

Asian Centre For
Liver Diseases
& Transplantation



Annual Report 2011

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Dedicated to Healing.
Powered by Innovation.

Asian Centre for Liver Diseases and Transplantation Limited

ABN NUMBER 42 091 559 125

Annual Report for the year ended 31 August 2011

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Corporate directory

Directors

Dato' Dr Kai Chah Tan (Executive Chairman)
Ms Pamela Anne Jenkins (Executive Director)
Mr Wing Kwan Teh (Non-Executive Director)
Mr Heng Boo Fong (Independent Non-Executive Director)
Mr Harry Vui Khiun Lee (Independent Non-Executive Director)

Company Secretary

Dario Nazzari

Registered Office

25 Peel Street
Adelaide SA 5000
Tel: +61 8 8110 0999
Fax: +61 8 8110 0900
Website: www.asianlivercentre.com.sg

Auditors

Grant Thornton Audit Pty Ltd
Level 1, 67 Greenhill Road
Wayville SA 5034
Tel: +61 8 8372 6666
Fax: +61 8 8372 6677

Banker

Westpac Banking Corporation
447 Bourke Street
Melbourne VIC 3000

Share registry

Computershare Investor Services Pty Ltd
Level 5, 115 Grenfell Street
Adelaide SA 5000
Tel: +61 8 8236 2300
Fax: +61 8 9473 2408

Stock Exchange Listing

The Company's shares are quoted on the Official List of
Australian Securities Exchange Limited.
ASX Code : AJJ

A portrait of Dato' Dr Kai Chah Tan, a middle-aged man with grey hair and glasses, wearing a dark grey suit, white shirt, and red patterned tie. He is standing with his hands in his pockets against a background of orange butterfly silhouettes.

What defines us...

Dato' Dr Kai Chah Tan

D.P.M.P., MBBS (MAL), FRCS (EDIN)

**Executive Chairman and Surgeon,
Hepatobiliary / Transplant**

Chairman's Message

Dear Shareholders,

In presenting to you this annual scorecard – our second as a corporation listed on the Australian Securities Exchange – I draw your attention to two major highlights of the year under review.

The first is that our reputation for high-quality specialist medical care continues to be in demand in spite of economic uncertainties sweeping the globe. Asian Centre for Liver Diseases and Transplantation ("ACLDT") conducted 21 transplantations in the year under review, one less than the year earlier while the number of patient transactions rose 15% to 15,023, respectively. Along with higher sales of medication, our revenue increased to S\$20.8 million from S\$20.5 million over the comparative financial years.

The second is that, mindful of our unrelenting focus to improve the range of medical care and enhance shareholder value over the longer term, we streamlined our operations even as we increased our capabilities in the year under review. Since our listing in 2009 we have added headcount, most notably of two specialists while strengthening management and support functions.

The increased capability means we can now serve more patients while ensuring the high quality of service and medical excellence which we are known for. Given that, we have reduced reliance on third-party consultants as we can now handle more cases in-house. At the same time, we now have experienced surgeons and support staff who can help us cope with our expanded network to include a new clinic in Singapore, and satellite clinics or centres in Malaysia and Vietnam.

The improved capabilities, expanded network and increased management depth also mean that we have a stronger value proposition as we contemplate alliances and explore opportunities for future growth.

Had it not been for these investments (the costs of which were not capitalised), additional employee benefits and such fixed operating expenses, our net profit attributable to shareholders in FY2011 would have been higher than the S\$1.6 million recorded (FY2010: S\$2.3 million). Accordingly, our earnings

per share declined to 0.86 S cent from 1.24 S cents, respectively. Notably, our balance sheet remains strong with cash at bank increasing sharply by 74.5% or S\$2.2 million to S\$5.2 million as at 31 August 2011. We do not have bank borrowings during the year under review and our expansion plans have been financed by internally-generated funds.

During the financial year, Mr Wing Kwan Teh and Mr Harry Vui Khiun Lee joined us as Non-Executive Directors on 31 January 2011 and 18 April 2011, respectively, and Dr Vincent Lai, a Gastroenterologist and specialist in acute liver failure, joined us in January 2011.

FY2011 has been a year in which we strengthened and widened our capabilities with a clear vision to provide high-quality medical care while enhancing shareholder value. Many people have contributed much during this period under review – the directors, staff and management, and business partners, as well as our patients and loyal shareholders.

Given our strong cash flow position, the board of directors has proposed a final dividend of A\$0.002 per share on top of the interim dividend of A\$0.001 paid in May 2011, bringing the total dividend for FY2011 to A\$0.003.

On behalf of the Board of directors, we express our deep appreciation. We look forward to your continued support in the year ahead as we continue to realise the vision and promise of ACLDT.



Dato' Dr Kai Chah Tan
Executive Chairman

Ms Pamela Anne Jenkins
RGN, B Sc (Hons), MBA
Executive Director



Executive Director's Message

In last year's Annual Report, I mentioned that our listing on the Australian Securities Exchange marked the start of a transformational year in which we laid the corporate, operational and human resources frameworks for robust future expansion. If I could summarise the events in the year under review, I would say that it was a period in which ACLDT consolidated itself after a hectic period of building the necessary frameworks to prepare for the next level of growth. As depicted on this year's Annual Report cover, the motif of two livers shaped in the form of a butterfly, captures ACLDT's metamorphosis from an established regional liver centre into a global healthcare brand offering world-class quality healthcare to all our patients.

Strengthening of the medical team

Dr Vincent Lai, a leading gastroenterologist and specialist in acute liver failure who joined us in January 2011 from the National University Hospital, has immediately made an impact to the organisation. Apart from his medical duties at our centres in Singapore, Dr Lai is also heavily involved in the operations at our centres in Vietnam and Malaysia. In Vietnam, he has conducted several seminars and talks on liver-related diseases organised by various hospitals and healthcare agencies in Vietnam. These seminars have helped to increase the awareness of liver-related diseases and the treatments available to the Vietnamese community and also raised the profile of Asian Liver Centre Vietnam ("ALCVN") in Vietnam.

The recruitments that we made to our medical team since our listing on the ASX in 2009 have given us the capacity to expand horizontally and support our overseas ventures. As a result, we have sufficient doctors now to manage our new centres and cater to the increase in patient numbers, as reflected in the 15.0% rise in patient transactions compared to the previous financial year.

Satellite clinic in Vietnam

The clinic in Vietnam was our first satellite clinic and our maiden venture overseas. Getting the centre opened on 11 September 2010 was a huge challenge for our relatively small management team but with the help of our local Vietnamese partner, we completed the building and had it functional on schedule.

Our Singapore-based specialist travels regularly to the centre to provide consultation, diagnosis and to advise Vietnamese and expatriate patients. For the financial year ended 31 August 2011, the patient transactions from this clinic formed approximately 2.4% of the Group's total for the year. Financially, ALCVN recorded a net loss of \$0.3 million for FY2011 with ACLDT absorbing approximately \$0.2 million as a 70% shareholder. The result was in line with our expectations, being the first year of operation. As with most start-ups in a foreign country and, especially for ALCVN as the first foreign private medical centre in Vietnam, there is a gestation period but we are confident the coming financial year will see an improvement.

The experience of the centre in Ho Chi Minh City provided many valuable lessons in operating an overseas medical centre. Local experience, knowledge and connections are vital in the success of any business overseas, something which our local partner, Hoa Lam Consultant Investment Ltd ("HL"), possesses. HL first indicated its intention to have a larger role in the operations of the centre in August 2011 and on 3 October 2011, both ACLDT and HL formalised the roadmap for HL to play a significantly active role in ALCVN. HL will be more heavily involved in the marketing and business development aspects of ALCVN and leverage on its local knowledge and connections within Vietnam. ACLDT will continue to provide the required clinical expertise to ensure that the standards and quality of clinical care are maintained. To compensate HL for its increased involvement in the joint-venture, both parties have agreed for ALCVN to allot and issue new shares to HL. A new Joint-Venture Agreement will be drafted and executed to reflect the change in shareholdings and shareholders' responsibilities. The new shares issued to HL will subsequently make it the majority shareholder at 67.86% and dilute ACLDT's shareholdings from 70% currently to 30%.

Proceeds from the issue of the new shares will strengthen ALCVN's balance sheet, with the funds earmarked for increased marketing and business development efforts which will translate into increased awareness and patient numbers. One initiative implemented is the recruitment of a local Gastroenterologist, Dr Dang Thi Dong Phuong, who joined ALCVN on 10 October 2011. With Dr Phuong on board, ALCVN is able to see and treat patients when ACLDT's Singapore-based doctor is not there, hence enabling the centre to continually generate income.

New Clinic at Mount Elizabeth Medical Centre Singapore

In July 2010, ACLDT announced that it had entered into a service agreement with Panasia Surgery Pte Ltd located at Mount Elizabeth Medical Centre. This allowed us to begin to tap into the patient pool at Singapore's largest private hospital which is under Parkway Holdings Limited, a leading healthcare provider in Asia with 16 hospitals and more than 3,000 beds across Asia. On 6 September 2011, we officially opened a new ACLDT liver specialist clinic at Mount Elizabeth Medical Centre, thus increasing our presence to a greater degree. We are excited by this development as ACLDT now has physical presence in two of the largest private hospitals in Singapore which are premium destinations for overseas patients seeking treatment in Singapore.

Liver Clinic in Malaysia

In early 2011, a collaboration between ACLDT and Mawar Renal Medical Centre ("Mawar") was put in place to provide consultation in Malaysia for patients with liver and gastro diseases. Mawar is located in Seremban and is an independent Non-Profit and Non-Government Organisation ("NGO") which helps poor patients with mainly kidney and other diseases. The profit that ACLDT makes from its monthly visits is shared with Mawar, which in turn, is used to subsidise costs for its patients at its kidney dialysis centre.

Although the contribution from Malaysia is not significant, it allows ACLDT's Malaysian patients to have follow-up treatments or new patients to meet our doctors without travelling to Singapore. Should our doctors find that they require surgery or transplantation, they will be referred to our main centre in Singapore.

FibroScan®

FibroScan® is a concept developed and produced by Echosens and ACLDT is the first private liver centre in Singapore to own the world's first and only totally non-invasive hepatic fibrosis diagnostic and monitoring device. When we purchased the device in February 2011, ACLDT was one of only four healthcare providers in Singapore to operate this device. The majority of the FibroScan® devices in Singapore are located in the public-sector hospitals.

For a patient with chronic liver disease, establishing the presence of fibrosis or cirrhosis is important

for the assessment of prognosis and for evidence of progressive disease (fibrosis) in disorders such as hepatitis C virus ("HCV") infection or non-alcoholic fatty liver disease. Currently, most liver histology is obtained by percutaneous liver biopsy for the presence of fibrosis or cirrhosis. FibroScan® uses a modified ultrasound probe to measure the velocity of a shear wave created by a vibratory source and is totally non-invasive and painless, adding to the patient's comfort. Estimates of stiffness of the liver by ultrasound correlate with stage of fibrosis.

We have conducted more than 100 examinations since purchasing the FibroScan® and we hope to capitalise further on the use of this device to enhance our overall patient care.

Overview

ACLDT's brand name and reputation in the field of hepatobiliary and liver transplantation is something we are leveraging on to further grow our business and enhance shareholder value. Our vision of growth remains the same, focusing on the opportunities within Singapore and also keeping a keen eye for strategic alliances overseas. At the same time, we will not compromise on our level of care but we will continue to strive to provide the best care and service to all our patients.

I look forward to the coming financial year as we begin to reap the fruits of our labour.



Pamela Anne Jenkins
Executive Director

Profile of Board of Directors

Dato' Dr Kai Chah Tan serves as the Executive Chairman of ACLDT. He is also the Executive Chairman of Asian Centre for Liver Diseases and Transplantation Pte Ltd and the director of Asian Centre for Liver Diseases and Transplantation Inc, both wholly owned subsidiaries of ACLDT. Dr Tan is the lead Surgeon (Hepatobiliary/Transplant) in ACLDT.

Dr Tan graduated from the University of Malaya, in 1978 and obtained his Surgical Fellowship in 1982. From 1984 to 1987, he obtained advanced training in paediatric and adult hepatobiliary surgery and liver transplant surgery in the United Kingdom. He was Consultant Liver Surgeon in King's College Hospital ("KCH") and taught in surgery, University of London between 1988 to 1994.

Dr Tan returned to South-East Asia in 1994 to set up private practice, the Asian Centre for Liver Diseases and Transplantation Pte Ltd, in Gleneagles Hospital, Singapore and the Subang Jaya Medical Centre ("SJMC"), Kuala Lumpur,

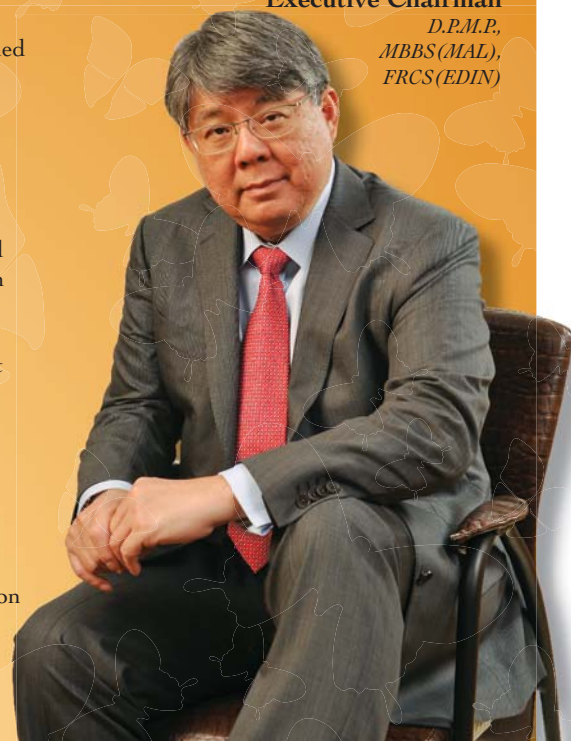
Malaysia. He started a paediatric living donor liver transplantation programme in SJMC, Malaysia in 1995 where over 50 transplants were performed. It was here that he performed South-East Asia's first paediatric live donor liver transplantation on 23 March 1995.

In 1996, Dr Tan was appointed Director of the Liver Transplant Programme, National University Hospital ("NUH"), Singapore. He performed 47 transplants, both adult and paediatric, at the NUH before he resigned in March 2002.

In April 2002, the first successful adult-adult living donor liver transplantation in South-East Asia was performed in Gleneagles Hospital, Singapore. Dr Tan and his team have successfully performed close to 200 living donor liver transplantations - the only private centre in South-East Asia to reach this historical milestone. He has published extensively, including co-editing a textbook on 'The Practice of Liver Transplantation', and lectured on the subjects of hepatobiliary and liver transplantation surgery.

Dato' Dr Kai Chah Tan Executive Chairman

*D.M.P.,
MBBS (MAL),
FRCS (EDIN)*



Ms Pamela Anne Jenkins Executive Director

RGN, B Sc (Hons), MBA

Ms Pamela Anne Jenkins is the Executive Director of ACLDT. She is also the Managing Director of Asian Centre for Liver Diseases and Transplantation Pte Ltd and the director of Asian Centre for Liver Diseases and Transplantation Inc. Ms Jenkins oversees management and operational issues, budgetary control and strategic planning in liaison with the Executive Chairman and Founder, Dato' Dr Kai Chah Tan.

Ms Jenkins holds a Bachelor of Science (Honours) degree from University of East London, United Kingdom as well as a Master of Business Administration ("MBA") from Kingston University, United Kingdom. Ms Jenkins has wide experience in specialised nursing and healthcare management, covering neurosurgery, cardiothoracic surgery, vascular surgery, orthopaedic surgery, general surgery, microvascular surgery, eye surgery, plastic surgery, paediatric surgery, urology and renal transplantation, hepatobiliary and liver transplant surgery. She has also written conference papers on liver failure and liver transplantation, with special focus on paediatric liver diseases.

