Australian Securities & Investments Commission

Electronic Lodgement

Document No. **7E3327489**

Lodgement date/time: 29-11-2010 15:41:21

Reference Id: 81381983

Form 388
Corporations Act 2001
294, 295, 298-300, 307, 308, 319, 321, 322
Corporations Regulations
1.0.08

Copy of financial statements and reports

Company details

Company name

TIBRA CAPITAL PTY LIMITED

ACN

120 313 395

Lodgement details

Registered agent number

846

Registered agent name

SATILL & MILLER SERVICES PTY. LIMITED

Reason for lodgement of statement and reports

A large proprietary company that is not a disclosing entity

Dates on which financial year ends

Financial year end date
30-06-2010

Details of large proprietary company

What is the consolidated revenue of the large proprietary company and the entities that it controls?
147836000

What is the value of the consolidated gross assets of the large proprietary company and the entities that it controls?
4034892000

How many employees are employed by the large proprietary company and the entities that it controls?
252

How many members does the large proprietary company have?

24

Auditor's report

Were the financial statements audited?

Yes

Reasons for the auditor not being satisfied as to the matters referred to in s307?

No

Details of the deficiency, failure or shortcoming concerning any matter referred to in s307?

No

Details of current auditor or auditors

Current auditor

Date of appointment **31-07-2007**

Name of auditor

KPMG

Address

10 SHELLEY STREET
SYDNEY NSW 2000

Certification

I certify that the attached documents are a true copy of the original reports required to be lodged under section 319 of the Corporations Act 2001.
Yes

Signature

Select the capacity in which you are lodging the form
Agent

I certify that the information in this form is true and complete and that I am lodging these reports as, or on behalf of, the company.
Yes

Authentication

This form has been authenticated by
Name SATILL & MILLER SERVICES PTY. LIMITED
This form has been submitted by
Name Kristy Heather COTTEE
Date 29-11-2010

For help or more information
Telephone 1300 300 630
Email info.enquiries@asic.gov.au

Web www.asic.gov.au

Tibra Capital Proprietary Limited and its controlled entities
ABN 72 120 313 395

Annual report

For the year ended 30 June 2010

Tibra Capital Proprietary Limited and its controlled entities

ABN 72 120 313 395

For the year ended 30 June 2010

CONTENTS

Tibra Capital Proprietary Limited and its controlled entities

ABN 72 120 313 395

Directors' report

For the year ended 30 June 2010

The Directors present their report on Tibra Capital Proprietary Limited "the Company" and its controlled entities "the Group" for the year ended 30 June 2010.

1. General information

Directors

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

Names	Appointed
Dinesh Bhandari	21 June 2006 (Resigned 25 May 2010)
Timothy Berry	1 January 2009
Paul James	25 May 2010
Christian King	30 April 2008
Campbell Norwood	1 January 2009

The Company secretary during the financial year and at the time of signing the financial report is Melanie Borden.

Officers who were previously partners of the audit firm

No persons who were officers of the Company during the financial year were previously partners of the current audit firm, KPMG, at a time when KPMG undertook an audit of the Company.

Principal activities

The principal activities of the Group during the financial year was trading in derivatives, foreign currency and securities.

Tibra Capital Proprietary Limited and its controlled entities

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Directors' report

For the year ended 30 June 2010

2. Business review

The 2010 financial year has been a challenging one for the global financial services sector. The continued fall-out from the ongoing volatility in global credit markets and slowing economic growth have combined to place significant pressure on the financial performance and capital positions of a large number of international banks and financial services organisations. The Directors of the Company employed risk management contingency planning during the period of global financial sector instability to minimise the Company's exposure to its current business partners.

In this environment the Group has performed well, and the Group's robust financial position enables it to maintain the momentum behind its strategic priorities. The Group will continue to focus on delivering its vision of strengthening its core business and profit growth.

During the period Tibra Trading Europe Limited (TTEL), a subsidiary of the Group, transferred its cash desk to its parent entity Tibra Trading Pty Limited. In addition Tibra Trading America (TTA) commenced trading in November 2009.

Operating results

The consolidated profit of the Group after providing for income tax amounted to $ 24,510 thousand (2009: $77,514 thousand).

Dividends paid or recommended

Dividends paid or declared by the Group to members since the end of the previous financial year were:

2010 ordinary dividend paid on 22 December 2009	$ 24,410,228

The Company's share option scheme

The following table summarises the share option activity for the year ended 30 June 2010 and 30 June 2009:

	30 June 2010	30 June 2009
Options granted over unissued shares	-	**4,510,835**
Options granted to Directors of the Company*		
- Glenn Williamson	-	397,977
- Christian King	-	703,206
- Campbell Norwood	-	884,412
Total**	-	**3,202,909**

* Options have been granted to shareholders of the Company.

** Glenn Williamson resigned as a Director on 4 December 2008.

Tibra Capital Proprietary Limited and its controlled entities

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Directors' report

For the year ended 30 June 2010

2. Business review (continued)

Dividends paid or recommended (continued)

No options have been granted since 30 June 2009. No shares have been issued as a result of the exercise of options since 1 July 2009.

Review of operations

The Group continues to trade in the following core products on a regular basis: securities; exchange traded options over major indices and leading stocks; futures over major indices and leading stocks; over-the-counter (OTC) equity derivatives contracts in the wholesale market and foreign exchange contracts.

The Group trades on the Australian, Asian, European & American markets.

The Group's profit after tax decreased from $77.514 million in the prior year to $24.510 million in the current year.

3. Indemnifying officers or auditors

No Indemnities

No indemnities have been given during or since the end of the financial year, for any person who is or has been an officer or auditor of the Group.

Insurance premiums

During the financial year a subsidiary paid premiums on behalf of the Company in respect of insurance contracts for the year ended 30 June 2010 and since the financial year, the subsidiary has paid or agreed to pay on behalf of the Company, premiums in respect of such insurance contracts for the year ending 30 June 2011. The Directors have not included details of the nature of the liabilities covered or the amount of the premiums paid in respect of the Directors' and officers' liability and legal expenses' insurance contracts, as such disclosure is prohibited under the terms of the contract.

4. Other items

Events subsequent to reporting date

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.

Tibra Capital Proprietary Limited and its controlled entities

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Directors' report

For the year ended 30 June 2010

4. Other items (continued)

Future developments

The Group will continue to pursue its policy of increasing profitability during the next financial year.

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

Environmental regulations

The Group has assessed whether there are any particular or significant environmental regulations that apply to it and has determined that there are none.

Auditors independence declaration

The lead auditors independence declaration for the year ended 30 June 2010 has been received and can be found on page 7 of the report.

Rounding of amounts

The Group is an entity to which ASIC Class order 98/100 applies and, accordingly, amounts in the financial statements and Directors' report have been rounded to the nearest thousand dollars.

Signed in accordance with a resolution of the Board of Directors:

Director: .... Timothy Berry

Director: .... Christian King

Dated this ....25th.......... day of ..November.. 2010

KPMG

Independent auditor's report to the members of Tibra Capital Proprietary Limited and it's controlled entities

Report on the financial report

We have audited the accompanying financial report of Tibra Capital Proprietary Limited (the Company), which comprises the statements of financial position as at 30 June 2010, and statements of comprehensive income, statements of changes in equity and statements of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes 1 to 31 and the directors' declaration of the Group 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 and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 1, the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial report of the Group, 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. These Auditing Standards require that we 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.

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 entity'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 entity'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.

KPMG

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the Company's and the Group's financial position and of their performance.

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 Tibra Capital Proprietary Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's and the Group's financial position as at 30 June 2010 and of their performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 1.

KPMG

KPMG

Malcolm Ashcroft
Partner

Sydney
November 2010

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Tibra Capital Proprietary Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2010 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Malcolm Ashcroft
Partner

Sydney

November 2010

Tibra Capital Proprietary Limited and its controlled entities

ABN 72 120 313 395

Directors' declaration

The Directors of Tibra Capital Proprietary Limited declare that:

1. In the opinion of the directors of Tibra Capital Proprietary Limited (the "Company"):

(a) the financial statements and notes, as set out on pages 9 to 63, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Company's and the Group's financial position as at 30 June 2010 and of their performance, for the financial year ended on that date;

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2(a), and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Director .... Timothy Berry

Director .... Christian King

Dated this 25th day of November 2010

Tibra Capital Proprietary Limited and its controlled entities

ABN 72 120 313 395

Statements of financial position

30 June 2010

In thousands of $	Note	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
ASSETS					
Current assets					
Cash and cash equivalents	4	**177,475**	401,304	**107**	27
Trade and other receivables	5	**333,613**	36,055	**34,969**	12,966
Current tax assets	20	**17,227**	11,420	**8,626**	85
Trading assets	12	**3,478,323**	2,769,427	**-**	-
Total current assets		**4,006,638**	3,218,206	**43,702**	13,078
Non-current assets					
Trade and other receivables	5	**31**	28,794	**7**	28,674
Investments in subsidiaries	24	**-**	-	**10,737**	4,311
Plant and equipment	6	**16,899**	14,487	**-**	-
Deferred tax assets	20	**3,403**	2,693	**28**	-
Intangible assets	7	**7,317**	5,987	**-**	-
Investments		**604**	694	**-**	-
Total non-current assets		**28,254**	52,655	**10,772**	32,985
TOTAL ASSETS		**4,034,892**	3,270,861	**54,474**	46,063
LIABILITIES					
Current liabilities					
Trade and other payables	8	**21,560**	14,201	**1,356**	531
Short-term provisions	10	**16,545**	19,453	**-**	-
Trading liabilities	12	**2,903,026**	2,546,927	**-**	-
Current tax liabilities	20	**5,563**	160	**-**	-
Other financial liabilities	9	**947,789**	545,909	**-**	-
Total current liabilities		**3,894,483**	3,126,650	**1,356**	531
Non-current liabilities					
Trade and other payables	8	**6**	-	**6**	-
Deferred tax liabilities	20	**4,981**	4,633	**-**	-
Total non-current liabilities		**4,987**	4,633	**6**	-
TOTAL LIABILITIES		**3,899,470**	3,131,283	**1,362**	531
NET ASSETS		**135,422**	139,578	**53,112**	45,532
EQUITY					
Issued capital	13, 14	**44,453**	44,428	**44,453**	44,428
Reserves	14	**(6,137)**	(1,856)	**-**	-
Retained earnings	14	**97,106**	97,006	**8,659**	1,103
TOTAL EQUITY		**135,422**	139,578	**53,112**	45,531

