Progress in Australia - Phase 2: Diversify Into Other Transaction Types*

THELMA can now process Medicare bulk bill transactions, including specialist's claims, radiology claims and pathology claims.

#### *Progress in Australia - Phase 3: Channel More Services to THELMA's Connected Health Community*

Phase 3 involves using THELMA's connected health community network for related services and transactions such as financial services and electronic health records. Exciting developments in these areas emerged last year through our work with the Commonwealth Bank of Australia (CBA).

#### *International Business Strategy & Progress*

ICSGlobal's strategy for global expansion is to locate a local business partner in each target country, through which THELMA can be licensed on a transaction fee basis to service the local health industry. In this way, ICSGlobal does not need to have a physical presence in each country. This strategy gives ICSGlobal access to a global customer base with virtually no capital expenditure or marketing spend.

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Our first international client is MackenzieHealth Limited in the UK. THELMA is providing the central B2B infrastructure for the electronic Claims and Billing Service ("eCABS"), a billing service in the UK that electronically processes the claims from consultants (ie medical specialists) in private practice and collect payment on their behalf. eCABS went live in July 2005. eCABS is owned and operated by ICSGlobal's UK licensee, MackenzieHealth Limited.

## **DIVIDENDS PAID AND RECOMMENDED**

The directors do not recommend the payment of a final dividend.

## **SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

No significant changes in the parent entity's state of affairs occurred during the financial year.

## **SUBSEQUENT EVENTS**

Subsequent to year end, the following significant events have occurred:

- On 12 July 2005, the economic entity announced that it had made a placement of 5,783,334 shares at an issue price of \$0.30, raising \$1.735 million.
- On 28 July 2005, the economic entity announced that THELMA has gone live in the British healthcare sector, providing the central B2B infrastructure for the electronic Claims and Billing System (eCABS™), a new bureau service in the UK that will electronically process the claims from consultants (ie medical specialists) in private practice, and collect payment on their behalf.

## **FUTURE DEVELOPMENTS**

Disclosure of information regarding likely developments in the operations of the economic entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the economic entity. Accordingly, this information has not been disclosed in this report.

## **ENVIRONMENTAL ISSUES**

The economic entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

## **INFORMATION ON DIRECTORS AND COMPANY SECRETARY**

The directors and company secretary have all been in office since the start of the financial year to the date of this report. The directors and company secretary in office are:

### **Dean A. Pritchard - Chairman and Non Executive Director**

Appointed as Chairman in 1999, Dean holds a Bachelor of Engineering Degree from the University of Adelaide. He is a director of OneSteel Limited, Zinifex Limited, Earing Energy and is chairman of Steel and Tube Holdings Limited (NZ). Dean was previously chief executive of Baulderstone Hornibrook.

### **Timothy J. Murray - Managing Director and Chief Executive Officer**

Tim is the founder of ICSGlobal and has led the economic entity since its inception in 1990. Tim is responsible for the overall management of ICSGlobal and for the development of the strategic direction of the business into the future. He holds a Bachelor of Civil Engineering degree and has successfully applied construction project management principles into the IT industry.

### **Geoffrey E. Lambert - Non Executive Director**

Geoff was appointed a director in 1999. He is currently chief executive of boutique investment house Byrne Lambert Woolf & Co. He holds a Master of Economics degree, is a Fellow of the Australian Institute of Company Directors and a member of the Securities Institute of Australia. He is currently a director of Wedgetail Exploration N.L., Investment Company of the West Limited, Plantcorp Limited, Stratatel Limited and Reward Minerals Limited. In the past three years he has also been director of QMASTOR Limited, Riversdale Mining Limited and Encos Limited.

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**Thomas Walther - Company Secretary**

Tom was appointed Company Secretary in 2000. Tom holds a Bachelor of Economics Degree from Macquarie University in Accounting and Finance and is an associate member of the Australian Society of CPAs. He was previously an accountant at Computer Power Group Ltd.

*Meeting Attendance Record of Each Director for the Financial Year*

Name	Board Meetings		Audit Committee Meetings		Nomination Committee		Remuneration Committee	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Dean A. Pritchard	12*	12	2	2	1*	1	2*	2
Timothy J. Murray	12	12	-	-	1	1	2	2
Geoffrey E. Lambert	12	12	2*	2	1	1	-	-

\*Non Executive Chairman

*Director Share and Option Holdings as at the Date of this Report*

Name	Number of Shares Held	Number of Options Held With An Exercise Price of \$0.25
Dean A. Pritchard	300,000*	100,000
Timothy J. Murray	12,048,333	-
Geoffrey E. Lambert	50,000*	100,000

\* Shares held by an entity associated with the director

**REMUNERATION REPORT**

This report details the nature and amount of remuneration for each director of ICSGlobal Limited and for the executives receiving the highest remuneration.

*Remuneration Policy*

The objective of the Remuneration Committee when determining the remuneration of each director and executive, is to reinforce the short and long term goals of the economic entity, and to provide a common interest between management and shareholders. Consideration is given to normal commercial rates of remuneration for similar levels of responsibility.

The remuneration policy of the Company has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the economic entity's financial results. The board believes that the remuneration policy is appropriate and effective in its ability to attract and retain the best executives and directors, to run and manage the economic entity, as well as create goal congruence between directors, executives and shareholders.

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the remuneration committee and approved by the board. All executives receive a base salary (which is based on factors such as qualifications, experience and performance), superannuation and options. The remuneration committee reviews executive packages twice a year by reference to the economic entity's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The policy is designed to attract the highest calibre of executives and reward them for their performance that results in long term growth in shareholder wealth.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Options are valued using the Black-Scholes methodology and will be expensed in future years in line with the requirements of the new International Financial Reporting Standards.

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The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The remuneration committee determines payments to non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability.

The maximum aggregate remuneration for all non executive directors of \$250,000 was approved by the shareholders at an annual general meeting held on 22 November 2002. Fees for non-executive directors are not linked to the performance of the economic entity. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and have previously been allocated options under the ICSGlobal Employee Option Plan.

The directors and executives receive a superannuation guarantee contribution required by the government. Some individuals have chosen to sacrifice part of their salary to increase payments toward superannuation. In July 2003, the directors made a decision to discontinue the non executive directors retirement benefits scheme. Accordingly, no benefits have been accrued since 30 June 2003. Amounts accrued under the scheme prior to 30 June 2003 will be payable to the respective non executive director upon their retirement.

#### *Performance Based Remuneration*

The performance of the board and employees is formally reviewed at least once per year. The performance of employees is a key factor in the determination of remuneration increases.

The Company has issued key staff with employee options which vest based on revenue and cashflow performance milestones. In the board's opinion, these performance milestones are aligned with the long term objectives of the business and are important to the economic entity's long term financial results. All directors and employees, except the managing director, are issued with options, which do not have performance criteria. These options vest over a three year period to encourage staff retention. Generally these options have been issued at an exercise price in excess of the share price as at the date of grant. During the financial year, the managing director and company secretary were issued with options that do not have performance criteria, the exercise price of these options is a significant premium to the current share price and hence acts as an incentive to improve the performance and share price of the Company.

The Company generally does not pay bonuses. In the 2004/05 financial year, the non executive directors remuneration did not include any performance based remuneration.