Ms Jenkins began her career in 1984 as an Operating Theatre Sister, KCH, London, and subsequently attained the position of Clinical Nurse Specialist and Department Manager at the hospital's Liver Transplant Surgical Service. In her latter role, she was in charge of operating theatre staff, trainee nurses, administration, management of the unit and budgetary control.

After ten years at KCH, she relocated to Singapore in 1994 to establish ACLDT with Dr Tan, assuming the role of director of ACLDT. She was responsible for the design and development of the centre, implementation of management systems, and assisted in hepatobiliary and liver transplantation surgery. In 1997, she assumed the position of Managing Director of ACLDT.



Mr Wing Kwan Teh specialises in corporate finance, financial management and merger and acquisition ("M&A") evaluation. More specifically, he advises the Group on its investment opportunities, growth initiatives, operational restructuring and corporate finance matters.

Mr Teh brings extensive financial experience to the Group. He has been a financial professional who advises M&A plans, reviews corporate finance and financial reporting matters for several companies listed in and preparing to list in Singapore, Australia, Vietnam and Taiwan. He was appointed head of finance for other companies which prepared their Initial Public Offering ("IPO") applications to the Singapore Exchange ("SGX"), Hanoi Stock Exchange and the then Kuala Lumpur Stock Exchange ("KLSE").

Mr Heng Boo Fong
Independent Non-Executive Director
FCCA (Singapore), B Acc (Hong Kong)



He is currently a Group Chief Financial Officer of Koda Ltd (listed on the SGX); an Independent Director & Audit Committee Chairman of Creative Master Bermuda Ltd (listed on the SGX) and an Independent Director & Audit Committee Chairman of China Titanium Ltd (listed on the SGX).

Mr Teh is a Fellow of the Association of Chartered Certified Accountants (United Kingdom), a Certified Public Accountant of the Institute of Certified Public Accountants of Singapore, a Chartered Accountant of Malaysian Institute of Accountants and a Full Member of Singapore Institute of Directors.

Mr Teh was appointed to the Board on 31 January 2011.

Mr Heng Boo Fong is the Independent Non-Executive Director and is also the Chairman of the Audit Committee of ACLDT. He is also a member of the joint Nomination and Remuneration Committee.

Mr Fong studied at the University of Singapore (now known as National University of Singapore, NUS) and graduated with an Honours Degree in Accountancy. He has over 37 years of working experience in auditing, finance, business development, corporate governance, with full management responsibility taking independent initiative in various functional areas and had received numerous awards for his performance.

He is currently a Director (Special Duties) at the Singapore Totalisator Board (owner of Singapore Pools & Singapore Turf Club). Prior to this appointment, he was with the Auditor-General's Office, Singapore from 1975 to 1993. He held the appointment of Assistant

Mr Wing Kwan Teh
Non-Executive Director
CPA (Singapore), FCCA (UK), CA (Malaysia)



Auditor-General when he left the Auditor-General's Office. He was also General Manager (Corporate Development) of a listed company in Singapore as well as the Chief Financial Officer of a listed company in Australia. His other professional experience included membership of Audit Committees of Statutory Boards and Advisory Committees of School of Accountancy of Nanyang Technological University, Singapore and Ngee Ann Polytechnic, Singapore. Mr Fong is a Fellow member of the Institute of Certified Public Accountants of Singapore.

Mr Fong is presently an Independent Director of Colex Holdings Limited (a company listed on the SGX) and he chairs the Audit Committee. He is also an Independent Director and Chairman of the Audit Committee of Surbana Corporation (a wholly-owned subsidiary of Temasek Holdings Limited).

Mr Harry Vui Khiun Lee
Independent Non-Executive

Director

B Bus (Econ & Fin)

Mr Harry Lee has more than 20 years of experience in construction-related industries in Malaysia, Singapore and Australia. He is currently the Chief Executive Officer of the HRL Group of Companies which is involved in investment holdings and development. He also holds several directorships of private and listed companies in different industries. He has been a director of another public-listed company in Australia, Millepede International Ltd, since 25 January 2011.

Mr Lee joined ACLDT as an Independent Non-Executive Director on 18 April 2011. He chairs the joint Nomination and Remuneration Committee and is also a member of the Audit Committee.



Profile of Doctors and Key Management

Dr Kang Hoe Lee graduated from University of Cambridge, UK, in 1987. He was a scholar at Jesus College, Cambridge, where he received the Duckworth Prize. Dr Lee also received a scholarship from the Kuok Foundation, Malaysia, for furthering his medical studies. He performed his surgical housemanship with Professor Sir Roy Calne (one of the pioneers in liver transplantation) at Addenbrooke's Hospital, Cambridge. This was followed by further training in internal medicine at Cambridge and he obtained his MRCP (London) in 1990. Subsequent to this, he joined the Department of Medicine, NUS, Singapore, and underwent further training in Intensive Care and Respiratory Medicine. This continued with a two-year Critical Care Fellowship at University of Pittsburgh Medical Center, USA - the leading centre for liver transplantation in the world - under Professor Thomas Starzl and Professor John Fung, where he was awarded Fellow of the Year.

Dr Lee then returned to Singapore in 1995, and later joined NUS as a Lecturer in the Department of Medicine. He later became

an Associate Professor of Medicine and Senior Consultant, and Director of Medical Intensive Care Unit. He was also one of the founding members of the Society of Intensive Care Medicine in Singapore. During this period, he published many articles on respiratory related issues (especially pneumonia), ICU issues, health outcomes, liver cirrhosis and liver transplantation.

Dr Lee joined Gleneagles Hospital in September 2005 as the Director of Critical Care and has been affiliated with ACLDT since then. He is still an adjunct Associate Professor at NUS. He has established close contacts with the King's College Liver Unit, UK, as part of the development of ACLDT as a leading liver transplant centre. He is currently responsible for managing all the acute liver failure patients and liver transplant patients treated at ACLDT. He is also responsible for all liver dialysis treatments and has brought several machines to ACLDT, making it one of the premier liver dialysis centres in the world.

Dr Kang Hoe Lee **Respiratory Physician**

(Critical Care & Liver Transplant)
MA(UK), MBBChir(UK), MRCP(UK),
FAMS(SIN), EDIC(EUR)



Dr Yu Meng Tan graduated with first-class honours in biochemistry and molecular biology from Charing Cross and Westminster Medical School, University of London, UK, before completing his MBBS (with distinction) from the same university. He was admitted to the Royal College of Surgeons, Edinburgh in 1999. During his surgical training, he received several awards including the Young Surgeons Award at the Asian Surgical Congress. Dr Tan subsequently pursued his interest in hepatobiliary-pancreatic surgery and gastrointestinal surgical oncology.

Dr Tan was a key founding member of the liver transplantation team at Singapore General Hospital ("SGH") in 2005. In 2007, he was appointed the Deputy Head, Senior Consultant of the Department of Surgical

Oncology, National Cancer Centre of Singapore ("NCCS") and the Surgical Director of the Liver Transplantation Programme at the SGH. Among other appointments, he was also an Adjunct Assistant Professor at the Duke-NUS Graduate Medical School of NUS and the Chairman, Infection Control Committee, NCCS. He has published numerous articles in medical journals and is a regular speaker at medical conferences and reviewer of medical journals.

Dr Tan joined ACLDT in April 2010.

Dr Yu Meng Tan **Surgeon**

(Hepatobiliary-Pancreatic Surgery/Transplant and Surgical Oncology)
BSC (Hons), MBBS (LON), FRCS (EDIN), FAMS (Gen Surg)



Dr Desmond Chun Tao Wai obtained his basic medical degree at the NUS in 1994. He passed his membership for the Royal College of Physicians (UK) and Master of Medicine (Internal Medicine) in 1998. Dr Wai also completed his specialist training in internal medicine in 1999 and advanced specialist training in Gastroenterology and Hepatology in 2002. Following that, Dr Wai went to the University of Michigan at Ann Arbor, Michigan, USA, for his fellowship in hepatology, under the mentorship of world renowned hepatologist, Professor Anna Lok.

In 2003, Dr Wai joined the NUH, Singapore, as a consultant hepatologist and gastroenterologist and later served as an Assistant Professor of Medicine in 2005 at NUS. He has published more than 90 scientific articles in peer-reviewed journals including Hepatology, Liver Transplantation and the American Journal of Gastroenterology.

Dr Wai joined ACLDT in Nov 2006 and is currently working as a transplant hepatologist and gastroenterologist.

Dr Desmond Chun Tao Wai

Gastroenterologist

(Transplant Hepatology & Endoscopy)

MBBS (SIN), MRCP (UK), MMED (Internal Medicine, SIN)

Dr Vincent Lai attained his basic medical degree from the University of Sheffield in England in 1993. He undertook his specialist training in Gastroenterology and Hepatology in England and spent five years in Birmingham, which has one of the largest liver transplant units in Europe. In 2002, he was awarded the prestigious Medical Research Council Clinical Training Fellowship. He completed his Ph.D. at the University of Birmingham in 2007, investigating the liver immunity in viral hepatitis. He was accredited by the Specialist Accreditation Board in gastroenterology in England and was a Consultant in a teaching hospital prior to taking up a post in Singapore.

As a Consultant Hepatologist at the Derby NHS Foundation Trust Hospital from 2006 to 2008, Dr Lai helped in the further development of the provision of viral services in Derby. During his tenure there, he not only obtained a grant from the Trust for a study in infection in liver patients but was also actively involved in medical research.

Subsequently, Dr Lai joined NUH, Singapore, as a Consultant Gastroenterologist with specific interest in viral hepatitis, acute liver failure and liver transplantation. He played an integral part in the set-up of the liver failure unit at NUH, and was part of the acute liver failure faculty in the Asia Pacific Study of Liver Disease group.

Dr Lai is also trained in therapeutic endoscopy and Endoscopic Retrograde Cholangiopancreatography ("ERCP"). His research interests are in the adaptive and innate immunity in patients with liver disease particularly those with viral hepatitis and liver failure.

In January 2011, Dr Lai joined ACLDT as a Consultant Gastroenterologist with a specific interest in viral hepatitis, acute liver failure, therapeutic endoscopy and liver transplantation.

Dr Vincent Wai Kwan Lai

Gastroenterologist

(Transplant Hepatology & Therapeutic Endoscopy)

MBChB (UK), MRCP (UK), PhD (Bham UK), CCT (UK), Specialist Register (UK)



Mr Cherinjit Kumar Shori holds a Bachelor of Accountancy degree from Nanyang Technological University in Singapore.

Mr Shori also holds a Graduate Diploma in Marketing from the Singapore Institute of Management and Certificate in Healthcare Management from Georgetown University, USA.

He has more than 20 years' experience in the healthcare and hospitality industries covering business development and marketing. He was the Group Vice President/Deputy Chief Marketing Officer for Singapore-based Parkway Group Healthcare Pte Ltd, one of Asia's largest healthcare providers, where he served for ten years developing new markets for growth for Parkway, before joining ACLDT.

Prior to that, he held senior management positions with various companies including Sun Cruises and Sembawang Leisure (a subsidiary of Sembawang Corporation).

Mr Shori joined ACLDT as Group Chief Operating Officer in November 2009.

Mr Cherinjit Kumar Shori
Group Chief Operating Officer
B Acc, PGDip Marketing & Healthcare



Mr Meng Yau Yeoh obtained his professional accounting qualification from the Association of Chartered Certified Accountants ("ACCA") in 1994.

He started his career at the then KPMG Peat Marwick in 1995 as Audit Junior and left as an Audit Senior in 1998. After spending four years in the Big 4 audit firm, Mr Yeoh spent the next ten years between 1999 and 2009 working in several listed and privately owned companies involved in a wide range of industries ranging from construction, information technology, investment holdings to service and hospitality in Singapore, Malaysia and Australia. During that period, he was involved in two successful IPOs in Singapore.

Mr Yeoh is a non-practicing member of the Institute of Certified Public Accountants of Singapore, Fellow Member of the Association of Chartered Certified Accountants (United Kingdom) and a Chartered Accountant registered with the Malaysian Institute of Accountants. He was appointed as ACLDT's Group Financial Controller in December 2009.

Mr Meng Yau Yeoh
Group Financial Controller
CPA (Singapore), FCCA (UK), CA (Malaysia)



Financial review

	2011	2010	Increase/ (Decrease)
	S\$'000	S\$'000	%
Revenue	20,763	20,492	1.3
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")	2,125	2,874	(26.1)
Profit after income tax attributable to members	1,625	2,340	(30.6)
Total share capital and reserves	2,757	1,814	

	2011	2010	
	S Cents	S Cents	
Basic earnings per share	0.86	1.24	
Net asset value per share	1.46	0.96	
Net tangible asset value per share	1.32	0.82	

The financial report under review for the 12-month period ending 31 August 2011 ("FY2011") compares with the 14-month period ending 31 August 2010 ("FY2010") and follows the change of financial period in FY2010 to align its reporting period with its subsidiary in Singapore.

For the year under review, the Group invested significantly in facilities and equipment to establish its first overseas satellite clinic, located in Vietnam, a new clinic at Mount Elizabeth Medical Centre in Singapore, a liver clinic in Malaysia and the acquisition of FibroScan® equipment.

Revenue rose by S\$0.3 million to S\$20.8 million from S\$20.5 million as compared a year earlier, due mainly to a 15% increase of patient transactions to 15,023 from 13,066, respectively. However, the number of transplantations performed during the year declined to 21, one less than in FY2010. Sales of medication increased by S\$0.3 million to S\$3.4 million from S\$3.1 million, respectively.

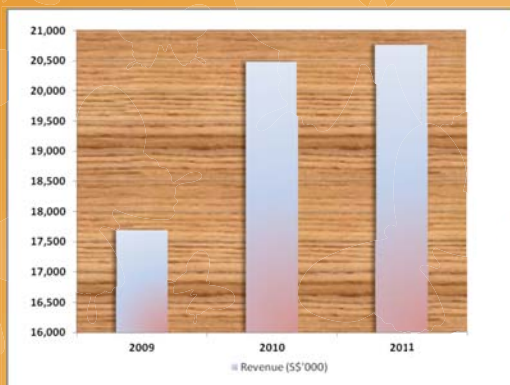
Expenses rose by S\$1.2 million to S\$18.9 million from S\$17.7 million due mainly to the new facilities acquired and increased headcount. This is in line with ACLDT's growth initiatives to widen its range of medical capabilities and to increase its capacity to cater to more patients.

Employee benefits expense increased to S\$6.5 million in FY2011 from S\$4.9 million a year earlier. The increase in headcount includes a gastroenterologist who joined in January 2011 and also the full-year impact of the addition of a senior transplant surgeon who joined in April 2010. This increase was, however, partly offset by a cost saving of S\$0.4 million as a result of the reduction in our engagement of third-party consultation in FY2011, as some of the services can now be performed by our newly recruited specialists. This cost saving is expected to be higher in the coming financial year.

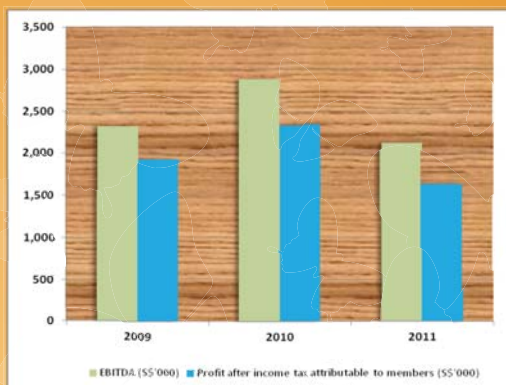
Depreciation and administrative expenses increased S\$0.2 million as a result of the new facilities acquired and established to cater for future growth of the Group.