The notes on pages 16 to 63 are an integral part of these financial statements

Tibra Capital Proprietary Limited and its controlled entities

ABN 72 120 313 395

Statements of comprehensive income

For the year ended 30 June 2010

		Consolidated		Company	
In thousands of $	Note	2010	2009	2010	2009
Trading revenue	16	166,533	211,141	-	-
Dividend revenue	16	-	-	52,198	20,123
Exchange fees		(7,465)	(10,280)	-	-
Gross profit		159,068	200,861	52,198	20,123
Other income		317	558	-	-
Service fees		(29,217)	-	(29,217)	-
Administrative costs		(25,547)	(15,704)	(444)	(334)
Depreciation and amortisation	6, 7	(6,371)	(3,585)	-	-
Personnel expenses	18	(53,048)	(58,155)	-	-
Occupancy costs		(4,744)	(2,552)	-	-
Gain/(loss) on foreign exchange		1,319	44	-	-
Loss on disposal of fixed assets		-	(197)	-	-
Loss on disposal of investment		(12)	-	-	-
Results from operating activities		41,765	121,270	22,537	19,789
Interest revenue	16	2,228	5,359	774	1,543
Interest expense	17	(13,777)	(21,466)	(11)	(6)
Net interest costs		(11,549)	(16,107)	763	1,537
Profit before income tax		30,216	105,163	23,300	21,326
Income tax (expense)/benefit		(5,706)	(27,649)	8,666	(388)
Profit for the period		24,510	77,514	31,966	20,938
Other comprehensive income					
(Loss)/gain on foreign exchange		372	-	-	-
(Loss)/gain on hedge reserve		(4,653)	(1,284)	-	-
Other comprehensive income for the year, net of tax		(4,281)	(211,673)	-	-
Total comprehensive income for the year		20,229	76,230	31,966	20,938

The notes on pages 16 to 63 are an integral part of these financial statements

Tibra Capital Proprietary Limited and its controlled entities

ABN 72 120 313 395

Statements of changes in equity

For the year ended 30 June 2010

2010		Company					
In thousands of $	**Note**	**Share Capital**	**Preference Shares**	**Retained earnings**	**Foreign Currency Translation Reserve**	**Hedge Reserve**	**Total**
Balance at 1 July 2009		44,428	-	1,103	-	-	45,531
Total comprehensive income for the period							
Profit or loss		-	-	31,966	-	-	31,966
Total comprehensive income for the period		-	-	31,966	-	-	31,966
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends to equity holders	15	-	-	(24,410)	-	-	(24,410)
Issue of ordinary shares from exercise of options		95	-	-	-	-	95
Share refund on overpayment		(70)	-	-	-	-	(70)
Total contributions by and distributions to owners		25	-	(24,410)	-	-	(24,385)
Balance at 30 June 2010	14	44,453	-	8,659	-	-	53,112

The notes on pages 16 to 63 are an integral part of these financial statements

Tibra Capital Proprietary Limited and its controlled entities

ABN 72 120 313 395

Statements of changes in equity

For the year ended 30 June 2010

2009 In thousands of $	Note	Share Capital	Preference Shares	Retained earnings	Foreign Currency Translation Reserve	Hedge Reserve	Total
		Company					
Balance at 1 July 2008		18,460	12,800	1,113	-	-	32,373
Total comprehensive income for the period							
Profit or loss		-	-	20,938	-	-	20,938
Other comprehensive income							
Total comprehensive income for the period		-	-	20,938	-	-	20,938
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends to equity holders	15	-	-	(20,948)	-	-	(20,948)
Preference share buyback - 6 March 2009		-	(12,800)	-	-	-	(12,800)
Issue of ordinary shares from exercise of options		25,968	-	-	-	-	25,968
Total contributions by and distributions to owners		25,968	(12,800)	(20,948)	-	-	(7,780)
Changes in ownership interests in subsidiaries that do not result in a loss of control							
Total transactions with owners		25,968	(12,800)	(20,948)	-	-	(7,780)
Balance at 30 June 2009	14	44,428	-	1,103	-	-	45,531

The notes on pages 16 to 63 are an integral part of these financial statements

Tibra Capital Proprietary Limited and its controlled entities

ABN 72 120 313 395

Statements of changes in equity

For the year ended 30 June 2010

2010 — Consolidated

In thousands of $	Note	Share Capital	Preference Shares	Retained earnings	Foreign Currency Translation Reserve	Hedge Reserve	Total
Balance at 1 July 2009		44,428	-	97,006	(1,856)	-	139,578
Total comprehensive income for the period							
Profit or loss		-	-	24,510	-	-	24,510
Other comprehensive income							
Foreign currency gain on hedging		-	-	-	-	(4,653)	(4,653)
Foreign currency translation differences		-	-	-	372	-	372
Total other comprehensive income		-	-	-	372	(4,653)	(4,281)
Total comprehensive income for the period		-	-	24,510	372	(4,653)	20,229
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends to equity holders	15	-	-	(24,410)	-	-	(24,410)
Issue of ordinary shares from exercise of options		95	-	-	-	-	95
Share refund on overpayment		(70)	-	-	-	-	(70)
Total contributions by and distributions to owners		25	-	(24,410)	-	-	(24,385)
Changes in ownership interests in subsidiaries that do not result in a loss of control							
Total transactions with owners		25	-	(24,410)	-	-	(24,385)
Balance at 30 June 2010	14	44,453	-	97,106	(1,484)	(4,653)	135,422

The notes on pages 16 to 63 are an integral part of these financial statements

Tibra Capital Proprietary Limited and its controlled entities

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Statements of changes in equity

For the year ended 30 June 2010

2009		Consolidated					
In thousands of $	**Note**	**Share Capital**	**Preference Shares**	**Retained earnings**	**Foreign Currency Translation Reserve**	**Hedge Reserve**	**Total**
Balance at 1 July 2008		18,460	12,800	40,440	(569)	-	71,131
Total comprehensive income for the period							
Profit or loss		-	-	77,514	-	-	77,514
Other comprehensive income							
Foreign currency translation differences		-	-	-	(1,287)	-	(1,287)
Total other comprehensive income		-	-	-	(1,287)	-	(1,287)
Total comprehensive income for the period		-	-	77,514	(1,287)	-	76,227
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends to equity holders	15	-	-	(20,948)	-	-	(20,948)
Preference share buyback - 6 March 2009		-	(12,800)	-	-	-	(12,800)
Issue of ordinary shares on exercise of options		25,968	-	-	-	-	25,968
Total contributions by and distributions to owners		25,968	(12,800)	(20,948)	-	-	(7,780)
Changes in ownership interests in subsidiaries that do not result in a loss of control							
Total transactions with owners		25,968	(12,800)	(20,948)	-	-	(7,780)
Balance at 30 June 2009	14	44,428	-	97,006	(1,856)	-	139,578

The notes on pages 16 to 63 are an integral part of these financial statements

Tibra Capital Proprietary Limited and its controlled entities

ABN 72 120 313 395

Statements of cash flows

For the year ended 30 June 2010

		Consolidated		Company	
In thousands of $	**Note**	**2010**	**2009**	**2010**	**2009**
Cash flows from operating activities:					
Cash from/(to) trading activities		**(80,373)**	264,949	**-**	-
Payments to suppliers and employees		**(120,161)**	(70,973)	**(32,679)**	(212)
Dividends received		**-**	-	**52,198**	36,158
Interest received		**2,228**	5,359	**8**	1,543
Interest paid		**(10,413)**	(20,135)	**(1)**	(6)
Income taxes paid		**(6,472)**	(43,007)	**(274)**	(13,937)
Net cash provided by (used in) operating activities	22	**(215,191)**	136,193	**19,252**	23,546
Cash flows from investing activities:					
Acquisition of plant and equipment		**(6,095)**	(12,433)	**-**	-
Disposal of investment		**(12)**	-	**-**	-
Acquisition of other investments		**90**	(694)	**(6,426)**	(10)
Acquisition of intangibles		**(4,018)**	(4,583)	**-**	-
Interest from loans to wholly owned subsidiaries		**-**	-	**755**	-
Net cash provided by (used in) investing activities		**(10,035)**	(17,710)	**(5,671)**	(10)
Cash flows from financing activities:					
Proceeds from issue of ordinary shares		**25**	25,968	**25**	25,968
Redemption of preference shares		**-**	(12,800)	**-**	(12,800)
Loan/(repayment) of funds to related parties		**317**	558	**(18,862)**	15,613
Loan/(repayment) of funds to shareholders		**28,873**	(15,315)	**28,873**	(15,314)
Dividends paid by parent entity		**(24,410)**	(36,983)	**(24,410)**	(36,983)
Loan of funds to third party		**873**	-	**873**	-
Net cash provided by (used in) financing activities		**5,678**	(38,572)	**(13,501)**	(23,516)
Net increase (decreases) in cash held		**(219,548)**	79,911	**80**	20
Cash at beginning of financial year		**401,304**	322,680	**27**	7
Effect of exchange rates on cash holdings in foreign currencies		**(4,281)**	(1,287)	**-**	-
Cash at end of financial year	4	**177,475**	401,304	**107**	27

The notes on pages 16 to 63 are an integral part of these financial statements

Tibra Capital Proprietary Limited and its controlled entities

ABN 72 120 313 395

Notes to the financial statements

For the period ended 30 June 2010

1 Entity information

(a) Place of incorporation and principal business

Tibra Capital Proprietary Limited (the "Company") is a company domiciled in Australia. The Company's registered office is located at Level 2, 222 Pitt Street, Sydney, NSW 2000.

The Company was incorporated in Australia on 21 June 2006. For details about the Company's subsidiaries refer to note 24.

