



ADVENT LIMITED
AND ITS CONTROLLED ENTITIES

ACN 006 509 708

PRELIMINARY FINAL REPORT

APPENDIX 4E

FOR THE FINANCIAL YEAR ENDED

30 JUNE 2006

15 August 2006



ADVENT LIMITED

DIRECTORS' STATEMENT TO THE STOCK EXCHANGE **RESULTS FOR THE YEAR ENDED 30 JUNE 2006**

The Directors of Advent Limited today announced an Operating Profits after Tax of \$5.1 million for the year ended 30 June 2006 compared to a loss of \$1.5 million for the year ended 30 June 2005.

During the year, the Company continued the process to realise all investments with a view to returning funds to shareholders as quickly as possible. To this end, the Company announced, during the year, the sale of TR Corporation Pty Ltd and has now announced the sale of all shares the Company held in Vignette Corporation, USA.

A number of issues remain to be resolved before the Company can move toward final winding up. These include final resolution of TR Corporation warranties, final determination of tax returns, costs to wind up the affairs of the Company, realisation of the Tower escrow provision and final realisations of sundry assets and liabilities.

Prior to year end, the Company commenced procedures for the voluntary deregistration of its wholly owned subsidiary, Australian Pacific Technology Limited. This entity has been classified as a discontinued operation as at 30 June 2006.

Subject to costs and realisations estimated for wind up, the expiration and outcome of warranty issues and various tax clearances, the estimated net asset backing of the Company is \$0.94 per share.

Further advice and options for realisation are being sought with a view to providing recommendations to shareholders in general meeting prior to the expiration of TR warranties.

An Interim Dividend of 39.79 cents per share totalling \$8.496 million was paid to Shareholders on 20 February 2006. The Directors have not declared a final dividend in respect of the 2005/06 year.

Subsequent Events

Subsequent to year end, the Company has received the final proceeds from the sale of the shares held in Vignette Corporation, USA and funds received in UD dollars have been exchanged to Australian dollars.

Cash Reserves

The Company has sufficient reserves to meet all known commitments through to its winding-up following the completion of the divestment program.

Advent Private Capital Pty Ltd – The Manager

The Manager changed its name during the year to Advent Private Capital Pty Ltd (formerly Advent Management Group Limited).

The Manager continues to work toward maximizing the results for shareholders and continues to allocate the necessary range of resources to the ongoing management of Advent Limited.

This will continue until the divestment program is finalised and the Company's affairs are realised.

The manager continues to accrue fees and this is now capped for the financial year ending 30 June 2007 at \$250,000.

Accounting/qualification disclosure

On 1 February 2006, the Company announced the sale of its subsidiary, TR Corporation Pty Ltd, for \$9.0 million. The sale was made jointly to Advent Private Equity Fund I and Advent Private Equity Fund II and was based on an independent valuation provided by PKF Advisory Services (Vic) Pty Ltd.

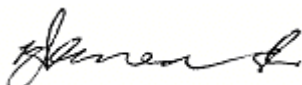
Accordingly, TR Corporation is not a subsidiary of the Company as at year end and the results of its operations and the profit on sale are included in the consolidated income statement as "profit from discontinued operations". As the settlement of the TR Corporation sale was completed on 31 May 2006, all of its related assets and liabilities are no longer included in the consolidated balance sheet at 30 June 2006.

The results of TR Corporation were subject to review by Pitcher Partners for the six month period ended 31 December 2005, however no audit of the financial statements of TR Corporation was performed as at or for the seven month period ended 31 January 2006 as the sale price was fixed and not impacted by the results of the company or changes to its balance sheet up until the date of sale.

As a result the group auditors, Deloitte Touche Tohmatsu have advised the Company that they expect to qualify their audit report for the year ended 30 June 2006 in respect to the note disclosures and cash flow statement relating to the consolidated entity as the subsidiary financial statements have not been audited up until the point of disposal. Deloitte Touche Tohmatsu have advised that they expect their report on the consolidated income statement for the year ended 30 June 2006 and the consolidated balance sheet as at 30 June 2006 will be unqualified. Management have prepared the consolidated financial report and notes thereto of the Company based on the management reports of TR Corporation up to and as at 31 January 2006 and the Directors are satisfied that the consolidated financial report of Advent presents a true and fair view.

The Directors consider that the note disclosures on the results and operations of TR Corporation have no material effect on the consolidated net income statement for the year ended 30 June 2006 or on the consolidated Balance Sheet as at 30 June 2006.