#### *Company Performance, Shareholder Wealth and Directors' and Executives' Remuneration*

The board is of the opinion that the remuneration of the board and executives is appropriate given the performance of the Company over the last five financial years.

Despite the losses in recent financial years, the Company has established a solid platform for the future by developing a good product, strong market position and retaining key staff.

#### *Directors and Specified Executives*

The directors and specified executives during the year are set out below. All directors and executives were employed by the economic entity for the full financial year.

- Mr Dean Pritchard – Non Executive Chairman
- Mr Tim Murray – Managing Director and Chief Executive Officer
- Mr Geoff Lambert – Non Executive Director
- Mr Lindsay Martin – Chief Financial Officer
- Ms Wendy Larson – Strategic Integration Director
- Ms Helen Sloan – Implementation Director
- Mr Michael Ford – Development Manager
- Mr Tom Walther – Company Secretary

#### *Employment Contracts of Directors and Executives*

Employment conditions are formalised in contracts of employment. Other than the Chief Executive Officer, all employment contracts stipulate a one month resignation notice period. Mr Murray's term of employment is ongoing

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until terminated by either party. The contract may be terminated at any time by Mr Murray giving the Company six months notice or by the Company giving Mr Murray six months notice or payment of cash in lieu of notice.

*Details of Remuneration*

The emoluments of each director and each of the five executive officers receiving the highest emoluments are as follows:

2005	Primary Benefit		Post Employment	Equity	Total	Value of Options as a Percentage of Total Remuneration		
	Salary	Director's Fees	Super-annuation	Value of Employee Options		No Performance Criteria	With Performance Criteria	Total
	\$	\$	\$	\$	\$			
<b>DIRECTORS</b>								
Mr D. Pritchard	-	90,002	8,100	247	98,349	0.3%	0.0%	0.3%
Mr T. Murray	300,141	-	11,585	-	311,726	0.0%	0.0%	0.0%
Mr G. Lambert	-	45,000	4,050	247	49,297	0.5%	0.0%	0.5%
	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL	300,141	135,002	23,735	494	459,372	0.1%	0.0%	0.1%
	=====	=====	=====	=====	=====	=====	=====	=====
<b>EXECUTIVE OFFICERS</b>								
Mr L. Martin	181,916	-	11,585	9,637	203,138	0.0%	4.7%	4.7%
Ms W. Larson	151,334	-	20,001	9,637	180,972	0.0%	5.3%	5.3%
Ms H. Sloan	125,917	-	11,585	30,900	168,402	6.1%	12.2%	18.3%
Mr M. Ford	125,668	-	11,585	25,538	162,791	1.8%	13.9%	15.7%
Mr T. Walther	93,350	-	8,401	5,314	107,065	1.3%	3.7%	5.0%
	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL	678,185	-	63,157	81,026	822,368	1.8%	8.1%	9.9%
	=====	=====	=====	=====	=====	=====	=====	=====

2004	Primary Benefit		Post Employment	Equity	Total	Value of Options as a Percentage of Total Remuneration		
	Salary	Director's Fees	Super-annuation	Value of Employee Options		No Performance Criteria	With Performance Criteria	Total
	\$	\$	\$	\$	\$			
<b>DIRECTORS</b>								
Mr D. Pritchard	-	90,002	8,100	590	98,692	0.6%	0.0%	0.6%
Mr T. Murray	274,703	-	30,002	-	304,705	0.0%	0.0%	0.0%
Mr G. Lambert	-	45,000	4,050	590	49,640	1.2%	0.0%	1.2%
	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL	274,703	135,002	42,152	1,180	453,037	0.3%	0.0%	0.3%
	=====	=====	=====	=====	=====	=====	=====	=====
<b>EXECUTIVE OFFICERS</b>								
Mr L. Martin	170,000	-	11,002	19,074	200,076	0.0%	9.5%	9.5%
Ms W. Larson	149,000	-	20,002	19,077	188,079	0.0%	10.1%	10.1%
Ms H. Sloan	122,191	-	8,251	43,498	173,940	4.1%	20.9%	25.0%
Mr M. Ford	111,335	-	10,166	7,745	129,246	0.0%	6.0%	6.0%
Mr T. Walther	89,221	-	8,030	7,744	104,995	0.0%	7.4%	7.4%
	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL	641,747	-	57,451	97,138	796,336	0.9%	11.3%	12.2%
	=====	=====	=====	=====	=====	=====	=====	=====

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The directors believe that the relative proportion of total remuneration that is subject to performance criteria, for each director and executive is appropriate.

The remuneration value of the employee options granted during the year to each director and executive was calculated using the Black Scholes methodology using a risk free interest rate of 5.5% (2004 5.25%), nil expected dividends, vesting criteria outlined above and in the notes to the financial statements and a volatility factor of 0.83 (2004 0.96) based on the 12 month historical standard deviation statistics published in March 2004 by the Australian Graduate School of Management. The directors believe that the historical standard deviation is an appropriate indicator for the likely future volatility of the economic entity's share price and that the remaining vesting criteria will be satisfied during the 2004/05 financial year.

## **OPTIONS GRANTED TO DIRECTORS AND EXECUTIVE OFFICERS**

Options that were granted over unissued shares during the financial year by the economic entity to directors or any of the five most highly remunerated officers as part of their remuneration are as follows:

### **Options Granted to Directors**

The following employee options were granted during the financial year to the directors as part of their remuneration:

- On 18 January 2005, the Board of Directors approved an allocation to Mr Murray of 1,000,000 options with an exercise price of 60 cents. The options can only be exercised after 22 December 2005. The options expire on 22 December 2009. This allocation is subject to shareholder approval, which will be sought at the next general meeting of the Company.

As the grant of these options is still subject to shareholder approval, they have not been included in Mr Murray's remuneration for the 2004/05 financial year.

### **Options Granted to Executive Officers:**

The following employee options were granted during the financial year to the five most highly remunerated executive officers as part of their remuneration:

- On 1 December 2004, the Board of Directors approved an allocation to Mr Walther of 100,000 options with an exercise price of 50 cents. The options expire on 1 December 2009. The options vest progressively from the date of grant as follows: 1/3 of options granted vest 12 months from the date of grant, 1/3 of options granted vest 24 months from the date of grant and the final 1/3 of the options granted vest 36 months from the date of grant. The options expire 5 years from the date of grant or within 30 days of Mr Walther leaving the economic entity, whichever is earlier.

The remuneration value of the employee options granted during the year to Mr Walther was calculated using the Black Scholes methodology using a risk free interest rate of 5.50%, nil expected dividends, vesting assumptions outlined above and in the notes to the financial statements and a volatility factor of 0.83 based on the 12 month historical standard deviation statistics published in March 2005 by the Australian Graduate School of Management.

Further details about the employee option plan are provided in note 20 to the financial statements.

## **OPTIONS**

130,666 (2004: 217,666) shares have been issued by virtue of the exercise of employee and other options during the year and to the date of this report. There are 2,876,671 (2004: 2,942,337) unissued ordinary shares for which options are outstanding at the date of this report.

