ICS GLOBAL

technology@work™

Annual Report 2009

global medical banking

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ICSGlobal Limited ABN 72 073 695 584
ICSGlobal Limited's annual general meeting of shareholders will be held at 9:00am on 26th November 2009 at Level 26, 201 Kent Street, Sydney NSW 2000.

Year In Review

Dear Shareholder,

We are pleased to present the 2009 Year in Review.

ICSGlobal continued with its global medical banking growth strategy, which we believe presents us with a truly global business opportunity: a proven solution for inefficient and costly healthcare administration in every health system. ICSGlobal is active in three key markets: Australia, UK and US.

ICSGlobal's medical banking customers report a range of benefits, including increased revenue, reliable cash flow and reduction in bad debt.

There are two business streams to our medical banking strategy: the deployment of the Thelma healthcare transaction clearinghouse and the growth of our medical billing businesses - organically as well as via acquisition of other profitable medical billing businesses.

Overall revenue from the company's two business streams increased 113% to $3.88 million. This was less than we expected, due to unfavourable foreign exchange changes plus a number of other business-specific factors explained below.

This lower than expected revenue together with some abnormal costs, contributed to a full loss for the company of $2.95 million. Management responded by reviewing and restructuring some parts of the business, resulting in a reduction in operating costs of around $1 million for the coming financial year.

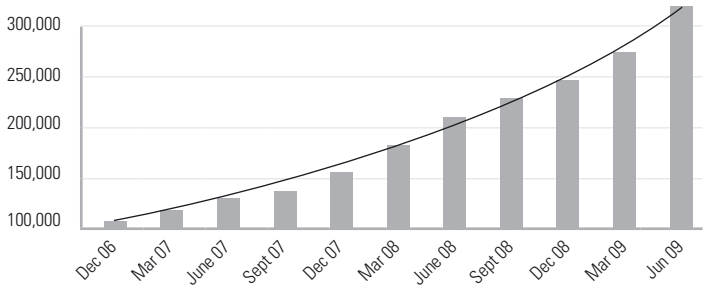
With the expected growth in revenue across the group, the effect of additional efficiency measures implemented throughout the year, and the focus on costs, the Board believes that the company's operations will be close to cash flow positive in the December quarter 2009.

Progress in Australia

In Australia, transaction volumes through the Company's flagship Thelma clearinghouse system continue to grow at around 50% per annum, as shown in the graph. This trend is expected to continue.

Volume continues to grow at over 50% per annum

Thelma-Australia: Quarterly Transaction Volumes



The majority of this growth has come from the medical claim services. Significant further growth is expected based on the contracts already signed and being steadily implemented.

Thelma's hospital eligibility and claim services continue to be hampered by the interference of Medicare in the private health transaction market. On 11 August 2008, Thelma Pty Limited, a wholly owned subsidiary of ICSGlobal, filed an application in the Federal Court of Australia alleging anti-competitive conduct by Medicare Australia. In essence, Thelma alleged that Medicare Australia has unlawfully used its market power in providing electronic private health transaction services, identical to those provided by Thelma, into the private health sector, free of charge, in direct competition to Thelma, for the purpose or effect of eliminating or substantially damaging Thelma and/or to deter or prevent Thelma from engaging in competitive conduct. The Federal Court hearing has been listed for 30 November 2009.

While the Board of ICSGlobal is confident of the merits of Thelma's claims against Medicare Australia, there is no assurance that Thelma's claims will be upheld in Court or that, if its claims are upheld, it will recover its estimated loss and damage in full. If the claims are not upheld, ICSGlobal would be liable for Medicare Australia's legal costs.

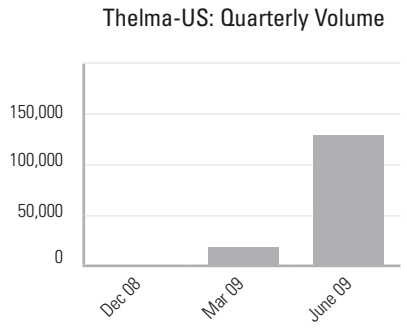
Costs of the Medicare Australia litigation for the year were $440,000. Note that the company's profit guidance above does not include the abnormal costs associated with the Medicare litigation.

Year In Review

Progress in the US

In the US, ICSGlobal completed its first medical billing business acquisition, Georgia - based Medical Recovery Services, Inc. ('MRS') effective from 1 January 2009. The price was US$1.75 million, comprised of 36% cash, a US debt facility for 36%, and 28% in ICSGlobal shares. MRS was acquired having achieved earnings of US$430,000 for 2008. In February MRS won the billing business of a large Florida-based medical centre, adding over 40 more doctors to the existing customer base. However the implementation of this new account took over six months as a result of changes in the corporate structure of the customer, which lead to delays in Medicare-US completing the re-enrolment of the new Florida doctors. There were also a number of other one-off operational issues which combined to cause MRS to show a loss in the first 6 months. These were the licensing and implementation of a new billing software platform; a large, existing loss making account was wound down; and increased staff costs due to additional support for doctors implementing new clinical software systems for Electronic Medical Records (EMR), as a result of the Obama Administration's stimulus package. All these issues have now been dealt with, rigorous financial controls have been put in place, and MRS is back on track to return to expected profitability in the second half of calendar 2009.

First medical billing company acquired; Thelma-US transaction platform consolidating; US market most potential for growth



Transactions commenced through the Thelma-US platform in January,
after which volume ramped up as shown in the graph, across the key medical banking transactions: eligibility checks, electronic healthcare claims, remittance advice, claim status reports and human readable reports.

We successfully connected MRS to Thelma-US in March 2009.

The US transaction business incurred substantial costs during the year, $625,000, in getting the business to this point. Following a review of the first 6 months of operations of Thelma-US, we identified more cost effective ways of running the business. One outcome was to migrate existing contracts from a fee-per-transaction basis to fixed amounts per month per provider, in line with market trends in the US clearinghouse industry. This provides more reliable cash flow, reduces administrative overhead, and eliminates the need for a large complex billing system such as those that telcos require, which ICSGlobal had commenced developing.

The US is a very exciting market for us to be active in. We continue to source other profitable US medical billing companies for acquisition. By virtue of the sheer size of the US health system, it remains the market with the most growth potential for the Company.

Progress in the UK

In May 2009, the London Patient Billing Service (LPBS), the billing company that ICSGlobal acquired in November 2007, was rebranded to Medical Billing & Collection (MBC). This was seen as necessary to better reflect the business today, the fact the client base now consists of consultants and hospitals from around the UK, and to facilitate the marketing of the business in the other countries that make up the UK.

Strong growth platform in place

MBC's average monthly revenue over the full year grew by approximately 27% compared to the previous year, which was lower than we expected based on the amount of new customers signed up. MBC has felt the affects of the global financial crisis with some doctor's monthly billings reducing by up to 20% compared to the previous year.

We have made a substantial investment during the year in setting the MBC platform up for growth. This included the appointment of a general manager, relocating from two smaller premises to one large premise which has the capacity for current operations to triple; upgrading the telephone and IT infrastructure; and investment in staff training and knowledge sharing systems.

The new business pipeline is growing stronger every month after the raising of MBC's marketing sights to focus more on hospitals and larger groups of clinicians than individual doctors. This has resulted in a contract with one of the UK's major private hospital groups.

Year In Review

Our investment during the year has positioned MBC as the UK's leading company in the outsourced patient billing services sector with a strong growth platform in place.

ICSGlobal launched a 2 for 9 renounceable rights issue in July to raise $3.3 million to principally fund the expansion of the company's operations in the United States. The Offer was priced at $0.10 per share, which was a 40% discount to the volume weighted average price prior to the announcement of the Offer. The Offer was intended to give all our existing shareholders the opportunity to participate in the capital raising should they so choose, and we were very pleased to see shareholders subscribing to 20,000,000 shares amounting to $2 million. The final amount raised was $2.05 million, leaving a shortfall of $1.25m million from the original target.

It is appropriate to thank the team at ICSGlobal for their outstanding ability, tenacity and persistence in executing the Company's strategy during the year.

Overall we are pleased with the progress of our global strategy and remain excited about the year ahead.

Ross Bunyon
Chairman

Tim Murray
Managing Director

Medical Banking: Online Efficiencies For Health Systems Globally

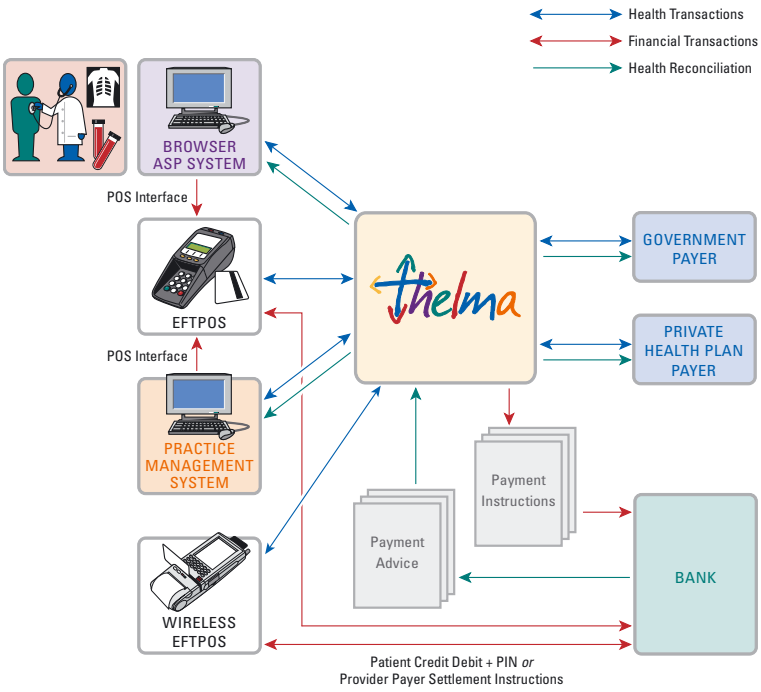
Following are some questions and answers about our global medical banking strategy which should provide you with a deeper understanding of the business in which you are a shareholder.

About medical banking and Thelma

"medical banking" combines healthcare eCommerce (or "eHealth") and outsourced accounts receivable services to shift manual, paper-based healthcare administration processes into the realm of online banking.

The medical banking process begins the moment a patient contacts a doctor seeking help, and ends when that encounter or episode of care is complete, and all monies have been paid, received and accounted for. This process is also often referred to as the "revenue cycle".

Underpinning ICSGlobal's medical banking business is our configurable healthcare transaction clearinghouse, Thelma (Transaction Health Exchange Linking Multiple Applications), which clears and settles healthcare bills electronically over the Internet. This enables medical practices and hospitals to avoid the stress, time and cost of filling in forms and trying to work out who owes what to whom via phone, fax and post.



What is the medical banking business model?

There are two streams to our medical banking business, and each has a different revenue model.

The business model for the first stream, the Thelma clearinghouse, could be likened to the telephone, where users pay a nominal rental fee then a transaction fee each time they use the service, or they can choose to pay a fixed monthly fee for a bundled services package. As with local and long distance calls in the telephone model, there's a range of Thelma transaction fees depending on the volume and complexity of the transaction. The transaction fees are calculated to be just a fraction of what the manual processes cost. After eight years of operation, we have testimonials from Thelma customers that the Return on Investment (ROI) on Thelma transaction fees ranges from 300% to as high as 1000%.

The second stream is through our medical billing companies providing outsourced "accounts receivable" services to doctors. For these services we get paid a percentage of the revenue we collect. This arrangement generates a strong working relationship with each doctor, as we only get paid when they get paid.

Additional value can be generated in each business stream by connecting or "vertically integrating" them, enabling them to feed off each other.

Medical Banking: Online Efficiencies For Health Systems Globally

What is meant by "outsourced accounts receivable services"?

The level of effort for private healthcare providers to file claims and get paid for their services varies from health system to health system. For example, the complexity of the US healthcare system means it is virtually mandatory for doctors to seek assistance in getting paid. To do this they outsource their accounts receivable services to a medical billing company such as ICSGlobal's Medical Recovery Services (MRS), who charges the doctors a percentage of the revenue they collect on their behalf.

In Australia, it is common for doctors seeing privately insured patients, or patients paying their own way, to collect their fees either before or at the point of consultation, thereby eliminating the need for the doctors to outsource their billing and collection, although some doctors still choose to do so.

Our experience in the UK private healthcare system is that doctors report an increase in their earnings by up to 25% through outsourcing their accounts receivable services to ICSGlobal's Medical Billing & Collection (MBC) service.

How does a medical billing company maximise a doctor's income?

The whole focus of a medical billing company is to obtain reimbursement on behalf of doctors. This is a full-time job and if doctors want to maximise their time with patients, to be paid all that they are entitled to, to have steady cash flow and minimal bad debts, they need to let professionals perform their reimbursement tasks.

Healthcare systems are constantly changing: government policies and regulations, billing rules, medical codes, new technologies and insurance products. It is the job of the billing company to keep up with these changes, as they can affect a doctor's reimbursement or worse, cripple a practice if not complied with.

Another factor affecting the timeliness and amount of reimbursement to doctors is that, as pressure mounts on healthcare systems due to factors like rising costs and the ageing population, the insurance industry introduces stricter regulations and progressively puts up more barriers to making insurance claims. Billing companies have to stay fully informed of these changes as they occur.

So using a billing company not only means the doctor receives the maximum amount they are entitled to for the patients they have attended to, but also prevents the doctor from having to invest time in administration, and learning and keeping abreast of the science of getting paid, allowing them to maximise their time attending to patients, which generates further income.

ICSGlobal's medical banking customers commonly report increase in net revenue by 25%, and in some cases up to a staggering 100%; reliable cash flow; and reduction in bad debt to less than 0.5%.