Yours sincerely



Kevin Croagh AO
Chairman

15 August 2006

Appendix 4E

Yearly report

Name of entity

ADVENT LIMITED

ABN or equivalent company
reference

83 006 509 708

Half yearly
(tick)Preliminary
final (tick)

Year ended ('current period')

30 JUNE 2006

Results for announcement to the market

\$A'000

Revenues from ordinary activities	Down	(39.28%)	to	388
Profit from ordinary activities after tax attributable to members	Up		to	5,104
Net profit (loss) for the period attributable to members	Up		to	5,104
Dividends	Amount per security	Franked amount per security		
Interim dividend				
In respect of the 2006 financial year as at 30 June 2006 (paid 20 February 2006)	39.79 ¢	39.79 ¢		
In respect of the 2005 financial year as at 30 June 2005	17 ¢	17 ¢		
Final Dividend				
In respect of the 2006 financial year as at 30 June 2006	N/A	N/A		
In respect of the 2005 financial year as at 30 June 2005	N/A	N/A		
Date the dividend is payable:	N/A			
Record date for determining entitlements to the dividend:	N/A			
Net Tangible Assets Per Security				
As at 30 June 2005	\$1.13			
As at 31 December 2005	\$1.36			
As at 30 June 2006	\$0.97			
Brief explanation of any of the figures reported above and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
Refer Directors' Commentary enclosed with this Report.				

Consolidated income statement for the year ended 30 June 2006

	Note	Consolidated	
		2006 \$'000	2005 \$'000
Revenue	2	388	639
Net management fee (accruals)/reversals	2	(2,460)	1,621
(Diminution) in investments	2	-	(6,986)
Profit on sale of investments	2	7,222	-
Warranty claim expense	2	-	(1,200)
Net foreign exchange gains/(losses)	2	265	(2,462)
Insurance expense		(87)	(3)
Bad Debt (expense)/recovery		(9)	-
Other expenses from ordinary activities		(596)	(553)
Profit / (Loss) before income tax expense		4,723	(8,944)
Income tax benefit/(expense)		(1,023)	7,221
Profit / (Loss) from continuing operations		3,700	(1,723)
Profit from discontinued operations	7	1,404	205
Profit for the period		5,104	(1,518)
Profit attributable to minority interest		-	-
Profit attributable to members of the parent entity		5,104	(1,518)
Earnings Per Share			
- Basic (cents per share)		23.90	(7.11)
- Diluted (cents per share)		23.90	(7.11)

Notes to the financial statements are included on pages 9 to 27

Consolidated balance sheet as at 30 June 2006

	Note	Consolidated	
		2006 \$'000	2005 \$'000
Current Assets			
Cash assets		18,755	3,689
Receivables		3,458	6,204
Inventories		-	1,081
Other		-	15,278
		<u>22,213</u>	<u>26,252</u>
Non-Current Assets			
Receivables		-	-
Other financial assets		-	-
Property, plant and equipment		-	17,998
Deferred tax assets		-	467
		<u>-</u>	<u>18,465</u>
Total Non-Current Assets			
Total Assets		<u>22,213</u>	<u>44,717</u>
Current Liabilities			
Payables		256	7,575
Interest-bearing liabilities		-	4,715
Current tax liabilities		-	272
Provisions		1,200	606
		<u>1,456</u>	<u>13,168</u>
Total Current Liabilities			
Non-Current Liabilities			
Interest-bearing liabilities		-	6,616
Deferred tax liabilities		-	441
Provisions		-	425
		<u>-</u>	<u>7,482</u>
Total Non-Current Liabilities			
Total Liabilities		<u>1,456</u>	<u>20,650</u>
Net Assets		<u>20,757</u>	<u>24,067</u>
Equity			
Contributed equity		14,945	14,945
Reserves		-	(82)
Retained profits		5,812	9,204
		<u>20,757</u>	<u>24,067</u>
Total Equity			

Notes to the financial statements are included on pages 9 to 27

Consolidated statement of changes in equity for the year ended 30 June 2006

	Consolidated	
	2006 \$'000	2005 \$'000
Issued Capital		
Issued capital at the beginning of the year	14,945	14,945
Issued capital during the current year	-	-
Total issued share capital	14,945	14,945
Reserves		
Foreign currency translation reserve		
Reserves at the beginning of the year	(82)	99
Exchange differences on translating foreign operations	(46)	(181)
Exchange reserve transferred to profit or loss on disposal of TR Corporation in the discontinued operation	128	-
Foreign currency translation reserve at the end of the year	-	(82)
Retained Earnings		
Retained earnings at the beginning of the year	9,204	14,282
Net profit attributable to members of the parent entity	5,104	(1,518)
Dividends	(8,496)	(3,629)
Aggregate of amounts transferred from reserves	-	69
Retained profits at the end of the year	5,812	9,204
Recognised income/ (expense)		
Exchange reserve transferred to profit or loss on disposal of TR Corporation in the discontinued operation	(128)	-
Profit/ (loss) for the year	5,104	(1,518)
Total recognised income/(expense) for the year	4,976	(1,518)
Attributable to:		
Equity holders of the parent	4,976	(1,518)
Minority interests	-	-
	4,976	(1,518)