2 Basis of preparation

(a) Statement of compliance

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements of the company comprise the Company and its subsidiaries (together referred to as "the Group"). The financial report of Tibra Capital Proprietary Limited and its controlled entities complies with all International Financial Reporting Standards (IFRSs) in their entirety.

The financial report covers Tibra Capital Proprietary Limited and its controlled entities as an individual entity. Tibra Capital Proprietary Limited is a Company limited by shares, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(b) Presentation of financial statements

(i) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Group's functional currency. All values are rounded to the nearest thousand dollars.

(ii) Use of estimates and judgements

The preparation of financial statements in accordance with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Critical accounting judgements made in applying the Company's accounting policies include the determination of the fair value of financial instruments.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

2 Basis of preparation (continued)

(b) Presentation of financial statements (continued)

(ii) Use of estimates and judgements (continued)

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in note 11 (Determination of fair values).

(iii) Authorisation of financial statements

These financial statements were approved and authorised for issue by the Board of Directors on 25 November 2010.

(iv) Inclusion of parent entity financial statements in financial reports

The Group has elected to apply Class Order CO 10/654 which allows companies, registered schemes, and disclosing entities that present consolidated financial statements to include parent entity financial statements as part of their financial report under Chapter 2M of the Corporations Act 2001. Therefore, both the consolidated entity and the parent entity financial statements are presented for the period ended 30 June 2010.

(c) Basis of measurement

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of trading assets and trading liabilities for which the fair value basis of accounting has been applied.

(d) Basis of consolidation

A controlled entity is an entity which Tibra Capital Proprietary Limited and its controlled entities has the power to control the financial and operating policies of so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 24 to the financial statements. All controlled entities have a 30 June financial year end.

All inter-company balances and transactions between entities in the 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 policies applied by the Company.

Where controlled entities have entered or left the Group during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

3 Significant accounting policies

(a) Foreign currency translation

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 statements of comprehensive income. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

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 statements of comprehensive income.

Hedge of net investment in foreign operation

The Company applies hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the parent entity's functional currency (AUD), regardless of whether the net investment is held directly or the intermediate parent.

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in other comprehensive income to the extent that the hedge is effective, and are presented within equity in the FCTR. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged part of a net investment is disposed of, the relevant amount in the FCTR is transferred to profit or loss as part of the profit or loss on disposal.

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 period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

3 Significant accounting policies (continued)

(a) Foreign currency translation (continued)

Group companies (continued)

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

(b) Comparatives

Where required, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(c) Financial instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to contractual provisions of the instruments. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Amounts receivable from unsettled sales are recognised in trade and other receivables, and amounts payable from unsettled purchases are recognised in other financial liabilities.

Derivative financial instruments, including hedge accounting

Derivative positions consist of listed options and futures and over-the-counter (OTC) traded options and futures. These are presented in the statement of financial position as trading assets or trading liabilities.

Traded derivative financial instruments are recorded at fair value based on quoted market prices or the price generated by derivative pricing models where no active market exists. Changes in fair value are reflected in profit immediately as they occur with unrealised profits and losses being recorded in the statements of comprehensive income.

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss On initial designation of the hedge, the Company formally documents the relationship between the hedging instruments(s) and hedge item(s), including the risk management objectives and strategy in

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

3 Significant accounting policies (continued)

(c) Financial instruments (continued)

Derivative financial instruments, including hedge accounting (continued)

undertaking the hedge transaction, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Company makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items during the period for which the hedge is designated, and whether the actual results of each hedge are within a range of 80-125 percent. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported net income.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are accounted for as described below.

Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, the hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in other comprehensive income and presented in the hedging reserve in equity remains there until the forecast transaction affects profit or loss. When the hedged item is a non-financial asset, the amount recognised in other comprehensive income is transferred to the carrying amount of the asset when the asset is recognised. If the forecast transaction is no longer expected to occur, then the balance in other comprehensive income is recognised immediately in profit or loss. In other cases the amount recognised in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss.

Separable embedded derivatives

Changes in the fair value of separable embedded derivatives are recognised immediately in profit or loss.

Other non-trading derivatives

When a derivative financial instrument is not held for trading, and is not designated in a qualifying hedge relationship, all changes in its fair value are recognised immediately in profit or loss.

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

3 Significant accounting policies (continued)

(c) Financial instruments (continued)

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 7: Financial Instruments: Recognition and Measurement. Derivatives are also categorised as held for trading. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the statements of comprehensive income in the year in which they arise.

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 stated at amortised cost using the effective interest rate method.

Trading assets/liabilities

Long and short positions in financial instruments are held by the Group as part of its core business. In the majority of cases, long and short positions are taken as the primary economic hedge against a derivative trade executed in the market.

Such financial assets or financial liabilities are recognised initially at fair value with transaction costs taken to the statements of comprehensive income and are subsequently re-measured at fair value. All subsequent gains and losses from changes in the fair value of these assets and liabilities, together with related dividends, are recognised in the statements of comprehensive income within trading income as they arise. Interest income and expense are classified separately. Financial assets and financial liabilities are recognised using trade date accounting.

(d) Equity instruments

(i) Ordinary shares

Ordinary shares are classifed as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any related income tax benefit.

(ii) Dividend policy

Dividends are recognised as a liability in the year in which they are declared.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

3 Significant accounting policies (continued)

(e) 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 have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Company as the benefits are taken by the employees.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(i) Defined contribution pension funds

Obligations for contributions to defined contribution pension funds are recognised as an expense in profit or loss in the period during which services are rendered by employees.

(f) Cash and cash equivalents

For the purposes of the statements of cash flows, cash comprises cash on hand and demand deposits, and cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of less than three months. Bank overdrafts that are repayable on demand form an integral part of the Company's cash management and are included as a component of cash and cash equivalents.

(g) Plant and equipment

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

Capitalisation

Property, plant and equipment, including capitalised leased assets, are stated at cost. Expenditures for repairs and maintenance are charged to income as incurred. Additions and improvements are capitalised. The cost and related accumulated depreciation on property, plant and equipment sold or otherwise disposed of are removed from the accounts and any gain or loss is reported as current year's revenue or expense.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

3 Significant accounting policies (continued)

(g) Plant and equipment (continued)

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(i) Method and rates

Plant, equipment and leasehold improvements are stated at cost. Depreciation is provided using the following methods and annual rates:

	Method	Rate
Leasehold improvements	Straight line	5 - 33%
Office equipment, furniture and fixtures	Straight line	5 - 33%
Other property, plant and equipment	Straight line	5 - 33%

(h) 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 statements of comprehensive income.

(i) Intangible assets

Intangible assets consist of licences and capitalised development costs that are acquired by the Company, and are stated in the statements of financial position at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses. Intangible assets are not amortised when their useful lives are assessed to be indefinite. Any conclusion that the useful life on an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change.

Intangible assets include capitalised software development costs. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is commercially feasible, future econcomic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of direct labour that is directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in profit or loss as incurred.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

3 Significant accounting policies (continued)

(j) Trade and other payables

Trade and other accounts payable are recognised when the Company becomes obliged to make future payments resulting from the purchase of goods and services and are stated at cost.

(k) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(l) Leases in financial statements of lessees

(i) Obligations under finance lease

The Group leases some of its equipment. All major leases are reviewed by the Group to determine whether these leases in effect represent the acquisition of an asset and the incurrence of a liability; leases with such characteristics are recorded as the purchase of an asset by the Group.

Operating leases are expensed on a straight line basis.

(ii) Classification of leases

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a finance lease. At the inception of the lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of the lease. Assets recorded under finance leases are amortised on a straight-line basis over the term of the lease that is the estimated useful lives of the assets. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

(m) Revenue

(i) Trading income

Income from the purchase and sale of financial instruments is recognised on execution of the transaction. Increments and decrements in the market value of open positions in financial instruments are recognised as trading income in the statements of comprehensive income in the financial year in which they occur. The net increment or decrement of an open position is the difference between the purchase price and the market value on the last trading day of the financial year.

(ii) Dividends

Dividends from the trading of securities are recognised as trading income as they accrue. Dividends received from subsidiaries are recognised as income when they are declared.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

3 Significant accounting policies (continued)

(m) Revenue (continued)

(iii) Management fees

Management fees are received for the provision of trading strategy and fund management services.

(n) Interest income and expenses

(i) Interest income

Interest income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

(ii) Interest expenses

Interest expenses comprise interest expense on borrowings. All borrowing costs are recognised in profit or loss using the effective interest method.

(o) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the statements of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to apply to the year when the asset is realised or liability is settled. Deferred tax is credited in the statements of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

3 Significant accounting policies (continued)

(o) Income taxes (continued)

(i) Tax consolidation

The Company, and it's wholly-owned Australian resident entities have formed a tax-consolidated Group with effect from 1 July 2006 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated Group is Tibra Capital Pty Limited.

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

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

(ii) Nature of tax funding arrangements and tax sharing arrangements

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

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

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

(iii) Taxation of Financial Arrangements (TOFA)

The Tax Laws Amendment (Taxation of Financial Arrangements) Act 2009 and other technical amendments (TOFA legislation) have been substantively enacted. The TOFA legislation provides a framework for the taxation of financial arrangements, potentially bringing closer alignment between tax and accounting outcomes. The regime does this by introducing a number of default and elective tax-timing methods which can be applied to take account of gains and losses from a financial arrangement.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

3 Significant accounting policies (continued)

(o) Income taxes (continued)

(iii) Taxation of Financial Arrangements (TOFA) (continued)

TOFA will be mandatory for the Company for the income year beginning 1 July 2010. There are specific transitional provisions in relation to the taxation of pre-commencement financial arrangements outstanding at the transition date (ie there is a choice to bring pre-commencement financial arrangements into the new regime subject to a balancing adjustment being calculated on transition that is assessable / deductible over the next succeeding four tax years).

The Company has elected to apply TOFA to financial arrangements entered into from 1 July 2009 and to financial arrangements in place (pre-existing arrangements) at that date. The Company has also elected to apply reliance on financial reports tax-timing methods to both new and pre-existing financial arrangements.