As a result of these increased capabilities, net profit after tax attributable to members decreased to S\$1.6 million from S\$2.3 million, compared to a year earlier, on the back of S\$20.8 million revenue. Earnings per share for FY2011 was 0.86 S cent compared to 1.24 S cents a year earlier.

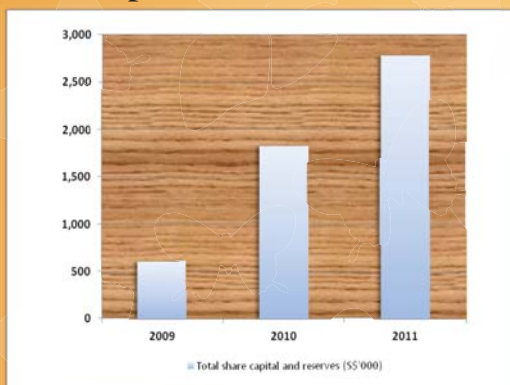
Revenue



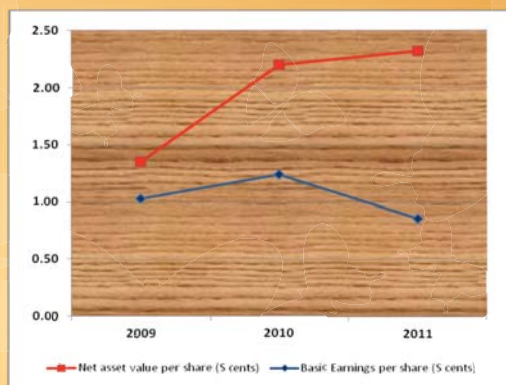
EBITDA and Profits



Share capital and reserves

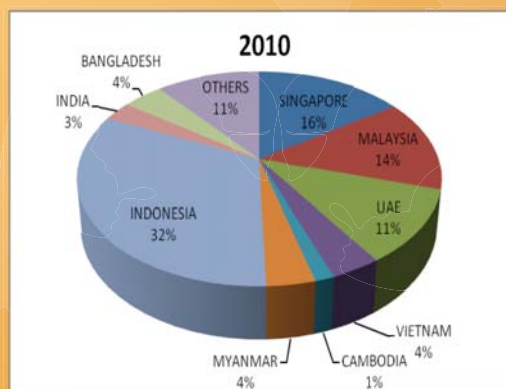
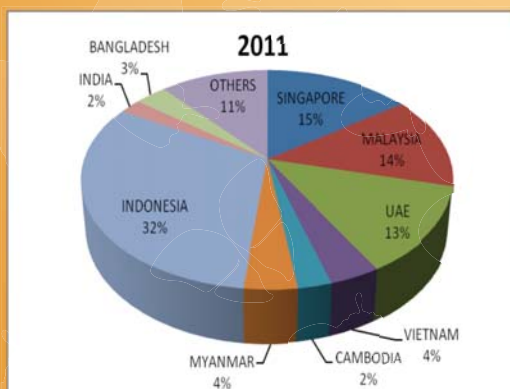


EPS and NAV



Our balance sheet remains healthy with cash and cash equivalents of S\$5.2 million compared to S\$3.0 million a year earlier, an increase of S\$2.2 million even after paying FY2010 final dividends of S\$0.7 million. This was due mainly to improved settlement of receivables, which declined to S\$1.05 million from S\$2.7 million, respectively.

Shareholders' equity or net asset rose by S\$1.0 million to S\$2.8 million as at 31 August 2011 mainly due to the investment in facilities and equipment which increased tangible non-current assets to S\$0.9 million as at 31 August 2011 from S\$0.2 million as at 31 August 2010. Correspondingly, net asset value rose by 0.5 S cent to 1.5 S cents from 1.0 S cent a year earlier.



The Group did not see any significant shift in patient mix with patients from Indonesia, Malaysia, Singapore, UAE, Myanmar and Vietnam forming the majority of the patients, but saw an increase in the number of patients from these core countries. However, patient numbers from South Asian countries such as India, Bangladesh and Sri Lanka saw a marginal reduction. "Others" comprises a wide range of nationalities such as Mongolians, Russians, Sri Lankans and Laotians.

Patient's testimonial - Baby Ethan's miracle story

Married for five years and serving as missionaries with the Campus Crusade for Christ, we rejoiced at the arrival of our son, Ethan Azariah in 2009. He fulfilled our dreams and completed our family.

Barely one week old, young Ethan was diagnosed with jaundice. Into his third month, his tummy started swelling and his eyes remained yellowish. Alarmed, his paediatrician ordered an immediate abdominal ultrasound. The result revealed that his liver and spleen were enlarged with a fluid build-up in his abdomen. The initial impression was biliary atresia - the absence or injury of his bile ducts. Later, the biopsy from a local hospital in Manila confirmed that it was liver cirrhosis (scarring of the liver) secondary to biliary atresia. Ethan's liver was deteriorating quickly and his only option, a liver transplant.

There were no successful cases in the Philippines back then. Complicating matters, Ethan had to be older or weigh at least 10kg before receiving surgery, even then, success was not guaranteed.

The following months were difficult, but seeing Ethan in joyful spirits despite his condition kept us going. We were hoping that his condition will improve, but in October 2009, Ethan's condition worsened and we decided to opt for a liver transplantation. The doctor warned that the survival of babies with biliary atresia is tested within one to two years after surgery, depending on the liver's condition. We researched further, looking for treatments in Asia and America, and came across two people whose daughters went through the same ordeal. One was a Malaysian businessman who shared his comprehensive research of hospitals, recommending ACLDT in Singapore and, the other, Ms Ria Pasimio shared encouraging experience at the same Centre. With their encouragement, the assurance of the doctors' credibility and ACLDT's success rate, we decided to proceed with the surgery in Singapore.

Upon sending Ethan's laboratory results, ACLDT promptly advised that Ethan needed the liver transplantation as soon as possible but most importantly, that it can be done before his first birthday.



*Baby Ethan before
the transplant.*



*Baby Ethan 2 days
after his transplant.*

By the first week of December, we began logistical and emotional preparations – being tested for donor suitability.

Without a donor, we cannot fly to Singapore. After a series of evaluation and tests, to our relief, Dr Janus Ong cleared Tina, my wife as a potential living donor.

With no concrete plans and insufficient funds, we flew to Singapore on 7 February 2010. Tina and I were warmly greeted by ACLDT's transplant coordinator, Cecelia Soosaynathan, the doctors and other staff at the Centre. In the initial meeting, Dr Lee Kang Hoe gave us a positive outlook on Ethan's case. Ethan and Tina underwent final testing and the results showed that they were a suitable match for liver transplantation. Our hopes and confidence increased further as Dr K C Tan and his team explained the procedure to us.

With the support from friends - who set up a website (www.ethanfriends.com) - and families back home, we managed to raise funds for the surgery. Together with the approval of Singapore's Transplant Ethics Committee, we were ready for surgery.

On 10 March, Tina was wheeled into the operating room at Gleneagles Hospital, and then Ethan, an hour later. The transplant surgery took eight hours, and Cecelia gave frequent updates, assuring that everything was going smoothly. By 6pm, Dr Tan came out of the operating theatre and said, "Everything is ok, I'm very happy! Ethan is a very strong boy!" Surrounded by doctors and staff at the ICU, there was a great sense of relief, which marked the beginning for Ethan's new lease of life.

Under careful supervision of the staff at Gleneagles Hospital's Liver Ward, both mother and child recovered quickly. They were very supportive and encouraged Tina to walk on the third day following the surgery for faster healing. Ethan displayed great resilience, celebrating his first birthday 18 days after surgery with a new liver. The ACLDT team and the Liver Ward staff eased our stay in a foreign land which was felt mostly during weekly and monthly check-ups. It was comforting to see the team sharing the joy of our Ethan's new life. We returned back home to Manila three months after the transplant.

Ethan was living a full and normal life until we spotted fresh blood in his stool nine months after the transplant. By January 2011, his lymph nodes had become more apparent. Although he remained active, doctors suspected a gastrointestinal problem or worse, a possible post-transplant lymphoproliferative disorder (PTLD). Ethan was twice admitted to a hospital in Manila for a CT scan and biopsy of the lymph nodes. The biopsy procedure turned out critical as lab results confirmed the signs of early-stage PTLD. Filipino doctors diagnosed it as malignant (cancer) and wanted to start chemotherapy treatment immediately.

Seeking a second opinion, we consulted ACLDT doctors who then asked us to bring Ethan to Singapore immediately. Another pathology confirmed that it was PTLD but thankfully, it was discovered in its early stage. What a relief it was when we heard Dr Lee and Dr Hsieh Wen-Son say, "It's actually better than what we've expected. Treat it and call it an infection. It's not cancer." No chemotherapy was necessary.

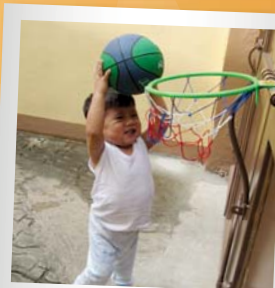
Since the main drug - Prograf – has been suspended, Ethan has been taking steroids as immunosuppression to fight the infection, protecting the liver graft. Since March 2011, his blood and liver parameters have stabilised and his growth has been steady.

Through Ethan's life and journey, we are blessed and thankful to have found much comfort and encouragement. The ACLDT team certainly provided us with their expertise and support, making sure we understood the procedures and risk at all times. They acceded to our request for medication and consultations regardless of the fact that we were home in Manila, going beyond their call of duty.

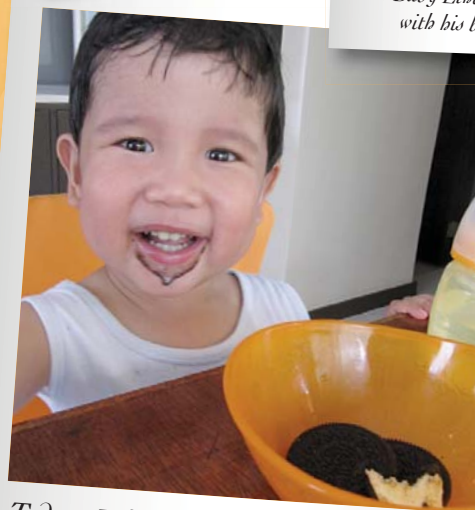
We want to express our sincere appreciation to ACLDT's team of doctors and staff, especially Dr K C Tan, Dr Lee Kang Hoe, Dr Nancy Tan, Dr Desmond Wai, Dr Hsieh Wen-Son, Dr Wong Sin Yew and, last but not least, Cecelia.



Baby Ethan happily playing with water



Baby Ethan playing with his basketball



Today, Ethan has become a blessing and inspiration to others with his love for life.

Corporate governance statement

The Board of Asian Centre for Liver Diseases and Transplantation Limited ("ACLDT") seeks to practice the highest ethical and commercial standards while executing its responsibilities in directing the business and affairs of the Company on behalf of its shareholders.

The Board of ACLDT has considered the principles of good corporate governance and best practice recommendations as published by the ASX Corporate Governance Council ("ASXCGC"). ASX Listing Rule 4.10.3 requires the Company to disclose the extent to which it follows or diverges from these best practice recommendations in its Annual Report.

This report discloses corporate governance practices the Board would like to highlight to stakeholders.

Additional information relating to corporate governance practices that the Company has adopted can be found on the Company's web site: www.asianlivercentre.com.sg.

The Board acknowledges the existence of the new amendments to the 2nd edition of the Corporate Governance Principles effective for the period commencing 1 January 2012. The Board are in the process of implementing policies and procedures to comply with the amended Corporate Governance Principles.

The Role of the Board & Management

The Company has formalised and disclosed the roles and responsibilities of the Board and those delegated to senior management.

The Board of the Company is responsible for the overall corporate governance of the ACLDT, including its ethical behavior, strategic direction, establishing goals for management and monitoring the achievement of those goals with a view to optimising Company performance and maximising shareholder value.

The role of management is to support the Managing Director and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Full details of the matters reserved to the Board and to senior management are available on the Company's web site at www.asianlivercentre.com.sg.

Scheduled meetings of the Board are held at least four times a year and the Board meets on other occasions to deal with matters that require attention between scheduled meetings. The responsibility for the operation and administration of the consolidated entity is delegated by the Board to the Managing Director.

The Board is responsible for:

- Setting the strategic direction of the Company and establishing goals to ensure these strategic objectives are met;
- Appointing the Managing Director, setting objectives for the Managing Director and reviewing performance against those objectives, ensuring appropriate policies and procedures are in place for recruitment, training, remuneration and succession planning;
- Monitoring financial performance including approval of the annual and half-yearly financial reports and liaison with the Company's auditors;
- Ensuring that risks facing the company and its controlled entities have been identified ensuring that appropriate and adequate controls, monitoring and reporting mechanisms are in place;
- Receiving detailed briefings from senior management on a regular basis during the year;
- Approving the Boards of Directors of subsidiary companies; and
- Ensuring the Company complies with the law and conforms to the highest standards of financial and ethical behavior.

ACLDT has obligations to its stakeholders to ensure the Company is managed with appropriate due diligence and that all necessary processes are implemented to minimise risk and maximise business opportunities.

To this end, all commercial arrangements, capital expenditure, operational expenditure and other commitments are appropriately documented and have been authorised by either the Managing Director or the Board as appropriate.

The composition of the Board is determined in accordance with the Company's constitution and the following principles and guidelines:

- The Board should comprise of at least three directors with at least two non-executive directors;
- The Board should comprise of directors with an appropriate range of qualifications and expertise; and
- The Board should meet formally at least four times per annum and informally on an "as required" basis with all directors being made aware of, and having available, all necessary information, to participate in an informed discussion of all agenda items.

Directors in office

At the date of this statement the following directors are considered independent by the Board:

Name	Position	Independent
Mr Heng Boo Fong	Non-Executive Director	Yes
Mr Harry Vui Khiun Lee	Non-Executive Director	Yes

The skills, experience, expertise and tenure of each director are disclosed in the Directors' Report within this Annual Report.

Director independence

The Board considers two of ACLDT's directors as independent under the guidelines.

In assessing the independence of directors, the Board follows the ASX guidelines as set out:

An independent director is a non-executive director (i.e. is not a member of management) and:

- Is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- Within the last three years has not been employed in an executive capacity by the Company or another Group member, or been a director after ceasing to hold any such employment;
- Within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another Group member, or an employee materially associated with the service provided;
- Is not a material supplier or customer of the Company or other Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- Has no material contractual relationship with the Company or another Group member other than as a director of the Company;
- Has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company; and
- Is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

ASXCGC Recommendation 2.1 states that the majority of directors of the Company should be independent. Although currently ACLDT does not comply with that recommendation, the Board is of the opinion that the current structure and composition of the Board is appropriate given the size and nature of operations of the Group.

Where additional skills are considered necessary for specific purposes, access is made to independent professional advice at the expense of the Company. Such advice is to be shared amongst the directors.

Chairman

Due to the size of the Company, Dato' Dr Kai Chah Tan is the Company's Chairman. While recognising that the ASXCGC recommends that the chairperson be independent, the Company feels that the strong independence exercised by the other Board members mitigates any negative impact on the Company that it may have.

Appointment to the Board

Where a casual vacancy arises during the year, the Board has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective board. Any director appointed during the year to fill a casual vacancy or as an addition to the current board, holds office until the next Annual General Meeting and is then eligible for re-election by the shareholders.

New directors receive a letter of appointment which sets out the terms of their appointment. On appointment, an induction program is available to directors that include one-on-one sessions with members of the senior management team.