Notes to the financial statements are included on pages 9 to 27

Consolidated cash flow statement for the year ended 30 June 2006

	Note	Consolidated	
		Inflows (Outflows)	
		2006 \$'000	2005 \$'000
Cash Flows From Operating Activities			
Receipts from customers		45,347	27,110
Payments to suppliers and employees		(28,752)	(26,164)
Dividends received		-	-
Interest received		418	696
Borrowing costs		(495)	(833)
Income tax (paid)		(1,038)	(2,964)
Net cash provided by/(used in) operating activities		15,480	(2,154)
Cash Flows From Investing Activities			
Proceeds on sale / redemption of investments investments		10,873	-
Payment for property, plant and equipment		(1,086)	(300)
Proceeds from sale of property, plant and equipment		15	37
Proceeds from repayment of related party receivables		-	-
Payment for acquisition of business	7	(2,520)	(2,572)
Amounts advanced to related parties		-	-
Net cash provided by/(used in) investing activities		7,282	(2,835)
Cash Flows From Financing Activities			
Proceeds from borrowings		3,200	1,500
Repayment of borrowings		(2,447)	(3,014)
Proceeds from the issue of shares		1,031	-
Dividends Paid		(8,496)	(3,629)
Net cash (used in) financing activities		(6,712)	(5,144)
Net Increase/(Decrease) In Cash Held		16,050	(10,133)
Cash At The Beginning Of The Financial Year		2,705	12,838
Effects of exchange rate changes on the balance of cash held in foreign currencies		-	-
Cash At The End Of The Financial Year		18,755	2,705

Notes to the financial statements are included on pages 9 to 27

Notes to the Financial Statements for the Financial Year Ended 30 June 2006

1. Summary of Accounting Policies

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Accounting Standards and Urgent Issues Group Interpretations, and complies with other requirements of the law. Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with the A-IFRS ensures that the consolidated financial statements and notes of the consolidated entity comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the directors on 15 August 2006.

Basis of preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. In the application of A-IFRS management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgments made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements. Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The consolidated entity changed its accounting policies on 1 July 2005 to comply with AIFRS. The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards', with 1 July 2004 as the date of transition. An explanation of how the transition from superseded policies to A-IFRS has affected the company's and consolidated entity's financial position, financial performance and cash flows is discussed in note 12.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2006, the comparative information presented in these financial statements for the year ended 30 June 2005, and in the preparation of the opening AIFRS balance sheet at 1 July 2004 (as disclosed in note 12), the consolidated entity's date of transition.

Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

1. Summary of Accounting Policies (cont'd)

(a) Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(c) Employee Benefits

Provision is made for benefits arising in respect to wages and salaries, annual leave and long service leave when it is probable settlement will be required and they are capable of being measured reliably.

Liabilities arising in respect of wages and salaries, annual leave, and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

(d) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis.

(e) Receivables

Trade receivables and other receivables are recorded at amortised cost less impairment.

(f) Property, rental assets, plant and equipment

Cost and Valuation

All classes of fixed assets are measured at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of those assets. Refer to note 1(i).

Depreciation

The depreciable amounts of all fixed assets are depreciated on a straight-line basis over their estimated useful lives 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.

The useful lives for each class of assets are:

Class of fixed asset	Depreciation rates	Depreciation basis
Rental assets	6-25%	Straight line
Leasehold improvements	5-20%	Straight line
Plant and equipment	10-25%	Straight line
Software	20-48%	Straight line
Motor vehicles	18-22.5%	Diminishing value
Office equipment	5-48%	Straight line

1. Summary of Accounting Policies (cont'd)

(g) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Finance Lease

Leases of fixed assets, where substantially all of the risks and benefits incidental to ownership of the asset, but not the legal ownership, are transferable to entities within the consolidated entity are classified as finance leases. Finance leases are capitalised, recording at the inception of the lease an asset and liability equal to the present value of the minimum lease payments, and disclosed as plant and equipment under lease.

Lease assets are depreciated over the shorter of the estimated useful life of the assets and the lease term. Lease payments are allocated between interest expense and reduction of the lease liability. The interest expense is calculated using the interest rate implicit in the lease and is included in finance costs in the Income Statement.

The cost of improvements to or on leasehold property is capitalised, disclosed as leasehold improvements, and amortised over the unexpired period of the lease or the estimated useful lives of the improvements, whichever is shorter.

Operating Leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(h) Intangibles

Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities acquired at the date of acquisition.

Goodwill is not amortised but is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses.

(i) Impairment of assets

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

1. Summary of Accounting Policies (cont'd)

(i) Impairment of assets (cont'd)

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

(j) Taxes

Income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax and liabilities.