(p) Goods and Services Tax (GST)

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

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(q) New standards and interpretations not yet adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the year of initial application. They are available for early adoption at 30 June 2010 but have not been applied in preparing this financial report:

- AASB 9 *Financial Instruments* includes requirements for the classification and measurement of financial assets resulting from the first part of Phase 1 of the project to replace AASB 139 *Financial Instruments: Recognition and Measurement*. AASB 9 will become mandatory for the Company's 30 June 2014 financial statements. Retrospective application is generally required, although there are exceptions, particularly if the entity adopts the standard for the year ended 30 June 2012 or earlier. The Company has not yet determined the potential effect of the standard.
- AASB 124 *Related Party Disclosures* (revised December 2009) simplifies and clarifies the intended meaning of the definition of a related party and provides a partial exemption from the disclosure requirements for government-related entities. The amendments which will become mandatory for the Company's 30 June 2012 financial statements, are not expected to have a significant impact on the financial statements.
- AASB 2009-5 *Further amendments to Australian Accounting Standards arising from the Annual Improvements Process* affect various AASBs resulting in minor changes for presentation, disclosure, recognition and measurement purposes. The amendments, which become mandatory for the Company's 30 June 2011 financial statements, are not expected to have a significant impact on the financial statements.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

3 Significant accounting policies (continued)

(r) Rounding of amounts

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

4 Cash and cash equivalents

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
Cash on hand	6	3	-	-
Cash at bank	6,931	7,953	107	27
Short-term bank deposits	1,100	1,145	-	-
Cash on deposit with clearing custodian	169,438	392,203	-	-
	177,475	401,304	107	27

Cash on deposit with clearing custodian is held with the Company's clearing house Fortis Bank Global Clearing N.V.

Reconciliation of cash

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the statements of financial position as follows:				
Cash and cash equivalents	177,475	401,304	107	26
	177,475	401,304	107	26

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

5 Trade and other receivables

	Consolidated		Company	
In thousands of $	2010	2009	2010	2009
CURRENT				
Trade receivables	5,881	1,141	2,950	16
Unsettled trade receivables	321,069	30,111	-	-
Cash dividend receivable on trading positions	1,199	2,048	-	-
Prepayments	2,905	2,014	-	-
Deposits	2,551	472	-	-
Other receivables	-	27	24	-
Amounts receivable from:				
- wholly-owned subsidiaries	-	-	31,995	12,751
- other related parties	8	43	-	-
- shareholders	-	199	-	199
	333,613	36,055	34,969	12,966

	Consolidated		Company	
In thousands of $	2010	2009	2010	2009
NON-CURRENT				
Deposits	31	33	-	-
Other receivables	-	85	-	-
Amounts receivable from:				
- loans to shareholders	-	28,676	7	28,674
	31	28,794	7	28,674

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

6 Plant and equipment

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
PLANT AND EQUIPMENT				
Furniture, fixture and fittings				
At cost	589	188	-	-
Less accumulated depreciation	(142)	(29)	-	-
Total furniture, fixture and fittings	447	159	-	-
Office equipment				
At cost	11,825	9,350	-	-
Less accumulated depreciation	(5,381)	(2,433)	-	-
Total office equipment	6,444	6,917	-	-
Leasehold improvements				
At cost	11,054	7,835	-	-
Less accumulated depreciation	(1,046)	(424)	-	-
Total leasehold improvements	10,008	7,411	-	-
Total plant and equipment	16,899	14,487	-	-

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

6 Plant and equipment (continued)

(a) Movements in carrying amounts

Consolidated

In thousands of $	Furniture, fixtures and fittings	Office equipment	Leasehold improvements	Foreign exchange movements	Total
Current year					
Balance at the beginning of year	**159**	**6,917**	**7,411**	**-**	**14,487**
Additions	**400**	**2,392**	**3,302**	**-**	**6,094**
Depreciation expense	**(113)**	**(2,870)**	**(700)**	**-**	**(3,683)**
Carrying amount at the end of year	**446**	**6,439**	**10,013**	**-**	**16,898**
Prior year					
Balance at the beginning of year	49	1,417	3,138	-	4,604
Additions	151	7,425	4,857	-	12,433
Disposals	(29)	-	(169)	-	(198)
Depreciation expense	(12)	(1,925)	(415)	(104)	(2,456)
Foreign exchange movements	-	-	-	104	104
Carrying amount at the end of year	159	6,917	7,411	-	14,487

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

7 Intangible assets

In thousands of $	Licenses	Consolidated Computer software	Total
Current year			
Balance at the beginning of the year	97	5,890	5,987
Additions	174	3,844	4,018
Depreciation expense	-	(2,688)	(2,688)
Carrying amount at the end of the year	271	7,046	7,317
Prior year			
Balance at the beginning of the year	81	2,436	2,517
Additions	-	4,583	4,583
Depreciation expense	-	(1,129)	(1,129)
Foreign exchange movements	16	-	16
Carrying amount at the end of the year	97	5,890	5,987

Depreciation expense on computer software is included in the depreciation line of the statements of comprehensive income. On 27 March 2007 a subsidiary of the Group, Tibra Trading Hong Kong Limited, acquired Stock and Futures Exchange of Hong Kong trading rights from a third party for HK$608 thousand. This amount was capitalised as an intangible asset with an indefinite life.

8 Trade and other payables

	Consolidated		Company	
In thousands of $	2010	2009	2010	2009
CURRENT				
Trade payables	7,338	7,477	-	84
GST	4,074	1,271	-	-
Accrued employee entitlements	1,465	1,211	-	-
Sundry payables and accrued expenses	3,005	343	92	75
Cash dividend accrued on trading positions	103	2,568	-	-
Accrued interest	4,695	1,331	-	-
Amount payable to:				
- wholly-owned subsidiaries	-	-	384	372
- shareholders	7	-	7	-
- other	873	-	873	-
	21,560	14,201	1,356	531

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

8 Trade and other payables (continued)

In thousands of $	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
NON-CURRENT				
Amount payable to:				
- shareholders	6	-	6	-
	6	-	6	-

9 Other financial liabilities

In thousands of $	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
CURRENT				
Settlement payables	947,789	545,909	-	-
Total	947,789	545,909	-	-

10 Provisions

Consolidated

In thousands of $	Employee entitlements	Other	Total
Opening balance at 1 July 2009	19,453	-	19,453
Provision used during the year	(2,991)	-	(2,991)
Additional provisions	-	83	83
Balance at 30 June 2010	16,462	83	16,545

Analysis of total provisions

In thousands of $	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
Current provision	16,545	19,453	-	-
	16,545	19,453	-	-

Provisions for employee entitlements relate to amounts provided for employee bonuses at 30 June 2010. These employee bonuses will be paid on 30 September 2010. Provisions for legal proceedings relate to amounts provided for legal costs associated with the ongoing legal proceedings with Optiver.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

11 Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values are disclosed in the notes specific to that asset or liability.

(a) Investments in equity and debt securities

The fair value of financial assets at fair value through profit or loss is determined by reference to their quoted bid price at the reporting date. The fair value of financial liabilities at fair value through profit or loss is determined by reference to their quoted ask price at the reporting date.

(b) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. Statements of financial position value is used as an approximation of fair value.

(c) Derivatives

The fair value of exchange traded contracts is based on their closing listed market price, if available. The fair value of other derivative positions such as options is determined using option pricing models including Black Scholes for European options and Binomial for American options, known market values and implied market rate parameters.

(d) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements.

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For the period ended 30 June 2010

12 Trading assets and liabilities

	Consolidated					
In thousands of $	2010	2010 Contractual maturity within one year	2010 Contractual maturity after one year	2009	2009 Contractual maturity within one year	2009 Contractual maturity after one year
Long stocks and positions						
Options	1,981,156	1,798,923	182,233	1,042,630	924,655	117,975
Shares	1,249,153	1,249,153	-	1,662,385	1,662,385	-
Other securities	248,014	248,014	-	64,412	64,412	-
Trading assets	3,478,323	3,296,090	182,233	2,769,427	2,651,452	117,975
Short stocks and positions						
Options	(1,940,450)	(1,715,929)	(224,521)	(1,051,139)	(900,578)	(150,561)
Shares	(962,576)	(962,576)	-	(1,495,788)	(1,495,788)	-
Trading liabilities	(2,903,026)	(2,678,505)	(224,521)	(2,546,927)	(2,396,366)	(150,561)
Net market value of stocks and positions	**575,297**	**617,585**	**(42,288)**	**222,500**	**255,086**	**(32,586)**

Options are valued using derivative pricing models. Shares are valued based on quoted market prices and have been classified into the within one year bucket although they have no set maturity date.

During the year ended 30 June 2008 Tibra Trading Hong Kong Limited and Tibra Trading Europe Limited commenced business and entered into Dealing Loan Facility agreements with Fortis Bank Hong Kong branch and Fortis Bank Global Clearing NV respectively. As a result, the Tibra Group's total credit from the Fortis group of AUD 1.5 billion is divided amongst companies within the Tibra Group, and as at 30 June 2010 AUD 391 million of this facility was in utilisation (2009: AUD 594 million).

Under the Dealing Loan Facility, any amount paid by Fortis on the Group's behalf is treated as an advance and interest accrues daily on the balance of the advance. Amounts payable by Fortis to the Group on settlement are applied against the advance and in the event that the amount payable exceeds the advance, interest is payable in favour of the Group. The loan is secured over the Group's trading assets and any amounts receivable in relation thereto. In the event of default by the Group, Fortis may combine, consolidate, merge or apply any amount standing to the credit of the Group or any amount available to Fortis, towards satisfaction of the money due and payable or which may become due and payable to Fortis.

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13 Issued capital

Share capital

In thousands of $	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
Ordinary shares	44,453	44,428	44,453	44,428
Total	44,453	44,428	44,453	44,428

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets. Any redemption of ordinary shares is subject to approval by the Company.

The Company does not have authorised capital or par value in respect of its issued shares. As at 30 June 2010 the Company had 64,920,820 fully-paid shares on issue (2009: 64,895,820), and 22,529,180 share options granted over unissued shares (2009: 22,529,180, the comparative number of shares has been revised due to a share split). These options entitle the holder to buy shares in the Company at market value. No value for the options is recognised in the financial report as options are at the money on issue date.