Evaluation of senior executives

Senior executives, including the group chief operating officer or group financial controller have a formal job description and letter of appointment describing their term of office, duties, rights, responsibilities and entitlements upon termination.

The performance of senior executives is reviewed annually before the budgets are approved for the next financial year. This process is a formal one with the executive's performance assessed against Company, division and personal benchmarks by the joint Nomination and Remuneration Committee. Benchmarks are agreed with the respective senior executives and reviews are based upon the degree of achievement against those benchmarks.

Induction procedures are in place to allow new senior executives to participate fully and actively in management decision-making. The induction program includes orientation of:

- The Company's financial position, strategies, operations and risk management policies.
- The respective rights, duties, responsibilities and roles of the board and senior executives.

Ethical business practices

The Company has adopted a Code of Conduct to maintain confidence in the Company's integrity, its legal obligations and the expectations of its stakeholders. The Company is committed to being a socially responsible corporate citizen, using honest and fair business practices, to act in the best interests of clients so as to achieve the best outcome for shareholders.

The Board has procedures in place for reporting any matters that may give rise to unethical practices or conflicts between the interests of a director or senior executive and those of the Company. These procedures are reviewed as required by the Board. To this end, the Company has adopted a Conflict of Interest Policy that clarifies the processes for directors and senior executives to determine and disclose when a conflict of interest exists.

Shareholding and trading

The Board encourages directors and senior executives to own shares in the Company to further link their interests with the interests of all shareholders. Trading of shares by directors or senior executives is prohibited under certain circumstances and as described in the ASX Listing Rules and during certain periods of the financial year. A director or senior executive must not deal in the Company shares at any time when he or she has unpublished information which, if generally available, might affect the share price. Directors are required to notify the Company Secretary following dealing.

Safeguard integrity

The Board has established an Audit Committee (previously joint Audit and Remuneration Committee) comprised of the two non-executive directors. This committee operates under a charter to enable it to perform its roles and responsibilities. Where considered appropriate, the Company's external auditors and the Company's management are invited to attend meetings. The members of the Audit Committee are:

- Mr Heng Boo Fong (Chairman)
- Mr Harry Vui Khiun Lee

The qualifications of members of the committee together with their attendances at committee meetings are disclosed in the Directors' Report within this Annual Report.

The role of the Audit Committee is to assist the Board fulfill its responsibilities in relation to the identification of the areas of significant business risks and the monitoring of the following:

- Effective management of financial and other business risks;
- Reliable management reporting;
- Compliance with laws and regulations in respect to financial reporting;
- Maintenance of effective and efficient audits;
- Meeting with external auditors on a twice-yearly basis and informally as circumstances require; and
- Recommending to the Board the appointment, rotation, removal and remuneration of the external auditors, and review their terms of engagement, and the scope and quality of the audit. Periodically, the Audit Committee reviews the appointment of the external audit engagement partners using a formal process of evaluation to determine the most appropriate level of skills and experience to suit the size and complexity of the Company.

The Audit Committee provides the Board with additional assurances regarding the reliability of financial information for inclusion in the financial statements.

The committee is chaired by an independent chair who is not the chairman of the Board.

Timely and balanced disclosure

The Board recognises the need to comply with ASX Listing Rule 3.1 concerning continuous disclosure.

At each meeting of directors, consideration is given as to whether notice of material information concerning the Company, including its financial position, performance, ownership and governance has been made available to all investors.

The Continuous Disclosure Policy also requires senior executives in possession of disclosable information to comply with that policy.

Communication with shareholders

The Board aims to ensure that shareholders, on behalf of whom they act, are informed of all major developments affecting the Company's activities and its state of affairs, including information necessary to assess the performance of the directors.

Communication with shareholders is achieved through the distribution of the following information:

- The Annual Report distributed to shareholders;
- The Half Yearly Report which is available on the Company's web site;
- The Annual General Meeting and other meetings called to obtain shareholder approval for Board action as appropriate. Shareholders are encouraged to attend and participate at the Company's Annual General Meeting and other General Meetings;
- Letters to shareholders when considered to be appropriate and informative;
- Announcements to the Australian Securities Exchange; and
- Investor information through the Company's internet portal at www.asianlivercentre.com.sg

The Company strives to ensure that Company announcements via the ASX are made in a timely manner, are factual, do not omit material information and are expressed in a clear and objective manner.

Shareholders' role

The shareholders of the Company are responsible for voting on the election of directors at the Annual General Meeting in accordance with the constitution.

All directors (other than a Managing Director) are subject to re-election by rotation, no later than every three years.

The Annual General Meeting also provides shareholders with the opportunity to express their views on matters concerning the Company and to vote on other items of business for resolution by shareholders.

Risk management

The Board is responsible for overseeing the risk management function. The Company believes that it is crucial for all Board members to be a part of the process and as such has established risk management as a component of the Audit Committee.

The Board is responsible for ensuring the risks and opportunities are identified on a timely basis.

The Board has a number of mechanisms in place to ensure the management's objectives and activities are aligned with the risks identified by the Committee. These include the following:

- Implementation of Board approved operating plans and budgets;
- Board monitoring of progress against these budgets, including the monitoring of key performance indicators of both a financial and non financial nature; and
- The establishment of committees to report on specific risk as identified.

Internal Risk Management System Compliance

Management is accountable to the Board to ensure that operating efficiency, effectiveness of risk management procedures, internal compliance control systems and controls and policies are all being monitored. Management has designed and implemented a risk management and internal control system to manage the Company's material business risks and reports to the Board at each meeting on the effective management of those risks. The Company has developed a series of operational risks which the Company believes to be inherent in the industry in which the Company operates. These include:

- Changed operating, market or regulatory environments;
- Fluctuations in demand volumes;
- Fluctuations in exchange rates; and
- Increasing costs of operations.

These risk areas are provided here to assist investors better understand the nature of the significant risks faced by the Company.

Monitoring Performance

The Board and senior management monitor the performance of all divisions through the preparation of monthly management accounts. The monthly management accounts are prepared using accrual accounting techniques and report each business unit's result as contribution after overhead allocation. These monthly management accounts are compared to monthly budgets, which have been set allowing for the seasonality of anticipated revenues and costs in each of the divisions.

The monitoring of the Company's performance by the Board and management assists in identifying the correct allocation of resources and staff to maximise the overall return to shareholders.

A performance evaluation for senior management was undertaken during the year and was in accordance with the process developed by the Board for that purpose.

Details of the structure of non-executive directors' and senior executives' remuneration are included in the Remuneration Report within the Directors' Report in this Annual Report.

Nomination and Remuneration

Joint Nomination and Remuneration Committee

The Board has established a joint Nomination and Remuneration Committee comprising the non-executive directors on 14 June 2011. Prior to that, the role of the Nomination Committee was performed by the Board itself and the Remuneration Committee was part of the joint Audit and Remuneration Committee. The role of the joint Nomination and Remuneration Committee is to make decisions on the following matters:

- Determine the appropriate size and composition of the Board;
- Determine the terms and conditions of appointment to and retirement from the Board;
- Develop appropriate criteria for Board membership;
- Reviewing membership of the Board and proposing candidates for consideration by the Board;
- Arranging a review of the Board's own performance;
- Determine the Company's remuneration plans, policies and practices, including compensation arrangements for the non-executive directors, executive directors, group chief operating officer and senior executives; and
- Responsible for considering general remuneration policies and practices, recruitment and termination policies and superannuation requirements.

Details of the attendance of directors at the joint Nomination and Remuneration Committee meetings are disclosed in the Directors' Report in this Annual Report.

The Board believes that it has the right numbers and skill sets within its Board members for the current size of the Company, and is confident that each non-executive director brings independent judgement to bear on Board decisions.

The Company does not have a policy to preclude its executives from entering into transactions to limit their economic risk from investing in Company shares, options or rights and has made executives aware of their obligations in relation to financial commitments against shares issued under the executive securities plan and has requested that they take sufficient professional advice in relation to their individual financial position.

There are no retirement schemes or retirement benefits other than statutory benefits for non-executive directors.

Directors' report

The directors present their report, together with the financial statements of the Asian Centre for Liver Diseases and Transplantation Limited ("the Group") for the year ended 31 August 2011.

Directors

The directors of the Group at any time during or since the end of the financial year are as set out below.

Dato' Dr Kai Chah Tan	(Executive Chairman)	
Ms Pamela Anne Jenkins	(Executive Director)	
Mr Wing Kwan Teh	(Non Executive Director)	(appointed 31 January 2011)
Mr Heng Boo Fong	(Independent Non-Executive Director)	
Mr Harry Vui Khiun Lee	(Independent Non-Executive Director)	(appointed 18 April 2011)
Mr Hoong Kee Tang	(Independent Non-Executive Director)	(resigned 13 June 2011)

The skills, experience, expertise and tenure of each director are disclosed in the profile of directors section within the Annual Report.

Below is the profile of a director who is no longer in office:

Mr Hoong Kee Tang B Com (Hons) (resigned 13 June 2011)

Mr Hoong Kee Tang was an Independent Non-Executive Director and chaired the joint Audit and Remuneration Committee of ACLDT from 14 August 2009 to 13 June 2011. Mr. Tang graduated with a Bachelor of Commerce (Honours) degree from the University of Manitoba (Canada) majoring in accounting and finance. He has over 30 years' experience in the banking, corporate finance and telecommunications industries in which he has held several senior management positions.

Principal activities

The Group's principal activities consist of provision of specialist medical consultation and services in hepatology practice and related fields.

Company Secretary

The following person held the position of company secretary at the end of the financial year:

Mr Dario Nazzari

Dario Nazzari has a Bachelor of Commerce, a Diploma in Financial Planning and has more than 14 years professional experience. He is a Chartered Accountant and a member of the Institute of Chartered Accountants.

Review and results of operations

The reverse takeover exercise for Asian Centre for Liver Diseases and Transplantation Limited ("ACLDT") (formally known as Costarella Design Limited ("CDL")) was completed in August 2009. As such, the comparative numbers presented for the period ended 31 August 2010 were for 14 months from 1 July 2009 to 31 August 2010, which comprised:

- 2 months from 1 July 2009 to 31 August 2009 for CDL – there were no operating activities for the discontinued operations of CDL during the period under review;
- 12 months from 1 September 2009 – 31 August 2010 for ACLDT

Details of the Operations of ACLDT during the year, the financial position and the strategies and prospects for the future years can be found in the Chairman and Executive Director's message found on pages 5 to 9 which forms part of this Annual Report.

Directors' meetings

The following table sets out the number of director's meetings (including meetings of Committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, seven (7) Board meetings and three (3) joint Audit and Remuneration Committee meetings were held. No joint Remuneration Nomination Committee meetings were held during the financial year.

	Directors' Meetings		Audit Committee Meetings		Joint Nomination and Remuneration Committee Meetings [^]	
	Number Eligible to attend	Number Attended	Number Eligible to attend	Number Attended	Number Eligible to attend	Number Attended
Dato' Dr Kai Chah Tan	7	7	-	-	-	-
Ms Pamela Anne Jenkins	7	7	-	-	-	-
Mr Wing Kwan Teh	4*	4*	-	-	-	-
Mr Heng Boo Fong	7	7	3	3	-	-
Mr Harry Vui Khiun Lee	2*	2*	-	-	-	-
Mr Hoong Kee Tang (resigned 13 June 2011)	6	6	3	3	-	-

[^] the Nomination Committee was formed on 11 April 2011 and was subsequently combined with the Remuneration Committee on 14 June 2011. The first joint Nomination and Remuneration Committee meeting was held on 17 October 2011.

* Mr Wing Kwan Teh and Mr Harry Vui Khiun Lee were appointed on 31 January 2011 and 18 April 2011 respectively.

Directors' interest

The relevant interests of each director in the shares of the parent entity at the date of this report are as follows:

Director	Number of shares
Dato' Dr Kai Chah Tan	102,298,250
Ms Pamela Anne Jenkins	21,324,600
Mr Wing Kwan Teh	4,084,090
Mr Heng Boo Fong	-
Mr Harry Vui Khiun Lee	561,905

None of the directors have share options in the Company.

Dividends paid or recommended

An interim unfranked dividend of S\$0.001 (A\$0.001) (2010 : S\$0.006) per qualifying ordinary share for the financial year ended 31 August 2011 was paid on 31 May 2011.

Following the completion of accounts the Directors propose to declare a final unfranked dividend of S\$0.003 (A\$0.002) (2010 : S\$0.003) per qualifying ordinary share in respect of the financial year ended 31 August 2011, to be paid to the shareholders in December 2011.

This dividend has not been included as a liability in these financial statements and will be paid to all shareholders on the Register of Members at the relevant date. The total estimated to be paid is S\$493,000 (A\$377,000).

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Group during the year.

Events subsequent to balance date

On 6 September 2011, the company announced that it had commenced operations for a new liver clinic at Mount Elizabeth Medical Centre, the largest private hospital in Singapore. The new clinic complements the main Liver Centre at Gleneagles Hospital and allows ACLDT to tap higher patient load and referrals from specialists at Mount Elizabeth. Both hospitals are part of Parkway Holdings Limited, which has a network of 16 hospitals throughout Asia.

During the ALCVN Members' Council meeting held on the 3 October 2011, all shareholders of ALCVN passed a resolution to issue new shares to Hoa Lam Consultant Investment Ltd to raise its shareholding in ALCVN from 25% to 67.86%. ACLDT's shareholding in ALCVN will be diluted from 70% to 30% as a result of the new issue of shares. The new shares will be issued upon finalisation of a new Joint Venture Agreement ("JVA"). As at the date of this report, the new JVA has yet to be finalised.

Other than the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Likely developments

Except as detailed in the Chairman's and Executive Director's message on pages 5 to 9, likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations in future years have not been included in this report, as the directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the Group.

Options

At the date of this report, the unissued ordinary shares of ACLDT under option are as follows:

Grant Date	Exercise Price	Options outstanding at 1.9.2010	Options granted	Options exercised/ cancelled/ lapsed	Options outstanding at 31.8.2011	Exercise period
17.1.2011	\$0.088	-	1,299,000	-	1,299,000	17.1.2012 to 17.1.2016

Option holders do not have any rights to participate in any issues of shares or other interests in the company or any other entity.

Except as disclosed above, there have been no unissued shares or interests under option of any controlled entity within the Group during or since reporting date.

For details of options issued to directors and executives as remuneration, refer to the Remuneration Report.

During the financial year, no ordinary shares were issued as a result of the exercise of options.

Environmental regulation

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

The directors are not aware of any particular or significant environmental issues which have been raised in relation to the Company's operations during the financial year.

The directors are also not aware of any breach in the environmental regulations in Singapore and Vietnam during the financial year.

Remuneration report

This remuneration report, which forms part of the director's report, sets out information about the remuneration of the directors and executives for the year ended 31 August 2011.

Remuneration policy

The objective of the Group's remuneration policy is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns remuneration with achievement of strategic objectives and the creation of value to shareholders, and conforms to market best practice for delivery of reward. The Board ensures that remuneration satisfies the following key criteria for good reward governance practices:

- (i) Competitiveness and reasonableness;
- (ii) Acceptability to shareholders;
- (iii) Performance linkage/alignment of executive compensation;
- (iv) Transparency; and
- (v) Capital management.

The Group has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the Group.

Alignment to shareholders' interest:

- (i) Focuses on sustained growth in shareholder wealth; and
- (ii) Attracts and retains high calibre executives.

Alignment to program participants' interest:

- (i) Rewards capability and experience; and
- (ii) Provides a clear structure for earning rewards.