A balance sheet approach is adopted under which deferred tax assets and liabilities are recognised for temporary differences between the tax bases of assets and liabilities and their carrying amounts within the financial statements. No deferred tax asset or liability is recognised in relation to temporary differences arising from the initial recognition of an asset or liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss. In addition, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets are recognised for temporary differences and unused tax losses only when it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax is recognised in the income statement except when it is attributable to amounts recognised directly in equity, in which case the deferred tax is also recognised directly in equity.

Tax Consolidation

The company and all its wholly-owned Australian resident entities were part of a tax-consolidated group under Australian taxation law up to 30 September 2005, when its controlled entity, TR Corporation issued shares to third parties. Advent Limited was the head entity in the tax-consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group were recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax-consolidated group were recognised by the company (as head entity in the tax-consolidated group).

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts were recognised as payable to or receivable by the company and each member of the group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement. Where the tax contribution amount recognised by each member of the tax-consolidated group for a particular period was different to the aggregate of the current tax liability or asset and any deferred tax asset arising from unused tax losses and tax credits in respect of that period, the difference was recognised as a contribution from (or distribution to) equity participants.

(k) Financial assets

Classification

The group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Loans and Receivables

Loans and receivables are measured at fair value at inception and subsequently at amortised cost using the effective interest rate method.

1. Summary of Accounting Policies (cont'd)

(k) Financial assets (cont'd)

Held-to-maturity investments

Fixed term investments intended to be held to maturity are classified as held-to-maturity investments. They are measured at amortised cost using the effective interest rate method.

Financial assets at fair value through profit or loss

The consolidated entity has classified certain shares as financial assets at fair value through profit or loss. Financial assets held for trading purposes are classified as current assets and are stated as fair value, with any resultant gain or loss recognised in profit or loss. The fair values of financial assets and liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to the quoted market prices; and
- The fair value of other financial assets and liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Available-for-sale financial assets

Certain shares and convertible notes held by the consolidated entity are classified as being available-for-sale and are stated at fair value less impairment. Gains and losses arising from changes in fair value are recognised directly in the available-for-sale revaluation reserve, until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in the available-for-sale revaluation reserve is included in profit or loss for the period.

Financial Liabilities

Financial liabilities include trade payables, other creditors and loans from third parties including inter-company balances and loans from or the amounts due to director-related entities.

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

(l) Foreign currencies

Functional and presentation currency

The financial statements of each group entity are measured using its functional currency, which is the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, as this is the parent entity's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies of entities within the consolidated entity are translated into functional currency at the rate of exchange ruling at the date of the transaction.

Foreign currency monetary items that are outstanding at the reporting date are translated using the spot rate at the end of the reporting period.

Resulting exchange differences arising on settlement or re-statement are recognised as revenues and expenses for the financial year.

Group Companies

The financial statements of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at period end exchange rates prevailing at that reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve as a separate component of equity in the balance sheet.

1. Summary of Accounting Policies (cont'd)

(m) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

(n) Revenue

Sale of goods

Revenue from the sale of goods is recognised when the consolidated entity has transferred to the buyer the significant risks and rewards of ownership of the goods.

Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of contract.

Dividend and interest revenue

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

(o) Principles of Consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated entity, being the company (the parent entity) and its subsidiaries as defined in Accounting Standard AASB 127 "Consolidated and Separate Financial Statements". Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognised.

The consolidated financial statements include the information and results of each controlled entity from the date on which the company obtains control and until such time as the company ceases to control such entity. In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising within the consolidated entity are eliminated in full.

(p) Comparatives

In accordance with the first-time adoption of A-IFRS, comparative information has been reclassified where appropriate through retrospective application of A-IFRS to the previous year results so as to achieve consistency with current year disclosures.

	Consolidated	
	2006	2005
	\$'000	\$'000
2. Profit/(Loss) from operations		
(a) Operating Revenue		
Revenue from continuing and discontinued operations consisted of the following items:		
Revenue from the sale of goods	10,330	3,698
Revenue from the rendering of operations	-	-
	10,330	3,698
Rental revenue	13,948	17,943
	13,948	17,943
Interest revenue:		
Other entities	408	1,334
	408	1,334
Other	180	-
	24,866	22,975
Attributable to:		
Continuing operations	388	639
Discontinued operations	24,478	22,336
	24,866	22,975
(b) Profit before income tax		
Profit/ (loss) before income tax has been arrived at after crediting/ (charging) the following gains and losses from continuing and discontinuing operations		
Gain/ (loss) on disposal of property, plant and equipment	2	108
Profit / (loss) on sale of investments	7,222	-
	7,224	108
Net foreign exchange gain	265	(2,462)
Reversal of foreign currency translation reserve on disposal of subsidiary	(128)	-
	137	(2,462)
	7,361	(2,354)
Gains attributable to:		
Continuing operations	7,487	-
Discontinued operations	2	108
	7,489	108