14 Share capital and reserves

(a) Reconciliation of movement in capital and reserves

	Company				
In thousands of $	Share capital - Ordinary	Share capital - Preference	Foreign currency translation reserve	Retained earnings	Total Equity
Balance at 1 July 2009	44,428	-	-	1,103	45,531
Issue of ordinary shares on exercise of options - 1 July 2009	95	-	-	-	95
Refund of overpayment for ordinary shares - 29 October 2009	(70)	-	-	-	(70)
Total recognised income and expense	-	-	-	31,966	31,966
Dividends to shareholders	-	-	-	(24,410)	(24,410)
Balance at 30 June 2010	44,453	-	-	8,659	53,112

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14 Share capital and reserves (continued)

(a) Reconciliation of movement in capital and reserves (continued)

In thousands of $	Company				
	Share capital - Ordinary	Share capital - Preference	Foreign currency translation reserve	Retained earnings	Total Equity
Balance at 1 July 2008	18,460	12,800	-	1,113	32,373
Issue of ordinary shares on exercise of options - 1 July 2008	17,535	-	-	-	17,535
Issue of ordinary shares from exercise on options - 1 January 2009	8,433	-	-	-	8,433
Preference share buyback - 6 March 2009	-	(12,800)	-	-	(12,800)
Total recognised income and expense	-	-	-	20,938	20,938
Dividends to shareholders	-	-	-	(20,948)	(20,948)
Balance at 30 June 2009	44,428	-	-	1,103	45,531

In thousands of $	Consolidated					
	Share capital - Ordinary	Share capital - Preference	Foreign currency translation reserve	Hedging reserve	Retained earnings	Total Equity
Balance at 1 July 2009	44,428	-	(1,856)	-	97,006	139,578
Issue of ordinary shares on exercise of options - 1 July 2009	95	-	-	-	-	95
Refund of overpayment for ordinary shares - 29 October 2009	(70)	-	-	-	-	(70)
Total recognised income and expense	-	-	-	-	24,510	24,510
Hedging reserve	-	-	-	(4,653)	-	(4,653)
Foreign currency translation reserve	-	-	372	-	-	372
Dividends to shareholders	-	-	-	-	(24,410)	(24,410)
Balance at 30 June 2010	44,453	-	(1,484)	(4,653)	97,106	135,422

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For the period ended 30 June 2010

14 Share capital and reserves (continued)

(a) Reconciliation of movement in capital and reserves (continued)

In thousands of $	Consolidated				
	Share capital - Ordinary	Share capital - Preference	Foreign currency translation reserve	Retained earnings	Total Equity
Balance at 1 July 2008	18,460	12,800	(569)	40,440	71,131
Issue of ordinary shares on exercise of options - 1 July 2008	17,535	-	-	-	17,535
Issue of ordinary shares on exercise of options - 1 January 2009	8,433	-	-	-	8,433
Preference share buyback - 6 March 2009	-	(12,800)	-	-	(12,800)
Total recognised income and expense	-	-	(1,287)	77,514	76,227
Dividends to shareholders	-	-	-	(20,948)	(20,948)
Balance at 30 June 2009	44,428	-	(1,856)	97,006	139,578

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

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For the period ended 30 June 2010

14 Share capital and reserves (continued)

(a) Reconciliation of movement in capital and reserves (continued)

	Consolidated			
Share capital and share premium	**Ordinary shares**		**Redeemable preference shares**	
In thousands of shares	**2010**	**2009**	**2010**	**2009**
On issue at 1 July	**64,896**	10,022	-	12,800
Issued on exercise of options	**25**	2,958	-	-
Issued on share split - 17 April 2009	-	51,916	-	-
Preference share buyback - 6 March 2009	-	-	-	(12,800)
On issue at 30 June - fully paid	**64,921**	64,896	-	-

15 Dividends

Dividends and distributions paid

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
Final franked ordinary dividend of $0.376 per share paid on 22 December 2009	**24,410**	-	**24,410**	-
Interim preference unfranked dividend of $1,176.67 per share paid on 22 September 2008	-	15,061	-	15,061
Interest on interim preference unfranked dividend paid on 6 March 2009	-	825	-	825
Final unfranked ordinary dividend of $0.08 per share paid on 30 June 2009	-	5,062	-	5,062
Total	**24,410**	20,948	**24,410**	20,948

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16 Revenue

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
Operating activities				
- Trading revenue	**166,533**	211,141	**-**	-
- Management fees	**317**	558	**-**	-
- Interest revenue	**2,228**	5,359	**-**	1,543
- Dividend revenue - wholly-owned subsidiary	**-**	-	**52,198**	20,123
Total Revenue	**169,078**	217,058	**52,198**	21,666

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
Interest revenue from:				
wholly-owned subsidiaries	**-**	-	**766**	685
trading assets	**2,097**	4,305	**-**	-
banks	**80**	212	**5**	15
loans to shareholders	**3**	843	**3**	843
other interest	**48**	-	**-**	-
Total interest revenue	**2,228**	5,360	**774**	1,543

17 Interest expense

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
Interest expense on:				
trading liabilities	**13,772**	21,459	-	-
bank	**1**	1	-	-
shareholders loans	**1**	6	**1**	6
wholly-owned subsidiaries	-	-	**10**	-
other	**3**	-	-	-
Total	**13,777**	**21,466**	**11**	**6**

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18 Personnel expenses

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
Wages and salaries	45,815	48,150	-	-
Other associated personnel expenses	2,133	5,502	-	-
Contributions to defined contribution superannuation and pension funds	5,100	4,503	-	-
Total	**53,048**	**58,155**	-	-

Provision for annual leave

	Consolidated		Company	
	2010	**2009**	**2010**	**2009**
Provision for annual leave				
Opening balance	812	356	-	-
Increase/(decrease) in provision	151	456	-	-
Closing balance	**963**	**812**	-	-

19 Income tax expense

(a) The components of tax expense comprise:

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
Current tax	6,086	24,360	(8,638)	382
Originating and reversing temporary differences	(380)	3,289	(28)	6
	5,706	27,649	(8,666)	388

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For the period ended 30 June 2010

19 Income tax expense (continued)

(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:

	Consolidated		Company	
In thousands of $	2010	2009	2010	2009
Profit for the period	24,510	77,514	31,966	20,938
Income tax expense/(benefit)	5,706	27,685	(8,666)	388
Profit before income tax	30,216	105,199	23,300	21,326
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2009: 30%)	9,065	31,549	6,990	6,398
	9,065	31,549	6,990	6,398
Add:				
Tax effect of:				
- other non-allowable items	135	220	16	27
- other assessable items	3,542	10,522	-	-
-	12,742	42,291	7,006	6,425
Less:				
Tax effect of:				
- other non-assessable items	(5,768)	(10,014)	(25)	-
- fully franked dividends	-	-	-	(6,037)
- non taxable dividends	-	-	(15,635)	-
- other deductible items	(1,718)	(476)	-	-
- Under and over provisions in prior periods	101	(2,508)	(12)	-
- tax rate differential	349	(1,644)	-	-
Income tax attributable to parent entity	5,706	27,649	(8,666)	388

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For the period ended 30 June 2010

20 Tax assets and liabilities

(a) Liabilities

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
CURRENT				
Income tax	5,563	160	-	-
	5,563	160	-	-
NON-CURRENT				
Deferred tax liability comprises:				
Tax allowances relating to property, plant and equipment	310	227	-	-
Prior years over/(under) provision	539	307	-	-
Unrealised gains	4,132	4,099	-	-
	4,981	4,633	-	-

(b) Assets

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
CURRENT				
Income tax	17,227	11,420	8,626	85
	17,227	11,420	8,626	85
NON-CURRENT				
Deferred tax assets comprise:				
Unrealised (gains)/losses	(270)	(1,164)	-	-
Provisions	1,598	1,755	28	-
Prior year underprovision	2,075	2,102	-	-
	3,403	2,693	28	-

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20 Tax assets and liabilities (continued)

(c) Reconciliations

(i) Gross movements

In thousands of $	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
The overall movement in the deferred tax account is as follows:				
Opening balance	**(1,940)**	1,349	-	-
(Debited)/credited to the statements of comprehensive income	**361**	(3,289)	-	-
Closing balance	**(1,579)**	(1,940)	-	-

(ii) Deferred tax assets

In thousands of $	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
The movement in deferred tax assets for each temporary difference during the year is as follows:				
Losses utilised				
Opening balance	-	(1)	-	-
Charged/(credited) to the statements of comprehensive income	-	1	-	-
Unrealised Forex gain				
Opening balance	-	4	-	-
(Credited)/charged to the statements of comprehensive income	-	(4)	-	-
Unrealised MTM losses on positions				
Opening balance	**(1,164)**	944	-	-
(Credited)/charged to the statements of comprehensive income	**894**	(2,108)	-	-
Closing balance	**(270)**	(1,164)	-	-
Provisions				

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20 Tax assets and liabilities (continued)

In thousands of $	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
Opening balance	1,755	1,042	-	6
Charged to the statements of comprehensive income	(158)	713	-	(6)
Closing balance	1,597	1,755	-	-
Prior years overs and unders opening balance				
Opening balance	2,102	-	-	-
Charged to statements of comprehensive income	(28)	2,102	-	-
Closing balance	2,074	2,102	-	-

(iii) Deferred tax liabilities

In thousands of $	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
The movement in deferred tax liabilities for each temporary difference during the year is as follows:				
Tax allowances relating to property, plant and equipment				
Opening balance	(227)	(119)	-	-
Credited to the statements of comprehensive income	(83)	(108)	-	-
Closing balance	(310)	(227)	-	-
Prior years overs and unders				
Opening balance	(307)	23	-	-
(Credited)/charged to the statements of comprehensive income	(232)	(330)	-	-
Closing balance	(539)	(307)	-	-
Unrealised MTM positions				
Opening balance	(4,099)	(544)	-	-
Charged/(credited) to the statements of comprehensive income	(33)	(3,555)	-	-
Closing balance	(4,132)	(4,099)	-	-