Medical Banking: Online Efficiencies For Health Systems Globally

What is a transaction clearinghouse?

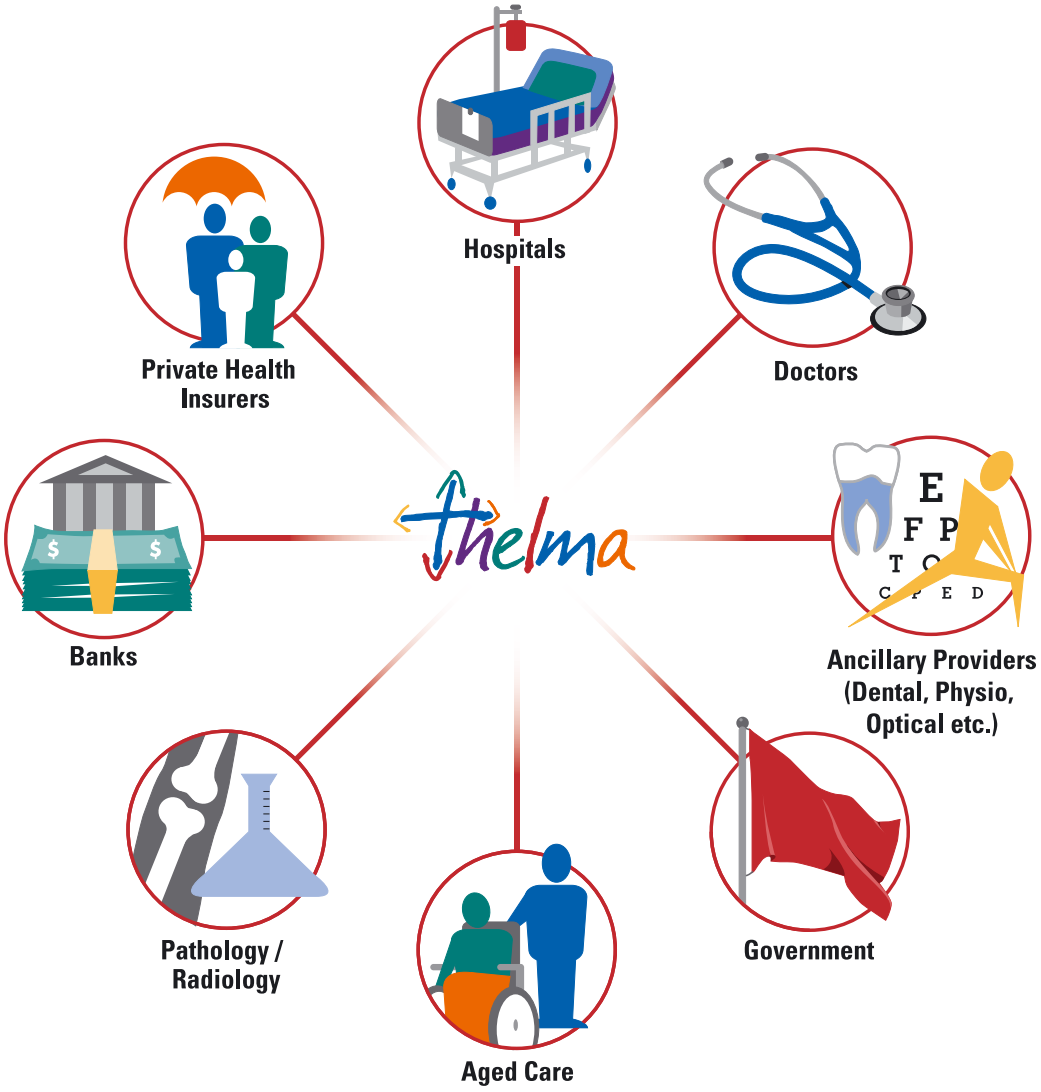
A "transaction clearinghouse" could be likened to an electronic post office, routing electronic transactions between senders and receivers. An everyday example is drawing cash out of an ATM that belongs to a bank other than your own. The transactions need to be "routed" from the other bank to your bank, and back again. This is what a clearinghouse does.

Drawing cash out of an ATM is also a good example because the various transactions involved can be likened to those in eHealth:

- Step 1: check with your bank or credit card to make sure sufficient cleared funds are available (eHealth = "eligibility check")
- Step 2: deduct the requested amount from your account (eHealth = "claim")
- Step 3: write a receipt into your account for the deduction (eHealth = "remittance advice" or "EOB" (explanation of benefit))

Transaction clearinghouses can be very basic or "dumb" in that they don't do anything to the transaction other than simply pass it to the addressee.

Thelma however is highly "intelligent", as it can be configured or "taught" by a series of rules engines to perform whatever functions are necessary in order to move a range of complex and differing transactions between large numbers of senders and receivers, each with different technology platforms.



Thelma is an "any-to-any" transaction exchange or "clearinghouse" that allows participants in any health system to interchange any type of financial or clinical transaction electronically over the Internet.

Medical Banking: Online Efficiencies For Health Systems Globally

Why is Thelma called an "any-to-any" clearinghouse?

Because just about every technology platform developed over the past thirty years is still in use somewhere in every health system, Thelma needed to be able to connect them all which is why it was designed as a flexible, configurable "any-to-any" transaction exchange platform.

Thelma's "any-to-any" capability means that it can be configured or "taught" to send and receive any type of electronic transaction, in any data format, between any senders and receivers. The table below summarises the key functionality within Thelma that enables this.

Thelma Function	**Description**
Switching and Routing	Intelligent routing and tracking of transactions between senders and receivers
Translation	Converting transactions to different formats if the sender's format doesn't match the receiver's. There are dozens of different transaction formats and standards in healthcare, and hundreds of variations of these.
Code Mapping	Converting data values as requested by senders and receivers allowing data to be loaded into their systems automatically eg convert M to Male
Batching / Unbatching	Some older technology platforms require that transactions have to be sent in batches rather than in real time. Thelma has to unbundle batches to perform any tasks on individual transactions, then re-bundle for on sending. If a batch contains transactions for multiple recipients, it has to be split into a batch for each recipient which is then tracked and managed by recipient
Validation / Analysis	Check the data in each field meets the receiver's business rules, and perform any analysis or tests on the data, as requested by the receivers, to validate that the transaction is "valid"
Reconciliation	Reconciling what is sent against what is received. eg to check that payments equals the amount claimed
Extraction / Posting	Thelma has sophisticated data extraction and posting tools for connecting to customer's business systems. These tools make customer connections fast and simple
Electronic Audit Trails	Allows users to search, query, view and archive / retrieve transactions
Security	Thelma can cater for all data security standards. As a minimum, Thelma utilises "Internet banking level" security
Workflow	Thelma can be "taught" how and when to combine any of the above tasks to replicate each customer's existing business processes and workflow

Medical Banking: Online Efficiencies For Health Systems Globally

What types of transactions are involved in medical banking?

How the full set of medical banking transactions are packaged up varies slightly from one health system to another, but fundamentally they aim to achieve the same outcome: to put healthcare providers and payers in control of their revenue cycle. The table below summarises the five basic medical banking workflow stages and the transactions associated with them.

Transaction	Purpose
Eligibility Check	An Eligibility Check / Benefit Inquiry and Response allows healthcare providers to find out if a patient has health insurance, if so whether they need to collect a co-payment, etc
Informed Financial Consent	IFC is an additional step to an Eligibility Check / Benefit Inquiry whereby all costs associated with the patient's procedure gets summarised onto an IFC form which the provider can print out and get the patient to sign to confirm that they are aware of all likely costs
Claim	An electronic claim or bill for services rendered by a healthcare provider (doctor, hospital, dentist, lab, etc) to a healthcare payer (health insurer, Medicare, employer, etc)
Claim Status	A Claim Status Inquiry (Request) and Notification (Response) allows providers to track the status of their claims
Remittance Advice	A Claim Payment Remittance Advice, often called Explanation of Benefit (EOB), provides healthcare providers with an explanation of the payment they have received

What is the growth strategy for ICSGlobal's medical banking business?

The growth strategy varies for each of our three markets, but generally our strategy is to grow through a combination of organic growth and acquisition.

In Australia, the Thelma clearinghouse has been in production since 2001, and volume has continued to grow steadily, still running at 50% per annum. The fact that healthcare in Australia is still a 50% to 90% paper-based industry, depending on the sector, indicates how slow the industry is to adapt to eCommerce, and suggests that Thelma volume will continue to grow at current levels for many years to come. In terms of acquisitions in Australia, we've not identified any in healthcare – either clearinghouses or medical billing companies. There are however a number of potential acquisitions outside of healthcare that could leverage the Thelma intellectual property that are being considered.

In the UK, in 2007 we launched the Thelma clearinghouse with electronic medical specialist claims in the private health sector. For a range of reasons, take up of the system was very slow to get started. As an interim measure, and to provide the funding for the ongoing marketing of Thelma-EU, ICSGlobal acquired a medical billing company, MBC. At this stage future growth in the UK is likely to be organic, although we maintain a watching brief for further quality, profitable acquisitions.

The US presents an exceptional opportunity for growth for the company through a medical billing industry "roll up" consolidation. Because it is virtually mandatory for doctors to use a billing company, there are some 7,000 billing companies[1] in the US. MRS provides an excellent cornerstone around which to consolidate further billing companies, and with Thelma's ability to interconnect billing companies, at this stage the US remains the market with the most growth potential for ICSGlobal.

[1]"Medical Billing Companies - Finding the Perfect One For Your Business" by Piper Wongeh

Medical Banking: Online Efficiencies For Health Systems Globally

How much work is involved in tailoring Thelma for another health system?

There's surprisingly little difference between implementing Thelma in Australia and implementing it in another country. Health systems the world over are virtually identical in that they consist of patients, doctors and hospitals. The only real difference between health systems is how the healthcare services are paid for - either by the government, by private health insurers, by the patients, or various combinations of the three. So the process for configuring Thelma to connect all the participants in the health system of another country is virtually the same as connecting them in Australia. All that may vary is the content and format of the transactions, which again Thelma can be configured to handle.

Technically, Thelma's open architecture means it can run on generic hardware, which enables fast, simple, cost effective deployment of stand-alone Thelma hubs. As volumes grow, the fact that expansion of capacity simply involves deploying more generic servers means the Thelma platform is in theory "infinitely scalable".

Can Thelma be utilised outside of healthcare?

The answer is yes. Thelma is a generic, configurable platform that can be applied to any industry or application that requires fast, efficient information exchange within an organisation, or outwards to large, distributed customer or consumer groups.

Thelma makes use of the Internet for fast, cost effective data "pushing" and/or "pulling" between business systems, customers or consumers.

Corporate Governance Statement

Commitment to Good Corporate Governance

Corporate governance is a matter of high importance in the Company and is undertaken with due regard to all of the Company's stakeholders and its role in the community. ICSGlobal has adopted the revised second edition of the Corporate Governance Principals and Recommendations and report on its compliance with these guidelines for the 2009 financial year.

The key corporate governance practices are summarised below in this corporate governance statement. A full copy of ICSGlobal's Corporate Governance Policies and Procedures is available on its web site at www.icsglobal.com.au. This detailed policy has been revised to reflect the changes introduced with the revised second edition of the Corporate Governance Principals and Recommendations.

Board of Directors

The directors have responsibility for the overall corporate governance of ICSGlobal and for protecting the rights and interests of the shareholders. The Board is comprised of a majority of independent non executive directors. The details of the directors required by recommendation 2.6 are set out in the Directors' Report.

Primary responsibilities of the Board include:

- The establishment of long term goals and strategic plans to achieve those goals
- The review and adoption of annual budgets for the financial performance of the company and monitoring of the results
- The approval of the annual and half yearly report
- Ensuring ICSGlobal has implemented adequate systems of internal controls together with appropriate monitoring of compliance activities

The Board meets at least on a monthly basis. All available information in connection with items to be discussed at a meeting of the board is provided to each director before the meeting. Directors can seek independent professional advice if necessary, at the Company's expense

During the year the Nomination Committee met and reviewed the performance of the Board, its committees and the individual Directors. This review process included:

- The completion of a confidential performance questionnaire by each Director and the Chief Financial Officer
- The Chairman meeting with each Director and the Chief Financial Officer to discuss their performance and their views on the performance of the Board and of its committees
- Discussion by the Nomination Committee of the performance of the Board and of its committees

Risk Management

The Board is committed to the identification and quantification of risk. Directors receive regular reports on areas where significant business risk or exposure concentrations may exist and on the management of those risks. The Board committee structures form an important part of the risk management process.

Audit Committee

At the date of this report, ICSGlobal had an audit committee consisting of the following independent non-executive directors:

- Geoffrey Lambert (Chairman of the Audit Committee)
- Ross Bunyon

The audit committee provides a forum for the effective communication between the board and external auditors. The audit committee reviews:

- The annual financial report prior to their approval by the board
- The effectiveness of management information systems and systems of internal control
- The appointment of external auditors
- The efficiency and effectiveness of the external audit function

Both members attended the two audit committee meetings held during the year.

The Board has received a declaration from the CEO and CFO in accordance with section 295A of the Corporations Act.

Corporate Governance Statement

Nomination Committee

At the date of this report ICSGlobal had a Nomination Committee consisting of the following directors, the majority of whom are independent non executive directors:

- Ross Bunyon (Chairman of the Nomination Committee)
- Timothy Murray
- Geoffrey Lambert

Responsibilities of the Nomination Committee include:

- Assessment of the size, competencies and performance of the board and the individual directors.
- Determination of the appropriate remuneration levels for each director.

All members attended the one nomination committee meeting held during the year.

Remuneration Committee

At the date of this report ICSGlobal had a remuneration committee consisting of the following directors:

- Ross Bunyon
- Timothy J Murray

The remuneration committee reviews the performance of ICSGlobal's senior management.