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**Number Options held by Directors and Executive Officers**

	Balance 01/07/04	Granted in 2004/05	Options Exercised in 2004/05	Options that Expired in 2004/05	Balance as at 30/06/05	Total Exercisable as at 30/06/05	Total Unexer- cisable as at 30/06/05
<b>DIRECTORS</b>							
Mr D. Pritchard	250,000	-	-	(150,000)	100,000	100,000	-
Mr T. Murray	-	-	-	-	-	-	-
Mr G. Lambert	200,000	-	-	(100,000)	100,000	100,000	-
	-----	-----	-----	-----	-----	-----	-----
TOTAL	450,000	-	-	(250,000)	200,000	200,000	-
	=====	=====	=====	=====	=====	=====	=====
<b>EXECUTIVE OFFICERS</b>							
Mr L. Martin	525,000	-	-	-	525,000	275,000	250,000
Ms W. Larson	275,000	-	-	-	275,000	25,000	250,000
Ms H. Sloan	275,000	-	-	-	275,000	-	275,000
Mr M. Ford	76,668	175,000	-	-	76,668	76,668	175,000
Mr T. Walther	50,000	100,000	-	-	50,000	-	150,000
	-----	-----	-----	-----	-----	-----	-----
TOTAL	1,201,668	275,000	-	-	1,476,668	376,668	1,100,000
	=====	=====	=====	=====	=====	=====	=====

**Number of Shares held by Directors and Executive Officers**

	Balance as at 01/07/04	Options Exercised in 2004/05	On Market (Sale) / Purchase in 2004/05	Balance as at 30/06/05
<b>DIRECTORS</b>				
Mr D. Pritchard <sup>1</sup>	300,000	-	-	300,000
Mr T. Murray	12,048,333	-	-	12,048,333
Mr G. Lambert <sup>1</sup>	50,000	-	-	50,000
	-----	-----	-----	-----
TOTAL	12,398,333	-	-	12,398,333
	=====	=====	=====	=====
<b>EXECUTIVE OFFICERS</b>				
Mr L. Martin <sup>2</sup>	397,438	-	(108,581)	288,857
Ms W. Larson	60,605	-	-	60,605
Ms H. Sloan	30,000	-	-	30,000
Mr M. Ford	16,166	-	(16,166)	-
Mr T. Walther	32,334	-	(12,334)	20,000
	-----	-----	-----	-----
TOTAL	536,543	-	(137,081)	399,462
	=====	=====	=====	=====

<sup>1</sup> Shares held by an entity associated with the director

<sup>2</sup> Shares held by a related party of the executive officer

**AUDITOR INDEPENDENCE**

*Non Audit Services*

It is the economic entity's policy to employ PKF for assignments additional to their annual audit duties, when PKF's expertise and experience with the economic entity are important. These assignments are principally tax assignments (refer to table below) and the board of directors is satisfied that the auditor's independence is not compromised as a result of providing these non-audit services.

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
	\$	\$	\$	\$
The Auditor's provided the following services to the economic entity:				
Audit and review of financial reports	25,870	23,000	25,870	23,000
Tax returns – assistance	5,350	4,930	5,350	4,930
Tax advice	5,830	-	5,830	-
Audit of issuer sponsored share register	925	825	925	825
R & D tax concession offset claim - assistance	22,000	25,000	22,000	25,000
	-----	-----	-----	-----
Total Remuneration of Audit Firm	59,975	53,755	59,975	53,755
	=====	=====	=====	=====

*Declaration of Independence from the Auditor*

The lead auditor's independence declaration for the year ended 30 June 2005 has been received prior to signing the Directors' Declaration and can be found on page 10 of the Directors' Report.

**INDEMNIFYING OFFICERS AND AUDITORS**

During the 2005 financial year, the economic entity paid a premium in respect of a contract insuring the directors of the economic entity, the company secretary and all executive officers of the economic entity and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The economic entity has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the economic entity or of any related body corporate against a liability incurred as such an officer or auditor.

**PROCEEDINGS ON BEHALF OF COMPANY**

No person has applied for leave of Court to bring proceedings on behalf of the economic entity or intervene in any proceedings to which the economic entity is a party for the purpose of taking responsibility on behalf of the economic entity for all or any part of those proceedings.

The economic entity was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the board of directors:



.....  
 Dean Pritchard  
 Chairman  
 Dated this 19th day of August 2005



.....  
 Timothy Murray  
 Managing Director & Chief Executive Officer

**Lead auditor's independence declaration  
Under section 307C of the Corporations Act 2001**

To the Directors of ICS Global Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the year ended 30 June 2005, there have been:

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

*PKF*

**PKF**  
**Chartered Accountants & Business Advisers**

*Arthur Milner*

**Arthur Milner**  
**Partner**

**Sydney**  
**19 August 2005**

**Statement of Financial Performance**

**ICSGLOBAL LIMITED  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2005**

	NOTES	CONSOLIDATED		ICSGLOBAL LIMITED	
		2005	2004	2005	2004
		\$	\$	\$	\$
Revenues from ordinary activities	4	606,635	411,509	605,954	406,003
Expenses from ordinary activities					
Employee expenses		2,352,883	2,101,414	2,352,883	2,101,414
External Contractor expenses		194,125	206,918	194,125	206,918
Occupancy expenses		223,228	289,790	223,228	289,790
Computer expenses		151,917	155,769	151,917	155,769
Travel expenses		82,522	66,204	82,522	66,204
Marketing expenses		55,935	46,246	55,935	46,246
Depreciation		132,278	202,536	132,278	202,536
Other expenses		248,563	233,292	247,882	227,786
	5	3,441,451	3,302,169	3,440,770	3,296,663
Loss from ordinary activities before income tax		(2,834,816)	(2,890,660)	(2,834,816)	(2,890,660)
Income tax benefit relating to ordinary activities	6	355,321	330,778	355,321	330,778
Loss from ordinary activities after income tax		(2,479,495)	(2,559,882)	(2,479,495)	(2,559,882)
Total changes in equity other than those resulting from transactions with owners as owners	7	(2,479,495)	(2,559,882)	(2,479,495)	(2,559,882)
Earnings Per Share:					
Basic (cents per share)	18	(3.3)	(3.6)		
Diluted (cents per share)	18	(2.8)	(3.1)		

The above Statement of Financial Performance should be read in conjunction with the attached notes.

**Statement of Financial Position**

**ICSGLOBAL LIMITED  
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005**

	NOTES	CONSOLIDATED		ICSGLOBAL LIMITED	
		2005	2004	2005	2004
		\$	\$	\$	\$
<b>CURRENT ASSETS</b>					
Cash assets	16	741,105	902,339	734,446	898,112
Receivables	8	121,085	47,215	9,584	-
Other financial assets	9	-	-	-	-
Other assets	10	99,802	66,668	217,862	112,056
<b>TOTAL CURRENT ASSETS</b>		<b>961,992</b>	<b>1,016,222</b>	<b>961,892</b>	<b>1,010,168</b>
<b>NON-CURRENT ASSETS</b>					
Other financial assets	9	116,602	116,602	116,602	116,602
Other assets	10	-	-	100	100
Property, plant & equipment	11	178,534	282,414	178,534	282,414
<b>TOTAL NON-CURRENT ASSETS</b>		<b>295,136</b>	<b>399,016</b>	<b>295,236</b>	<b>399,116</b>
<b>TOTAL ASSETS</b>		<b>1,257,128</b>	<b>1,415,238</b>	<b>1,257,128</b>	<b>1,409,284</b>
<b>CURRENT LIABILITIES</b>					
Payables	12	301,319	184,427	301,319	178,473
Provisions	13	126,256	124,390	126,256	124,390
<b>TOTAL CURRENT LIABILITIES</b>		<b>427,575</b>	<b>308,817</b>	<b>427,575</b>	<b>302,863</b>
<b>NON-CURRENT LIABILITIES</b>					
Payables	12	25,929	21,116	25,929	21,116
Provisions	13	148,974	109,630	148,974	109,630
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>174,903</b>	<b>130,746</b>	<b>174,903</b>	<b>130,746</b>
<b>TOTAL LIABILITIES</b>		<b>602,478</b>	<b>439,563</b>	<b>602,478</b>	<b>433,609</b>
<b>NET ASSETS</b>		<b>654,650</b>	<b>975,675</b>	<b>654,650</b>	<b>975,675</b>
<b>EQUITY</b>					
Contributed equity	17	18,724,760	16,566,290	18,724,760	16,566,290
Accumulated Losses	7	(18,070,110)	(15,590,615)	(18,070,110)	(15,590,615)
<b>TOTAL EQUITY</b>		<b>654,650</b>	<b>975,675</b>	<b>654,650</b>	<b>975,675</b>