The joint Nomination and Remuneration Committee, consisting of at least two non-executive directors, is responsible for making recommendations on remuneration policies and packages applicable to Board members and for approval of remuneration for executive officers of the Group taking into account the financial position of the Consolidated Group. The Board remuneration policy per the formal Charter is to ensure the remuneration package properly reflects the person's duties and responsibilities, and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The Constitution of the Company specifies that the aggregate remuneration of directors, other than salaries paid to executive directors, shall be determined from time to time by general meeting. An amount not exceeding the amount determined is divided between those directors as they agree. The latest determination was at the Annual General Meeting held on 23 November 2009 when shareholders approved an aggregate remuneration pool of A\$200,000 per annum.

The Board as a whole determines the amount of the fees paid to each non-executive director. The amount proposed to be paid to each non-executive director during the year is A\$20,000 (2010: A\$20,000).

All directors and executives may be allocated options to acquire shares in the Group under the Incentive Option Scheme approved by shareholders from time to time. The last such scheme was approved by shareholders at the Annual General Meeting of shareholders held on 6 December 2010. The options are subject to service conditions such that only a third of the options granted may be exercised on or after the first, second and third anniversary of the grant. Options expire at the earlier of termination of employment or five years after the grant date. The exercise price is set by the joint Nomination and Remuneration Committee. The inputs to the option valuation methodology are set out in Note 21.

The Group's policy for determining the nature and amounts of emoluments of board members and key management personnel of the company is as follows:

Fixed remuneration for executives

The executive directors and key management personnel are employed under a contract detailing their remuneration, service period and non-competition clauses. All executive directors and key management personnel are employed on a continuing basis the terms of which are not expected to change in the immediate future. Apart from retirement benefits which accrue under statute (such as unpaid annual leave and pension benefits), there are no retirement benefits for executive directors and key management personnel. The Company pays to the Singapore Central Provident Fund ("CPF") at the statutory employer's contribution rate and salary sacrificed contributions and therefore there are no future liabilities in respect of these payments.

Service contracts

The executive directors and key management personnel are employed under a contract detailing their remuneration, service period and non-competition clauses. All executive directors and key management personnel are employed on a continuing basis the terms of which are not expected to change in the immediate future. Contracts can be terminated by ACLDT at will in cases of severe misconduct or breach of duties. Currently there are no formal service contracts in place for the non-executive directors.

Performance based remuneration

Performance based remuneration has short-term and long-term incentive components. Short-term organisational goals are managed with the use of performance bonuses. The criteria relate to either achievement of individual performance targets, budget targets or achievement of year on year growth of key financial measures. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations.

Long-term organisational goals are aligned with key management personnel performance through the use of options under the Group's Incentive Option Scheme. Options are granted based on the performance and contribution of the directors and executives. The exercise price is set by the joint Nomination and Remuneration Committee. Shares issued to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director and executive. Options are valued using the binomial option pricing methodology and expensed in accordance with the vesting conditions.

Employment Details of Members of Key Management Personnel

The key management personnel of the Group during the financial year ended 31 August 2011 are listed below.

Directors:

Dato' Dr Kai Chah Tan	– Executive Director and Chairman
Ms Pamela Anne Jenkins	– Executive Director
Mr Wing Kwan Teh	– Non-Executive Director
Mr Heng Boo Fong	– Independent Non-Executive Director
Mr Harry Vui Khiun Lee	– Independent Non-Executive Director
Mr Hoong Kee Tang	– Independent Non-Executive Director (resigned 13 June 2011)

Other key management personnel:

Mr Cherinjit Kumar Shori	– Group Chief Operating Officer
Mr Meng Yau Yeoh	– Group Financial Controller

The skills, experience, expertise and tenure of each director and key management personnel are disclosed in the profile of directors and key management personnel sections respectively within the Annual Report.

The following table provides details of persons who were, during the financial year, members of key management personnel of the Consolidated Group. The table also illustrates the proportion of remuneration that was performance and non-performance based and the proportion of remuneration that was received in the form of options:

31 August 2011	Position held as at 31 August 2011	Contract details (duration & termination)	Proportion of elements of remuneration related to performance.		Proportion of elements of remuneration not related to performance	
			Non-salary cash-based incentives	Share/Options	Fixed salary/Fees	Total
Dato' Dr Kai Chah Tan	Executive Director/ Surgeon	Service Agreement/ In accordance with Constitution	3%	-	97%	100%
Ms Pamela Anne Jenkins	Executive Director	Service Agreement/ In accordance with Constitution	14%	-	86%	100%
Mr Wing Kwan Teh	Non-Executive Director (appointed 31 January 2011)	In accordance with Constitution	-	-	-	-
Mr Heng Boo Fong (1)	Non-Executive Director	In accordance with Constitution	-	-	100%	100%
Mr Harry Vui Khiun Lee (2)	Non-Executive Director (appointed 18 April 2011)	In accordance with Constitution	-	-	-	-
Mr Cherinjit Kumar Shori	Group Chief Operating Officer	No fixed term/ One month	19%	3%	78%	100%
Mr Meng Yau Yeoh	Group Financial Controller	No fixed term/ One month	18%	3%	79%	100%

(1) Mr Heng Boo Fong is also a member of the Audit Committee and joint Nomination and Remuneration Committee. Mr Fong replaced Mr Tang as the Chairman of the Audit Committee on 14 June 2011.

(2) Mr Harry Vui Khiun Lee is also the Chairman of the joint Nomination and Remuneration Committee and member of the Audit Committee.

Remuneration Details for the Year Ended 31 August 2011

The following table of benefits and payment details, in respect of the financial year, the components of remuneration for each director and member of the key management personnel of the Consolidated Group:

	Cash salary and fees	Cash bonus	Post employment benefit – Central Provident Fund	Long term employee benefits - Share Options	Total
31 August 2011	S\$	S\$	S\$	S\$	S\$
Dato' Dr Kai Chah Tan	2,400,000	66,666	6,263	-	2,472,929
Ms Pamela Anne Jenkins	408,000	66,666	8,553	-	483,219
Mr Wing Kwan Teh (2)	-	-	-	-	-
Mr Hoong Kee Tang (1)	25,826	-	-	-	25,826
Mr Heng Boo Fong	25,827	-	-	-	25,827
Mr Harry Vui Khiun Lee (2)	-	-	-	-	-
Mr Cherinjit Kumar Shori	250,000	62,000	8,613	10,026	330,639
Mr Meng Yau Yeoh	131,280	32,800	11,613	5,443	181,136
	3,240,933	228,132	35,042	15,469	3,519,576

(1) Mr Hoong Kee Tang resigned on 13 June 2011.

(2) Mr Wing Kwan Teh and Mr Harry Vui Khiun Lee were appointed during the financial year; therefore there are no comparative figure.

	Cash salary and fees	Cash bonus	Post employment benefit– Central Provident Fund	Long term employee benefits - Share Options	Total
31 August 2010	S\$	S\$	S\$	S\$	S\$
Dato' Dr Kai Chah Tan	2,400,000	25,000	5,743	-	2,430,743
Ms Pamela Anne Jenkins	408,000	25,000	10,558	-	443,558
Mr Hoong Kee Tang	-	-	-	-	-
Mr Heng Boo Fong	-	-	-	-	-
Mr Cherinjit Kumar Shori	200,000	60,000	9,430	-	269,430
Mr Meng Yau Yeoh	78,674	18,500	5,877	-	103,051
	3,086,674	128,500	31,608	-	3,246,782

Options and Rights Granted

All directors and executives may be allocated options to acquire shares in the Group under the Incentive Option Scheme approved by shareholders from time to time. The last such scheme was approved by shareholders at the Annual General Meeting of shareholders held on 6 December 2010.

	Grant details			For the financial year ended 31 August 2011					Overall			
	Date	No.	Value \$ (Note 1)	Exercised no.	Exercised \$	Lapsed no.	Lapsed \$	Vested no.	Vested	% Unvested	% Lapsed	%
Group Key Management Personnel												
Mr Cherinjit Kumar Shori	17.1.2011	842,000	10,026	-	-	-	-	-	-	100%	-	-
Mr Meng Yau Yeoh	17.1.2011	457,000	5,443	-	-	-	-	-	-	100%	-	-
				-	-	-	-	-				

Note 1 The value of options granted as remuneration and as shown in the above table has been determined in accordance with applicable accounting standards.

Indemnification and insurance of officers

The Company is required to indemnify the directors and other officers of the Company against any liabilities incurred by the directors and officers that may arise from their position as directors and officers of the Company. No costs were incurred during the year pursuant to this indemnity.

The Company has entered into deeds of indemnity with each director whereby, to the extent permitted by the Corporations Act 2001, the Company agreed to indemnify each director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

Since the end of the previous year the Company has paid insurance premiums in respect of directors' and officers' liability and legal expenses' insurance contracts.

The terms of the policies prohibit disclosure of details of the amount of the insurance cover, the nature thereof and the premium paid.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. There were no such proceedings brought or interventions on behalf of the Company with leave from the Court under section 237 of the Corporations Act 2001.

Non-audit services

During the year, Grant Thornton, the Group's auditors, performed certain other services in addition to their statutory audit duties.

The Board has considered the non-audit services provided during the year by the auditor and, in accordance with written advice provided by resolution of the Audit Committee, is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the Audit Committee to ensure they do not impact upon the impartiality and objectivity of the auditor; and
- The non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Group, Grant Thornton, and its related practices for audit and non-audit services provided during the year are set out in note 7 to the Financial Statements.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required by section 307C of the Corporations Act 2001 for the year ended 31 August 2011 has been received as set out immediately following the end of the Directors' report.

The Report of Directors is signed in accordance with a resolution of the Board of Directors.



Dato' Dr Kai Chah Tan
Executive Chairman

3 November 2011



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**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF ASIAN CENTRE FOR LIVER DISEASES AND
TRANSPLANTATION LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Asian Centre for Liver Diseases and Transplantation Limited for the year ended 31 August 2011, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

A stylized blue ink signature of "Grant Thornton" in a cursive script.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A black ink signature of "S J Gray" in a cursive script.

S J Gray
Director – Audit & Assurance

Adelaide, 3 November 2011

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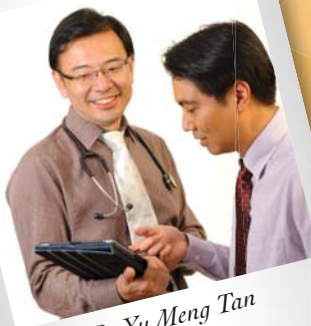
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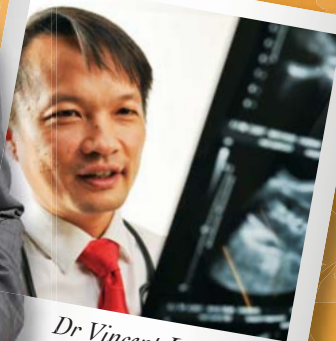
One big family



Dr Kang Hoe Lee



Dr Yu Meng Tan



Dr Vincent Lai



Dr Desmond Wai



Our friendly staff

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Asian Centre for Liver Diseases and Transplantation Limited

ABN NUMBER 42 091 559 125

Financial Statements for the year ended 31 August 2011

Statement of comprehensive income

For the year ended 31 August 2011

		Consolidated Group	
		Year ended	14 months ended
	Note	31 August 2011	31 August 2010
		S\$	S\$
Revenue	2	20,762,783	20,491,819
Other operating income		21,663	12,193
Changes in inventories		(107,709)	6,190
Inventories		(1,717,725)	(1,649,026)
Purchase services		(9,013,722)	(9,881,230)
Employment benefits expense		(6,481,417)	(4,875,861)
Operating lease expense		(486,721)	(453,696)
Depreciation and amortisation expenses		(231,733)	(40,568)
Directors' fees		(51,653)	-
Bad debts written off		-	(1,524)
Finance expense	3	(3,249)	-
Other expenses		(800,415)	(669,634)
Costs associated with business combination		-	(105,000)
Profit before income tax	4	1,890,102	2,833,663
Income tax expense	5	(348,813)	(493,964)
Profit for the year/period		1,541,289	2,339,699
Other comprehensive income:			
Net effect of foreign currency translation		63,337	1,954
Total comprehensive income for the year/period		1,604,626	2,341,653
Profit attributable to :			
Members of the parent entity		1,625,102	2,339,699
Non-controlling interest		(83,813)	-
		1,541,289	2,339,699
Total comprehensive income attributable to :			
Members of the parent entity		1,691,706	2,341,653
Non-controlling interest		(87,080)	-
		1,604,626	2,341,653
Earnings per share			
From continuing operations:			
Basic earnings per share (S cents)	9	0.86	1.24
Diluted earnings per share (S cents)	9	0.86	1.24

These financial statements should be read in conjunction with the accompanying notes.

Statement of financial position

As at 31 August 2011

	Note	Consolidated Group	
		2011	2010
		S\$	S\$
Current assets			
Cash and cash equivalents	10	5,175,475	2,966,419
Trade and other receivables	11	1,050,968	2,710,452
Inventories	12	261,675	369,384
Total current assets		6,488,118	6,046,255
Non-current assets			
Plant and equipment	13	874,029	183,373
Intangible assets	14	266,123	266,123
Total non-current assets		1,140,152	449,496
Total assets		7,628,270	6,495,751
Current liabilities			
Trade and other payables	15	3,616,224	3,267,631
Finance lease liabilities	18	44,990	-
Current tax liabilities	16	322,542	489,034
Total current liabilities		3,983,756	3,756,665
Non-current liabilities			
Other payables	17	723,311	921,029
Finance lease liabilities	18	125,664	-
Deferred tax liabilities	16	38,492	3,950
Total non-current liabilities		887,467	924,979
Total liabilities		4,871,223	4,681,644
Net assets		2,757,047	1,814,107
Equity			
Issued capital	19	266,133	266,133
Reserves	20	28,993	(49,812)
Retained earnings		2,482,040	1,597,786
		2,777,166	1,814,107
Non-controlling interest		(20,119)	-
Total equity		2,757,047	1,814,107

These financial statements should be read in conjunction with the accompanying notes.

Statement of changes in equity

For year ended 31 August 2011

	Issued Capital	Retained Earnings	Reserve for own shares	Foreign Currency Translation Reserve	Employee share option reserve	Non- controlling interest	Total
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Balance at 1.9.2009	266,133	387,112	-	(48,883)	-	-	604,362
Shares issued/purchased during the period	-	-	(2,883)	-	-	-	(2,883)
Total comprehensive income for the period	-	2,339,699	-	1,954	-	-	2,341,653
Dividend paid (note 8)	-	(1,129,025)	-	-	-	-	(1,129,025)
Balance at 31.8.2010	266,133	1,597,786	(2,883)	(46,929)	-	-	1,814,107
Balance at 1.9.2010	266,133	1,597,786	(2,883)	(46,929)	-	-	1,814,107
Total comprehensive income for the year	-	1,625,102	-	66,604	-	(87,080)	1,604,626
Employee share option	-	-	-	-	15,469	-	15,469
Non-controlling interest on acquisition of subsidiary	-	-	-	(3,268)	-	66,961	63,693
Dividend paid (note 8)	-	(740,848)	-	-	-	-	(740,848)
Balance at 31.8.2011	266,133	2,482,040	(2,883)	16,407	15,469	(20,119)	2,757,047

These financial statements should be read in conjunction with the accompanying notes.