The remuneration committee reviews and provides recommendations to the board, with respect to the scale and structure of the remuneration for all employees, including decisions about the ICSGlobal Employee Option Plan.

Remuneration policies are discussed in more detail in the remuneration report in the Directors' Report.

Both members attended the one remuneration committee meeting held during the year.

Continuous Disclosure

The Company Secretary is the nominated ASX Communication Officer and is responsible for:

- Ensuring that the Company complies with its continuous disclosure requirements
- Overseeing and coordinating disclosure of information to the stock exchange, analysts, brokers, shareholders, the media and the public
- Ensuring that all ASX releases are posted on the Company's website

The Company's compliance with its continuous disclosure obligations is reviewed at each meeting of the board of directors.

Trading Policy

The Company's policy regarding directors and employees trading in its securities is set by the board of directors. The policy restricts directors and employees from acting on material information until it has been released to the market.

External Auditor

The external auditor is required to attend all general meetings of the Company. The chairman allows a reasonable opportunity for shareholders to ask the auditor questions relevant to the conduct of the audit and the preparation and content of the audit report.

PKF were appointed as the auditor for the Company in June 1999. Mr Paul Bull, a partner at PKF, has been the partner responsible for ICSGlobal for the 2009 financial year.

Corporate Governance Statement

Accounting Policies and Practices

The Company has continued its practice of consistently applying prudent and conservative accounting policies and practices in accordance with the applicable accounting standards and legislation.

ASX Corporate Governance Council: Corporate Governance Principals and Recommendations – Second Edition

ICSGlobal has adopted the revised second edition of the Corporate Governance Principals and Recommendations – Second Edition and report on its compliance with these guidelines for the 2009 financial year.

Principle 1	**Lay Solid Foundations For Management And Oversight** ICSGlobal complies with this recommendation
Principle 2	**Structure the Board to Add Value** ICSGlobal complies with this recommendation
Principle 3	**Promote Ethical and Responsible Decision Making** ICSGlobal complies with this recommendation
Principle 4	**Safeguard the Integrity in Financial Reporting** ICSGlobal complies with this recommendation, except for the requirement to have at least 3 non executive director members of the Audit Committee. ICSGlobal is a small company and only has two non executive directors. ICSGlobal's Audit Committee is comprised of these two independent non executive directors.
Principle 5	**Make Timely and Balanced Disclosure** ICSGlobal complies with this recommendation
Principle 6	**Respect the Rights of Shareholders** ICSGlobal complies with this recommendation
Principle 7	**Recognise and Manage Risk** ICSGlobal complies with this recommendation
Principle 8	**Remunerate Fairly and Responsibly** ICSGlobal complies with this recommendation except for the following practice, which was in place prior to the introduction of the Corporate Governance Principals and Recommendations: • Mr Lambert has previously accrued retirement benefits. In July 2003, the Directors made a decision to discontinue the non executive directors' retirement benefits scheme. Accordingly, no benefits have been accrued since 30 June 2003. Amounts accrued under the scheme prior to 30 June 2003 will be payable to Mr Lambert upon his retirement.

Shareholder Information

As at 10 September 2009

TWENTY LARGEST HOLDERS OF QUOTED EQUITY SECURITIES*

	Ordinary Shares	%
Timothy J Murray †	15,394,487	9.0%
Dixson Trust Pty Limited †	15,343,018	9.0%
Randell Management Services Pty Limited <Timms Super Fund A/C> †	8,853,623	5.2%
Glowgood Pty Limited	6,200,667	3.6%
Dr Diana M Bell	5,237,382	3.1%
Donna M Murphy	4,785,055	2.8%
Denis J Reynolds	4,500,000	2.6%
Mr Lewis A Draper & Mrs Janet A Draper <L A Draper Super Fund A/C>	3,977,112	2.3%
HSBC Custody Nominees (Australia) Limited - A/C 2	3,693,000	2.2%
Hanibal Pty Limited	2,514,878	1.5%
Trans Pacific Investments Pty Limited	2,484,217	1.5%
Brindle Holdings Pty Limited	2,448,493	1.4%
Andover Nominees Pty Limited	2,396,284	1.4%
Mr Graham Canning-Ure & Mrs Cosette Canning-Ure <Canning Family S/F A/C>	2,371,778	1.4%
Mr Philip John Price & Mrs Gail Lorraine Price <PGP Super Fund A/C>	2,050,000	1.2%
Maminda Pty Limited	2,000,000	1.2%
Glowgood Pty Limited <Superannuation Fund A/c>	1,538,846	0.9%
Dr Julian Parmegiani <Parmac Account>	1,484,276	0.9%
Mr Michael Knights	1,272,223	0.7%
K B J Investments Pty Ltd <Jarry Family Super Fund A/C>	1,200,000	0.7%
Total	89,745,339	52.6%

DISTRIBUTION OF HOLDERS OF EQUITY SECURITIES*

	Ordinary Shares	Options
1 - 1,000	94	-
1,001 - 5,000	292	-
5,001 - 10,000	187	-
10,001 - 100,000	506	1
100,001 and over	211	16
	1,290	17
Holdings less than a marketable parcel	389	
Total Securities Issued	170,485,972	9,352,634

† Substantial shareholders
* As shown on register, beneficial holdings may differ

Directors' Report

Your directors present their report on ICSGlobal Limited and its Controlled Entities (collectively "the Group") for the financial year ended 30 June 2009.

Directors

The names of the directors in office at any time from the start of the 2009 financial year to the date of this report are:

- Timothy J. Murray
- Ross M. Bunyon
- Geoffrey E. Lambert

Principal Activities

The principal activities of the Group during the financial year were medical banking and e-health services, specifically the provision of medical billing services to the United Kingdom (UK) and United States of America (US) health industries and the ownership and operation of healthcare transaction clearinghouse, THELMA (Transactional Health Exchange Linking Multiple Applications).

Results of Operations

The consolidated loss for the financial year, after income tax, amounted to $2,951,751 (2008: $1,915,652).

Review of Operations

The Company is continuing with its dual-edged global medical banking growth strategy that consists of the deployment of the Thelma healthcare transaction clearinghouse; the growth of our medical billing businesses organically together with the acquisition of other established profitable medical billing businesses; and the vertical integration of the two, in our three key markets of Australia, UK and US.

Progress in Australia

In Australia, transaction volumes through the Company's flagship 'THELMA' clearinghouse system continue to grow steadily. Transactions for the month of June 2009 were 63% higher than the month of June 2008. The majority of this growth has come from the Thelma medical claim services. Significant further growth is expected based on the contracts already signed up and being steadily implemented.

The Thelma eligibility and hospital claim services continue to be hampered by the interference of Medicare in the private health transaction market. On 11 August 2008, Thelma Pty Limited ('Thelma'), a wholly owned subsidiary of ICSGlobal, filed an application in the Federal Court of Australia alleging anti-competitive conduct by Medicare Australia. In essence, Thelma alleged that Medicare Australia has unlawfully used its market power in providing electronic private health transaction services, identical to those provided by Thelma, into the private health sector, free of charge, in direct competition to Thelma, for the purpose or effect of eliminating or substantially damaging Thelma and/or to deter or prevent Thelma from engaging in competitive conduct. Thelma has estimated its loss and damage in excess of $65 million and the Federal Court hearing has been listed for 30 November 2009.

While the Board of ICSGlobal is confident of the merits of Thelma's claims against Medicare Australia, there is no assurance that Thelma's claims will be upheld in Court or that, if its claims are upheld, it will recover its estimated loss and damage in full. If the claims are not upheld, ICSGlobal would be liable for Medicare Australia's legal costs.

Progress in the US

In the US, Thelma-US transaction volumes continue to grow steadily across the key medical banking transactions: eligibility checks, electronic healthcare claims, remittance advice, claim status reports and human readable reports.

ICSGlobal completed its first medical billing business acquisition, Georgia based Medical Recovery Services, Inc. ('MRS') effective on 31 December 2008. MRS has successfully connected to Thelma-US, and has been processing live transactions for MRS since March 2009.

The organic growth pipeline for MRS is strong, and Thelma-US continues to source other profitable billing companies that can be integrated to MRS and Thelma-US.

Directors' Report

Progress in the UK

In the UK, ICSGlobal acquired The London Patient Billing Service (LPBS) in November 2007.

In June 2008, Mr Garry Chapman was appointed General Manager of LPBS to allow the founder, Dr Diana Bell, to move to Non-Executive Director of Thelma-UK. Mr Chapman developed and implemented new business systems and processes as well as knowledge sharing systems that have more than doubled the billing productivity of staff.

In May 2009 LPBS was rebranded to Medical Billing & Collection (MBC) to better reflect the business today, the fact the client base now consists of consultants and hospitals from around the UK, and to facilitate the marketing of the business in the other countries that make up the UK. In addition, MBC has raised its marketing sights to focus more on hospitals and larger groups of clinicians than we have done previously. This has resulted in a contract with one of the UK's major private hospital groups for a billing trial with several of its clinics.

Dividends Paid And Recommended

No dividends have been paid or declared from the start of the year to the date of this report. The directors do not recommend the payment of a final dividend.

Significant Changes In State Of Affairs

Significant changes to the Group since 2008 are the acquisition of Medical Recovery Services on 31 December 2008 and the completion of the rights issue in August 2009.

No other significant changes in the Group's state of affairs occurred during the financial year other than the progress outlined in the Review of Operations.

Matters Subsequent To The End Of The Financial Year

Between 30 June 2009 and the date of this report, the following event has occurred:

- On 24 August 2009, the Group announced that it had raised a further $2,050,000 in cash by issuing 20,500,000 new shares via a renounceable pro rata rights issue.

Likely Developments And Expected Results Of Operations

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

Environmental Regulation

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

Directors' Report

Information on the Directors and Company Secretaries

The directors and company secretaries in office at the date of this report are:

Ross M. Bunyon AM - Chairman and Non Executive Director

Ross holds a Bachelor of Commerce degree and was appointed a director in January 2007 and Chairman in June 2007. Ross is Chairman of Eraring Energy and Turner & Townsend Pty Ltd and a director of Hunter Valley Training Company Pty Ltd. Ross was previously chief executive officer of Pacific Power. Ross is Chairman of the remuneration committee, Chairman of the nomination committee and a member of the audit committee.

Timothy J. Murray - Managing Director and Chief Executive Officer

Tim is the founder of ICSGlobal and has led the Group since its inception in 1990. Tim is responsible for the overall management of ICSGlobal and for the development of the strategic direction of the business into the future. Tim holds a Bachelor of Civil Engineering degree and has successfully applied construction project management principles into the IT industry. Tim is a director of ICSGlobal Limited's wholly owned subsidiaries: THELMA-EU Limited (14 June 2007), and THELMA-US Inc. (23 October 2007). Tim is a member of the remuneration committee and a member of the nomination committee.

Geoffrey E. Lambert - Non Executive Director

Geoff was appointed a director in 1999. Geoff is currently chief executive of boutique investment house Byrne Lambert Woolf & Co. Geoff holds a Master of Economics degree and is a Fellow of the Australian Institute of Company Directors and a member of the Financial Services Institute of Australia. Geoff is currently a director of Stratatel Limited and Reward Minerals Limited. Geoff is the Chairman of the audit committee and a member of the nomination committee.

Lindsay Martin – Company Secretary and Chief Financial Officer

Lindsay joined ICSGlobal in August 2000 as the Chief Financial Officer of the Group. Since joining ICSGlobal, Lindsay has also been appointed Company Secretary of ICSGlobal (4 March 2009), and director of ICSGlobal Limited's wholly owned subsidiaries THELMA-US Inc. (23 October 2007) and THELMA-EU Limited (14 June 2007). Lindsay has a Bachelor of Commerce and a Bachelor of Laws and is a member of the Institute of Chartered Accountants in Australia. Prior to joining ICSGlobal, Lindsay worked in the audit division of Deloitte for 3 years and for Deloitte Consulting for 6 years.

Thomas Walther - Company Secretary

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

Meeting Attendance Record of Each Director for the Financial Year

Name	Board of Directors		Audit Committee		Nomination Committee		Remuneration Committee	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
R. Bunyon	14	14	2	2	1*	1	1*	1
T. Murray	14	14	-	-	1	1	1	1
G. Lambert	14	14	2*	2	1	1	-	-

*Denotes non-executive Chairman of the respective committee

Directors' Report

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

None of these holdings is financed via a margin loan.

Name	Number of Ordinary Shares	Options over Ordinary Shares
Tim Murray	16,933,333[2]	1,000,000 – exercise price $0.60, expire 22 December 2009
Ross Bunyon	782,223[1]	Nil
Geoff Lambert	708,858[2]	Nil

[1] Shares held by an entity associated with the director

[2] Shares held by two entities associated with the director

Remuneration Report

The remuneration report is set out under the following main headings:

A. Principles used to determine the nature and amount of remuneration

B. Details of remuneration

C. Service agreements

D. Share based remuneration

E. Additional information

The information provided under headings A – D includes remuneration disclosures that are required under Accounting Standard AASB 124 "Related Party Disclosures". These disclosures have been transferred to the Directors' Report from the financial report and have been audited. The disclosures in Section E are additional disclosures required by the Corporations Act 2001 and Corporations Regulations 2001, which have not been audited.

A. Principles Used To Determine The Nature And Amount Of Remuneration (Audited)

Non Executive Director Remuneration

The board's policy is to remunerate non-executive directors at market rates for comparable companies and to reflect the time, commitment and responsibilities of the non-executive directors. The remuneration committee reviews the remuneration of non-executive directors annually, based on market practice, duties and accountability.

The maximum aggregate remuneration for all non-executive directors of $250,000 was approved by the shareholders at the annual general meeting held on 22 November 2002. Fees for non-executive directors are not linked to the performance of the Group, however to align non-executive directors' interests with shareholder interests, the non- executive directors are encouraged to hold shares in ICSGlobal.