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21 Auditors' remuneration

In thousands of $	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
Remuneration of the auditor of the parent entity for:				
- Auditing or reviewing the financial report	**293**	340	**78**	61
- Other regulatory audit services	**32**	38	**-**	-
- Other services	**21**	8	**-**	-
Total	**346**	386	**78**	61

22 Cash flow information

(a) Reconciliation of cash flow from operating activities

In thousands of $	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
Net profit for the period	**24,510**	77,514	**31,966**	20,938
Adjustments to reconcile net income to cash flows				
Change in securities at market value	**82,041**	62,078	**-**	-
Interest received from wholly-owned subsidiaires	**-**	-	**(755)**	-
Depreciation	**6,371**	3,585	**-**	-
Disposal of property, plant and equipment	**-**	197	**-**	-
Management fee income	**(317)**	- (558)	**-**	-
Unrealised gains on foreign exchange	**(1,319)**	(44)	**-**	-
Disposal of investment	**12**	-	**-**	-
	111,298	142,772	**31,211**	20,938
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries				
Change in dividends receivable	**-**	-	**-**	16,035
Change in trade and other receivables	**(1,087,282)**	(500,728)	**(3,028)**	(17)
Change in trade payables and accruals	**764,465**	499,324	**10**	139
Change in income taxes payable/(receivable)	**(404)**	(18,647)	**(8,913)**	(13,555)

Tibra Capital Proprietary Limited and its controlled entities

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22 Cash flow information (continued)

(a) Reconciliation of cash flow from operating activities (continued)

In thousands of $	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
Change in deferred taxes payable	(362)	3,289	(28)	6
Change in provisions	(2,908)	10,183	-	-
Net cash from operating activities	(215,193)	136,193	19,252	23,546

23 Related party transactions

In thousands of $	Note	Consolidated 2010	Consolidated 2009	Company 2010	Company 2009
Fees payable to/(receivable by) related parties:					
Management fee received	16	(317)	(558)	-	-
Total		(317)	(558)	-	-
Dividends received	16	-	-	(52,198)	(20,123)
Total		-	-	(52,198)	(20,123)
Interest paid/(received) from related parties:					
Interest income from wholly-owned subsidiaries	16	-	-	(765)	(685)
Interest income from loans to shareholders	16	3	(843)	(3)	(843)
Interest expense on shareholder loans	17	1	6	1	6
Total		4	(837)	(767)	(1,522)
Loans to/(from) related parties:					
Loans from subsidiaries	8	-	-	(384)	(372)
Loans to subsidiaries	5	-	-	31,995	12,751
Loans to other related parties	5	8	43	-	-
Total		8	43	31,611	12,379
Loans to/(from) shareholders:					
Shareholders loans	5	-	28,676	7	28,674
Total		-	28,676	7	28,674

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23 Related party transactions (continued)

(a) No fixed terms of repayment

Loans to the Holding Company from subsidiaries of $384 thousand (in the prior year from the Holding Company to subsidiaries of $62 thousand) have no fixed terms of repayment and are repayable at call and do not bear interest. The loan to Tibra Trading Proprietary Limited of $29,239 thousand ($11,291 thousand in the prior year) bears interest at the cash rate as determined by the Reserve Bank of Australia. The loan to Tibra Global Services Pty Limited of $2,756 thousand ($1,398 thousand in the prioir year) bears interest at the cash rate as determined by the Reserve Bank of Australia.

(b) Shareholders loans

Advances made to shareholders during the year of income are denominated in Australian Dollars and interest bearing at the minimum interest rate specified under Division 7A of the ITAA 1936 (2009: 9.45%), for the purpose of distributing ordinary share dividends. Interest is payable after the financial year ended in which the advance was made. At 30 June 2010 the Company had shareholder advances of nil (2009: $28,676 thousand).

(c) Key management personnel

The key management personnel are the Directors of the Company. The Directors perform services for various other Group companies in addition to this Company. The key management compensation for the period paid by an associated company, recharged to the Company, is as follows:

	Consolidated		Company	
In thousands of $	**2010**	**2009**	**2010**	**2009**
Short-term benefits	**9,021**	6,008	**3,000**	979
Post employment benefit	**265**	713	**73**	57
Total	**9,286**	6,721	**3,073**	1,036

The compensation structure for key management personnel is determined based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company and the Tibra Group. In addition to their salaries the Company also contributes to a post employment defined contribution pension fund on their behalf. The key management personnel receive no compensation in relation to the management of the Company.

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23 Related party transactions (continued)

(d) Share options

The terms of the Group Share Option Scheme are determined by the "Deed of Grant of Options" between the Company and the Optionholder. The Scheme operates as follows: options are granted to the Optionholder to subscribe during the exercise period for the option shares. The Company acknowledges receipt of the amount of $1 in consideration for the grant of options. The exercise period commences on the date of the deed and ends on the earlier of (i) 10 years after the date of issue; and (ii) where the Optionholder ceases to be employed by a Group Company; and a buy-out event occurs in relation to the Optionholder. The options are exercised at market value, determined as the sum of the adjusted net asset value per share and the multiplied earnings per share. Options may not be transferred except with prior written consent of the Company.

24 Group entities

Name	Country of incorporation	Percentage owned 2010	Percentage owned 2009
Parent entity:			
Tibra Capital Proprietary Limited	Australia		
Subsidiaries of parent entity:			
Tibra Trading Proprietary Limited	Australia	**100**	100
Tibra Capital North Asia Pty Limited (indirectly controlled)	Australia	**100**	100
Tibra Global Services Pty Limited	Australia	**100**	100
Tibra Global Services London Branch (UK)	United Kingdom	**100**	Nil
Tibra Trading Europe Limited (indirectly controlled)	United Kingdom	**100**	100
Tibra Equities Europe Limited	United Kingdom	**100**	Nil
Tibra Trading Hong Kong Limited (indirectly controlled)	Hong Kong	**100**	100
Tibra Investment Management Limited (formerly known as Tibra Capital Management Pty Limited)	Australia	**100**	100
Tibra North America Pty Limited	Australia	**100**	100
Tibra Trading America LLC (indirectly controlled)	USA	**100**	100
Tibra Netherlands Investments UA (indirectly controlled)	Netherlands	**100**	100
Tibra Trading Netherlands BV (indirectly controlled)	Netherlands	**100**	100
Tibra Asset Management Limited (indirectly controlled)	Australia	**Nil**	85
Tibra Capital Singapore Private Limited (indirectly controlled)	Singapore	**100**	100
Tibra Capital Mauritius Limited (indirectly controlled)	Mauritius	**100**	100
Tibra Trading Germany GmbH (indirectly controlled)	Germany	**100**	100
Tibra France SAS (indirectly controlled)	France	**100**	Nil

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24 Group entities (continued)

Investments directly held in subsidiaries by the Company amount to $10,737 thousand (2009: $4,311 thousand).

Tibra Global Services Pty Limited was incorporated on 22 June 2006. Tibra Trading Pty Limited was incorporated on 16 January 2006 and commenced business on 4 September 2006. The Company was granted an Australian Financial Services Licence on 3 July 2006, and this licence was varied with effect from 5 April 2007 to include foreign currency dealing.

Tibra Investment Management Limited was granted a financial services licence in Australia on 26 November 2007 and commenced trading on this date. Tibra Trading Europe Limited was granted a financial services licence in the United Kingdom on 23 May 2007 and commenced trading on 1 July 2007. Tibra Trading Hong Kong Limited was granted a financial services licence in Hong Kong on 25 June 2007 and commenced trading on 6 September 2007.

Tibra Netherlands Investments UA was formed in the Netherlands on 13 February 2008 and wholly owns Tibra Trading Netherlands BV (a company incorporated on 25 February 2008), an unlicenced trading company in the Netherlands, and Tibra Trading Germany GmbH (a company incorporated on 9 March 2009), an unlicenced trading company in Germany.

Tibra Asset Management Limited was incorporated in Australia on 25 June 2008. Tibra Capital Singapore Private Limited was incorporated in Singapore on 9 September 2008. Tibra Capital Mauritius Limited was incorporated in Mauritius on 8 May 2009. Tibra North America Pty Limited was incorporated in Australia on 19 May 2009, and Tibra Capital North Asia Pty Limited was incorporated in Australia on 23 June 2009.

Tibra Global Services London Branch was incorporated on 31 December 2009 in the United Kingdom. Tibra France SAS was incorporated in France on 5 March 2010 and commenced trading in May 2010. Tibra Equities Europe Limited is an unlicensed trading company incorporated in the United Kingdom on 14 June 2010.

(a) Deed of cross guarantee

Pursuant to ASIC Class Order 98/1418 (as amended) dated 13 August 1998, the wholly-owned subsidiaries listed above are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports, and Directors' report.

It is a condition of the Class Order that the Company and each of the subsidiaries enter into a Deed of Cross Guarantee. The effect of the Deed is that the Company guarantees to each creditor payment in full of any debt in the event of winding up of any of the subsidaires under certain provisions of the Corporations Act 2001. If a winding up occurs under other provisions of the Act, the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidaries have also given similar guarantees in the event that the Company is wound up.

The subsidiary subject to the Deed is Tibra Global Services Pty Limited. Tibra Global Services Pty Limited became a party to the Deed on 18 June 2009, by virtue of a Deed of Assumption.