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

**Statement Cash Flows**

**ICSGLOBAL LIMITED  
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2005**

	NOTES	CONSOLIDATED		ICSGLOBAL LIMITED	
		2005	2004	2005	2004
		\$	\$	\$	\$
<b>Cash flows from operating activities</b>					
Receipts from customers		480,020	401,695	-	203,170
Receipts from related entities		-	-	442,000	222,897
Payments to suppliers and employees		(3,220,916)	(3,133,489)	(3,185,181)	(3,160,692)
Interest received		94,269	93,768	94,122	93,691
R & D income tax received		355,321	330,778	355,321	330,778
Net cash provided by/(used in) operating activities	16	(2,291,306)	(2,307,248)	(2,293,738)	(2,310,156)
<b>Cash flows from investing activities</b>					
Refund of rental term deposit		-	39,598	-	39,598
Payment for property, plant and equipment		(28,398)	(19,764)	(28,398)	(19,764)
Proceeds from sale of property, plant and equipment		-	822	-	822
Net cash provided by/(used in) investing activities		(28,398)	20,656	(28,398)	20,656
<b>Cash flows from financing activities</b>					
Proceeds from issue of shares		2,158,470	1,790,289	2,158,470	1,790,289
Net cash provided by/(used in) financing activities		2,158,470	1,790,289	2,158,470	1,790,289
Net increase (decrease) in cash held		(161,234)	(496,303)	(163,666)	(499,211)
Cash at beginning of the year	16	902,339	1,398,642	898,112	1,397,323
<b>Cash at the end of the year</b>	16	<b>741,105</b>	<b>902,339</b>	<b>734,446</b>	<b>898,112</b>

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

Note 1 - Summary of Accounting Policies

**Financial Reporting Framework**

The financial report is a general purpose financial report which 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.

The financial report covers the economic entity of ICSGlobal Limited and its controlled entities, and ICSGlobal Limited as an individual parent entity. ICSGlobal Limited is a listed public company, incorporated and domiciled in Australia.

**Basis of Accounting**

The Financial Statements have been prepared on an accruals basis and is based on historical costs and, except where stated, does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The financial report has been prepared on basis that the economic entity is a going concern.

**Significant Accounting Policies**

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

**Principles of Consolidation**

The consolidated Financial Statements have been prepared by combining the Financial Statement of all the entities that comprise of the consolidated entity, being the Company (the parent entity) and its controlled entities. Control exists where ICSGlobal Limited has the capacity to dominate decision making in relation to the operating policies of another entity so that the other entity operates with ICSGlobal Limited to achieve the objectives of ICSGlobal Limited. A list of controlled entities appears in Note 23 to the Financial Statements. Consistent accounting policies are employed in the preparation and presentation of the consolidated Financial Statements.

The consolidated Financial Statements include the information and results of each controlled entity from the date on which the company obtains control and until such time as the Company ceases to control such entity. In preparing the consolidated Financial Statements, all intercompany balance and transactions, and unrealised profits arising within the consolidated entity have been eliminated in full.

**Recoverable Amounts**

The carrying amounts of non-current assets do not exceed the net amounts that are expected to be recovered through the cash inflows and outflows arising from the continued use and subsequent disposal of the assets. The expected net cash flows included in determining the recoverable amounts have not been discounted to their present value.

Where a group of assets work together to generate net cash inflows the recoverable amount test is applied to that group of assets.

## ICSGLOBAL LIMITED

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

#### ***THELMA Development Costs***

All internal and external costs associated with the development of THELMA have been expensed. The only costs associated with THELMA that have been capitalised are any software licences or hardware purchased from external third parties.

#### ***Revenue Recognition***

##### a) THELMA Subscription Revenue

THELMA users are charged either an annual or monthly subscription fee. This fee is non refundable. Subscription fees are billed in accordance with the terms and conditions of the THELMA User Agreement signed by each customer. THELMA subscription fees are recognised as revenue when billed.

##### b) THELMA Transaction Revenue

THELMA transaction revenue is generated by customers using the THELMA service. Transaction fees are recognised as revenue in the month that the transaction occurs.

##### c) THELMA Implementation and Health Consulting Services

This work is generally performed on a time and materials basis and is therefore recognised as revenue in the month that the work is performed.

Where work is performed on a fixed price basis and the outcome of the contract to provide services can be estimated reliably, revenue is recognised when the contracted obligations of the company have been performed or by reference to the percentage of the services performed, which ever is appropriate to the particular type of contract.

##### d) Interest revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

#### ***Goods and Services Tax***

Revenues, 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of the expense. Receivable and payables in the Statement of Financial Position are shown inclusive of GST.

#### ***Income Tax***

Income tax has been brought to account using a method of tax effect accounting whereby income tax expense for the period is calculated on the accounting profit after adjusting for items which, as a result of their treatment under income tax legislation, create permanent differences between that profit and the taxable income.

A future income tax benefit is only carried forward as an asset where realisation of the benefit can be regarded as being assured beyond reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

#### ***Receivables***

Trade accounts receivable, are recorded as the principal amount due at balance date less, where applicable, any provision for doubtful accounts. Revenue from overseas customers is billed and receivable in Australian Dollars.

## ICSGLOBAL LIMITED

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

#### ***Property, Plant and Equipment***

Property, plant and equipment are carried at cost, less, where applicable, any accumulated depreciation.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets employment and subsequent disposal. Expected net cash flows have not been discounted to present value in determining recoverable amount.

The depreciable amount of all fixed assets is depreciated, using the straight-line method, over their useful lives to the economic entity commencing from the time the asset is held ready for use. The annual depreciation rates used for each class of assets are:

<b>Class of Fixed Asset</b>	<b>Annual Depreciation Rate</b>
Leasehold Improvements	33%
Computer Hardware and Software	27%
Furniture and Fittings	33%

#### ***Operating Leases***

Operating lease payments are charged as an expense in the Statement of Financial Performance on a basis which is representative of the pattern of benefits derived from the leased property. Operating lease incentives are expensed over the term of the lease.

#### ***Accounts Payable***

Accounts payable represent the principal amounts outstanding at balance date plus, where applicable, any accrued interest.