	Consolidated	
	2006	2005
	\$'000	\$'000
2. Profit/(Loss) from operations (cont'd)		
Losses attributable to:		
Continuing operations	(128)	(2,462)
Discontinued operations	-	-
	(128)	(2,462)
	7,361	(2,354)
Profit/ (loss) before income tax has been arrived at after charging the following expenses. The line items below combine amounts attributable to both continuing operations and discontinued operations:		
Cost of sales	(9,265)	(5,130)
Finance costs		
Other interest expense	(700)	(831)
Management Fees and Payments:		
Fees paid to Advent Management Group	(524)	(493)
Manager's incentive accruals/(reversals)	(1,936)	2,114
	(2,460)	1,621
Net bad and doubtful debts/(recovered)	(131)	(119)
(Diminution) in investments	-	(6,986)
Warranty claim expense	-	(1,200)
Depreciation of non-current assets	(2,368)	(3,835)
Employee benefit expense	(7,132)	(7,674)
Operating lease rental expenses		-
Goods & Services Tax	(55)	(87)
ASX Listing fees & Share registry costs	(23)	(30)
	(78)	(117)
	(22,134)	(24,271)
Expenditure attributable to:		
Continuing operations	(2,547)	(6,682)
Discontinued operations	(19,587)	(17,589)
	(22,134)	(24,271)

3. Commentary on Results

ASX
Appdx
4E.14

Please refer to the Directors' Commentary enclosed with this Report.

4. Fundamental Errors

ASX
Appdx
4E.3

Not Applicable

5. Extraordinary Items

ASX
Appdx
4E.3

Profits

Applicable income tax

	2006 \$'000	2005 \$'000
--	----------------	----------------

	-	-
	-	-

Losses

Applicable income tax

	-	-
	-	-

Total Extraordinary Items

Extraordinary items before tax

	-	-
--	---	---

Applicable income tax

	-	-
	-	-

6. Retained Profits

ASX
Appdx
4E.8

Balance at beginning of financial year

	9,204	14,282
--	-------	--------

Net profit/(loss)

	5,104	(1,518)
--	-------	---------

Dividends provided for or paid

	(8,496)	(3,629)
--	---------	---------

Exchange reserve transferred to profit or loss on disposal of TR Corporation

	-	69
--	---	----

Balance at end of financial year

	5,812	9,204
--	-------	-------

7. Changes in the composition of the consolidated entity

Since 30 June 2005, the company acquired certain assets and liabilities as follows:

Name of businesses acquired	Principal activity	Date of Acquisition	Cost of Acquisition \$'000
30 June 2006:			
Acquired by TR Corporation prior to the disposal of TR Corporation.			
Hirecomm Australia	Rental and sales of communication equipment	1/8/2005	1,492
Skycomm (Aust)	Sales and distribution of communication equipment	1/8/2005	701
Integrity Data Systems	Sales and distribution of communication equipment	15/11/2005	327
			2,520
30 June 2005:			
Bear Communications Australia (Bearcomm)	Rental and sales of communication equipment	1/5/2005	2,572

The fair value of the net assets acquired and the goodwill arising on consolidation has been assessed. Details of the acquisitions are as follows:

	Consolidated	
	Year ended 30 June 2006 \$'000	Year ended 30 June 2005 \$'000
Consideration		
Cash and cash equivalents	2,520	2,572
	2,520	2,572
Fair value of net assets acquired		
Current assets		
Receivables		2,090
Inventories	334	407
Other current assets	60	448
Non current assets		
Property, rental assets, plant and equipment	1,647	1,943
Current liabilities		
Payables	(97)	(2,040)
Employee benefits	(30)	(276)
Net assets acquired	1,914	2,572
Goodwill on acquisition	606	-
	2,520	2,572
Net cash outflow on acquisition		
Cash and cash equivalents consideration	2,520	2,572
Less cash and cash equivalent balances acquired	-	-
	2,520	2,572

7. Changes in the composition of the consolidated entity (cont'd)

Subsequent to the acquisition of the above entities, Advent Ltd disposed of its equity interests in TR Corporation. On 1 February 2006, the company announced the sale of TR Corporation for \$9 million. The sale completed 31 May 2006, jointly to Advent Private Equity Fund I and Advent Private Equity Fund II and was based on an independent valuation provided by PKF Advisory Services (Vic) Pty Ltd. The financial effect of this transaction has realised a net profit on sale of \$1.072 million to the consolidated entity.

The results of the discontinued operations which have been included in the income statement are as follows. The comparative profit and cash flows from discontinued operations have been re-presented to include those operations classified as discontinued in the current period.