Statement of cash flows

For year ended 31 August 2011

		Consolidated Group	
	Note	Year ended 31 August 2011 S\$	14 months ended 31 August 2010 S\$
Cash flows from operating activities			
Receipts from customers		22,431,449	21,029,550
Payments to suppliers and employees		(18,342,444)	(20,200,303)
Income tax paid		(480,763)	(370,077)
Net cash provided by operating activities	24a	3,608,242	459,170
Cash flows from investing activities			
Purchase of treasury shares		-	(2,883)
Purchase of plant and equipment		(452,308)	(133,886)
Interest received		12,481	8,885
Acquisition of subsidiary, net of cash	22b	(214,744)	-
Cost associated with business combinations during the period		-	(105,000)
Net cash used in investing activities		(654,571)	(232,884)
Cash flows from financing activities			
Repayment of finance lease liabilities		(18,146)	-
Fixed deposit pledged		-	(84,574)
Dividends paid	8	(740,848)	(1,129,025)
Finance cost	3	(3,249)	-
Net cash used in financing activities		(762,243)	(1,213,599)
Net change in cash and cash equivalents held		2,191,428	(987,313)
Cash and cash equivalents at beginning of financial year/period		2,845,229	3,827,892
Effect of exchange rate change on balances of cash held in foreign currencies		17,628	4,650
Cash and cash equivalents at end of financial year/period	10	5,054,285	2,845,229

These financial statements should be read in conjunction with the accompanying notes.

Notes to the financial statements

For the year ended 31 August 2011

1 Statement of significant accounting policies

This financial report includes the consolidated financial statements and notes of Asian Centre for Liver Diseases and Transplantation Limited and controlled entities ("Consolidated Group" or "Group").

(a) Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Asian Centre for Liver Diseases and Transplantation Limited ("ACLDT") is a company domiciled in Australia.

On 18 August 2009, ACLDT completed its acquisition of all of the issued shares in Asian Centre for Liver Diseases and Transplantation Inc. (including its wholly owned subsidiary Asian Centre for Liver Diseases and Transplantation Pte Ltd) in consideration for the issue of post-consolidation shares in the Company. As a result of the reverse acquisition, the financial statements of the Company are now a continuation of the financial statements of its legal subsidiary.

On 14 January 2010, the Australian Securities and Investments Commission ("ASIC") granted relief to enable the Company to change its financial year end from 30 June to 31 August to align the financial year end of ACLDT Ltd with that of its subsidiary undertakings. As a result, the financial report for the period ended 31 August 2010 reflects the 14 months from the 1 July 2009 to 31 August 2010.

The consolidated financial report is presented in Singapore Dollars (SGD) as a significant portion of the group's activity is denominated in Singapore Dollars.

These consolidated financial statements have been approved for issue by the Board of Directors on 3 November 2011.

(b) Principles of consolidation

A controlled entity is any entity over which Asian Centre for Liver Diseases and Transplantation Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 22 to the financial statements. All controlled entities have a 31 August financial year end.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered the Consolidated Group during the year, their operating results have been included from the date control was obtained.

All inter-group balances and transactions between entities in the Consolidated Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Accounting policies of subsidiaries are consistent with those adopted by the parent entity.

(c) Business combinations

Business combinations occur where an acquirer obtains controls over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill (refer Note 1(j)) or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the entity interest issued by the acquirer.

Reverse acquisition, where the cost of the business combination is deemed to have been incurred by the legal subsidiary (ie. the acquirer for accounting purposes) in the form of equity instruments issued to the owners of the legal parent (i.e. the acquiree for accounting purposes), are accounted for under AASB 3: Business Combinations. The method calculates the fair value of the instruments issued by the legal parent on the basis of existing instruments of the legal subsidiary.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

(d) Income tax

The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates that have been enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (benefit) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

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

(e) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories includes direct costs associated with the purchase of inventory including transportation costs.

(f) Plant & equipment

Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial year in which they are incurred.

Depreciation

The depreciation of all fixed assets is depreciated on a straight line basis over the asset's useful life to the Consolidated Group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

<i>Class of fixed asset</i>	<i>Depreciation Rate</i>
Office equipment	5-6 years
Medical equipment	5 years
Computers	5 years
Furniture and fittings	5 years
Renovations	4-5 years

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

(g) Leases

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

In accordance with AASB 117 Leases, the economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset. The related asset is then recognised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognised as a finance leasing liability, irrespective of whether some of these lease payments are payable up-front at the date of inception of the lease. Leases of land and buildings are classified separately and are split into a land and a building element, in accordance with the relative fair values of the leasehold interests at the date the asset is recognised initially.

Depreciation methods and useful lives for assets held under finance lease agreements correspond to those applied to comparable assets which are legally owned by the Group. The corresponding finance leasing liability is reduced by lease payments less finance charges, which are expensed as part of finance costs.

The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to profit or loss over the period of the lease.

(h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to the profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties. Where available, quoted prices in an active market are used to determine fair value.

The Group does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(ii) *Held-to-maturity investments*

These investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

(iii) *Available for sale financial assets*

Available for sale financial assets are non-derivative assets that are either not suitable to be classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available for sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

(iv) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

(v) *Fair value*

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

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(i) Impairment of assets

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

Impairment testing is performed annually for goodwill.

(j) Intangibles**Goodwill**

Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

- (i) the consideration transferred;
- (ii) any non-controlling interest; and
- (iii) the acquisition date fair value of any previously held equity interests

over the acquisition date fair value of net identifiable assets acquired. Goodwill on acquisition of subsidiaries is included in intangible assets.

Goodwill is tested for impairment annually and is allocated to the Group's cash generating units or groups of cash generating units, which represent the lowest level at which goodwill is monitored by where such level is not larger than an operating segment.

(k) Foreign Currency Transactions and Balances**Functional and presentation currency**

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Singapore dollars which is the Group's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the year; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on the translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of comprehensive income. These differences are recognised in the statement of comprehensive income in the year in which the operation is disposed.

(l) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year are measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Central Provident Fund ("CPF") contributions: The Group makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution post-employment or pension scheme. Contributions to post-employment benefits under defined contribution plans are recognised as an expense in the statement of comprehensive income as incurred.

Equity-settled compensation: The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a binomial option pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(m) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(n) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits held with banks, other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values.

(o) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods or rendering of a service is recognised upon delivery of the goods or service.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of goods and services tax ("GST").

(p) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting year for goods and services received by the Group during the reporting year which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of initial recognition.

(q) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated in the statement of financial position inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

(r) Share-based employee remuneration

The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to 'share option reserve'.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up are allocated to share capital.

(s) Transaction costs on the issue of equity instruments

Transaction costs arising from the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

(t) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(u) New and Revised Accounting Standards

The Group has adopted the following revisions and amendments to AASB's issued by the Australian Accounting Standards Board and IFRS issued by the International Accounting Standards Board, which are relevant to and effective for the Group's financial statements for the annual period beginning 1 July 2010:

- Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project– AASB 2009-5
- Improvements to IFRSs- AASB 2010-03.

The adoption of new and revised Accounting Standards effective for the financial statements for the annual period beginning 1 July 2010 did not have a material impact on the Group's financial statements.

(v) Accounting standards not yet effective

AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (Effective from 1 January 2013)

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. AASB 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in AASB 139 and removes the impairment requirement for financial assets held at fair value.

In addition, the majority of requirements from AASB 139 for the classification and measurement of financial liabilities has been carried forward unchanged, except in relation to own credit risk where an entity takes the option to measure financial liabilities at fair value. AASB 9 requires the amount of the change in fair value due to changes in the entity's own credit risk to be presented in other comprehensive income (OCI), unless there is a accounting mismatch in the profit or loss, in which case all gains or losses are to be presented in the profit or loss.

The amendment is not expected to have any impact on the group's financial statements.

AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards arising from AASB 124 (Effective from 1 January 2011)

The amendment clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The group will apply the amended standard from 1 July 2011. When the amendments are applied, the group will need to disclose any transactions between its subsidiaries and it associated. However, there will be no impact on any of the amounts recognised in the financial statements.

(w) Impact of the Carbon Tax Legislation

On 10 July 2011, the Commonwealth Government announced the "Securing a Clean Energy Future – the Australian Government's Climate Change Plan". Whilst the announcement provides further details of the framework for a carbon pricing mechanism, uncertainties continue to exist on the impact of any carbon pricing mechanism on the Group as legislation must be voted on and passed by both Houses of Parliament. In addition, as the Group will not fall within the "Top 500 Australian Polluters", the impact of the Carbon Scheme will be through indirect effects of increased prices on many production inputs and general business expenses as suppliers subject to the carbon pricing mechanism are likely to pass on their carbon price burden to their customers in the form of increased prices. Directors expect that this will not have a significant impact upon the operation costs within the business, and therefore will not have an impact upon the valuation of assets and/or going concern of the business.

(x) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates and Judgements**(i) Impairment**

The Group assesses impairment at each reporting date by evaluating conditions and events specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations and valuations from independent valuers are performed and used in assessing recoverable amounts, these calculations and valuations incorporate a number of key estimates.

2 Revenue

	Consolidated Group	
	2011	2010
	S\$	S\$
Operating activities		
Provision of services	17,384,876	17,369,484
Sale of medication	3,377,907	3,122,335
Total revenue from operating activities	20,762,783	20,491,819
Other revenue		
Interest received	12,481	8,885
Other income	9,182	3,308
Total other revenue	21,663	12,193

3 Finance expense

Interest expense on obligation under finance lease	3,249	-
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4 Profit for the year/period

The profit for the year/period has been arrived at after crediting/(charging) the following items:

a. Expenses	Consolidated Group	
	2011	2010
	S\$	S\$
Cost of sales	(10,839,156)	(11,524,066)
Foreign currency translation gain/(loss)	450	(72)
Bad and doubtful debts	-	(1,524)
Administrative expenses include rental expense on operating leases as follows:		
- premises	(486,721)	(453,696)
Depreciation and amortisation is reflected in the statement of comprehensive income as follows:		
- depreciation	(231,733)	(40,568)
Professional fees	(151,430)	(181,091)
Credit card charges	(114,984)	(99,725)
Central Provident Fund	(153,722)	-
Share option expense	(15,469)	-

5 Income Tax Expense

	Note	Consolidated Group	
		2011	2010
		S\$	S\$
a. The components of tax expense comprise:			
Current tax		383,826	493,298
Deferred tax	16	34,542	-
(Over)/under provision in respect of prior years		(69,555)	666
		<u>348,813</u>	<u>493,964</u>

b. The prima facie tax on profit before income tax is reconciled to the income tax as follows:

Prima facie tax payable on profit before income tax at 17% (2010: 17%)		321,317	481,723
Add:			
Tax effect of:			
- (over)/under provision for income tax in prior years		(69,555)	666
- partial income tax exemption		(25,925)	(25,925)
- current year losses for which no deferred tax asset was recognised		122,976	37,500
Income tax expense		<u>348,813</u>	<u>493,964</u>

6 Key Management Personnel Compensation

The key management personnel ("KMP") compensation included in employment expenses includes:

	2011	2010
	S\$	S\$
Short-term benefits	3,469,065	3,215,174
Post employment benefit	35,042	31,608
Share based payments	15,469	-
Total compensation	<u>3,519,576</u>	<u>3,246,782</u>

Detailed remuneration disclosures are provided in the remuneration report.

KMP Options and Right Holdings

All directors and executives may be allocated options to acquire shares in the Group under the Incentive Option Scheme approved by shareholders from time to time. The last such scheme was approved by shareholders at the Annual General Meeting of shareholders held on 6 December 2010.

The number of options over ordinary shares held by each KMP of the Group during the financial year is as follows:

31 August 2011	Balance at beginning of year	Granted as remuneration during the year	Exercised during the year	Lapsed/cancelled	Balance at end of year	Balance vested as end of year	Vested during the year
Dato' Dr Kai Chah Tan	-	-	-	-	-	-	-
Ms Pamela Anne Jenkins	-	-	-	-	-	-	-
Mr Wing Kwan Teh	-	-	-	-	-	-	-
Mr Hoong Kee Tang	-	-	-	-	-	-	-
Mr Heng Boo Fong	-	-	-	-	-	-	-
Mr Harry Vui Khiun Lee	-	-	-	-	-	-	-
Mr Cherinjit Kumar Shori	-	842,000	-	-	842,000	-	-
Mr Meng Yau Yeoh	-	457,000	-	-	457,000	-	-
	-	1,299,000	-	-	1,299,000	-	-

There were no share options issued during the last financial period ended 31 August 2010.

KMP Shareholdings

The number of ordinary shares in Asian Centre for Liver Diseases and Transplantation Limited held by each KMP of the Group during the financial year is as follows:

31 August 2011	Balance at beginning of year	Issued during the year	Issued on exercise of options during the year	Other changes during the year	Balance at end of year
Dato' Dr Kai Chah Tan	102,298,250	-	-	-	102,298,250
Ms Pamela Anne Jenkins	21,324,600	-	-	-	21,324,600
Mr Wing Kwan Teh	-	-	-	4,084,090*	4,084,090
Mr Hoong Kee Tang	-	-	-	-	-
Mr Heng Boo Fong	-	-	-	-	-
Mr Harry Vui Khiun Lee	-	-	-	561,915*	561,915
Mr Cherinjit Kumar Shori	-	-	-	-	-
Mr Meng Yau Yeoh	-	-	-	-	-
	123,622,850	-	-	4,646,005	128,268,855

* At date of appointment

31 August 2010	Balance at beginning of period	Issued during the period	Issued on exercise of options during the period	Other changes during the period	Balance at end of period
Dato' Dr Kai Chah Tan	-	102,298,250	-	-	102,298,250
Ms Pamela Anne Jenkins	-	21,324,600	-	-	21,324,600
Mr Hoong Kee Tang	-	-	-	-	-
Mr Heng Boo Fong	-	-	-	-	-
Mr Ravindran Govindan	-	486,988	-	-	486,988
Mr Aurelio Costarella	-	133,805	-	-	133,805
Mr Sam Di Giacomo	-	10,000	-	-	10,000
Mr Cherinjit Kumar Shori	-	-	-	-	-
Mr Meng Yau Yeoh	-	-	-	-	-
	-	124,253,643	-	-	124,253,643

Other KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above.
For details of other transactions with KMP, refer to Note 26: Related Parties.

7 Auditor's Remuneration

	Consolidation Group	
	2011	2010
	S\$	S\$
Remuneration of the parent entity auditor, Grant Thornton Audit Pty Ltd:		
- auditing or reviewing the financial report	34,741	22,427
- taxation services	12,095	-
Remuneration of related practices of Grant Thornton Audit Pty Ltd:		
- auditing or reviewing the financial report of subsidiaries	65,408	55,992
- taxation services	5,308	4,192

8 Dividends

	Consolidation Group	
	2011	2010
	S\$	S\$
Final unfranked dividend of 0.3 S cents per share in respect of financial period ended 2010	492,950	-
Interim unfranked dividends 0.1 S cents per share (2010 : 0.6 S cents per share)	247,898	1,129,025
	<u>740,848</u>	<u>1,129,025</u>

Following the completion of accounts the Directors propose to declare a final unfranked dividend of S\$0.003 (A\$0.002) (2010 : S\$0.003) per qualifying ordinary share in respect of the financial year ended 31 August 2011, to be paid to the shareholders in December 2011.

This dividend has not been included as a liability in these financial statements and will be paid to all shareholders on the Register of Members at the relevant date. The total estimated to be paid is S\$493,000 (A\$377,000).

9 Earnings per Share

	Consolidation Group	
	2011	2010
	S\$1,625,102	S\$2,339,699
Profit for the year/period		
Weighted average number of ordinary shares during the year/period used in calculating basic EPS	188,454,000	188,033,135
Effect of dilution:		
Share option	811,875	-
Weighted average number of ordinary shares during the year/period used in calculating diluted EPS	189,265,875	188,033,135
Basic earnings per share (S cents)	0.86	1.24
Diluted earnings per share (S cents)	0.86	1.24

10 Cash and Cash Equivalents

	Consolidation Group	
	2011	2010
	S\$	S\$
Cash and bank balances	5,054,285	2,845,229
Fixed deposit pledged	121,190	121,190
	<u>5,175,475</u>	<u>2,966,419</u>

The effective interest rate on short-term bank deposits was 0.70% (2010 : 0.70%) per annum; these deposits have an average maturity of 24 months (2010 : 24 months).