#### ***Employee Entitlements***

The following liabilities arising in respect of employee entitlements are measured at their nominal amounts:

- Wages and salaries and annual leave regardless whether they are expected to be settled within twelve months of balance date.
- Other employee entitlements which are expected to be settled within twelve months of balance date.

All other employee entitlements, including long service leave, are measured at the present value of the estimated future cash outflows in respect of services provided up to balance date. Liabilities are determined after taking into consideration estimated future increase in wages and salaries and past experience regarding staff departures. Related on-costs are included in the calculation of the liability.

#### ***Employee Option Plan***

Details of the ICSGlobal Employee Option Plan are set out in Note 20.

Options issued under the plan are not recognised in the Financial Statements until exercised, at which time contributions are recognised as equity.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

**Note 2 – Australian International Financial Reporting Standards (AIFRS)**

Australian equivalents to International Financial Reporting Standards (AIFRS) will be adopted in the financial report for the year ending 30 June 2006 and the comparative information presented in that report for the year ending 30 June 2005. In preparation for the transition, opening balances as at 1 July 2004 for the comparative year ending 30 June 2005 will be converted to AIFRS in accordance with new accounting standard AASB 1 “First Time Adoption of Australian International Financial Reporting Pronouncements”.

The transition to AIFRS is being managed by ensuring that all relevant staff are appropriately trained and understand the new accounting standards. Senior qualified accounting staff have conducted a review to assess the likely financial impacts that the adoption of AIFRS will have on the financial position and financial performance of the economic entity.

The outcome of this review is the economic entity's believes that the adoption of AIFRS will have a minimal impact on the reported financial position and financial performance of the economic entity.

Following is a summary of the assessment from that review:

***Revenue Recognition***

The introduction of this standard will not result in a change to the revenue recognition policies of the economic entity.

***Property, Plant & Equipment***

The introduction of an impairment test will not have a significant impact on the economic entity.

***Research and Development***

The introduction of this standard will not have a significant impact on the economic entity the entity intends to continue to apply its conservative policy of expensing all internal research and development costs.

***Share Based Payments***

The economic entity currently engages in the practice of allocating to its employee's options as part of their remuneration packages. AASB 2 “Share Based Payments” requires that these payments be measured. The company values employee options at the date of grant using the Black Scholes methodology. This amount will be expensed in the Statement of Financial Performance. Where the grant date and the vesting date are different, the total expenditure calculated will be allocated between the two dates taking into account the terms and conditions attached to the instruments and the counterparties as well as management's assumptions about probabilities of payments and compliance with and attainment of the set out terms and conditions.

***Income Tax***

Potential future income tax benefits attributable to tax losses have not been brought to account, because the directors do not believe it is appropriate to regard realisation of the future income tax benefit as virtually certain. The introduction of AIFRS will not have a significant impact on this treatment.

ICSGLOBAL LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

**AIFRS Reconciliation to Australian Accounting Standards**

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
<b>Reconciliation of loss from ordinary activities after income tax</b>				
Loss reported under Australian Accounting Standards	(2,479,495)	(2,559,882)	(2,479,495)	(2,559,882)
Key transitional adjustments:				
Recognition of employee options expense	(82,921)	(88,799)	(82,921)	(88,799)
	-----	-----	-----	-----
Loss under AIFRS	(2,562,416)	(2,648,681)	(2,562,416)	(2,648,681)
	=====	=====	=====	=====
<b>Reconciliation of equity</b>				
Total equity reported under Australian Accounting Standards	654,650	975,675	654,650	975,675
Increase in 2004 year loss resulting from transition to AIFRS	(88,799)	(88,799)	(88,799)	(88,799)
Increase in 2005 year loss resulting from transition to AIFRS	(82,921)	-	(82,921)	-
	-----	-----	-----	-----
Total equity under AIFRS	482,930	886,876	482,930	886,876
	=====	=====	=====	=====

**Note 3 - Events Subsequent to Reporting Date**

Subsequent to year end, the following significant events have occurred:

- On 12 July 2005, the economic entity announced that it had made a placement of 5,783,334 shares at an issue price of \$0.30, raising \$1.735 million.
- On 28 July 2005, the economic entity announced that THELMA has gone live in the British healthcare sector, providing the central B2B infrastructure for the electronic Claims and Billing System (eCABS™), a new bureau service in the UK that will electronically process the claims from consultants (ie medical specialists) in private practice, and collect payment on their behalf.

**ICSGlobal LIMITED**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004**

**Note 4 - Revenues from Ordinary Activities**

	<b>Consolidated</b>		<b>ICSGlobal Limited</b>	
	2005	2004	2005	2004
	\$	\$	\$	\$
Operating revenue:				
Transaction revenue from external parties	211,759	83,924	-	-
Hospital and fund annual and other fees from external parties	163,769	124,139	-	-
Transaction fees, hospital and fund annual fees and other fees from Thelma Pty Ltd	-	-	503,119	202,634
Other consulting revenue	136,838	109,678	8,713	109,678
	-----	-----	-----	-----
	512,366	317,741	511,832	312,312
	=====	=====	=====	=====
Non-operating revenue:				
Interest – other	94,269	93,768	94,122	93,691
	-----	-----	-----	-----
Total Revenue	606,635	411,509	605,954	406,003
	=====	=====	=====	=====

**Note 5 - Expenses from Ordinary Activities**

	<b>Consolidated</b>		<b>ICSGlobal Limited</b>	
	2005	2004	2005	2004
	\$	\$	\$	\$
Significant expense categories:				
External contractors	194,125	206,918	194,125	206,918
Salary and wages	1,979,995	1,827,362	1,979,995	1,827,362
Superannuation	164,812	167,970	164,812	167,970
Salary on costs	172,143	132,786	172,143	132,786
Staff recruitment costs	35,933	110	35,933	110
Marketing	55,935	46,246	55,935	46,246
Computer costs	151,917	155,769	151,917	155,769
Travel	82,522	66,204	82,522	66,204
Insurance	66,139	47,485	66,139	47,485
Communications	25,334	37,235	25,334	37,235
Gain on disposal of fixed assets	-	(822)	-	(822)
General operating costs	157,090	117,754	156,409	117,074
Lease rental expense	223,228	261,636	223,228	261,636
Lease incentive expense	-	28,154	-	28,154
Bad debts expensed	-	4,826	-	-
Depreciation of leasehold improvements	-	8,409	-	8,409
Depreciation of computer equipment	132,278	189,549	132,278	189,549
Depreciation of furniture and fittings	-	4,578	-	4,578
	-----	-----	-----	-----
Total Expenses From Ordinary Activities	3,441,451	3,302,169	3,440,770	3,296,663
	=====	=====	=====	=====

ICSGlobal Limited

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

Note 6 - Income Tax

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
	\$	\$	\$	\$
The amount provided in respect of income tax differs from the amount prima facie payable on operating profit. The difference is reconciled as follows:				
Prima facie tax on operating loss (@ 30%)	(850,445)	(867,198)	(850,445)	(867,198)
	-----	-----	-----	-----
Add tax effect of:				
Non Allowable Deductions:				
Entertainment	1,339	2,040	1,339	2,040
Legal Fees	3,892	1,270	3,892	1,270
R & D claimed	284,257	267,000	284,257	267,000
Current year losses not recognised	560,957	596,888	560,957	596,888
	-----	-----	-----	-----
Income Tax Attributable To Operating Profit	-	-	-	-
	=====	=====	=====	=====
Income Tax Revenue From R & D Claim	355,321	330,778	355,321	330,778
	=====	=====	=====	=====

Potential future income tax benefits attributable to tax losses carried forward amounting to \$4,761,082 at 30%. (2004: \$4,200,125 at 30%) have not been brought to account because the directors do not believe it is appropriate to regard realisation of the future income tax benefit as virtually certain. These benefits will only be obtained if:

- The economic entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised;
- The economic entity continues to comply with the conditions for deductibility imposed by law; and
- No changes in tax legislation adversely affect the economic entity in realising the benefit from the deductions for the loss.