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For the period ended 30 June 2010

24 Group entities (continued)

(a) Deed of cross guarantee (continued)

A consolidated statement of comprehensive income and consolidated statement of financial position, comprising the Company and controlled entities which are a party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, at 30 June 2010 is set out as follows:

Summarised statement of comprehensive income and retained profits

In thousands of AUD	Consolidated 2010	Consolidated 2009
Profit before tax	**44,831**	41,885
Income tax expense	**(9,833)**	(6,174)
Profit after tax	**34,998**	35,711
Retained profits at beginning of year	**16,851**	2,088
Total recognised income and expense	**34,998**	35,711
Dividends to shareholders	**(24,410)**	(20,948)
Retained profits at end of year	**27,439**	16,851

Statement of financial position

In thousands of AUD	Consolidated 2010	Consolidated 2009
Assets		
Cash and cash equivalents	**2,739**	3,861
Trade and other receivables	**47,226**	22,837
Current tax receivable	**10,523**	85
Total current assets	**60,488**	26,783
Trade and other receivables	**1**	30,758
Plant and equipment	**10,768**	3,833
Intangible assets	**-**	5,759
Investments	**10,737**	4,311
Deferred tax assets	**1,436**	1,867
Total non-current assets	**22,942**	46,528
Total assets	**83,430**	73,311
Liabilities		
Trade and other payables	**7,217**	1,394
Short-term provisions	**4,039**	5,546

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For the period ended 30 June 2010

24 Group entities (continued)

	Consolidated 2010	Consolidated 2009
Current tax liabilities	-	4,736
Total current liabilities	**11,256**	11,676
Deferred tax liabilities	**282**	356
Total non-current liabilities	**282**	356
Total liabilities	**11,538**	12,032
Net assets	**71,892**	61,279
Equity		
Share capital	**44,453**	44,428
Retained earnings	**27,439**	16,851
Total equity	**71,892**	61,279

25 Financial instruments

Financial risk exposures and management

The Group has exposure to the following risks from their use of financial instruments:

- market risk,
- liquidity risk,
- credit risk, and
- operational risk.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group, through training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The responsibility for risk control and adherence to the Group's risk policy lies with each employee of the Group and the independent risk manager is responsible for monitoring the risks.

The basic principle of the risk management policy is that the Group will not take risks that it cannot define and understand before it enters them, and for which it does not have defined management, measurement and control process in place.

Tibra Capital Proprietary Limited and its controlled entities

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For the period ended 30 June 2010

25 Financial instruments (continued)

Independent risk management functions

To the extent warranted by the Group's activities, the process of measuring, monitoring and controlling risk consistent with the established policies and procedures is managed independently of individuals conducting trading activities, up through the senior levels of the Group. An independent system is in place for reporting exposures to both senior-level management and to the Board of Directors.

Highly qualified staffing of the independent risk management functions ensures a complete understanding of the risks associated with all of the Group's trading activities. Accordingly, compensation policies for these individuals should be adequate to attract and retain personnel qualified to assess these risks.

The risk management process

The risk exposures the Group assumes in its trading activities is fully supported by an adequate capital position. The Group ensures that its capital position is sufficiently strong to support all derivatives risks on a fully consolidated basis and that adequate capital is maintained in all Group entities engaged in these activities.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group minimises credit risk by adopting a policy of only dealing with credit worthy counterparties, and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. Given the nature of the business, credit risk is limited due to counterparties being banks backed by government guarantees and high credit ratings assigned by international credit ratings agencies. The majority of the business is conducted through official exchanges.

Credit risks are aggregated across all sources of credit risk, counterparties' parent companies, as well as across the Group. The only significant risk is the credit risk with the Group's primary clearing broker, Fortis, which is owned by the Dutch Government. The value of the cash and mark-to-market of exchange traded derivatives held at Fortis is at risk to a Fortis default. The Directors and senior management constantly monitor the creditworthiness of Fortis and the Group will reduce holdings if conditions deteriorate. Fortis has a current credit rating of A (2009: A).

The Group enters into OTC options contracts by using its clearing broker as an intermediary. This creates additional risk towards both the OTC counterparty as well as the clearing bank, additionally the issuing bank for each warrant is another source of credit risk. The OTC exposure at 30 June 2010 was $128 million (2009: $60.8 million).

The Group is also exposed to settlement risk which is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed. This is primarily due to large professional block trades where the counterparty is often unknown before execution. The Group's risk department monitors the accumulated settlement risk to a given counterparty post-trade and should these levels become too high the risk department will inform management. For certain types of transactions the Group mitigates this risk by conducting settlements through a settlement/clearing agent to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

Tibra Capital Proprietary Limited and its controlled entities

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For the period ended 30 June 2010

25 Financial instruments (continued)

Credit risk (continued)

The total exposure to credit risk is represented by the amount that Fortis owes the Group at 30 June 2010 of $169.4 million (2009: $392.2 million) Refer to note 4 for details. An analysis of the credit quality of financial assets is provided in note 26.

The Group holds short term trading assets at market value, and as such there is no impairment on these assets. Trade and other receivables comprise trade settlement amounts which are not impaired nor past due. Accordingly, no further disclosure is given on credit risk in these financial statements.

Market risk

Market risk is the risk that changes in market prices, such as interest rate, equity prices, foreign exchange rates and credit spreads will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control risk exposures within acceptable parameters, while optimising the return on risk.

Market risk is measured for ordinary market events as well as catastrophic events, and is managed through intra-day and end of day position monitoring and risk reporting. Intra-day monitoring is performed by tools that calculate real time positions and exposures for each underlying traded. The market risk report monitors move risk and risk associated with Greeks, by sector, market and underlying. Move risk is calculated by aggregation of positions across the whole Group and stress testing of both downside and upside market moves. All measures are matched against pre-set limits. In addition, the Group uses a wide range of stress tests to model the financial impact of a variety of exceptional market scenarios on individual trading portfolios and the Group's overall position. The stress limits are applied at the various aggregation levels.

For ordinary market events, limits are set against Greeks (including vega assumptions). Greeks are measured using an independent trading software vendor's system. These limits are checked at the various aggregation levels (per symbol, per sector, and for the whole portfolio). For catastrophic events, the methodology used is stress scenarios. Underlying prices are shocked up and down a minimum percentage that is scaled wider in times of high volatility. Volatility is shocked up and down through a formula which takes into account the expiry of the option. This scenario testing demonstrated that the Group is not materially exposed to changes in the underlying market price. The Group has not disclosed further information on its specific exposures as it is deemed commercially sensitive.

The Group's policy is to adhere to market making principles and as such, positions or strategies deemed to be speculative in nature are not pursued. The Group implements a market neutral strategy on any business carried on by the Group outside market making. All transactions are recorded automatically and accumulated in market systems enabling regular review of positions traded, underlying risk measures (including delta, gamma, theta and vega assumptions) and daily reconciliation to clearing house records.

Position risk is monitored on an 'as close to real time as possible' basis and risk and position limits are imposed and strictly enforced. Risk limits and parameters are imposed which are based on relative stock prices, liquidity and volatility levels. Large or unusual trades are automatically reported for review and monitoring.

Tibra Capital Proprietary Limited and its controlled entities

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Notes to the financial statements

For the period ended 30 June 2010

25 Financial instruments (continued)

Market risk (continued)

The haircut is the difference between prices at which a market maker can buy and sell a security. An analysis of the haircut is performed on a daily basis, therefore no average or minimum or maximum haircut can be assessed on assets held on any specific day. Also, the Group uses a wide range of stress tests to model the financial impact of a variety of exceptional market scenarios on individual trading portfolios and the Group's overall position.

In addition, the Group monitors the theoretical difference which is the difference in the mark-to-market from the exchange/clearing broker versus the Group's mark-to-market model. The Group also uses the margining requirements from its clearing brokers as an independent outside check against its internal risk methodologies. The Risk manager liaises with regulatory supervisions to ensure that risk algorithms are consistent with best industry practice and regulatory requirements. The market risk disclosures have been updated from the prior year to better reflect the risks faced by the Group.

Interest rate risk

The Group's investments in fixed-rate debt securities and its fixed-rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's investments in variable-rate debt securities and its variable-rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investments in equity securities and short-term receivables and payables are not exposed to interest rate risk. Non-trading financial assets that are subject to interest rate risk comprise Cash and Cash equivalents. Refer note 4. The effect of changes in interest rates on the parent entity balances subject to interest rate risk is not significant.

Interest rate risk sensitivity analysis

At 30 June 2010, the effect on the consolidated profit and equity of the Group as a result of changes in interest rates on non-trading interest bearing balances, with all other variables remaining constant would be as follows:

In thousands of $	2010	2009
Increase/(decrease) in profit		
- Increase of 200 basis points	(1,926)	134
- Decrease of 200 basis points	869	(66)
Increase/(decrease) in equity		
- Increase of 200 basis points	(1,926)	134
- Decrease of 200 basis points	869	(66)

Foreign currency risk

The Group is exposed to foreign currency risk on trading instruments denominated in a currency other than the functional currency of the Group. The currencies giving rise to this risk are primarily United States dollars, Euros, Hong Kong dollars, Singapore dollars, Swedish Krona, Korean Won and Japanese Yen.

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For the period ended 30 June 2010

25 Financial instruments (continued)

Foreign currency risk (continued)

The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. When necessary, forward exchange contracts are rolled over at maturity. The Group hedges its foreign exchange investment in its subsidiary, Tibra Trading Europe Ltd (TTEL). The forward contract is the hedge. The hedged risk is the foreign currency exposure arising from the investment in TTEL as the net assets of TTEL are included in the financial statements.

In respect of other monetary assets and liabilities held in currencies other than AUD, the Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances. The effect of changes in foreign exchange rates on the parent entity balances subject to foreign currency risk is not significant.

Foreign currency risk sensitivity analysis

At 30 June 2010, the effect on profit and equity as a result of changes in non-trading foreign currency balances, with all other variables remaining constant would be as follows:

In thousands of $	2010	2009
Change in profit		
- 10% Increase in AUD against HKD	(874)	(500)
- 10% Decrease in AUD against HKD	874	500
- 10% Increase in AUD against EUR	(361)	(280)
- 10% Decrease in AUD against EUR	361	280
- 10% Increase in AUD against USD	(41)	n/a
- 10% Decrease in AUD against USD	41	n/a
Change in equity		
- 10% Increase in AUD against HKD	(874)	(500)
- 10% Decrease in AUD against HKD	874	500
- 10% Increase in AUD against EUR	(361)	(280)
- 10% Decrease in AUD against EUR	361	280

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations from its financial liabilities. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The non-trading liabilities are repayable at call or less than 30 days except for deferred tax liabilities. For maturities on trading assets and liabilities refer to note 12.

The daily liquidity risk is monitored and regular liquidity stress testing is conducted by the Group's Dealing Loan Facility provider, Fortis. The Group adjusts its portfolio of financial assets if necessary to ensure that the Group maintains an acceptable liquidity risk profile and maintain its approved liquidity risk profile with Fortis. Refer to note 30 for further details of the facility with Fortis.