The level of non-executive director remuneration was last increased in November 2002.

Managing Director Remuneration

The objective of the board when determining the remuneration of the managing director, is to reinforce the short and long term goals of the Group. Consideration is given to normal commercial rates of remuneration for similar levels of responsibility. The board believes that the remuneration policy is appropriate and effective in its ability to attract and retain the best person to direct and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The managing director's remuneration has three components: base salary (which is based on factors such as qualifications, experience and performance), superannuation and long term incentives through options. The board of directors' reviews the managing director's remuneration each year by reference to the Group's performance, the managing director's performance and comparable information from industry sectors and other listed companies in similar industries.

The level of managing director remuneration was last reviewed on 23 December 2008.

Directors' Report

Executives Remuneration

The objective of the Groups' Remuneration Committee when determining the remuneration of each executive is to reinforce the short and long term goals of the Group. Consideration is given to normal commercial rates of remuneration for similar levels of responsibility. The board believes that the remuneration policy is appropriate and effective in its ability to attract and retain the best executives, to run and manage the Group, as well as create goal congruence between the executives and shareholders.

All executives receive a base salary (which is based on factors such as qualifications, experience and performance), superannuation and employee options. The remuneration committee reviews executive packages at least once each year by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

Retirement Benefits

The directors and executives receive a superannuation guarantee contribution as required by law. Some individuals have chosen to sacrifice part of their salary to increase their superannuation payments.

In July 2003, the directors made a decision to discontinue an existing non-executive directors' retirement benefits scheme. Accordingly, no benefits have been accrued since 30 June 2003. Amounts accrued under the scheme prior to 30 June 2003 will be paid to the respective non-executive director upon their retirement.

Short Term and Long Term Incentives

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

The main performance incentives used by the Group has been options. All Australian based employees have been issued with employee options, which do not have performance criteria, but have been issued at an exercise price in excess of the share price at the date of grant. These employee options vest over a three year period to encourage staff retention.

The Group has also issued ordinary options (ie not employee options) to the managing director, who is ineligible to participate in the ICSGlobal Employee Option Plan, as he holds more than 5% of the ordinary shares of ICSGlobal Limited. The ordinary options granted to the managing director have an exercise price of 60 cents and vested on 22 December 2005 and expire on 22 December 2009.

The company's financial performance and share price movements over the last four financial years has meant that no executives have exercised any employee options and hence have not yet derived any value from the options granted to them over the last few years.

The Group generally has not payed performance bonuses. In the 2008 and 2009 financial years, the Company did not pay any performance related cash payments to employees or directors. With the international expansion of the Group, the contracts with key management personnel in the overseas business units have included incentives based on the achievement of performance milestones ranging from cash bonuses, increases in base salary and the granting of employee options which vest based on with performance milestones.

- The Group has issued Garry Chapman, the General Manager of Medical Billing and Collection in the UK with 1,500,000 employee options. 500,000 of these employee options vest over a three year period to encourage staff retention. 1,000,000 of these employee options vest based on revenue performance milestones. In the board's opinion, these performance milestones are aligned with the objectives of the business and are important to Group's financial results. The Group has also agreed to pay Mr Chapman cash bonuses for achieving specified revenue based milestones.
- The Group issued Bachman P. Fulmer, the former President of Thelma-US with 2,000,000 employee options, which were linked to performance milestones. Mr Fulmer resigned effective 9 July 2009 and these options have now lapsed.
- The Group has agreed to increase Donna Murphy's (Executive Vice President of Medical Recovery Services Inc.) base salary when the medical billing revenues of Thelma-US, exceed US$5 million dollars on an annualised basis.

B. Details Of Remuneration (Audited)

DETAILS OF REMUNERATION – PARENT COMPANY

Details of the remuneration of the directors and the five most highly remunerated key management personnel of ICSGlobal Limited are set out below.

- Tim Murray is employed by ICSGlobal Limited and holds the positions of Chief Executive Officer and Managing Director of the Group and director of THELMA-EU Limited & THELMA-US Inc.
- Lindsay Martin is employed by ICSGlobal Limited and holds the positions of Chief Financial Officer and Company Secretary (appointed Company Secretary on 4 March 2009) of the Group and director of THELMA-EU Limited & THELMA-US Inc.
- Daniel Rigby is employed by ICSGlobal Limited and holds the position of Delivery Manager
- Tom Walther is employed by ICSGlobal Limited and holds the position of Company Secretary and Accountant
- Kim Horn was employed by ICSGlobal Limited and held the position of Solution Architect.

The first four staff above, were also key management during the 2008 financial year.

Directors' Report

2009 - Parent Company	Short Term Employee Benefits		Post Employment	Share Based Payments	Total
	Cash Salary $	Director's Fees $	Superannuation $	Employee Options $	$
DIRECTORS					
R. Bunyon	-	98,160	-	-	98,160
T. Murray	395,892	-	13,745	-	409,637[1]
G. Lambert	-	12,263	36,787	-	49,050
TOTAL	395,892	110,423	50,532	-	556,847
KEY MANAGEMENT PERSONNEL					
L. Martin	256,256	-	13,745	54,962	324,963
D. Rigby	153,757	-	13,745	32,355	199,857
K. Horn	165,127	-	13,745	(3,578)[2]	175,294
T. Walther	113,138	-	19,362	13,667	146,167
TOTAL	688,278	-	60,597	97,406	846,281

[1] In July 2008, Mr Murray was paid out $17,135 of accrued annual leave.

[2] Remuneration in form of options includes negative amounts related to the write back of amounts previously recognised as an expense in prior years. These options did not vest and these options have now lapsed.

2008 – Parent Company	Short Term Employee Benefits		Post Employment	Share Based Payments	Total
	Cash Salary $	Director's Fees $	Superannuation $	Employee Options $	$
DIRECTORS					
R. Bunyon	-	98,160	-	-	98,160
T. Murray	362,321	-	12,686	-	375,007
G. Lambert	-	8,175	40,875	-	49,050
TOTAL	362,321	106,335	53,561	-	522,217
KEY MANAGEMENT PERSONNEL					
L. Martin	236,065	-	12,686	9,891	258,642
D. Rigby	137,848	-	12,123	17,989	167,960
T. Walther	89,653	-	36,000	1,332	126,985
TOTAL	463,566	-	60,809	29,212	553,587

Directors' Report

DETAILS OF REMUNERATION – GROUP

Details of the remuneration of the directors and the five most highly remunerated key management personnel of the ICSGlobal Limited Group are set out below.

- **Tim Murray** is employed by ICSGlobal Limited and holds the positions of Chief Executive Officer and Managing Director of the Group and director of THELMA-EU Limited & THELMA-US Inc.
- **Lindsay Martin** is employed by ICSGlobal Limited and holds the positions of Chief Financial Officer and Company Secretary (appointed Company Secretary on 4 March 2009) of the Group and director of THELMA-EU Limited & THELMA-US Inc.
- **Daniel Rigby** is employed by ICSGlobal Limited and holds the position of Delivery Manager.
- **Bachman P. Fulmer** was employed by Thelma-US Inc. and held the positions of President and CEO of THELMA-US Inc. and director of THELMA-US Inc. from 1 March 2008 until his resignation on 9 July 2009.
- **Garry Chapman** is employed by Thelma-EU Limited and holds the position of General Manager of Medical Billing & Collection (appointed 1 July 2008).

The first three staff above, were also key management during the 2008 financial year.

Other Key Management Personnel

- **Donna Murphy,** the Executive Vice President of Medical Recovery Services, is a key management personnel of the group. Ms Murphy has only been employed since 1 January 2009 and was not one of the five most highly remunerated key management for the 2009 financial year.

2009 - Group	Short Term Employee Benefits		Post Employment	Share Based Payments	Total
	Cash Salary $	Director's Fees $	Superannuation $	Employee Options $	$
DIRECTORS					
R. Bunyon	-	98,160	-	-	98,160
T. Murray	395,892	-	13,745	-	409,637[3]
G. Lambert	-	12,263	36,787	-	49,050
TOTAL	395,892	110,423	50,532	-	556,847
KEY MANAGEMENT PERSONNEL					
L. Martin	256,256	-	13,745	54,962	324,963
D. Rigby	153,757	-	13,745	32,355	199,857
G. Chapman (started 1 July 2008)	162,384	-	-	13,760	176,144
B. Fulmer (finished 9 July 2009)	181,891	-	-	(19,933)[1]	161,958
TOTAL	754,288	-	27,490	81,144	862,922
OTHER KEY MANAGEMENT PERSONNEL					
D. Murphy[2] (started 1 January 2009)	87,793	-	-	-	87,793
TOTAL	87,793	-	-	-	87,793

[1] Remuneration in form of options includes negative amounts related to the write back of amounts previously recognised as an expense in prior years. These options did not vest and these options have now lapsed.

[2] The remuneration and option expense for Ms Murphy does not include any amounts paid to her, which relate to the purchase of Medical Recovery Services Inc.

[3] In July 2008, Mr Murray was paid out $17,135 of accrued annual leave.

Directors' Report

2008 – Group	Short Term Employee Benefits		Post Employment	Share Based Payments	Total
	Cash Salary $	Director's Fees $	Superannuation $	Employee Options $	$
DIRECTORS					
R. Bunyon	-	98,160	-	-	98,160
T. Murray	362,321	-	12,686	-	375,007
G. Lambert	-	8,175	40,875	-	49,050
TOTAL	362,321	106,335	53,561	-	522,217
KEY MANAGEMENT PERSONNEL					
L. Martin	236,065	-	12,686	9,891	258,642
D. Rigby	137,848	-	12,123	17,989	167,960
T. Walther	89,653	-	36,000	1,332	126,985
B. Fulmer (started full time 1/3/2008)	62,640	-	-	19,933	82,573
TOTAL	526,206	-	60,809	49,145	636,160

Directors' Report

C. Service Agreements (Audited)

Employment conditions are formalised in contracts of employment.

- Mr Bunyon's contract has no fixed term and is not subject to a notice period.
- Mr Lambert's contract has no fixed term and is not subject to a notice period.
- Mr Murray's term of employment is ongoing until terminated by either party. The contract may be terminated at any time by Mr Murray giving the Company six months notice or by the Company giving Mr Murray six months notice or payment of cash in lieu of notice. The contract provides for six week of annual leave per year. Mr Murray's remuneration was last reviewed on 23 December 2008, at which time his annual base salary and superannuation contribution was increased to $400,000. Salary reviews are carried out annually or sooner if circumstances dictate.
- Mr Martin's term of employment is ongoing until terminated by either party. The contract may be terminated at any time by Mr Martin giving the Company one months notice or by the Company giving Mr Martin one months notice or payment of cash in lieu of notice. The contract provides for 4 week of annual leave per year. Mr Martin's remuneration was last reviewed on 23 December 2008, at which time his annual base salary and superannuation contribution was increased to $280,000. Salary reviews are carried out annually or sooner if circumstances dictate.
- Mr Rigby's term of employment is ongoing until terminated by either party. The contract may be terminated at any time by Mr Rigby giving the Company one months notice or by the Company giving Mr Rigby one months notice or payment of cash in lieu of notice. The contract provides for 4 week of annual leave per year. Mr Rigby's remuneration was last reviewed on 23 December 2008, at which time his annual base salary and superannuation contribution was increased to $175,000. Salary reviews are carried out annually or sooner if circumstances dictate.
- Mr Horn's employment ended on 21 July 2009 when he was made redundant. Mr Horn's remuneration was last reviewed on 23 December 2008, at which time his annual base salary and superannuation contribution was increased to $183,750. Mr Horn was paid for one month in lieu of notice.
- Mr Walther's term of employment is ongoing until terminated by either party. The contract may be terminated at any time by Mr Walther giving the Company one months notice or by the Company giving Mr Walther one months notice or payment of cash in lieu of notice. The contract provides for 4 week of annual leave per year. Mr Walther's remuneration was last reviewed on 23 December 2008, at which time his annual base salary and superannuation contribution was increased to $137,000. Salary reviews are carried out annually or sooner if circumstances dictate.
- Mr Chapman's term of employment is ongoing until terminated by either party. The contract may be terminated at any time by Mr Chapman giving the Company three months notice or by the Company giving Mr Chapman three months notice or payment of cash in lieu of notice. The contract provides for five week of annual leave per year. Salary reviews are carried out annually or sooner if circumstances dictate. In addition to his base salary of £75,000, Mr Chapman is entitled to be paid bonuses upon achieving the following performance milestones:
  - average monthly revenue £55,000: £5,000 bonus per annum
  - average monthly revenue £70,000: £15,000 bonus per annum
  - average monthly revenue £85,000: £25,000 bonus per annum
  - average monthly revenue £100,000: £35,000 bonus per annum
  - average monthly revenue £125,000: £45,000 bonus per annum
  - average monthly revenue £175,000: £55,000 bonus per annum
  - average monthly revenue £250,000: £75,000 bonus per annum
- Mr Fulmer's employment agreement was ongoing until it was terminated by Mr Fulmer resigning. Mr Fulmer finished his employment on 9 July 2009. As Mr Fulmer resigned, no termination payment was made to him.
- Ms Murphy's term of employment is for three years from 1 January 2009. There after the agreement will automatically renew for one year unless terminated by either party. After the initial term, the contract may be terminated at any time by Ms Murphy giving the Company four months notice or by the Company giving Ms Murphy four months notice or payment of cash in lieu of notice. The contract provides for four weeks of annual leave per year. Ms Murphy's contract provides for her remuneration to be increased from US$125,000 per annum to US$150,000 when the medical billing revenues of Thelma-US, exceed US$5 million dollars on an annualised basis.