	Consolidated	
	Year Ended 30 June 2006 \$'000	Year Ended 30 June 2005 \$'000
Profit from discontinued operations:		
Revenue	24,478	22,336
Expenses	(24,353)	(21,880)
Profit before income tax expense	125	456
Attributable income tax benefit/ (expense)	207	(251)
	332	205
Gain/ (loss) on disposal of operation	1,072	-
Attributable income tax expense	-	-
	1,404	205
Cash flows from discontinued operations		
Net cash flows from operating activities	2,303	(2,154)
Net cash flows from investing activities	(3,754)	(2,835)
Net cash flows from financing activities	84	(5,144)
Net cash flows	(1,367)	(10,133)

As the decision to sell TR Corporation occurred after 30 June 2005, the assets and liabilities of TR Corporation have not been classified as held for sale at 30 June 2005. At 30 June 2006 all assets and liabilities of TR Corporation have been disposed of by the consolidated entity.

Consolidated	
Year ended 30 June 2006 \$'000	Year ended 30 June 2005 \$'000

8. Notes to the cash flow statement

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheets as follows:

Cash and cash equivalents	18,755	3,689
Bank overdraft	-	(984)
	18,755	2,705

9. Subsequent Events

Subsequent to year end, the Company has received the final proceeds from the sale of the shares held in Vignette Corporation, USA and funds received in UD dollars have been exchanged to Australian dollars.

10. Dividends

An Interim Dividend of 39.79 cents per share totalling \$8.496 million was paid to Shareholders on 20 February 2006. The Directors have not declared a final dividend in respect of the 2005/06 year.

(a) Distributions

Date the dividend is payable:	N/A
Record date to determine entitlements to the dividend:	N/A
If it is a final dividend, has it been declared?	N/A

(b) Amount per fully paid ordinary share

	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Interim dividend: Current year	39.79 ¢	39.79 ¢	N/A
Previous year	N/A	N/A	N/A
Final dividend: Current year	N/A	N/A	N/A
Previous year	N/A	N/A	N/A

(c) Issued and quoted securities at end of current period

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
Category of securities				
Ordinary securities	21,349,810	21,349,810	70	70

(d) Franking credits

Total franking credits available as at 30 June 2006 are \$NIL.

11. Segment reporting

For the year ended 30 June 2006

Segment Revenues

	External Sales		Inter-Segment		Other		Total	
	30 June 2006	30 June 2005	30 June 2006	30 June 2005	30 June 2006	30 June 2005	30 June 2006	30 June 2005
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Development Capital	-	-	-	-	-	-	-	-
Equipment Rental	24,278	22,260	568	671	2	40	24,848	22,971
Total of all Segments							24,848	22,971
Eliminations							(568)	(671)
Unallocated							586	675
Consolidated							24,866	22,975
							30 June 2006	30 June 2005
							\$'000	\$'000
Segment Results								
Continuing Operations								
Development capital							7,457	(8,313)
Total of all Segments							7,457	(8,313)
Unallocated								
Eliminations							(2,734)	(631)
Profit/(Loss) before income tax expense							4,723	(8,944)
Income Tax (Expense) / Benefit							(1,023)	7,221
Profit/(Loss) for the year from continuing operations							3,700	(1,723)
Discontinued Operations								
Development capital							5,995	441
Equipment Rental							1,027	1,219
Total of all Segments							7,022	1,660
Unallocated							(691)	(831)
Eliminations							(5,134)	(373)
Profit from discontinued operations before income tax expense							1,197	456
Income Tax (Expense) / Benefit							207	(251)
Profit for the year from discontinued operations							1,404	205
Profit/(Loss) for the year							5,104	(1,518)

11. Segment reporting (cont'd)

Segment Assets & Liabilities

	Assets		Liabilities	
	2006	2005	2006	2005
	\$000's	\$000's	\$000's	\$000's
Development Capital	22,213	43,655	1,456	19,638
Equipment Rental	-	26,684	-	18,705
Total of all segments	22,213	70,339	1,456	38,343
Unallocated	-	-	-	-
Eliminations	-	(25,622)	-	(17,693)
Consolidated	22,213	44,717	1,456	20,650

Other Segment Information

	Development Capital		Equipment Rental & Sales	
	2006	2005	2006	2005
	\$000's	\$000's	\$000's	\$000's
Acquisition of segment assets	-	-	3,606	8,180
Depreciation and amortisation of segment assets	-	-	2,368	3,835

Products and Services within Each Business Segment

For disclosure purposes, the consolidated entity has been separated into two major operating divisions: Development Capital and Equipment Rental & Sales. These divisions are the basis on which the consolidated entity reports its primary segment information. The principal products and services of each of these divisions are as follows:

Development Capital - The investment of funds in development capital opportunities in Australia. It includes the results of all activities within Advent Limited and Australian Pacific Technology Limited.

Equipment Rental & Sales - The short term rental of a very wide range of scientific, test and measurement equipment, computers, faxes, printers, audiovisual, chemical analysis, medical, communications and life style products. These activities all relate to the operations of the controlled investee entity TR Corporation Pty Ltd prior to its disposal effective 1 February 2006.