The Fixed deposit is pledged to a bank for performance guarantee relating to the operating lease.

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	5,175,475	2,966,419
Less: Fixed deposit pledged	(121,190)	(121,190)
Cash and cash equivalents in the statement of cash flows	<u>5,054,285</u>	<u>2,845,229</u>

11 Trade and Other Receivables

	Consolidation Group	
	2011	2010
	S\$	S\$
Trade receivables		
Current		
Trade receivables	998,567	2,618,669
Other receivables	35,101	89,783
Deposits	17,300	2,000
Total current trade and other receivables	<u>1,050,968</u>	<u>2,710,452</u>

a Provision for impairment of receivables

Current trade and term receivables are non-interest bearing loans and generally on 30-day terms. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired.

No trade or other receivables are considered past due and impaired.

b Credit risk

The group has no significant concentration of credit risk with respect to any single counter party or group of counter parties.

The following table details the Group's trade receivables exposed to credit risk with ageing analysis. Amounts are considered as 'past due' when the debt has not been settled, with the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

The balances of receivables that remain within initial trade terms are considered to be high credit quality.

	Consolidation Group	
	2011	2010
	S\$	S\$
Current	454,760	1,069,665
Due 1 - 30 days	146,607	663,394
Due 31- 60 days	349,186	501,198
Due over 60 days	48,014	384,412
	<u>998,567</u>	<u>2,618,669</u>

12 Inventories

	Consolidation Group	
	2011	2010
	S\$	S\$
Current		
- Medical Supplies at cost	261,675	369,384
Total inventories	<u>261,675</u>	<u>369,384</u>

13 Plant and Equipment

	Consolidated Group	
	2011	2010
	S\$	S\$
Office equipment		
At Cost	63,055	31,487
Accumulated depreciation	(30,645)	(24,443)
Total office equipment	32,410	7,044
Medical equipment		
At Cost	495,058	55,829
Accumulated depreciation	(108,144)	(51,011)
Total medical equipment	386,914	4,818
Computers		
At Cost	124,073	123,544
Accumulated depreciation	(38,340)	(71,032)
Total computers	85,733	52,512
Furniture and fittings		
At cost	61,077	19,024
Accumulated depreciation	(19,253)	(9,023)
Total furniture and fittings	41,824	10,001
Renovations		
At cost	487,172	144,926
Accumulated depreciation	(160,024)	(35,928)
Total Renovations	327,148	108,998
Total plant and equipment	874,029	183,373

Office equipment	Medical equipment	Computers	Furniture and fittings	Renovations	Total
S\$	S\$	S\$	S\$	S\$	S\$

a. Movements in Carrying Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year.

Consolidated Group

Balance at 31 August 2010	7,044	4,818	52,512	10,001	108,998	183,373
Additions	25,719	426,429	55,810	42,053	-	550,011
Addition through business combination	9,077	15,106	-	-	399,894	424,077
Depreciation expense	(8,593)	(59,671)	(22,723)	(10,811)	(129,935)	(231,733)
Currency alignment	(837)	232	134	581	(51,809)	(51,699)
Carrying amount at 31 August 2011	32,410	386,914	85,733	41,824	327,148	874,029

Included in medical equipment is medical equipment under finance lease arrangement amounting to \$208,467 (2010 : Nil).

Finance lease liabilities (see note 18) are secured by the related assets held under finance leases.

14 Intangible Assets

	Consolidated Group	
	2011	2010
	S\$	S\$
Total Intangible Assets		
Goodwill		
Cost	266,123	266,123
Accumulated impairment losses	-	-
Closing carrying value at the end of the year/period	266,123	266,123
Reconciliation of Goodwill		
Balance at the beginning of year/period	266,123	266,123
Additions	-	-
Disposals	-	-
Impairment losses	-	-
Closing carrying value at the end of the year/period	266,123	266,123

Impairment test for goodwill

Goodwill is allocated to cash generating units ("CGU's") according to applicable business operations. There is no impairment loss in the current year and prior period. In the current financial year and prior financial period, ACLDT had one cash generating unit which is medical services. The recoverable amount of a CGU is based on value-in-use calculations. These calculations are based on projected cash flows approved by management covering a period not exceeding five years. Management's determination of cash flow projections and gross margins are based on past performance and its expectation for the future. The present value of future cash flows has been calculated using a discount rate of 7% (2010 : 7%) and a growth rate of 5% (2010 : 5%) per annum to determine value-in-use.

No impairment loss was required for the carrying value of goodwill as the recoverable amount was assessed to be in excess of its carrying value. The directors believe that any reasonable change in the key assumptions will not materially cause the recoverable value of the CGU to be lower than the carrying amount.

15 Trade and Other Payables

	Consolidated Group	
	2011	2010
	S\$	S\$
Current		
Trade payables	2,303,633	2,356,492
Patients' deposits	788,073	547,416
Sundry payables and accrued expenses	524,518	363,723
Total current trade and other payables	<u>3,616,224</u>	<u>3,267,631</u>

16 Taxation

	Consolidated Group	
	2011	2010
	S\$	S\$
Current		
Income tax payable	<u>322,542</u>	<u>489,034</u>

Non-current

	1 September 2010	Recognised in profit and loss	31 August 2011
	S\$	S\$	S\$
Deferred tax liabilities:			
Tax allowances relating to plant & equipment	3,950	34,542	38,492
Net deferred tax liability	<u>3,950</u>	<u>34,542</u>	<u>38,492</u>

	1 September 2009	Recognised in profit and loss	31 August 2010
	S\$	S\$	S\$
Deferred tax liabilities:			
Tax allowances relating to plant & equipment	3,950	-	3,950
Net deferred tax liability	<u>3,950</u>	<u>-</u>	<u>3,950</u>

17 Other Payables

	Consolidated Group	
	2011	2010
	S\$	S\$
Other payables	<u>723,311</u>	<u>921,029</u>

Included in Other payables is an amount owing to previous shareholders of Asian Centre for Liver Diseases and Transplantation Inc of \$515,200 (2010 : \$921,029). Also included is an amount owing to non-controlling interest of \$208,261 (2010 : Nil). The amounts owing has no fixed term of repayment, is interest free and is not due within one year.

18 Finance Lease

	Consolidated Group	
	2011	2010
	S\$	S\$
Current	44,990	-
Non-current	125,664	-
	<u>170,654</u>	<u>-</u>

19 Issued Capital

	Consolidated Group	
	2011	2010
	S\$	S\$
188,454,000 Fully paid ordinary shares (2010 : 188,454,000)	266,133	266,133
Total capital	<u>266,133</u>	<u>266,133</u>

Changes to the then Corporation Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the parent entity does not have a limited amount of authorised capital and issued shares do not have a par value.

	Consolidated Group	
	Number	S\$
Ordinary Shares		
At the beginning of reporting year	188,454,000	266,133
Shares issued during year:	-	-
At reporting date	<u>188,454,000</u>	<u>266,133</u>

Treasury Shares

At the beginning of reporting year	47,500	2,883
Shares purchased during year	-	-
At reporting date	<u>47,500</u>	<u>2,883</u>

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

c. Capital Management

Management controls the capital of the Group in order to provide shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern. Currently the Group's debt relates to finance lease only.

There are no externally imposed capital requirements.

There have been no changes in the strategy adopted by management to control the capital during the year.

20 Reserves

Nature and purpose of reserve

(i) Share-based payments

The share-based payments reserve is used to recognise:

- The grant date of fair value of options issued to employees but not exercised
- The grant date fair value of shares issued to employees
- The issue of shares held by the ACLDT Employee Share Trust to employees

(ii) Transactions with non-controlling interests

The reserve is used to record the differences described in note 1(c) which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

(iii) Foreign currency translation

Exchange difference arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 1(k) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

(iv) Reserve for own shares

The reserve for the Company's own shares comprises the cost of the Company's shares held by the Group. At 31 August 2011, the Group held 47,500 of the Company's shares (2010 : 47,500)

21 Share-Based Payments

- i. On 23 November 2009, the shareholders of ACLDT approved the establishment of the ACLDT Employee Share Option Plan and the rules that govern the operation of the Plan. Minor amendments to the Rules have been approved by shareholders at the Annual General Meeting since. The options are granted under the Plan for no consideration and hold no voting or dividend rights and are not transferable. On 17 January 2011, 1,299,000 share options were granted to certain key management personnel under the Plan to take up ordinary shares at an exercise price of A\$0.088 each. The options are exercisable on or before 17 January 2016.

- ii. Options granted to key management personnel are as follows:

Grant Date	Number
17 January 2011	1,299,000

These options vest over a 3-year period and are subject to service conditions such that only a third of the options granted may be exercised on or after the first, second and third anniversary of the grant. Options expire at the earlier of termination of employment or five years after the grant date. Further details of these options are provided in the Directors' report. The options lapse when a KMP ceases their employment with the Group. During the financial year, no options were vested with key management personnel (2010 : Nil).

- iii. The Company established the ACLDT Employee Share Option Plan as a long-term incentive scheme to recognise talent and motivate executives to strive for Group performance. Employees are granted options which vest over 3 years, subject to meeting specified service criteria. The options are issued for no consideration and carry no entitlements to voting rights or dividends of the Group but have been listed. The number available to be granted is determined by the joint Nomination and Remuneration Committee and is based on performance measures including growth in shareholder return, return on equity, cash earnings, and group EPS growth.

Options are forfeited 30 days after the holder ceases to be employed by the Group, unless the Board determines otherwise (this is usually only in the case of retirement, redundancy, death or disablement).

The options are issued with an exercise price determined by the joint Nomination and Remuneration Committee to be either:

- (a) a price equal to the Market Price or such higher price as may be determined by the Committee in its absolute discretion; or

- (b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed twenty (20) per cent of the Market Price in respect of the that Option.

The Market Price is defined as the weighted average closing sale price of the shares recorded on the Australian Securities Exchange ("ASX") over the last 5 trading days on which sales of the shares were recorded preceding the day on which the Committee resolves to invite the application for an Option.

A summary of the movements of all Company options issues is as follows:

	Number	Weighted average exercise price
Options outstanding as at 31 August 2010	-	-
Granted	1,299,000	A\$0.088
Forfeited	-	-
Exercised	-	-
Expired	-	-
Options outstanding as at 31 August 2011	1,299,000	
Options exercisable as at 31 December 2011:	-	-
Options exercisable as at 31 December 2010:	-	-

The weighted average remaining contractual life of options outstanding at year end was 4.4 years. The exercise price of outstanding shares at the end of the reporting year was A\$0.088.

The fair values of options granted were determined using a variation of the binomial option pricing model that takes into account factors specific to the share incentive plans, such as the vesting period. The total shareholder return performance condition related to the Scheme, being a market condition, has been incorporated into the measurement by means of actuarial modelling. The following principal assumptions were used in the valuation:

Grant date	17 January 2011
Vesting period ends	17 January 2014
Share price at date of grant	A\$0.12
Volatility	69%
Option life	5 years
Dividend yield	5.830%
Risk free investment rate	2.875%
Fair value at grant date	A\$0.04
Exercise price at date of grant	A\$0.088
Exercisable from / to	17 January 2012- 17 January 2016

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements. The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

22 Controlled Entities

a. Controlled entities consolidated

The foreign currency revaluation reserve records exchange differences arising on translation of a foreign controlled subsidiary.

	Country of incorporation	Percentage owned (%)	
		2011	2010
Asian Centre for Liver Diseases and Transplantation Limited	Australia		
<i>Subsidiary of Asian Centre for Liver Diseases and Transplantation Limited:</i>			
Asian Centre for Liver Diseases and Transplantation Inc.	British Virgin Isles	100	100
<i>Subsidiary of Asian Centre for Liver Diseases and Transplantation Inc.:</i>			
Asian Centre for Liver Diseases and Transplantation Pte Ltd	Singapore	100	100
ALC Management Consultancy Pte Ltd	Singapore	100	-
<i>Subsidiary of Asian Centre for Liver Diseases and Transplantation Pte. Ltd :</i>			
Asian Liver Centre Co. Limited	Vietnam	70	-
<i>Associate of Asian Centre for Liver Diseases and Transplantation Pte. Ltd :</i>			
PT. Asian Liver Center Indonesia	Indonesia	50	-

b. Acquisition of controlled entities

- (A) Asian Centre for Liver Diseases and Transplantation Pte Ltd, a subsidiary of Asian Centre for Liver Diseases and Transplantation Ltd, on 10 September 2010, acquired 70% of Asian Liver Centre Co. Limited ("ALC VN"), a newly set up limited liability company incorporated in Vietnam and is a provider of specialist medical consultation and services in hepatology practice and related fields.
- (B) Asian Centre for Liver Diseases and Transplantation Pte Ltd, a subsidiary of Asian Centre for Liver Diseases and Transplantation Ltd, on 8 October 2010, committed to invest in 50% of the shares in PT. Asian Liver Center Indonesia, a newly set up limited liability company incorporated in Indonesia with an intended activity as a provider of specialist medical consultation and services in hepatology practice and related fields and referral centre. PT. Asian Liver Center Indonesia was dormant at the reporting date
- (C) Asian Centre for Liver Diseases and Transplantation Inc., a subsidiary of Asian Centre for Liver Diseases and Transplantation Ltd, on 11 November 2010, incorporated a fully owned subsidiary called ALC Management Consultancy Pte Ltd, a limited liability company in Singapore with an intended activity of providing management and consultancy services in the healthcare industry. ALC Management Consultancy Pte Ltd was dormant at the reporting date.

Purchase consideration**(A)**

Fair values of assets acquired and liabilities assumed at acquisition date:

Cash and cash equivalents	25,534
Inventories	573
Property, plant and equipment	365,318
Trade and other payables	(58,370)
Current borrowings	(92,777)
Consideration paid	240,278
Cash and cash equivalents	(25,534)
Net cash flow of acquisition	214,744

The financial effect of this transaction has been reflected in the financial statements for the year ended 31 August 2011 based on estimates of the fair value of the assets acquired and the liabilities assumed.

Revenue of ALCVN included in the consolidated revenue of the Group since the acquisition on 10 September 2010 amounted to S\$31,000. Loss of ALCVN included in the consolidated profit of the Group since the acquisition date amounted to S\$196,000. Prior to the acquisition date, ALCVN had not commenced operations.

23 Leasing Commitments

Consolidated Group
2011 **2010**
S\$ **S\$**

Operating leases

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payable – minimum lease payments		
Not longer than 1 year	164,066	371,926
Longer than 1 year but not longer than 5 years	155,921	-
	<u>319,987</u>	<u>371,926</u>

The Group continues to lease space under a pre-existing lease agreement for \$37,400 monthly. Contractual terms of the lease expired in June 2011 and there have been no subsequent renewal as of release of these financial statements.