The balance of the franking account as at 30 June 2005 was as a credit of \$79,407 (2004: \$79,407).

**ICSGLOBAL LIMITED**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004**

**Note 7 - Accumulated Losses**

	<b>Consolidated</b>		<b>ICSGlobal Limited</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Accumulated losses:				
Balance of accumulated losses at beginning of year	(15,590,615)	(13,030,733)	(15,590,615)	(13,030,733)
Net loss attributable to members of the parent entity	(2,479,495)	(2,559,882)	(2,479,495)	(2,559,882)
	-----	-----	-----	-----
<b>Balance Of Accumulated Losses At Year End</b>	<b>(18,070,110)</b>	<b>(15,590,615)</b>	<b>(18,070,110)</b>	<b>(15,590,615)</b>
	=====	=====	=====	=====

**Note 8 - Receivables**

	<b>Consolidated</b>		<b>ICSGlobal Limited</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>				
Trade accounts receivable	121,085	47,215	9,584	-
Less Provision for doubtful debts	-	-	-	-
	-----	-----	-----	-----
<b>Total Receivables – Current</b>	<b>121,085</b>	<b>47,215</b>	<b>9,584</b>	<b>-</b>
	=====	=====	=====	=====

**Note 9 – Other Financial Assets**

	<b>Consolidated</b>		<b>ICSGlobal Limited</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>NON CURRENT</b>				
Term deposit*	116,602	116,602	116,602	116,602
	-----	-----	-----	-----
<b>Total Other Financial Assets – Non Current</b>	<b>116,602</b>	<b>116,602</b>	<b>116,602</b>	<b>116,602</b>
	=====	=====	=====	=====

\*This term deposit is a standard commercial guarantee relating to the lease of the premises used as the principal place of business and registered office of the economic entity.

ICSGLOBAL LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

Note 10 - Other Assets

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
	\$	\$	\$	\$
<b>CURRENT</b>				
Prepayments	75,315	50,134	75,315	50,134
Receivable from THELMA Pty Ltd	-	-	106,507	45,388
GST Refund	24,487	16,534	36,040	16,534
	-----	-----	-----	-----
Total Other Assets – Current	99,802	66,668	217,862	112,056
	=====	=====	=====	=====
<b>NON CURRENT</b>				
Other – Investment in Subsidiary	-	-	100	100
	-----	-----	-----	-----
Total Other Assets – Non Current	-	-	100	100
	=====	=====	=====	=====

ICSGLOBAL LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

Note 11 - Property, Plant and Equipment

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
	\$	\$	\$	\$
<b>NON CURRENT</b>				
Leasehold improvements				
At cost	250,055	250,055	250,055	250,055
Accumulated depreciation	(250,055)	(250,055)	(250,055)	(250,055)
	-----	-----	-----	-----
	-	-	-	-
	-----	-----	-----	-----
Office Furniture & Equipment				
At cost	134,416	134,416	134,416	134,416
Accumulated depreciation	(124,415)	(124,415)	(124,415)	(124,415)
	-----	-----	-----	-----
	10,001	10,001	10,001	10,001
	-----	-----	-----	-----
Computer Equipment				
At cost	842,599	881,849	842,599	881,849
Accumulated depreciation	(674,066)	(609,436)	(674,066)	(609,436)
	-----	-----	-----	-----
	168,533	272,413	168,533	272,413
	-----	-----	-----	-----
	-----	-----	-----	-----
Net Book Value of Property, Plant & Equipment	178,534	282,414	178,534	282,414
	=====	=====	=====	=====

ICSGLOBAL LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

Economic Entity and Parent Entity: 2005	Leasehold Improvements	Office Furniture and Equipment	Computer Equipment	Total
	\$	\$	\$	\$
Balance at the beginning of year	-	10,001	272,413	282,414
Additions	-	-	28,398	28,398
Disposals (Net Book Value)	-	-	-	-
Depreciation expense	-	-	(132,278)	(132,278)
	-----	-----	-----	-----
Carrying Amount At The End Of Year	-	10,001	168,533	178,534
	=====	=====	=====	=====

Note 12 – Accounts Payable

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
	\$	\$	\$	\$
<b>CURRENT</b>				
Trade creditors	229,484	103,163	229,484	97,209
Sundry creditors and accruals	58,871	74,226	58,871	74,226
Office rent free period incentive	12,964	7,038	12,964	7,038
	-----	-----	-----	-----
Total Accounts Payable – Current	301,319	184,427	301,319	178,473
	=====	=====	=====	=====
<b>NON CURRENT</b>				
Office rent free period incentive	25,929	21,116	25,929	21,116
	-----	-----	-----	-----
Total Accounts Payable – Non Current	25,929	21,116	25,929	21,116
	=====	=====	=====	=====

ICSGlobal Limited

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004

Note 13 - Provisions

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
	\$	\$	\$	\$
<b>CURRENT</b>				
Employee annual leave entitlements	126,256	124,390	126,256	124,390
	-----	-----	-----	-----
Total Provisions – Current	126,256	124,390	126,256	124,390
	=====	=====	=====	=====
<b>NON CURRENT</b>				
Employee long service leave entitlements	48,830	9,486	48,830	9,486
Directors retirement benefits	100,144	100,144	100,144	100,144
	-----	-----	-----	-----
Total Provisions – Non Current	148,974	109,630	148,974	109,630
	=====	=====	=====	=====

Note 14 – Commitments and Contingencies

**Operating Leases**

The economic entity has two operating leases which have not been capitalised in the Financial Statements.

Details of the operating leases are as follows:

Lease	Cancellable	Term	Payments In Advance	Option To Renew	Allow For Sub-Letting
Registered Office	No	30 June 2008	Yes	No	Yes
Data Centre Hosting	No	3 February 2006	No	Yes	No

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
	\$	\$	\$	\$
Payable:				
Not later than 1 year	288,852	251,544	288,852	251,544
Later than 1 year but not later than 5 years	553,134	729,391	553,134	729,391
	-----	-----	-----	-----
Total Operating Lease Commitments	841,986	980,935	841,986	980,935
	=====	=====	=====	=====

ICSGLOBAL LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

Note 15 – Financial Instruments

**Interest Rate Risk**

Exposure to Interest Rate risks or financial rate risks on financial assets and liabilities of the economic entity (ie consolidated entity) are summarised as follows:

<b>Economic Entity</b>	<b>Non Interest Bearing</b>	<b>Floating Interest Rate</b>	<b>Total</b>
	<b>2005</b>	<b>2005</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>			
Cash	-	741,105	741,105
Term deposit	-	116,602	116,602
Receivables	121,085	-	121,085
Other assets	99,802	-	99,802
	-----	-----	-----
Total Financial Assets	220,887	857,707	1,078,594
	=====	=====	=====
<b>Financial Liabilities</b>			
Accounts payable	301,319	-	301,319
	-----	-----	-----
Total Financial Liabilities	301,319	-	301,319
	=====	=====	=====
Weighted Average Interest Rate	N/A	5.3%	

<b>Economic Entity</b>	<b>Non Interest Bearing</b>	<b>Floating Interest Rate</b>	<b>Total</b>
	<b>2004</b>	<b>2004</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>			
Cash	-	902,339	902,339
Term deposit	-	116,602	116,602
Receivables	47,215	-	47,215
Other assets	66,668	-	66,668
	-----	-----	-----
Total Financial Assets	113,883	1,018,941	1,132,824
	=====	=====	=====
<b>Financial Liabilities</b>			
Accounts payable	184,427	-	184,427
	-----	-----	-----
Total Financial Liabilities	184,427	-	184,427
	=====	=====	=====
Weighted Average Interest Rate	N/A	4.9%	

**ICSGLOBAL LIMITED**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004**

**Credit Risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions, as disclosed in the Statement of Financial Position and Notes to the Financial Statements. The economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity. Revenue from overseas customers is billed and receivable in Australian Dollars.

**Note 16 – Reconciliation of Cash Flows**

**Reconciliation of Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments with terms of less than 90 days. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the statements of financial position as follows:

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
	\$	\$	\$	\$
Cash	741,105	902,339	734,446	898,112
	=====	=====	=====	=====

On 4 July 2005, a further rent guarantee of \$24,203 was provided in connection with additional office space leased by the company just prior to year end.

**Reconciliation Of Net Cash Provided By/(Used In) Operating Activities To Operating Loss After Income Tax**

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
	\$	\$	\$	\$
Operating profit/loss after income tax	(2,479,495)	(2,559,882)	(2,479,495)	(2,559,882)
Depreciation	132,278	202,536	132,278	202,536
Gain on sale of equipment	-	(822)	-	(822)
(Increase)/Decrease in trade debtors	(73,870)	51,840	(9,584)	82,524
(Increase)/Decrease in other assets	(7,953)	(1,123)	(80,625)	(2,119)
(Increase)/Decrease in prepayments	(25,181)	26,489	(25,181)	26,489
Increase/(Decrease) in accounts payable	121,705	(16,551)	127,659	(49,147)
Increase/(Decrease) in employee entitlements	41,210	(9,735)	41,210	(9,735)
	=====	=====	=====	=====
Net Cash Provided By/(Used) In Operating Activities	(2,291,306)	(2,307,248)	(2,293,738)	(2,310,156)
	=====	=====	=====	=====

**ICSGlobal Limited**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005**

**Note 17 - Contributed Equity**

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
			\$	\$
Issued Capital: Ordinary Shares fully paid	18,724,760	16,566,290	18,724,760	16,566,290
	=====	=====	=====	=====

Economic Entity	Number of Shares	Number of Shares	\$	\$
	2005	2004	2005	2004
Ordinary Shares at beginning of the financial year	70,387,362	64,664,967		
Opening Capital			16,566,290	14,776,001
Shares issued during the year / Proceeds of Capital Raising:				
Employee options exercised on 7 July 2003 @ \$0.25 each		8,333		2,083
Shares placed on 7 August 2003 @ \$0.38 each		4,747,369		1,804,000
Employee options exercised on 3 October 2003 @ \$0.25 each		148,335		37,084
Employee options exercised on 2 December 2003 @ \$0.25 each		60,998		15,250
Shares issued to Medibank Private Limited on 30 April 2004 @ \$0.00 each		757,360		-
Shares placed on 19 August 2004 @ \$0.33 each	6,515,150		2,150,000	
Options exercised on 22 October 2004 @ \$0.20 each	500,000		100,000	
Employee options exercised on 8 December 2004 @ \$0.25 each	95,666		23,916	
Employee options exercised on 22 March 2005 @ \$0.25 each	35,000		8,750	
Capital Raising Expenses			(124,196)	(68,128)
	-----	-----	-----	-----
Total Shares On Issue / Closing Balance	77,533,178	70,387,362	18,724,760	16,566,290
	=====	=====	=====	=====

The movement schedule for the parent entity is identical to the movement schedule for the economic entity.

**ICSGlobal Limited**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004**

**Note 18 - Earnings Per Share**

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
	\$	\$	\$	\$
Basic earnings per share	(3.3) cents	(3.6) cents	(3.3) cents	(3.6) cents
Diluted earnings per share	(2.8) cents	(3.1) cents	(2.8) cents	(3.1) cents
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	76,341,148	69,147,091	76,341,148	69,147,091
Add:				
Employee Options	2,876,671	2,942,337	2,876,671	2,942,337
Medibank Options	9,027,724	9,027,724	9,027,724	9,027,724
Other Options	-	600,000	-	600,000
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted earnings per share	88,245,543	81,717,152	88,245,543	81,717,152
Earnings used to calculate basic EPS & fully diluted EPS	(2,479,495)	(2,559,882)	(2,479,495)	(2,559,882)

**Note 19 – Auditor’s Remuneration**

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
	\$	\$	\$	\$
The Auditor’s provided the following services to the economic entity:				
Audit and review of financial reports	25,870	23,000	25,870	23,000
Tax returns – assistance	5,350	4,930	5,350	4,930
Tax advice	5,830	-	5,830	-
Audit of issuer sponsored share register	925	825	925	825
R & D tax concession offset claim - assistance	22,000	25,000	22,000	25,000
	=====	=====	=====	=====
Total Remuneration of Audit Firm	59,975	53,755	59,975	53,755
	=====	=====	=====	=====

It is the economic entity’s policy to employ PKF for assignments additional to their annual audit duties, when PKF’s expertise and experience with the economic entity are important. These assignments are principally tax compliance assignments and the board of directors are satisfied that the auditor’s independence is not compromised as a result of these non-audit services performed.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

Note 20 – Employee Option Plan

The object of the ICSGlobal Employee Option Plan is to provide employees of ICSGlobal with the opportunity to acquire an ownership interest in ICSGlobal by way of options to acquire unissued ordinary shares in ICSGlobal. The ICSGlobal Employee Option Plan is to be administered by the board of directors (although the directors may delegate these functions and powers) in accordance with the Rules of the ICSGlobal Employee Option Plan ('Plan Rules')

Each option issued under the ICSGlobal Employee Option Plan confers an entitlement to subscribe for and be issued one ordinary share in the capital of ICSGlobal.

Under the Plan Rules, the directors determine the identity of employee to be granted options, the number, exercise price and any other terms relating to the options which are fair and reasonable (but not inconsistent with the Plan Rules). No amount is payable on the grant of an option to an eligible employee. The consideration given by an eligible employee for a grant of options will be the services to be provided by the employee to ICSGlobal.

No option may be issued under the Plan Rules if:

- Immediately after such issue, the employee would own (legally or beneficially) or control the exercise or voting power attached to more than 5% of all ICSGlobal's ordinary shares then on issue;
- To do so would contravene the Constitution, the Corporations Act, 2001, the Listing Rules or any other applicable law of a jurisdiction in which ICSGlobal is registered or incorporated or, with respect to a participating employee, any other applicable law of the jurisdiction in which that employee resides.