Directors' Report

D. Share Based Remuneration (Audited)

The object of the ICSGlobal Employee Option Plan is to provide employees of ICSGlobal with the opportunity to acquire an ownership interest in ICSGlobal by way of options to acquire unissued ordinary shares in ICSGlobal. The ICSGlobal Employee Option Plan is administered by the board of directors in accordance with the rules of the ICSGlobal Employee Option Plan.

The rules of the ICSGlobal Employee Option Plan are described in detail in note 24 of the Financial Statements.

EMPLOYEE OPTIONS FOR THE PARENT COMPANY

The terms and conditions of each grant of employee options affecting executive remuneration in the previous, this or future reporting periods is as follows:

Grant Date	Expiry Date	Exercise Price	Value Per Option At Grant Date	Number of Options	Vesting Date
23 December 2004	22 December 2009	$0.50	$0.3195	200,000	33% 23 Dec 2005, 33% 23 Dec 2006, 33% 23 Dec 2007
20 December 2005	19 December 2010	$0.50	$0.1880	400,000	33% 20 Dec 2006, 33% 20 Dec 2007, 33% 20 Dec 2008
21 December 2007	20 December 2012	$0.32	$0.1068	2,225,000	33% 21 Dec 2008, 33% 21 Dec 2009, 33% 21 Dec 2010
19 February 2008	18 February 2013	$0.38	$0.1187	250,000	33% 18 Feb 2009, 33% 18 Feb 2010, 33% 18 Feb 2011
23 December 2008	22 December 2013	$0.20	$0.0637	1,150,000	33% 22 Dec 2009, 33% 22 Dec 2010, 33% 22 Dec 2011

No options have been granted to executives between the end of the 2009 financial year and the date of this report.

On 18 January 2005, the directors approved an allocation to Mr Murray of 1,000,000 options. These are ordinary options, not employee options under the ICSGlobal Employee Option Plan, and are therefore not included in the schedule above. The options granted to Mr Murray have an exercise price of 60 cents. The options vested on 22 December 2005 and expire on 22 December 2009. The grant of these options was approved by shareholders at the Company's Annual General Meeting held on 17 November 2005. Using the Black Scholes valuation methodology, these options had a valuation of $218,562. Despite the valuation calculated by using the Black Scholes valuation methodology, unless the share price exceeds 60 cents before 22 December 2009, Mr Murray will not derive any value from these options.

Directors' Report

EMPLOYEE OPTIONS FOR THE GROUP

The terms and conditions of each grant of employee options affecting executive remuneration in the previous, this or future reporting periods is as follows:

Grant Date	Expiry Date	Exercise Price	Value Per Option At Grant Date	Number of Options	Vesting Date
23 December 2004	22 December 2009	$0.50	$0.3195	200,000	33% 23 Dec 2005, 33% 23 Dec 2006, 33% 23 Dec 2007
20 December 2005	19 December 2010	$0.50	$0.1880	400,000	33% 20 Dec 2006, 33% 20 Dec 2007, 33% 20 Dec 2008
21 December 2007	20 December 2012	$0.32	$0.1068	2,225,000	33% 21 Dec 2008, 33% 21 Dec 2009, 33% 21 Dec 2010
3 March 2008	2 March 2013	$0.30	$0.0955	1,000,000	Business milestones
3 March 2008	2 March 2013	$0.30	$0.0955	1,000,000	33% 3 Mar 2009, 33% 3 Mar 2010, 33% 3 Mar 2011
1 July 2008	30 June 2013	$0.35	$0.0826	500,000	33% 1 July 2009, 33% 1 July 2010, 33% 1 July 2011
1 July 2008	30 June 2013	$0.35	$0.0826	1,000,000	Revenue milestones
23 December 2008	22 December 2013	$0.20	$0.0637	750,000	33% 22 Dec 2009, 33% 22 Dec 2010, 33% 22 Dec 2011
31 December 2008	30 December 2013	$0.24	$0.0851	302,634	31 December 2008

No options have been granted to executives between the end of the 2009 financial year and the date of this report.

Directors' Report

Options Granted to Directors and Key Management Personnel

Details of employee options over ordinary shares in the company provided as remuneration of each director and key management personnel are as follows:

1. No options were granted or vested to the directors in either the 2008 or 2009 financial year
2. The following employee options were granted to key management personnel in the 2008 and 2009 financial years:

ICSGlobal Limited	Number Of Options Granted During The Year		Number Of Options Vested During The Year	
	2009	2008	2009	2008
KEY MANAGEMENT PERSONNEL				
T. Murray	-	-	-	-
L. Martin	600,000	1,150,000	526,393	83,333
D. Rigby	150,000	800,000	304,406	58,333
K. Horn	250,000	250,000	-	-
T. Walther	150,000	275,000	129,406	58,333
TOTAL	1,150,000	2,475,000	960,205	199,999

Group	Number Of Options Granted During The Year		Number Of Options Vested During The Year	
	2009	2008	2009	2008
KEY MANAGEMENT PERSONNEL				
T. Murray	-	-	-	-
L. Martin	600,000	1,150,000	526,393	83,333
D. Rigby	150,000	800,000	304,406	58,333
B. Fulmer	-	2,000,000	-	-
G. Chapman	1,500,000	-	166,667	-
D. Murphy	302,634[1]	-	302,634[1]	-
TOTAL	2,552,634	3,950,000	1,300,100	141,666

[1] These options were granted as part of the purchase of Medical Recovery Services Inc.

Options Granted to L. Martin, T. Walther and D. Rigby on 21 December 2007

The 2,225,000 employee options granted in the 2008 financial year to L. Martin (1,150,000 options), T. Walther (275,000 options) and D. Rigby (800,000 options) have an exercise price of $0.32. The options expire on 20 December 2012 or upon the executive leaving the Company, whichever is earlier. The options vest and are exercisable as follows:

- On 21 December 2008, one third of the options granted
- On 21 December 2009, a further one third of the options granted
- On 21 December 2010, the remaining one third of the options granted.

The remuneration value of the employee options granted to L. Martin and D. Rigby was determined using the Black Scholes methodology using a risk free interest rate of 6.75%, nil expected dividends, vesting assumptions outlined above and in the notes to the financial statements and a volatility factor of 59.6%. The remuneration value of the options granted was $237,607.

Options Granted to K. Horn on 19 February 2008

The 250,000 employee options granted in the 2008 financial year to K. Horn had an exercise price of $0.38. Due to the retrenchment of K. Horn and his failure to exercise these options, these options have now lapsed.

The remuneration value of the employee options was determined using the Black Scholes methodology using a risk free interest rate of 7.0%, nil expected dividends, vesting assumptions outlined above and in the notes to the financial statements and a volatility factor of 83%. The remuneration value of the options granted was $29,679.

Directors' Report

Options Granted to B. Fulmer on 3 March 2008

The 2,000,000 employee options granted in the 2008 financial year to B. Fulmer had an exercise price of $0.30. Due to the resignation of B. Fulmer and his failure to exercise these options, these options have now lapsed.

The remuneration value of the employee options was determined using the Black Scholes methodology using a risk free interest rate of 7.0%, nil expected dividends, vesting assumptions outlined above and in the notes to the financial statements and a volatility factor of 61.7%. The remuneration value of the options granted was $191,040.

Options Granted to G. Chapman on 1 July 2008

The 500,000 employee options granted in the 2009 financial year to G. Chapman have an exercise price of $0.35. The options expire on 30 June 2013 or upon the executive leaving the Company, whichever is earlier. The options vest and are exercisable as follows:

- On 23 December 2009, one third of the options granted
- On 23 December 2010, a further one third of the options granted
- On 23 December 2011, the remaining one third of the options granted.

The remuneration value of the employee options granted was determined using the Black Scholes methodology using a risk free interest rate of 7.25%, nil expected dividends, vesting assumptions outlined above and in the notes to the financial statements and a volatility factor of 67.2%. The remuneration value of the options granted was $41,280.

Performance Options Granted to G. Chapman on 1 July 2008

The 1,000,000 employee options granted in the 2009 financial year to G. Chapman have an exercise price of $0.35. The options expire on 30 June 2013 or upon the executive leaving the Company, whichever is earlier. The options vest and are exercisable as follows:

- The first quarter where Thelma-EU revenue exceeds £250,000: 500,000 options with an exercise price of thirty five (35) cents will vest and be exercisable at 1/3 per annum.
- The first quarter where Thelma-EU revenue exceeds £1,000,000: 500,000 options with an exercise price of thirty five (35) cents will vest and be exercisable at 1/3 per annum.

The remuneration value of the employee options granted was determined using the Black Scholes methodology using a risk free interest rate of 7.25%, nil expected dividends, vesting assumptions outlined above and in the notes to the financial statements and a volatility factor of 67.2%. The remuneration value of the options granted was $ $82,561.

Options Granted to L. Martin, T. Walther, K. Horn and D. Rigby on 23 December 2008

The 1,150,000 employee options granted in the 2009 financial year to L. Martin (600,000 options), T. Walther (150,000 options), K. Horn (250,000 options) and D. Rigby (150,000 options) have an exercise price of $0.20. The options expire on 22 December 2013 or upon the executive leaving the Company, whichever is earlier. The options vest and are exercisable as follows:

- On 23 December 2009, one third of the options granted
- On 23 December 2010, a further one third of the options granted
- On 23 December 2011, the remaining one third of the options granted.

The remuneration value of the employee options granted was determined using the Black Scholes methodology using a risk free interest rate of 4.25%, nil expected dividends, vesting assumptions outlined above and in the notes to the financial statements and a volatility factor of 59.2%. The remuneration value of the options granted was $73,296.

Options Granted to D. Murphy on 31 December 2008

The 302,634 employee options granted as part of the purchase of the Medical Recovery Services Inc business have an exercise price of $0.24. The options expire on 30 December 2013 or upon the executive leaving the Company, whichever is earlier. The options vested on the date of grant.

The value of the employee options granted was determined using the Black Scholes methodology using a risk free interest rate of 4.25%, nil expected dividends, vesting assumptions outlined above and in the notes to the financial statements and a volatility factor of 59.2%. The value of the options granted was $25,757.

Shares Provided On Exercise of Employee Options

No directors or key management exercised options during the 2008 or 2009 financial years.

There were no loans to directors or key management personnel during the financial year.

Directors' Report

E. Additional Information (Unaudited)

Employee Options of Directors and Key Management Personnel

EMPLOYEE OPTIONS – PARENT COMPANY

The following table shows the proportion of remuneration consisting of employee options and provides additional details about employee options that were granted, exercised or lapsed during the 2009 financial year:

ICSGlobal Limited 2009	A Proportion of Remuneration Consisting of Employee Options	B Options Granted in 2009: Value at Grant Date	C Options Exercised in 2009: Value at Exercise Date	D Options that Lapsed in 2009: Value at Lapse Date	E Total of Columns B to D
	%	$	$	$	$
DIRECTORS					
R. Bunyon	0.0 %	-	-	-	-
T. Murray	0.0 %	-	-	-	-
G. Lambert	0.0 %	-	-	-	-
KEY MANAGEMENT PERSONNEL					
L. Martin	16.9%	38,242	-	-	38,242
D. Rigby	16.2%	9,560	-	-	9,560
K. Horn	(2.0%)	15,934	-	-	15,934
T. Walther	9.4%	9,560	-	-	9,560

A = The percentage of the value of remuneration consisting of options, based on the value of options expensed during the current year.
B = The value at grant date calculated in accordance with AASB 2 Share-based Payment of options granted during the year as part of remuneration.
C = The value at exercise date of options that were granted as part of remuneration and were exercised during the year.
D = The value at lapse date of options that were granted as part of remuneration and that lapsed during the year.

The following table shows the proportion of remuneration consisting of employee options and provides additional details about employee options that were granted, exercised or lapsed during the 2008 financial year:

ICSGlobal Limited 2008	A Proportion of Remuneration Consisting of Employee Options	B Options Granted in 2008: Value at Grant Date	C Options Exercised in 2008: Value at Exercise Date	D Options that Lapsed in 2008: Value at Lapse Date	E Total of Columns B to D
	%	$	$	$	$
DIRECTORS					
R. Bunyon	0.0 %	-	-	-	-
T. Murray	0.0 %	-	-	-	-
G. Lambert	0.0 %	-	-	-	-
KEY MANAGEMENT PERSONNEL					
L. Martin	3.8%	122,808	-	-	122,808
D. Rigby	10.7%	85,432	-	-	85,432
T. Walther	1.0%	29,367	-	-	29,367

A = The percentage of the value of remuneration consisting of options, based on the value of options expensed during the current year.
B = The value at grant date calculated in accordance with AASB 2 Share-Based Payment of options granted during the year as part of remuneration.
C = The value at exercise date of options that were granted as part of remuneration and were exercised during the year.
D = The value at lapse date of options that were granted as part of remuneration and that lapsed during the year.

Directors' Report

EMPLOYEE OPTIONS – GROUP

The following table shows the proportion of remuneration consisting of employee options and provides additional details about employee options that were granted, exercised or lapsed during the 2009 financial year:

Group 2009	A Proportion of Remuneration Consisting of Employee Options	B Options Granted in 2009: Value at Grant Date	C Options Exercised in 2009 Value at Exercise Date	D Options that Lapsed in 2009: Value at Lapse Date	E Total of Columns B to D
	%	$	$	$	$
DIRECTORS					
R. Bunyon	0.0 %	-	-	-	-
T. Murray	0.0 %	-	-	-	-
G. Lambert	0.0 %	-	-	-	-
KEY MANAGEMENT PERSONNEL					
L. Martin	16.9%	38,242	-	-	38,242
D. Rigby	16.2%	9,560	-	-	9,560
G. Chapman	7.8%	123,841	-	-	123,841
B. Fulmer	(12.3%)	-	-	-	-
D. Murphy	-	25,757	-	-	25,757

A = The percentage of the value of remuneration consisting of options, based on the value of options expensed during the current year.
B = The value at grant date calculated in accordance with AASB 2 Share-based Payment of options granted during the year as part of remuneration.
C = The value at exercise date of options that were granted as part of remuneration and were exercised during the year.
D = The value at lapse date of options that were granted as part of remuneration and that lapsed during the year.