Information on Geographical Segments (secondary reporting format)

	Revenue from External Customers		Segment Assets		Acquisition of Segment Assets	
	2006	2005	2006	2005	2006	2005
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Australia	20,746	18,169	22,313	39,922	3,606	6,844
New Zealand	2,933	3,316	-	3,705	-	1,334
South East Asia	599	775	-	1,090	-	2
	24,278	22,260	22,213	44,717	3,606	8,180

11. Segment reporting (cont'd)

The consolidated entity's two divisions operate in three principal geographic areas Australia, South East Asia and New Zealand. The composition of each geographical segment is as follows:

- Australia – Advent Limited invests funds and TR Corporation Pty Ltd. rents and sells a wide range of products in Australia.
- Asia – Tech–Rentals (Malaysia) Sdn. Bdh rents and sells various equipment in Asia.
- New Zealand – Tech–Rentals (New Zealand) Ltd rents and sells various equipment in New Zealand.

12. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards

Financial Reporting Standards

The consolidated entity changed its accounting policies on 1 July 2005 to comply with Australian equivalents to International Financial Reporting Standards ('A-IFRS'). The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 'First time Adoption of Australian Equivalents to International Financial Reporting Standards', with 1 July 2004 as the date of transition, except for financial instruments, including derivatives, where the date of transition is 1 July 2005.

An explanation of how the transition from superseded policies to A-IFRS has affected the consolidated entity's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

12. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

Effect of A-IFRS on the balance sheet as at 1 July 2004

	Note	Consolidated		
		Superseded policies*	Effects of transition to A-IFRS	A-IFRS
		\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents		12,838	-	12,838
Trade and other receivables		5,434	-	5,434
Inventories		310	-	310
Other		14	-	14
Total current assets		18,596	-	18,596
Non-current assets				
Property, plant and equipment		15,558	-	15,558
Other non current financial assets		24,409	(99)	24,310
Deferred tax assets	12(a)	-	256	256
Total non-current assets		39,967	157	40,124
Total assets		58,563	157	58,720
Current liabilities				
Trade and other payables		8,815	-	8,815
Interest bearing liabilities		2,982	-	2,982
Current tax payables		8,942	-	8,942
Provisions		402	-	402
Total current liabilities		21,141	-	21,141
Non-current liabilities				
Interest bearing liabilities		6,158	-	6,158
Deferred tax liabilities	12(a)	237	1,474	1,711
Non current provisions		315	-	315
Total non-current liabilities		6,710	1,474	8,184
Total liabilities		27,851	1,474	29,325
Net assets		30,712	(1,317)	29,395
Equity				
Issued capital		14,945	-	14,945
Reserves		168	-	168
Retained earnings	12(d)	15,599	(1,317)	14,282
Total equity		30,712	(1,317)	29,395

* Reported financial position for the financial year ended 30 June 2004.

12. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

Effect of A-IFRS on the balance sheets as at 30 June 2005

	Notes	Consolidated 30 June 2005		
		Superseded policies*	Effects of transition to A- IFRS	Sub-total A-IFRS
		\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents		3,689	-	3,689
Trade receivables		6,204	-	6,204
Inventories		1,081	-	1,081
Other current assets		416	14,862	15,278
Total current assets		11,390	14,862	26,252
Non-current assets				
Property, plant and equipment		17,998	-	17,998
Other non current financial assets		14,922	(14,922)	-
Deferred tax assets	12(a)		467	467
Total non-current assets		32,920	(14,455)	18,465
Total assets		44,310	407	44,717
Current liabilities				
Trade and other payables		7,575	-	7,575
Interest bearing liabilities		4,715	-	4,715
Current tax payables		272	-	272
Provisions		606	-	606
Total current liabilities		13,168	-	13,168
Non-current liabilities				
Interest bearing liabilities		6,616	-	6,616
Deferred tax liabilities		441	-	441
Non current provisions		425	-	425
Total non-current liabilities		7,482	-	7,482
Total liabilities		20,650	-	20,650
Net assets		23,660	407	24,067
Equity				
Contributed equity		14,945	-	14,945
Reserves		(82)	-	(82)
Retained profits	12(d)	8,797	407	9,204
Total equity		23,660	407	24,067

* Reported under superseded Australian GAAP.