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Notes to the financial statements

For the period ended 30 June 2010

25 Financial instruments (continued)

Liquidity risk (continued)

The internal analysis of the haircut falls into the scope of the Group's liquidity risk management. The haircut will at no time exceed the Group's net liquidation value. The haircut, together with net liquidation value, credit and cash usage, is stringently monitored through a liquidity risk report. Internal haircut buffer is used and breach of buffer is flagged to prevent potential violations.

Maturity analysis of all liabilities

The table below shows an analysis of liabilities analysed according to when they are expected to be settled.

		Consolidated					
	Note	Less than 12 months 2010	Greater than 12 months 2010	Total 2010	Less than 12 months 2009	Greater than 12 months 2009	Total 2009
In thousands of $							
Liabilities							
Trading liabilities	12	(2,903,026)	-	(2,903,026)	(2,546,927)	-	(2,546,927)
Trade and other payables	8	(21,560)	-	(21,560)	(14,201)	-	(14,201)
Current tax liabilities	20	(5,563)	-	(5,563)	(160)	-	(160)
Short term provisions	10	(16,545)	-	(16,545)	(19,453)	-	(19,453)
Other financial liabilities	9	(947,789)	-	(947,789)	(545,909)	-	(545,909)
Deferred tax liabilities	20	-	(4,981)	(4,981)	-	(4,633)	(4,633)
Total liabilities		(3,894,483)	(4,981)	(3,899,464)	(3,126,650)	(4,633)	(3,131,283)

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations. The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict inititative and creativity.

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Notes to the financial statements

For the period ended 30 June 2010

25 Financial instruments (continued)

Operational risk (continued)

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall Group standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions,
- requirements for the reconciliation and monitoring of transactions,
- compliance with regulatory and other legal requirements,
- documentation of controls and procedures,
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified,
- requirements for the reporting of operational losses and proposed remedial action,
- development of contingency plans,
- training and professional development,
- ethical and business standards, and
- risk mitigation, including insurance where this is effective.

Business disruption caused by emergency situations are managed through business continuity planning, so that the Group is prepared to minimise the impact of any such situations. Preventative measures such as backup generators, fallback servers and diligent data backup are in place to provide the first level of insurance against system failure. Preventative auditing of systems and processes are also used to identify bottlenecks and opportunity for improvement so that system operationality is ensured.

Management risk is the risk associated with the potential for management not providing clear and transparent policy, strategy and ongoing communication and training for effective risk management. The Group's policy to mitigate this risk is to enforce trading limits and responsibilities in such a way as to encourage responsible informed trading behavior. It can also be mitigated by having a reliable infrastructure and work environment through carefully selected third parties, and investing in carefully selected employees.

Settlement risk

The Group's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed. For certain types of transactions the Group mitigates this risk by conducting settlements through a settlement/clearing agent to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

Compliance risk

Compliance risk is defined as both material loss and loss of reputation arising from non compliance with laws, regulations, market rules and internal policies and procedures and codes of conduct. The Company supports and maintains a positive approach and culture with respect to compliance. Compliance risk is managed on an ongoing basis through documenting compliance risks, implementing procedures, testing procedures and reporting breaches of compliance risk standards. The Company analyses these risks by appraising the costs involved depending on the size of the risk. The Company widely emphasises these risks to create a constant awareness among the employees.

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26 Fair values and credit risk

The credit quality of all of the financial assets listed in the table below has been determined to be neither past due nor individually impaired, and to have a low probability of default. In addition, in the event of any of the financial assets shown in the table below being called in, there is a very high likelihood of the assets being recovered in full.

In thousands of $	Note	2010 Carrying value	2010 Fair value	2009 Carrying value	2009 Fair value
Consolidated					
Financial Assets					
Financial assets at fair value held for trading	12	3,478,323	3,478,323	2,769,427	2,769,427
Loans and receivables - Trade and other receivables (current)	5	333,613	333,613	36,055	36,055
Loans and receivables - Trade and other receivables (non-current)	5	31	31	28,794	28,794
Cash and cash equivalents	4	177,475	177,475	401,304	401,304
		3,989,442	3,989,442	3,235,580	3,235,580
Financial Liabilities					
Trade and other payables	8	(21,560)	(21,560)	(14,201)	(14,201)
Financial liabilities at fair value - trading	12	(2,903,026)	(2,903,026)	(2,546,927)	(2,546,927)
Other financial liabilities	9	(947,789)	(947,789)	(545,909)	(545,909)
		(3,872,375)	(3,872,375)	(3,107,037)	(3,107,037)
Total		117,067	117,067	128,543	128,543

In thousands of $	Note	2010 Carrying value	2010 Fair value	2009 Carrying value	2009 Fair value
Company					
Financial Assets					
Loans and receivables - Trade and other receivables (current)	5	34,969	34,969	12,966	12,966
Loans and receivables - Trade and other receivables (non-current)	5	7	7	28,674	28,674
Cash and cash equivalents	4	107	107	26	26
		35,083	35,083	41,666	41,666
Financial Liabilities					
Trade and other payables	8	(1,356)	(1,356)	(531)	(531)
		(1,356)	(1,356)	(531)	(531)
Total		33,727	33,727	41,135	41,135

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26 Fair values and credit risk (continued)

(a) Fair value of financial instruments

Fair value hierarchy
The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e, as prices) or indirectly (i.e, derived from prices), and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

In thousands of $	Note	Level 1	Level 2	Total
Consolidated				
30 June 2010				
Financial assets held for trading	12	3,323,109	155,214	3,478,323
Financial liabilities held for trading	12	(2,875,885)	(27,141)	2,903,026)
Total		**447,224**	**128,073**	**575,297**
30 June 2009				
Financial assets held for trading	12	2,640,341	129,086	2,769,427
Financial liabilities held for trading	12	(2,478,679)	(68,248)	(2,546,927)
Total		161,662	60,838	222,500

27 Segment reporting

The Group's business activities are managed on a geographical basis, however performance is monitored globally. The Group trades in the following core products: securities; exchange traded options over major indicies and leading stocks; futures over major indicies and leading stocks; over-the-counter (OTC) equity derivatives contracts and foreign exchange contracts. The Board reviews performance based on trading revenue and net assets; trading revenue is from external parties. The management information reviewed is based on the same information as the financial statements.

	Revenue		Net assets	
In thousands of $	**2010**	**2009**	**2010**	**2009**
AU/ASIA	**82,041**	62,045	**116,977**	104,953
Europe	**84,195**	149,096	**48,313**	42,557
US	**297**	-	**4,174**	(87)
Consolidation adjustments	**-**	-	**(34,042)**	(7,845)
Total	**166,533**	211,141	**135,422**	139,578

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28 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-redeemable preference shares and non-controlling interests. The Board of Directors also monitors the level of dividends to ordinary shareholders. The Board seeks to optimise the capital structure to produce returns utilising low risk financing options. There were no changes in the Group's approach to capital management during the year.

There are three levels of decision making in the capital management policy. Capital is allocated after consideration of each individual factor. The Company's cash management is based on:

- Regulatory capital,
- Minimum clearing house funding, and
- Available capital within the Company.

Regulatory capital
Regulatory minimum capital is managed in the Group's subsidiaries. The Company acts as a market maker on most of the exchanges it trades and can only trade after a license is granted for the specific market. Each market/regulator has specific minimum capital requirements for the licenses, a requirement that always needs to be met. The Company monitors these on a monthly basis.

It is a crucial requirement of maintaining market licenses that all minimum capital requirements are met. If sufficient regulatory capital is not maintained then trading may be suspended until adequate capital levels are restored.

Clearing house funding
As part of the license as a market maker, the Company as a non-clearing member needs a clearing agreement with a general clearing member in order to be able to trade on an exchange as a market participant. As a result, the Company uses independent entities as clearing houses to clear all trades. The clearing house is also the party that in most markets provides the funding for the Company's trading activities. For each $1 of capital input they will provide a fixed amount as funding. The maximum funding per market is set by the clearer and needs to be approved by the Credit Committee of the external clearer. The liquidity of the Company is managed on a daily basis by the risk department.

Available capital within the Company
The ultimate holding company only invests in its subsidiaries through paid in capital. All profits are reinvested per the Board's discretion. The Board meets monthly to discuss strategy.

Tibra Capital Proprietary Limited and its controlled entities

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29 Capital and leasing commitments

Operating lease commitments

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

In thousands of $	Consolidated 2010	2009
Payable - minimum lease payments		
- not later than 12 months	**6,036**	3,701
- between 12 months and 5 years	**12,676**	8,983
- greater than 5 years	**7,085**	5,371
	25,797	18,055

The Group leases information technology (IT) equipment under operating leases. The leases typically run for a period of 3 years, with an option to renew the lease after that date. The leases may be extended at the end of their term at market value rental rates. The Group leases business premises in Australia and Europe under operating leases. These leases run for a period of between 1 month and 9 years and may be extended at the end of their term at market value rental rates.

During the year ended 30 June 2010 $6.348 million was recognised as an expense in the statements of comprehensive income in respect of operating leases (2009: $4.740 million). In determining lease classification, the Company evaluated the lease terms to determine whether the Group or the lessor held substantially the entire risks and rewards incidental to ownership of the leased asset. On balance it was judged that substantially all the risks and rewards of the equipment under the lease are with the lessor. Accordingly, it was concluded that the leases are operating leases.

30 Contingent liabilities

Estimates of the potential financial effect of contingent liabilities that may become payable:

In thousands of $	Consolidated 2010	2009	Company 2010	2009
Contingent liabilities				
Rental guarantee	**1,730**	1,730	-	-
Fortis rental guarantee	**1,185**	1,185	-	-
Credit card				
Fortis credit card	**109**	109	-	-
Total	**3,024**	3,024	-	-

The Fortis rental guarantee is an amount guaranteed for the lease of office premises in London. The liability only falls due in the event of default by Tibra Trading Europe Limited.

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31 Events subsequent to reporting date

No other matters or circumstances have arisen since the end of the financial year which significantly affected or my significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.