Unless determined otherwise by the directors and notified to the shareholders of ICSGlobal, the directors may not issue options under the Plan Rules if the number of options on issue, which are capable of exercise under the Plan Rules, represent, at any one time, more than 10% of the total number of ICSGlobal's ordinary shares then on issue.

Subject to the Listing Rules, the ICSGlobal Employee Option Plan may be amended by the board of directors at any time.

In respect of ordinary shares to which an option relates, option holders may not participate in a new issue of securities to holders of ordinary shares, bonus issues of ordinary shares (or other securities to existing shareholders) or any issue by ICSGlobal of ordinary shares pro rata to existing shareholders unless the relevant option has been exercised and ordinary shares issued to the employee before the record date for determining entitlements to the issue.

If there is a reconstruction of the issued shares in ICSGlobal, the number of options to which a participating employee is entitled will be reconstructed as required by the Listing Rules in a manner which will not result in any benefits being conferred on the employee which are not conferred on shareholders. If a takeover bid is made to acquire some or all of the issued shares in ICSGlobal or a Court sanctioned compromise or arrangement is made which, if implemented, would result in a change in the legal or beneficial interest of 50% or more of the issued shares in ICSGlobal or would result in 50% or more of the issued shares in ICSGlobal being controlled by one entity, participating employees may either exercise their options or must exercise their options, as set out in a change of control notice to be issued by the board of directors.

Shares allotted under the ICSGlobal Employee Option Plan will rank equally with all other issued ordinary shares in ICSGlobal, subject to the Plan Rules. ICSGlobal Limited will not seek quotation on the ASX of any options issued under the ICSGlobal Employee Option Plan.

ICSGlobal will meet all expenses of the ICSGlobal Employee Option Plan (except any tax liability payable in connection with the issue and allotment of shares pursuant to an exercise of an option by a participating employee or any other dealings with the options or shares). The ICSGlobal Employee Option Plan may be terminated or suspended by the board of directors at any time provided such action does not affect or prejudice the rights of participating employees.

**ICSGLOBAL LIMITED**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2004**

Options granted to staff generally fall into the following three categories:

Type 1:

- Options granted that are exercisable 12 months from the date of grant in respect of 1/3 of options granted, 24 months from date of grant in respect of 1/3 of options granted and 36 months from the date of grant in respect of 1/3 of options granted. Options expire 5 years from the date of grant. All staff are allocated this type of option. The number of options granted to each staff members and the exercise price varies.

Type 2:

- Options with an exercise price of twenty five cents will be granted upon the achievement of two revenue based performance milestones. These options have been granted to key staff. The number granted to each staff members varies.

Type 3:

- Options with an exercise price of ten cents granted to to key staff, which vest upon the economic entity being cashflow positive for a quarter.

***Employee Options Issued But Not Exercised As At 30 June 2005***

	Price	Number	Dates Granted
Type 1: Standard options	\$0.25	736,671	Various dates between 08/08/2000 to 01/07/2003
	\$0.25	100,000	20/10/2003
	\$0.50	950,000	01/12/2004
	\$0.25	65,000	23/12/2004
Type 2: Revenue milestones	\$0.25	150,000	24/01/2003
	\$0.25	75,000	20/10/2003
	\$0.25	75,000	23/12/2004
Type 3: Cashflow milestone	\$0.10	200,000	24/01/2003
	\$0.10	425,000	07/07/2003
	\$0.10	100,000	20/10/2003

The closing price of the Company's shares on the Australian Stock Exchange on 30 June 2005 was thirty three and a half cents.

***Reconciliation of Number of Employee Options Available under the Plan***

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
Maximum Number of Employee Options Available under the Plan	7,753,317	7,038,736	7,753,317	7,038,736
Number of Options Issued but not exercised	2,876,671	2,942,337	2,876,671	2,942,337
Number of Unallocated Employee Options	4,876,646	4,096,399	4,876,646	4,096,399
	=====	=====	=====	=====

**ICSGlobal Limited**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005**

***Movement in Number of Issued Employee Options***

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
Opening Balance – Number of Options	2,942,337	2,760,003	2,942,337	2,760,003
Number of Options Issued	1,415,000	700,000	1,415,000	700,000
Number of Options Exercised	(130,666)	(217,666)	(130,666)	(217,666)
Number of Options Cancelled	(1,350,000)	(300,000)	(1,350,000)	(300,000)
	-----	-----	-----	-----
Closing Balance – Number of Options	2,876,671	2,942,337	2,876,671	2,942,337
	=====	=====	=====	=====

**Note 21 – Related Party Transactions**

During the year ICSGlobal Limited received transaction fees, annual fees and other fees from Thelma Pty Ltd of \$503,119 (2004: \$202,634). The balance of the Thelma Pty Ltd loan account as at 30 June 2005 was a net amount receivable by ICSGlobal Limited of \$106,507 (2004: \$45,388).

**Note 22 – Segment Information**

ICSGlobal's core business is the ownership and operation of THELMA and the provision of services to the health industry from Australia.

**Note 23 – Controlled Entities**

Name of Entity	Country of Incorporation	Ownership Interest	
		2005	2004
Parent Company: ICSGlobal Limited	Australia		
Controlled Entity: EziBill Pty Ltd	Australia	100 %	Not applicable
Controlled Entity: Thelma Pty Ltd	Australia	100 %	100 %

On 12 July 2004, the economic entity registered EziBill Pty Ltd, a new 100% owned subsidiary of ICSGlobal Limited.

**Note 24 – Company Details**

***Registered Office and Principal Place of Business***

26<sup>th</sup> Floor, 201 Kent Street  
SYDNEY NSW 2000

***Number of Employees***

	Consolidated		ICSGlobal Limited	
	2005	2004	2005	2004
Number of employees as at 30 June	18	18	18	18
	=====	=====	=====	=====

## **Directors' Declaration**

In the opinion of the directors of ICSGlobal Limited:

- (a) The accompanying financial statements and notes are in accordance with the Corporations Act, 2001, comply with the accounting standards and give a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2005 and of their performance for the year ended on that date.
- (b) At the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (c) The directors have been given the declarations by the chief executive officer and chief financial officer required by Section 295A.

Signed in accordance with a resolution of the directors.



Dean Pritchard  
Chairman

Dated this 19th day of August 2005



Chartered Accountants  
& Business Advisers

**NSW Partnership**

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Liability is limited by the Accountants  
Scheme, approved under the  
Professional Standards Act 1994 (NSW)

**Independent Audit Report  
to the members of  
ICSGlobal Limited and Controlled Entities**

**Scope**

*The financial report and directors' responsibility*

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for ICSGlobal Limited and the consolidated entity for the year ended 30 June 2005. The consolidated entity comprise both the company and the entities it controlled during that year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

*Audit approach*

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001 including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

### **Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

### **Audit opinion**

In our opinion, the financial report of ICSGlobal Limited is in accordance with:

- (a) the Corporations Act 2001, including:
  - i) giving a true and fair view of the company's financial position as at 30 June 2005 and of its performance for the year ended on that date; and
  - ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.



**PKF**  
**Chartered Accountants & Business Advisers**



**Arthur Milner**  
**Partner**

**Sydney, 19<sup>th</sup> August 2005.**