Future minimum finance lease payments at the end of each reporting period under review were as follows:

	Minimum lease payments due			
	Within 1 year	1 to 5 years	After 5 years	Total
	\$'000	\$'000	\$'000	\$'000
31 August 2011				
Lease payments	51,348	132,671	-	184,019
Finance charges	(6,358)	(7,007)	-	(13,365)
Net present values	<u>44,990</u>	<u>125,664</u>	<u>-</u>	<u>170,654</u>
31 August 2010				
Lease payments	-	-	-	-
Finance charges	-	-	-	-
Net present values	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

24 Cash Flow Information

	Consolidated Group	
	2011	2010
	S\$	S\$
a Reconciliation of cash flow from operations with profit after income tax		
Profit after income tax	1,541,289	2,339,699
Adjustment for cost associated with business combinations during the period	-	105,000
Non cash flows in profit:		
Depreciation and amortisation	231,733	40,568
Foreign currency translation	(108,886)	(11,581)
Employee share option cost	15,469	-
Finance income	(12,481)	-
Finance cost	3,249	-
Changes in assets and liabilities:	-	-
Decrease in trade and other receivables	1,659,483	534,424
Decrease/(increase) in inventories	108,282	(6,190)
Increase/(decrease) in trade and other payables	302,054	(2,666,637)
(Decrease)/increase in deferred and current tax liabilities	(131,950)	123,887
Net cash provided by operating activities	3,608,242	459,170

b Acquisition of entities

During the year, the following entities were acquired:

Asian Centre for Liver Diseases and Transplantation Pte Ltd, a subsidiary of Asian Centre for Liver Diseases and Transplantation Ltd, on 10 September 2010, acquired 70% of Asian Liver Centre Co. Limited ("ALCVN"), a newly set up limited liability company incorporated in Vietnam and is a provider of specialist medical consultation and services in hepatology practice and related fields. This was fully funded via cash and has been considered in Note 22 to this financial report.

Asian Centre for Liver Diseases and Transplantation Pte Ltd, a subsidiary of Asian Centre for Liver Diseases and Transplantation Ltd, on 8 October 2010, committed to invest in 50% of the shares in PT. Asian Liver Center Indonesia, a newly set up limited liability company incorporated in Indonesia with an intended activity as a provider of specialist medical consultation and services in hepatology practice and related fields and referral centre. PT. Asian Liver Center Indonesia was dormant at the reporting date.

Asian Centre for Liver Diseases and Transplantation Inc., a subsidiary of Asian Centre for Liver Diseases and Transplantation Ltd, on 11 November 2010, incorporated a fully owned subsidiary called ALC Management Consultancy Pte Ltd, a limited liability company in Singapore with an intended activity of providing management and consultancy services in the healthcare industry. ALC Management Consultancy Pte Ltd was dormant at the reporting date.

c Non-cash investing and financing activities

	2011	2010
	S\$	S\$
Acquisition of medical equipment by means of finance lease	208,467	-

25 Events After the Balance Sheet Date

During the ALCVN Members' Council meetings held on 3 October 2011, all shareholders of ALCVN passed a resolution to issue new shares to Hoa Lam Consultant Investment Ltd to raise its shareholding in ALCVN from 25% to 67.86%. ACLDT's shareholding in ALCVN will be diluted from 70% to 30% as a result of the proposed capital enlargement. The new shares will be issued upon finalisation of a new Joint Venture Agreement ("JVA"). As at the date of this report, the new JVA has yet to be finalised.

Other than the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

26 Related Party

A number of directors of the Group, or their director-related entities, held positions in other entities during the financial year that result in them having control or significant influence over the financial or operating policies of those entities.

The terms and conditions of the transactions with directors and their director related entities were no more favourable to the directors and their director related entities than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

The aggregate amounts recognised during the year (excluding re-imbursement of expenses incurred on behalf of the Company) relating to directors and their director-related entities were as follows:

Disclosure relating to key management personnel are set out in note 6.

Other related party transactions	2011 S\$	2010 S\$
Related corporation :		
Patient referral fees	255	9,893

The related corporation is a company in which one of the directors, Dato' Dr Kai Chah Tan is a director and shareholder.

Related party balances	2011 S\$	2010 S\$
Other payables:		
Old shareholders	515,200	921,029
Non-controlling interest	208,261	-

The above balance payable to the old shareholders of Asian Centre for Liver Diseases and Transplantation Inc, who are also directors and shareholders of ACLDT, is a result of the acquisition of the Company by ACLDT. The balance payable to non-controlling interest represents loan made by Hoa Lam Consultant Investment Ltd to ALCVN. The amounts owing has no fixed term of repayment, is interest free and is not due within one year as disclosed in note 17.

Other than the related party information disclosed elsewhere in the financial statements, the above are significant related party transactions entered into by Asian Centre for Liver Diseases and Transplantation Pte Ltd, a wholly owned subsidiary of ACLDT, with related companies at agreed rates.

27 Operating Segments

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Group that are regularly reviewed by the chief operating decision maker, the Board of directors (chief operating decision makers), in order to allocate resources to the segment and to assess its performance. The Consolidated Group has identified its operating segments to be as follows based on distinct operational activities:

- (i) Provision of medical consultation and services in the hepatology and related fields; and
- (ii) Corporate activities.

This is the basis on which internal reports are provided to the Board for assessing performance and determining the allocation of resources within the Consolidated Group. Unless stated otherwise, all amounts reported to the Board, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

The Consolidated Group operates primarily in one business, namely the provision of medical consultation and services in the hepatology and related fields.

Details of the performance of each of these operating segments for the financial periods ended 31 August 2010 and 31 August 2011 are set out below:

(i) Segment Performance

	Medical consultation		Corporate		Total	
	2011	2010	2011	2010	2011	2010
	S\$	S\$	S\$	S\$	S\$	S\$
Segment revenue						
External sales revenue	20,762,783	20,491,819	-	-	20,762,783	20,491,819
Inter segment sales	-	-	1,600,000	3,000,000	1,600,000	3,000,000
Total segment revenue	20,762,783	20,491,819	1,600,000	3,000,000	22,362,783	23,491,819
<i>Reconciliation of segment revenue to Group revenue:</i>						
Inter-segment eliminations					(1,600,000)	(3,000,000)
Total Group revenue					20,762,783	20,491,819
Segment net profit/(loss) before tax	2,100,472	3,054,253	(210,370)	(220,590)	1,890,102	2,833,663

(ii) Segment assets

	Medical consultation		Corporate		Total	
	2011	2010	2011	2010	2011	2010
	S\$	S\$	S\$	S\$	S\$	S\$
Segment assets	8,671,892	6,584,151	15,579,253	15,700,035	24,251,145	22,284,186
<i>Reconciliation of segment assets to Group assets:</i>						
Inter-segment eliminations					(16,888,998)	(16,054,558)
Unallocated assets intangibles					266,123	266,123
Total Group assets					7,628,270	6,495,751

Segment asset increases in the year/period

Capital expenditure	550,011	133,886	-	-	550,011	133,886
Acquisitions	424,077	-	-	15,433,758	424,077	15,433,758
	974,088	133,886	-	15,433,758	974,088	15,567,644

(iii) Segment liabilities

	Medical consultation		Corporate		Total	
	2011	2010	2011	2010	2011	2010
	S\$	S\$	S\$	S\$	S\$	S\$
Segment liabilities	(4,653,720)	(3,729,841)	(1,475,280)	(1,544,574)	(6,129,000)	(5,274,415)

Reconciliation of segment liabilities to Group liabilities:

Inter-segment eliminations	1,257,777	592,771
Total Group liabilities	(4,871,223)	(4,681,644)

(iv) Revenue by geographical location

	Consolidated Group	
	2011	2010
	S\$	S\$
Revenue attributable to external customers is disclosed below, based on the location of where the revenue was derived:		
Singapore	20,731,812	20,491,819
Outside Singapore	30,971	-
Total revenue	20,762,783	20,491,819

(v) Assets by geographical location

	Consolidated Group	
	2011	2010
	S\$	S\$
Assets by geographical location		
Australia	145,482	266,263
Vietnam	517,026	
Singapore	6,965,762	6,229,488
Total assets	7,628,270	6,495,751

(vi) Major Customers

The Group is not reliant on any one major customer to whom it provides its products or services.

28 Financial risk management policies

The Group's financial instruments consist mainly of cash at bank and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 119 as detailed in the accounting policies to the financial statements, are as follows.

Financial assets**Consolidated Group****2011 2010****S\$ S\$**

Cash and cash equivalents	5,175,475	2,966,419
Trade and other receivables	1,050,968	2,710,452
Total financial assets	6,226,443	5,676,871
Financial liabilities		
Trade and other payables	(3,616,224)	(3,267,631)
Other non-current payables	(723,311)	(921,029)
Finance lease	(170,654)	-
Total financial liabilities	(4,510,189)	(4,188,660)
Total net financial assets	1,716,254	1,488,211

Financial risk management policies

The Board is responsible for monitoring and managing financial risk exposures of the Group.

Specific financial risk exposures and management

The main risk the Group is exposed to include foreign exchange risk, credit risk, liquidity risk and treasury management risk.

(a) Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the functional currency of the Group which is the Singapore dollar.

(b) Risk management

The Group's transactions are predominantly in its functional currency which is the Singapore dollar.

The amount of asset and liability held in foreign currency is not considered material to the Group and hence does not hedge these asset or liability.

(c) Foreign exchange risk

A sensitivity analysis of the impact of foreign exchange risk is not shown as it is not considered material to the Group at the reporting date.

(d) Credit risk exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on financial assets of the entity which have been recognised in the statement of financial position, is the carrying amount, net of any provision of doubtful debts.

Credit risk is managed through the maintenance of procedures which ensure to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment.

No receivables are considered past due or impaired.

(e) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

All financial assets and liabilities as disclosed above have maturities within one year for the 31 August 2011 financial year with the exception of the non-current other payables and non-current portion of the finance lease.

The Group manages liquidity risk by monitoring forecast cash flows.

(f) Treasury risk management

The Board meets on a regular basis to analyse financial risk exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The Board's overall risk management strategy seeks to assist the Consolidated Group in meeting its financial targets, whilst maintaining the effects on financial performance. Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Board has otherwise cleared as being financially sound.

(g) Net fair values of financial assets and liabilities

Fair values are amounts at which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction.

The carrying values of financial instruments approximate their fair values.

29 Parent Company Information

	2011	2010
Parent entity	S\$	S\$
Assets		
Current assets	145,482	266,263
Non-current assets	2,803,557	13,352,900
Total assets	2,949,039	13,619,163
Liabilities		
Current liabilities	(191,992)	(189,874)
Non-current liabilities	-	-
Total liabilities	(191,992)	(189,874)
Total net assets	2,757,047	13,429,289
Equity		
Issued capital	13,352,900	13,352,900
Reserves	(10,534,470)	147,503
Foreign currency revaluation reserve	(61,383)	(71,114)
Total equity	2,757,047	13,429,289
Financial performance		
(Loss)/profit for the year/period	(9,956,593)	1,279,411
Other comprehensive income	9,731	(71,114)
Total comprehensive (loss)/income	(9,946,862)	1,208,297

Included in the loss for the year is S\$10,549,343 (2010 : Nil) write down of investment in subsidiary to the net asset of the Group. The write down relates to the reverse takeover exercise of ACLDT in 2009 and does not have an impact on the Group's consolidated results for the current or prior year.

The parent entity has no contingent liabilities, contractual commitments or guarantees in relation to its subsidiary entities.

30 Company Details

The registered office of the Company is:
25 Peel Street
Adelaide SA 5000

The principal place of business is:
6A Napier Road
Gleneagles Hospital Annexe Block #02-37
Singapore 258500

Singapore branch:

3 Mount Elizabeth Road, #16-06
Mount Elizabeth Medical Centre,
Singapore 228510

Vietnam centre:

210 Nguyen Thi Minh Khai Street,
Nguyen Cu Trinh Ward,
District 1, Ho Chi Minh City,
Vietnam

Malaysia centre:

Mawar Renal Medical Centre
No. 71 Jalan Rasah,
70300 Seremban,
Negeri Sembilan Darul Khusus, Malaysia.

Directors' declaration

The directors of Company declare that:

- (a) the financial statements and notes, as set out on pages 35 to 69, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position as at 31 August 2011 and of the performance for the year ended on that date of the Consolidated Group; and
 - (ii) complying with Accounting Standards.
- (b) the Executive director and Group financial controller have declared that:
 - (i) the financial records of the Company for the financial year have been properly maintained in accordance with s286 of the Corporations Act 2001;
 - (ii) The financial statements and notes for the financial year comply with the Accounting Standards; and
 - (iii) The financial statements and notes for the financial year give a true and fair view.
- (c) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (d) complying with International Financial Reporting Standards as disclosed in Note 1 to the financial statements;

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



Dato' Dr Kai Chah Tan
Director

3 November 2011



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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF ASIAN CENTRE FOR LIVER DISEASES AND TRANSPLANTATION LIMITED

Report on the financial report

We have audited the accompanying financial report of Asian Centre for Liver Diseases and Transplantation Limited (the "Company"), which comprises the consolidated statement of financial position as at 31 August 2011, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view of the financial report in accordance with Australian Accounting Standards and the Corporations Act 2001. This responsibility includes such internal controls as the Directors determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

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

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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF ASIAN CENTRE FOR LIVER DISEASES AND TRANSPLANTATION LIMITED *Cont*

Auditor's responsibility *Cont*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion,

- a the financial report of Asian Centre for Liver Diseases and Transplantation Limited is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the consolidated entity's financial position as at 31 August 2011 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in pages 27 to 31 of the directors' report for the year ended 31 August 2011. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.



**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF ASIAN CENTRE FOR LIVER DISEASES AND
TRANSPLANTATION LIMITED** *Cont*

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Asian Centre for Liver Diseases and Transplantation Limited for the year ended 31 August 2011, complies with section 300A of the Corporations Act 2001.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A handwritten signature in black ink, appearing to read "S J Gray", written over a horizontal line.

S J Gray
Director – Audit & Assurance

Adelaide, 3 November 2011

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Shareholder Information

The shareholder information set out below was applicable as at 26 October 2011.

A. Distribution of holders of equity securities

			Ordinary Shares	Employee Options
1	-	1,000	182	-
1,001	-	5,000	62	-
5,001	-	10,000	49	-
10,001	-	100,000	87	-
100,001	-	and over	32	2
			412	2

There were 237 holders of less than marketable parcel of ordinary shares.

The percentage of the total holdings of the twenty largest holders of ordinary shares was 96.88 per cent.

B. Equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

Name	Ordinary shares	
	Number held	Percentage
Dato' Dr Kai Chah Tan	102,298,250	54.28
Ms Pamela Anne Jenkins	21,324,600	11.32
HSBC Custody Nominees (Australia) Limited	18,369,870	9.75
Philips Securities Pte Ltd (Client Account)	11,667,438	6.19
Citicorp Nominees Pty Limited	8,885,792	4.72
Mr Ronnie Tan Siew Bin	8,499,930	4.51
Mr Wing Kwan Teh	4,084,090	2.17
Dr Kang Hoe Lee	2,500,040	1.33
Mr Ravindran Govindan	699,483	0.37
HSBC Custody Nominees (Australia) Limited - A/C 2	650,000	0.34
Mr Robert John Wood & Mrs Stella Agnes Wood (Bob & Stella Wood S/F A/C)	590,415	0.31
Mr Harry Vui Khiun Lee	561,915	0.30
Mr Robert John Wood & Mrs Stella Agnes Wood (Bob & Stella Wood Super A/C)	500,000	0.27
Twenty Twenty Investments Pty Ltd (T Clare Super Fund Account)	444,204	0.24
Mr Barry William Quail & Mrs Pamela Louise Quail (BW&PLQUAILL Investment A/C)	380,000	0.20
Mr John Philip Joshua	245,000	0.13
Mr Jonathan Pinshaw & Mrs Renee Pinshaw (Pinshaw Super Fund A/C)	230,000	0.12
Boon Hwa Koh	220,000	0.12
Nefco Nominees Pty Ltd	220,000	0.12
Jyh Gang James Koh	200,000	0.11

C. Substantial holders

Substantial holders in the company are set out below:

Ordinary shareholders	Number held	Percentage
Dato' Dr Kai Chah Tan	102,298,250	54.28
Ms Pamela Anne Jenkins	21,324,600	11.32
HSBC Custody Nominees (Australia) Limited	18,369,870	9.75
Philips Securities Pte Ltd (Client Account)	11,667,438	6.19

D. Voting rights

Please refer note 19.

E. On-market buy back

There are no current on-market buy back.

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