The following table shows the proportion of remuneration consisting of employee options and provides additional details about employee options that were granted, exercised or lapsed during the 2008 financial year:

Group 2008	A Proportion of Remuneration Consisting of Employee Options	B Options Granted in 2008: Value at Grant Date	C Options Exercised in 2008 Value at Exercise Date	D Options that Lapsed in 2008: Value at Lapse Date	E Total of Columns B to D
	%	$	$	$	$
DIRECTORS					
R. Bunyon	0.0 %	-	-	-	-
T. Murray	0.0 %	-	-	-	-
G. Lambert	0.0 %	-	-	-	-
KEY MANAGEMENT PERSONNEL					
L. Martin	3.8%	122,808	-	-	122,808
D. Rigby	10.7%	85,432	-	-	85,432
T. Walther	1.0%	29,367	-	-	29,367
B. Fulmer	24.1%	191,040	-	-	191,040

A = The percentage of the value of remuneration consisting of options, based on the value of options expensed during the current year.
B = The value at grant date calculated in accordance with AASB 2 Share-Based Payment of options granted during the year as part of remuneration.
C = The value at exercise date of options that were granted as part of remuneration and were exercised during the year.
D = The value at lapse date of options that were granted as part of remuneration and that lapsed during the year.

Directors' Report

Shares Under Option

Unissued ordinary shares of ICSGlobal Limited under option (employee options and normal options) at the date of this report are as follows:

Date Options Granted	Expiry Date	Issue Price Of Shares	Number Under Option
31 Dec 2008	30 Dec 2013	$0.24	302,634
23 Dec 2008	22 Dec 2013	$0.20	1,625,000
16 Sept 2008	15 Sept 2013	$0.35	75,000
21 July 2008	20 July 2013	$0.35	75,000
1 July 2008	30 June 2013	$0.35	1,500,000
21 Dec 2007	22 Dec 2012	$0.32	3,425,000
18 Jan 2005	22 Dec 2009	$0.60	1,000,000
Various dates between 20 Dec 2004 & 6 Augt 2007	Various dates between 21 Dec 2009 & 7 Aug 2012	$0.50	1,350,000
TOTAL			9,352,634

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Shares Issued as a Result of the Exercise of Options

No ordinary shares of ICSGlobal Limited were issued during the year ended 30 June 2009 as a result of the exercise of options granted under the ICSGlobal Employee Option Plan.

Directors' Report

Auditor Independence

It is the Group's policy to employ PKF for assignments additional to their annual audit duties, when PKF's expertise and experience with the Group are important. These assignments are principally tax assignments (refer to table below).

The directors are satisfied that the provision of non-audit services as set out below, did not compromise the auditors independence requirements of the Corporations Act 2001 for the following reasons:

- All non audit services have been reviewed by the audit committee to ensure they do not impact on the impartiality and objectivity of the auditor.
- None of the services undermine the general principals relating to auditor independence as set out in Professional standard F1 including reviewing or auditing the auditors own work, acting in a management or decision making capacity for the Group, acting as advocate for the Group, or jointly sharing economic risks or rewards.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non audit related firms.

	Consolidated		ICSGlobal Limited	
PKF East Coast Practice	2009	2008	2009	2008
	$	$	$	$
AUDIT SERVICES				
Audit and review of financial reports and other audit work under the Corporations Act 2001	50,865	34,610	50,865	34,610
Total Remuneration for audit services	50,865	34,610	50,865	34,610
TAXATION SERVICES				
Tax returns – assistance	8,420	7,130	8,420	7,130
Tax advice	-	875	-	875
Export market development grant - assistance	4,277	7,000	4,277	7,000
R & D tax concession offset claim - assistance	25,000	25,000	25,000	25,000
OTHER SERVICES				
Workers Compensation Audit	-	850	-	850
Total Remuneration for non-audit services	37,697	40,855	37,697	40,855

Directors' Report

Declaration of Independence from the Auditor

A copy of the auditor's independence declaration as required under sections 307C of the Corporations Act 2001 is set out on page 32.

Indemnifying Officers And Auditors

During the 2009 financial year, the Group paid a premium in respect of a contract insuring the directors of the Group, the company secretaries and all executive officers of the Group and of any controlled entities against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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

Proceedings On Behalf Of Company

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under Section 237 of the Corporations Act 2001. The Group was not a party to any such proceedings during the year.

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

Ross Bunyon
Chairman

Timothy Murray
Managing Director & Chief Executive Officer

Sydney
Dated this 28th day of August 2009

Auditor's Independence Declaration

Auditor's Independence Declaration
Under Section 307C of the *Corporations Act 2001*

To the Directors of ICSGlobal Limited:

As lead auditor for the audit of ICSGlobal Limited for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been:

i. no contraventions of the auditor independence requirements of 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.

This declaration is in respect of ICSGlobal Limited and the entities it controlled during the year.

PKF

PKF

Paul Bull
Partner

Sydney
28 August 2009

Tel: 61 2 9251 4100 | Fax: 61 2 9240 9821 | www.pkf.com.au
PKF | ABN 83 236 985 726
Level 10, 1 Margaret Street | Sydney | New South Wales 2000 | Australia
DX 10173 | Sydney Stock Exchange | New South Wales

Income Statement

ICSGlobal Limited Income Statement For The Year Ended 30 June 2009

		CONSOLIDATED		ICSGLOBAL LIMITED	
		2009	2008	2009	2008
	NOTES	$	$	$	$
Revenue	6	3,879,043	1,818,451	176,680	246,874
Intercompany charges	6	-	-	2,943,449	1,388,728
EXPENSES					
Employee expenses		4,818,983	2,598,379	2,709,935	2,433,539
External contractor expenses		135,970	360,221	74,865	258,851
Occupancy expenses		418,569	301,206	275,327	263,918
Computer expenses		388,304	146,615	99,105	136,878
Travel expenses		167,367	52,704	91,922	42,841
Legal fees		439,665	89,836	438,918	89,836
Marketing expenses		77,228	181,641	72,753	173,451
Depreciation		56,255	34,131	32,211	33,126
Finance costs		42,007	-	-	-
Provision for impairment		-	-	2,000,000	-
Other expenses		630,416	357,998	398,249	311,066
	7	7,174,764	4,122,731	6,193,285	3,743,506
Loss before income tax		(3,295,721)	(2,304,280)	(3,073,156)	(2,107,904)
Income tax benefit	8	343,970	388,628	323,402	347,390
Loss for the year after income tax		(2,951,751)	(1,915,652)	(2,749,754)	(1,760,514)
Loss is attributable to equity holders of ICSGlobal Limited		(2,951,751)	(1,915,652)	(2,749,754)	(1,760,514)
EARNINGS PER SHARE					
Basic (cents per share)	22	(2.0)	(1.6)		
Diluted (cents per share)	22	(2.0)	(1.6)		

The above Income Statement should be read in conjunction with the attached notes.

Balance Sheet

ICSGlobal Limited Balance Sheet As At 30 June 2009

		CONSOLIDATED		ICSGLOBAL LIMITED	
		2009	2008	2009	2008
	NOTES	$	$	$	$
CURRENT ASSETS					
Cash and cash equivalents	9	471,039	3,567,016	325,242	3,185,015
Trade and other receivables	10	464,443	453,199	811,380	576,730
TOTAL CURRENT ASSETS		**935,482**	**4,020,215**	**1,136,622**	**3,761,745**
NON-CURRENT ASSETS					
Trade and other receivables	10	-	-	2,421,239	1,471,359
Other financial assets	11	-	-	1,963,854	1,100,711
Held-to-maturity investments	12	301,374	169,279	230,805	140,805
Plant and equipment	13	221,386	86,261	56,855	80,463
Deferred tax assets	8	61,806	41,238	-	-
Intangible assets	14	5,223,009	2,214,282	-	-
TOTAL NON-CURRENT ASSETS		**5,807,575**	**2,511,060**	**4,672,753**	**2,793,338**
TOTAL ASSETS		**6,743,057**	**6,531,275**	**5,809,375**	**6,555,083**
CURRENT LIABILITIES					
Trade and other payables	15	738,222	308,810	618,228	182,982
Note payable	16	173,240	-	-	-
Provisions	17	209,840	157,174	171,646	151,069
TOTAL CURRENT LIABILITIES		**1,121,302**	**465,984**	**789,874**	**334,051**
NON-CURRENT LIABILITIES					
Note payable	16	516,673	-	-	-
Provisions	17	599,619	199,485	232,630	199,485
TOTAL NON-CURRENT LIABILITIES		**1,116,292**	**199,485**	**232,630**	**199,485**
TOTAL LIABILITIES		**2,237,594**	**665,469**	**1,022,504**	**533,536**
NET ASSETS		**4,505,463**	**5,865,806**	**4,786,871**	**6,021,547**
EQUITY					
Contributed equity	21	32,595,838	31,197,907	32,595,838	31,197,907
Accumulated losses		(28,877,320)	(25,925,571)	(28,520,186)	(25,770,433)
Foreign currency translation reserve		75,726	(603)	-	-
Share-based payments reserve	21	711,219	594,073	711,219	594,073
TOTAL EQUITY		**4,505,463**	**5,865,806**	**4,786,871**	**6,021,547**

The above Balance Sheet should be read in conjunction with the attached notes.

Statement Of Changes In Equity

ICSGlobal Limited Statement Of Changes In Equity For The Year Ended 30 June 2009

	CONSOLIDATED GROUP				
	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Share Based Payments Reserve	Total Equity
	$	$		$	$
BALANCE AS AT 1 JULY 2007	26,926,761	(24,009,917)	-	465,021	3,381,865
Loss for the year	-	(1,915,652)	-	-	(1,915,652)
ISSUE OF NEW SHARES					
4,568,406 Shares issued on 3 December 2007 @ $0.23 each for acquisition of LPBS	1,050,733	-	-	-	1,050,733
26,099,792 Rights Issue Shares issued on 15 April 2008 @ $0.13 each	3,392,973	-	-	-	3,392,973
40,817 Shares issued on 15 May 2008 @ $0.245 each	10,000	-	-	-	10,000
Share issue costs	(182,560)	-	-	-	(182,560)
Cost of share based payments	-	-	-	129,052	129,052
Adjustments from translation of foreign controlled entities	-	-	(603)	-	(603)
BALANCE AS AT 30 JUNE 2008	31,197,907	(25,925,569)	(603)	594,073	5,865,808
BALANCE AS AT 1 JULY 2008	31,197,907	(25,925,569)	(603)	594,073	5,865,808
Loss for the year	-	(2,951,751)	-	-	(2,951,751)
ISSUE OF NEW SHARES					
4,785,055 Shares issued on 31 December 2008 @ $0.175 each for acquisition of MRS	837,385	-	-	-	837,385
4,461,197 Small Scale Offering Shares issued on 21 January 2009 @ $0.13 each	579,956	-	-	-	579,956
Share issue costs	(19,410)	-	-	-	(19,410)
Cost of share based payments	-	-	-	117,146	117,146
Adjustments from translation of foreign controlled entities	-	-	76,329	-	76,329
BALANCE AS AT 30 JUNE 2009	32,595,838	(28,877,320)	75,726	711,219	4,505,463

The above Statement of Changes In Equity should be read in conjunction with the attached notes.

Statement Of Changes In Equity

ICSGlobal Limited Statement Of Changes In Equity For The Year Ended 30 June 2009

	ICSGLOBAL LIMITED			
	Contributed Equity	Accumulated Losses	Share Based Payments Reserve	Total Equity
	$	$	$	$
BALANCE AS AT 1 JULY 2007	26,926,761	(24,009,918)	465,021	3,381,864
Loss for the year	-	(1,760,514)	-	(1,760,514)
ISSUE OF NEW SHARES				
4,568,406 Shares issued on 3 December 2007 @ $0.23 each for acquisition of LPBS	1,050,733	-	-	1,050,733
26,099,792 Rights Issue Shares issued on 15 April 2008 @ $0.13 each	3,392,973	-	-	3,392,973
40,817 Shares issued on 15 May 2008 @ $0.245 each	10,000	-	-	10,000
Share issue costs	(182,560)	-	-	(182,560)
Cost of share based payments	-	-	129,052	129,052
BALANCE AS AT 30 JUNE 2008	31,197,907	(25,770,432)	594,073	6,021,548
BALANCE AS AT 1 JULY 2008	31,197,907	(25,770,432)	594,073	6,021,548
Loss for the year	-	(2,749,754)	-	(2,749,754)
ISSUE OF NEW SHARES				
4,785,055 Shares issued on 31 December 2008 @ $0.175 each for acquisition of MRS	837,385	-	-	837,385
4,461,197 Small Scale Offering Shares issued on 21 January 2009 @ $0.13 each	579,956	-	-	579,956
Share issue costs	(19,410)	-	-	(19,410)
Cost of share based payments	-	-	117,146	117,146
BALANCE AS AT 30 JUNE 2009	32,595,838	(28,520,186)	711,219	4,786,871

The above Statement of Changes In Equity should be read in conjunction with the attached notes.