12. Impacts of the adoption of Australian equivalents to International Financial Reporting Standards (cont'd)

Effect of A-IFRS on the income statements for the financial year ended 30 June 2005

	Consolidated					
	Note	Superseded policies* 30 June 2005	Effects of transition to A-IFRS (i)	A-IFRS 30 June 2005	Reallocation for discontinued operations (ii)	Revised A-IFRS
		\$'000	\$'000	\$'000	\$'000	\$'000
Sales revenue	12(b)	24,955	(1,980)	22,975	(22,336)	639
Total Revenue		24,955	(1,980)	22,975	(22,336)	639
Management fees and payments		1,621	-	1,621	-	1,621
Changes in inventories		772	-	772	(772)	-
Consumables and other costs of sale	12(b)	(7,005)	1,875	(5,130)	5,130	-
Profit/ (loss) on sale of rental assets	12(b)		105	105	(105)	-
Change in fair value of financial assets classified as fair value through profit or loss	12(c)	(7,025)	39	(6,986)	-	(6,986)
Warranty claim expense		(1,200)	-	(1,200)	-	(1,200)
Foreign exchange gains/(losses)		(2,462)	-	(2,462)	-	(2,462)
Advertising expense		(1,379)	-	(1,379)	1,379	-
Employee benefit expense		(7,674)	-	(7,674)	7,674	-
Depreciation and amortisation expense		(3,835)	-	(3,835)	3,835	-
Insurance expense		(328)	-	(328)	325	(3)
Rent		(903)	-	(903)	903	-
Finance costs		(831)	-	(831)	831	-
Other expenses from ordinary activities		(3,233)	-	(3,233)	2,680	(553)
Profit before income tax expense		(8,527)	39	(8,488)	(456)	(8,944)
Income tax benefit	12(a)	5,285	1,685	6,970	251	7,221
Profit from continuing operations		(3,242)	1,724	(1,518)	(205)	(1,723)
Profit from discontinued operations		-	-	-	205	205
Net loss to Advent Limited		(3,242)	1,724	(1,518)	-	(1,518)

* Reported under superseded Australian GAAP.

(i) Excluding re-allocation in respect to discontinued operation of TR Corporation Pty Ltd

(ii) Re-allocation in respect to discontinued operation of TR Corporation Pty Ltd

Restated A-IFRS Statement of Cash Flows for the Year Ended 30 June 2005

No material impacts are expected to the cash flows presented under AGAAP on adoption of A-IFRS.

Notes to the reconciliations of income and equity

(a) Income tax

Under superseded policies, the consolidated entity adopted tax-effect accounting principles whereby income tax expense was calculated on pre-tax accounting profits after adjustment for permanent differences. The tax-effect of timing differences, which occur when items were included or allowed for income tax purposes in a period different to that for accounting were recognised at current taxation rates as deferred tax assets and deferred tax liabilities, as applicable.

Under A-IFRS, deferred tax is determined using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and their corresponding tax bases.

The effect of the above adjustments on the deferred tax balances are as follows:

	Consolidated	
	1 July 2004	30 June 2005
	\$'000	\$'000
Deferred tax asset not recognised under superseded GAAP	256	467
Deferred tax liability not recognised under superseded GAAP	(1,474)	-
	(1,218)	467

(b) Revenue

Under superseded policies, the consolidated entity recognised the gain or loss on disposal of property, plant and equipment on a gross basis by recognising the proceeds from sale as revenue, and the carrying amount of the property, plant and equipment disposed as an expense. Under A-IFRS, the gain or loss on disposal is recognised on a net basis, and is classified as income, rather than revenue. Accordingly, the gross amounts have been reclassified within the income statement for A-IFRS reporting purposes.

(c) Financial assets

Under superseded policies, the consolidated entity recognised financial assets and liabilities at the lower of cost and net realisable value, with movements recorded through the income statement. Under A-IFRS the consolidated entity has classified certain shares as financial assets at fair value through profit or loss. Financial assets are classified as non current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

(d) Retained earnings

The effect of the above adjustments on retained earnings is as follows:

	Note	Consolidated	
		1 July 2004	30 June 2005
		\$'000	\$'000
Net deferred tax not recognised under superseded GAAP	(a)	(1,218)	467
Financial assets through profit or loss	(c)	(99)	(60)
		(1,317)	407

Compliance statement

- 1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.

Identify other standards used

N/A

- 2 This report, and the +accounts upon which the report is based (if separate), use the same accounting policies.
- 3 This report does give a true and fair view of the matters disclosed.
- 4 This report is based on +accounts to which one of the following applies.
- | | | | |
|-------------------------------------|---|--------------------------|---|
| <input type="checkbox"/> | The +accounts have been audited. | <input type="checkbox"/> | The +accounts have been subject to review. |
| <input checked="" type="checkbox"/> | The +accounts are in the process of being audited or subject to review. | <input type="checkbox"/> | The +accounts have <i>not</i> yet been audited or reviewed. |
- 5 If the audit report or review by the auditor is not attached, details of any qualifications will follow immediately they are available
- 6 The entity has a formally constituted audit committee.

Sign here: 
(Company Secretary)

Date: ...15 August 2006.....

Print name: ...Roland Stadly.....