Cash Flow Statement

ICSGlobal Limited Cash Flow Statement For The Year Ended 30 June 2009

		CONSOLIDATED		ICSGLOBAL LIMITED	
		2009	2008	2009	2008
	NOTES	$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers inclusive of GST		3,736,713	1,415,942	1,247,000	1,039,049
Payments to suppliers and employees inclusive of GST		(6,728,896)	(4,030,396)	(4,175,518)	(4,001,659)
Interest received		121,092	173,057	117,933	172,854
Export market development grant received		38,747	74,020	38,747	74,020
R & D income tax received		323,402	347,390	323,402	347,390
Net cash outflow from operating activities	20	**(2,508,942)**	**(2,019,987)**	**(2,448,436)**	**(2,368,346)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Payment for plant and equipment		(92,708)	(43,054)	(8,603)	(41,010)
Payment for purchase of business, net of cash acquired		(963,280)	(1,168,308)	(963,280)	(1,168,207)
Net cash outflow from investing activities		**(1,055,988)**	**(1,211,362)**	**(971,883)**	**(1,209,217)**
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		579,956	3,402,973	579,956	3,402,973
Share issue costs		(19,410)	(182,560)	(19,410)	(182,560)
Repayment of borrowings		(49,586)	-	-	-
Finance costs paid		(42,007)	-	-	-
Net cash inflow from financing activities		**468,953**	**3,220,413**	**560,546**	**3,220,413**
Net increase / (decrease) in cash and cash equivalents		(3,095,977)	(10,936)	(2,859,773)	(357,150)
Cash and cash equivalents at the beginning of the year		3,567,016	3,577,952	3,185,015	3,542,165
Cash and cash equivalents at the end of the year	9	**471,039**	**3,567,016**	**325,242**	**3,185,015**

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

Notes To The Financial Statements

NOTE 1 SUMMARY OF ACCOUNTING POLICIES

Financial Reporting Framework

This Financial Report covers ICSGlobal Limited as an individual entity and the consolidated entity consisting of ICSGlobal Limited and its subsidiaries. The Financial Report is presented in the Australian currency.

ICSGlobal Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

A description of the nature of the consolidated entity's operations and its principal activities is included in the review of operations in the Directors' Report, both of which are not part of this Financial Report.

The Financial Report was authorised for issue by the directors on 28 August 2009. The Company has the power to amend and reissue the Financial Report.

Through the use of the internet, the Group has ensured that all corporate reporting is timely, complete and available globally at minimum cost to the Group. All press releases, Financial Reports and other information are also available on the website at www.icsglobal.com.au

The principal accounting policies adopted in the preparation of the Financial Report are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

Basis of Preparation

The Financial Report is a general purpose financial report prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and the Corporations Act 2001.

Statement of Compliance

The financial report complies with Australian Accounting Standards which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes of ICSGlobal Limited and the consolidated entity comply with International Financial Reporting Standards (IFRS).

Early Adoption of Standards

The following standards, amendments to standards and interpretations have been identified as those which may impact the Consolidated Entity in the period of initial application. They are available for early adoption at 30 June 2009, but have not been applied in preparing this financial report.

- Revised *AASB 3 Business Combinations (2008)* incorporates the following changes that are likely to be relevant to the Consolidated Entity's operations:
  - Contingent considerations will be measured at fair value, with subsequent changes therein recognised in profit or loss
  - Transaction costs, other than share and debt issue costs, will be expensed as incurred.

  Revised AASB 3, which becomes mandatory for the Consolidated Entity's 30 June 2010 financial report, will be applied prospectively and therefore there will be no impact on prior periods in the Consolidated Entity's 2010 consolidated financial report.
- Amended *AASB 127 Consolidated and Separate Financial Statements (2008)* requires accounting for changes in ownership interests by the Consolidated Entity in a subsidiary, while maintaining control to be recognised as an equity transaction. When the Consolidated Entity loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or recognised in profit or loss. The amendments to AASB 127, which becomes mandatory for the Consolidated Entity's 30 June 2010 financial report, are not expected to have a significant impact on the consolidated financial report.
- AASB *8 Operating Segments* introduces the "management approach" to segment reporting. AASB 8 which becomes mandatory for the Consolidated Entity's 30 June 2010 financial report, will require a changes in the presentation on and disclosure of segment information based on the internal reports reports regularly reviewed by the Consolidated Entity's Chief Operating Decision Maker in order to assess each segment's performance and to allocate resources to them. Under the management approach, the Consolidated Entity is not expected to significantly change its segment information.
- Revised *AASB 101 Presentation of Financial Statements (2007)* introduces the term total comprehensive income, which represents changes in equity during the period other than those changes resulting from transactions with owners in their capacity as owners. Total comprehensive income may be presented in either a single statement of comprehensive income (effectively combining both the income statement and all non-owner changes in equity in a single statement) or, in an income statement and a separate statement of comprehensive income. Revised AASB 101, which becomes mandatory for the Consolidated Entity's 30 June 2010 financial report, is expected to have a significant impact on the presentation of the consolidated financial report.
- Revised *AASB 123 Borrowing Costs* removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The revised AASB 123 will become mandatory for the Consolidated Entity's 30 June 2010 financial report.

Notes To The Financial Statements

- AASB *2008-1 Amendments to Australian Accounting Standard – Share-based Payment:* Vesting Conditions and Cancellations clarifies the definition of vesting conditions, introduces the concept of non-vesting conditions, requires non-vesting conditions to be reflected in grant-date fair value and provides the accounting treatment for non-vesting conditions and cancellations. The amendments to AASB 3 will be mandatory for the Consolidated Entity's 30 June 2010 financial report, with retrospective application. The Consolidated Entity has not yet determined the potential effect of the amendment.
- AASB *2008-5 Amendment to Australian Accounting Standards arising from the Annual Improvements Process and 2005-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process* affect various AASB's resulting in minor changes for presentation, disclosure recognition and measurement purposes. The amendments, which become mandatory for the Consolidated Entity's 30 June 2010 financial report, are not expected to have any impact on the financial report.
- AASB *2008-7 Amendments to Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate* changes the recognition and measurement dividend receipts as income and addresses the accounting of a newly formed parent entity in the separate financial report. The amendment becomes mandatory for the Consolidated Entity's 30 June 2010 financial report. The Consolidated Entity has not yet determined the potential effect of the amendment.
- AASB *2008-8 Amendments to Australian Accounting Standard – Eligible Hedged Items* clarifies the effect of using options as hedging instruments and the circumstances in which inflation risk can be hedged. The amendments which become mandatory for the Consolidated Entity's 30 June 2010 financial report are not expected to have any impact on the financial report.
- *Interpretation 16 Hedges of a Net Investment in a Foreign Operation* clarifies that net investment hedging can only be applied when the net assets of the foreign operation are recognised in the entity's consolidated financial report. The Interpretation which becomes mandatory for the Consolidated Entity's 30 June 2010 financial report is not expected to have any impact on the financial report.
- *Interpretation 17 Distributions of Non-Cash Assets to Owners* provides guidance in respect of measuring the value of distributions of non-cash assets to owners. The Interpretation which becomes mandatory for the Consolidated Entity's 30 June 2010 financial report is not expected to have any impact on the financial report.
- *Interpretation 18 Transfer of Assets from Customers* provides guidance on the accounting for contributions from customers in the form of transfer of property, plant and equipment (or cash to acquire or construct it). The Interpretation which becomes mandatory for the Consolidated Entity's 30 June 2010 financial report is not expected to have any impact on the financial report.

Going Concern Basis and Historical Cost Convention

This financial report has been prepared on a going concern basis under the historical cost convention. Funding for the development of the consolidated entity's business has historically been by way of private share placements with major shareholders and rights issues. The directors believe that the increased operating cash flows from the business, the recent rights issue referred to in note 3 which raised $2,050,000 and any required future funding will ensure that the going concern basis will continue to be appropriate.

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of ICSGlobal Limited ("company" or "parent entity") as at 30 June 2009, and the results of all subsidiaries for the year then ended. ICSGlobal Limited and its subsidiaries together are referred to in this Financial Report as the "Group" or the "consolidated entity".

Subsidiaries are those entities over which the parent entity has control. Control exists where the parent entity has the capacity to dominate decision making in relation to the operating policies of another entity so that the other entity operates with the parent entity to achieve the objectives of the parent entity.

A list of controlled entities appears in Note 27 to the financial statements. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

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

Notes To The Financial Statements

Acquisition of Assets

The purchase method of accounting is used to account for all acquisitions of assets (including business combinations), regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the fair value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the consolidated entity's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the consolidated entity's share of the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Impairment of Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Intangible Assets - Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the consolidated entity's share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill on acquisitions of businesses is included in intangible assets. Goodwill is not amortised. Instead, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gain and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units represents the consolidated entity's investment in each country of operation by each primary reporting segment.

Notes To The Financial Statements

Foreign Currency Translation

Functional And Presentation Currency

Items included in the financial statements of each of the controlled entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is ICSGlobal Limited's functional and presentation currency.

Transactions and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss.

Controlled Entities

The results and financial position of all the controlled entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet;
- Income and expenses for each income statement are translated at average exchange rates (unless that is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised as a separate component of equity.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised for the major business activities as follows:

Thelma Subscription Revenue

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

Thelma Transaction Revenue

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

Thelma Implementation and Health Consulting Services

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

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

MRS and MBC Billing Service Revenue

Revenue is charged based on a percentage of the fees collected from patients, health insurance funds and other payers on behalf of doctors. Revenue is recognised by the consolidated entity in the month that the doctors' fees are collected and the commission becomes payable.

Interest Revenue

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

Export Market Development Grant

Export Market Development Grants are recognised in the year that the grant is received.

Notes To The Financial Statements

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of the expense. Receivable and payables in the Balance Sheet are shown inclusive of GST.

Share Based Payments

The Group grants employee options to its employees as part of their remuneration packages. The ICSGlobal Employee Option Plan has been approved by shareholders. The Group values employee options at the date of grant using the Black Scholes methodology. This value is expensed in the Income Statement over the period that the options vest or are expected to vest based on the terms and conditions attached to the instruments as well as management's assumptions about probabilities of payments and compliance with, and attainment of the terms and conditions.

Income Tax

Deferred income tax is provided on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for Financial Reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- Except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- Except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the Income Statement.

Investments and Other Financial Assets

The Group classifies its investments in the following categories:

- Loans and receivables;
- Held-to-maturity investments;

Purchases and sales of investments and financial assets are accounted for at trade date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the Balance Sheet date, which are classified as non-current assets.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the Balance Sheet date, which are classified as current assets.

Notes To The Financial Statements

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and in banks and investments in money market instruments with terms of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

Trade Receivables

In Australia, trade receivables generally have 14 to 30 day payment terms, and are recognised and carried at the original invoice amount, less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified. Revenue from Thelma customers billed in Australia, is billed and receivable in Australian dollars.

In the UK, trade receivables generally have 30 day payment terms, and are recognised and carried at the original invoice amount, less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified. Revenue from customers billed in the UK, is billed and receivable in UK pounds sterling.

In the US, trade receivables for MRS are very low, as generally MRS is paid by the doctors on the same day that the doctor receives the fees that MRS has collected for them from patients, health insurance funds and other payers. Trade receivables for Thelma-US generally have 30 day payment terms, and are recognised and carried at the original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified. Revenue from customers billed in the US, is billed and receivable in US dollars.

Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

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

Class of Fixed Asset	Annual Depreciation Rate
Leasehold Improvements	Spread over the term of the relevant lease
Computer Hardware and Software	27%
Furniture and Fittings	33%

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. (Refer to impairments of assets).

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Income Statement in the period the item is derecognised.

Research and Development

Research and development costs are expensed as incurred.

Trade and Other Payables

Trade payables represent the liabilities outstanding at balance date plus, where applicable, any accrued interest.

Operating Leases

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

Notes To The Financial Statements

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Income Statement net of any reimbursement.

If the effect of the time value of money is material, 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, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Employee Benefits

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

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

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

Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings Per Share

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Critical Accounting Estimates and Judgements

The Group tests annually whether Goodwill has suffered any impairment in accordance with the stated accounting policy. The recoverable amounts of cash generating units have been determined based on value in use calculations. These calculations require the use of assumptions. Refer to Note 14 for details of these assumptions and the potential impact of changes to the assumptions.

Comparative Figures

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

Notes To The Financial Statements

NOTE 2 CORRECTION OF ERROR IN RECORDING OPTION EXPENSE IN PREVIOUS YEARS

The company values options using the Black Scholes methodology. It has been determined that one of the inputs (the volatility factor) had been incorrectly entered into the model. This error affected the financial results for prior years including 2008. The effect of the error was to:

- Understate the share based payment expense by $176,842 in 2008 and the loss after tax for the year by $176,842 in 2008 and $559,982 in prior years.
- Understate the opening balance of the share based payment reserve in 2008 by $356,442. Understate the closing balance of the share based payment reserve in 2008 by $533,284.
- Understate the opening balance of the accumulated loss in 2008 by $356,442. Understate the closing balance of the accumulated loss in 2008 by $533,284.

The error has been corrected by restating each of the affected financial statement line items for the prior years. Basic and diluted earnings per share have also been restated. The amount of the correction for both basic and diluted earnings per share was a reduction of $0.001 per share.

The 2008 remuneration of key management has also been restated in the remuneration report in the directors' report and in the key management disclosures in note 25.

NOTE 3 EVENTS SUBSEQUENT TO REPORTING DATE

Between 30 June 2009 and the date of this report, the following events have occurred:

- On 24 August 2009, the Group announced that it had raised a further $2,050,000 in cash by issuing 20,500,000 new shares via a renounceable pro rata rights issue.

NOTE 4 SEGMENT INFORMATION

Primary Reporting Format - Geographical Segments by Location of Customers

Australia

The Group's core business is the ownership and operation of Thelma and the provision of related services to the health industry. The segment figures shown for Australia reflect the Thelma business in Australia, all corporate costs and the cost of developing and maintaining the Thelma product as required by the UK and US markets.

United Kingdom

In the UK, ICSGlobal acquired The London Patient Billing Service (LPBS) in November 2007 and has recently rebranded it to Medical Billing & Collection (MBC). We felt this new, more generic name better reflects the business today, the fact the client base now consists of consultants and hospitals from around the UK, and facilitates marketing of the business in the countries that make up the UK. MBC operates under Thelma-EU Limited, a wholly owned UK based subsidiary. The MBC provides billing and other clerical services to specialist surgeons and hospitals in the UK.

The Group is continuing its efforts to establish the Thelma service in the UK, which will enable doctors to electronically submit medical claims to health insurance funds.

The segment figures shown for the UK include the MBC business and the marketing costs associated with establishing the Thelma service in the UK.

United States of America

ICSGlobal acquired Medical Recovery Services, Inc. (MRS) in the United States on 31 December 2008. MRS operates under Thelma-US Limited, a wholly owned US based subsidiary. MRS provides billing and collection services to doctors in the UK.

The Group is continuing its efforts to establish the Thelma service in the US, which will enable a range of different health service providers, billers and funders to exchange health information electronically.

The segment figures shown for the US reflect the marketing costs associated with establishing the Thelma service in the US.

The segment figures shown for the US include the MRS business and the Thelma-US transaction business.

Notes To The Financial Statements

Primary Reporting Format – Geographical Segments by Location of Customers

Geographical Segments	Australia		United Kingdom		United States		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	$	$	$	$	$	$	$	$
Revenue from external customers	1,264,708	1,035,175	1,165,357	536,199	1,288,260	-	3,718,325	1,571,374
Other revenue	156,680	247,077	4,038	-	-	-	160,718	247,077
Depreciation	(32,211)	(33,126)	(8,305)	(1,005)	(15,739)	-	(56,255)	(34,131)
Other non cash expenses	(145,110)	(112,296)	(2,631)	(6,105)	(16,002)	-	(163,743)	(118,401)
Inter segment charges	1,703,635	357,503	(248,040)	(357,503)	(1,455,595)	-	-	-
Other expenses	(4,020,858)	(3,512,510)	(1,008,360)	(367,958)	(1,925,546)	(89,731)	(6,954,766)	(3,970,199)
Segment result	**(1,073,156)**	**(2,018,177)**	**(97,943)**	**(196,372)**	**(2,124,622)**	**(89,731)**	**(3,295,721)**	**(2,304,280)**
Income tax benefit	323,402	347,390	20,568	41,238	-	-	343,970	388,628
Loss for the period	**(749,754)**	**(1,670,787)**	**(77,375)**	**(155,134)**	**(2,124,622)**	**(89,731)**	**(2,951,751)**	**(1,915,652)**
Carrying amount of segment assets	956,143	3,699,653	2,718,750	2,831,622	3,068,164	-	6,743,057	6,531,275
Segment liabilities	1,054,170	562,146	53,358	103,323	1,129,966	-	2,237,494	665,469
Segment capital expenditure	(8,603)	(41,010)	(77,649)	(2,044)	(6,456)	-	(92,708)	(43,054)
Segment net cash flow	(2,859,773)	(267,419)	1,247,528	346,214	(1,483,732)	(89,731)	(3,095,977)	(10,936)

Secondary Reporting Format – Business Segments

Thelma

The Thelma service provides secure electronic health messaging and claiming services. The segment figures shown for the Thelma business relate to Australia, the UK and the US.

Billing

The MBC provides billing and other clerical services to specialist surgeons in the UK.
MRS provides billing and collection services to doctors in the US.

	Segment revenue from sales to external customers		Segment assets		Capital expenditure	
	2009	2008	2009	2008	2009	2008
	$	$	$	$	$	$
Thelma	1,264,588	1,035,175	956,143	3,699,653	8,603	41,010
Billing & Collections	2,453,616	536,199	5,786,914	2,831,622	84,105	2,044
	3,718,204	**1,571,374**	**6,743,057**	**6,531,275**	**92,708**	**43,054**

Notes To The Financial Statements

NOTE 5 BUSINESS COMBINATION

Acquisition of Medical Recovery Services, Inc (MRS)

Effective 31 December 2008, the group acquired Medical Recovery Services, Inc (MRS), a medical billing company, based in Georgia in the United States of America.

The purchase consideration involved an initial purchase price consisting of a combination of cash ($915,178), 4,785,055 fully paid ICSGlobal ordinary shares issued at a price of $0.175 per share ($837,384), loan financing from the vendor ($902,136) and 302,634 ICSGlobal employee options with an exercise price of 24 cents ($25,757).

The purchase agreement also made provision for future additional payments, based upon the performance of MRS, in the first two years of ownership by ICSGlobal. These potential additional payments will be calculated as follows:

Calculation of First Earn-Out Amount:

If a multiple of three (3) times the Earnings Before Interest and Tax (EBIT) for the first 12 months of ownership by ICSGlobal:

- is less than or equal to the Initial Purchase Price, the First Earn-Out Amount is zero; or
- exceeds the Initial Purchase Price, the Purchaser must pay the Seller a First Earn-Out Amount calculated as follows:

(First Earn-Out Amount = 3 x EBIT for the first 12 months - US$1,750,000.00)

Payment of the First Earn-Out Amount:

The Purchaser must pay the Seller the First Earn-Out Amount on the First Determination Date as follows:

- 50% of the First Earn-Out Amount in cash; and
- 50% of the First Earn-Out Amount by the issue of the First Earn-Out Shares in ICSGlobal.

Calculation of Second Earn-Out Amount:

If a multiple of three (3) times the EBIT for the second 12 months of ownership by ICSGlobal:

- is less than or equal to the sum of the Initial Purchase Price and the First Earn-Out Amount, the Second Earn-Out Amount will be zero; or
- exceeds the sum of the Initial Purchase Price and the First Earn-Out Amount, the Purchaser must pay the Seller a Second Earn-Out Amount calculated as follows:

(Second Earn-Out Amount = 3 x Second EBIT - US$1,750,000.00 - First Earn-Out Amount)

Payment of the Second Earn-Out Amount:

The Purchaser must pay the Seller the Second Earn-Out Amount on the Second Determination Date as follows:

- 50% of the Second Earn-Out Amount in cash; and
- 50% of the Second Earn-Out Amount by the issue of the Second Earn-Out Shares in ICSGlobal.

The total final cost of the acquisition, the value of the business and the associated goodwill has been determined on a preliminary basis. This has included recognising the estimated earn out payment of $366,989 related to the second earn out year. The cost of the acquisition reported at 31 December 2008 has also been adjusted to recognise the cost of the employee options of $25,757.

Notes To The Financial Statements

Details of the initial purchase consideration, assets acquired and resulting goodwill are as follows:

	$
Purchase Consideration	
Cash consideration	915,178
Equity consideration	837,384
Loan consideration	902,136
Share Option consideration: 302,634 employee options at exercise price of $0.24	25,757
Estimated Earn Out Payment for MRS	366,989
Direct costs relating to the acquisition	48,103
Total Purchase Consideration	**3,095,547**

	$
Assets and Liabilities Acquired:	
Fair value of identifiable assets acquired – plant and equipment	98,672
Fair value of provision for employee benefits	(11,852)
Goodwill on acquisition	3,008,727
Total Assets Purchased	**3,095,547**

	Group's Carrying Amount $	Fair Value $
Valuation of the identifiable assets and liabilities arising from the acquisition are as follows:		
Plant and equipment	**98,672**	**98,672**
Provision for employee benefits	**(11,852)**	**(11,852)**

Goodwill has arisen on the acquisition of Medical Recovery Services, Inc because of its business operations and profitability in providing patient billing service.

In the six months of ownership to 30 June 2009, the acquired business contributed revenues of $1,288,260 and a net loss of $60,055. The actual results for the first six months of ownership with were affected by delayed revenue from the second largest customer and additional costs associated with billing system changes at a number of customers.

If the acquisition had occurred on 1 July 2008, the acquired business would have contributed for the 12 month period revenue of $2,796,757 and net profit of $153,644.

Notes To The Financial Statements

Acquisition of London Patient Billing Service (Now trading as Medical Billing & Collection – [MBC])

Effective 1 December 2007, the Group acquired the business of MBC, which is based in the United Kingdom for $1,118,436 in cash and the issue of 4,568,406 shares in ICSGlobal Limited at the published price of $0.23 per share.

In the seven months of ownership to 30 June 2008, the acquired business contributed revenues of $536,199 and a net profit of $268,587. This net profit figure is before management charges from the parent entity of $357,503, and excludes costs associated with the marketing of Thelma in the UK of $66,218.

If the acquisition had occurred on 1 July 2007, the acquired business would have contributed for the 12 month period revenue of $873,078 and net profit of $428,161 (before management charges and Thelma marketing costs).

Details of the purchase consideration, assets acquired and resulting goodwill are as follows:

	$
Purchase Consideration	
Cash consideration	1,118,436
Equity consideration	1,050,733
Direct costs relating to the acquisition	49,872
Total Purchase Consideration	**2,219,041**

	$
Assets Acquired:	
Fair value of identifiable assets acquired – plant and equipment	4,759
Goodwill on acquisition	2,214,282
Total Assets Purchased	**2,219,041**

	Group's Carrying Amount $	Fair Value $
Valuation of the identifiable assets arising from the acquisition are as follows:		
Plant and equipment	**4,759**	**4,759**

Goodwill has arisen on the acquisition of MBC because of its established business operations and history of profitability.

Notes To The Financial Statements

NOTE 6 REVENUE

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Transaction revenue from external parties	901,473	699,049	-	-
Hospital and fund annual and other fees from external parties	328,975	326,776	-	-
Transaction fees, hospital and fund annual fees and other fees from Thelma Pty Ltd and Thelma-EU Ltd and Thelma-US, Inc management fees	-	-	2,943,449	1,388,728
Billing service revenue	2,453,616	536,199	-	-
Consulting revenue	34,140	9,350	20,000	-
	3,718,204	1,571,374	2,963,449	1,388,728
Other revenue				
Export Market Development Grant	38,747	74,020	38,747	74,020
Interest	122,092	173,057	117,933	172,854
	160,839	247,077	156,680	246,874
Total Revenue	3,879,043	1,818,451	3,120,129	1,635,602

NOTE 7 EXPENSES

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Loss before income tax includes the following specific expenses				
Research and development	905,000	876,000	905,000	876,000
Lease rental expense – minimum lease payments	418,569	301,206	275,327	263,918
Depreciation of plant and equipment	56,225	34,131	32,211	33,126

Notes To The Financial Statements

NOTE 8 INCOME TAX

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Income tax benefit				
Current tax	323,402	347,390	323,402	347,390
Deferred tax	20,568	41,238	-	-
	343,970	**388,628**	**323,402**	**347,390**
Numerical reconciliation of income tax expense to prima facie tax payable				
Loss from continuing operations	(3,295,721)	(2,304,280)	(3,073,156)	(2,107,904)
Tax at the Australian tax rate of 30% (2008 – 30%)	(988,716)	(691,284)	(921,947)	(632,372)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income				
Share issue expenses	-	(3,227)	-	(3,227)
Entertainment	1,286	1,830	1,286	1,830
Legal Fees	131,675	26,951	131,675	26,951
R & D claimed	259,652	283,640	259,652	283,640
Current year losses not recognised	566,720	323,178	529,334	323,178
	959,333	**632,372**	**921,947**	**632,372**
Difference in overseas tax rates	8,815	17,674	-	-
Income Tax (Revenue) Attributable To Operating Profit	(20,568)	(41,238)	-	-
Income Tax (Revenue) From R & D Claim	**(323,402)**	**(347,390)**	**(323,402)**	**(347,390)**
NON CURRENT ASSETS				
Deferred tax asset related to UK tax losses	**61,806**	**41,238**	**-**	**-**

United Kingdom

The potential future income tax benefits attributable to the tax loss in the UK for the 2009 financial year of $20,568 (applied at the UK tax rate of 21% applicable to the size of the business) has been recognised as a deferred tax asset as the directors believe it is appropriate to regard realisation of the future income tax benefit as probable.

United States

Potential future income tax benefits in the US attributable to tax losses amounting to approximately $849,849 for the Group, calculated at a US tax rate of 40%, have not been brought to account because the directors do not believe it is appropriate to regard realisation of the future income tax benefit as probable. These benefits will only be obtained if:

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

Notes To The Financial Statements

Australia

Potential future income tax benefits attributable to tax losses carried forward amounting to $6,902,624 for the Group, calculated at a tax rate of 30%, (2008: $6,335,904 at 30%) have not been brought to account because the directors do not believe it is appropriate to regard realisation of the future income tax benefit as probable. These benefits will only be obtained if:

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

The balance of the franking account as at 30 June 2009 was as a credit of $79,407 (2008: $79,407).

NOTE 9 CASH AND CASH EQUIVALENTS

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Cash and Cash Equivalents	471,039	3,567,016	325,242	3,185,015

NOTE 10 TRADE AND OTHER RECEIVABLES

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
CURRENT				
Trade accounts receivable	355,811	372,319	-	-
Prepayments	64,175	43,093	64,175	43,093
Loans to related parties	-	-	702,748	500,000
GST and VAT Refunds	44,457	37,787	44,457	33,637
Total Trade and Other Receivables – Current	464,443	453,199	811,380	576,730
NON CURRENT				
Loans to related parties	-	-	4,421,239	1,471,359
Less Provision for impairment of Thelma-US loan	-	-	(2,000,000)	-
Total Trade and Other Receivables – Non Current	-	-	2,421,239	1,471,359

The Group has recognised a provision for impairment of related party loans of $2,000,000 in relation to amounts owed to ICSGlobal from Thelma-US.

Based on the Group's collection history and the collections since year end, the Group has not recognised any losses in respect of bad and doubtful external trade receivables during the years ended 30 June 2008 and 30 June 2009.

Notes To The Financial Statements

External trade accounts receivables past due but not impaired totalled $19,212 (2008: $42,461). The Group aged accounts receivable as at 30 June was as follows:

	Current $	30 – 60 Days $	60 – 90 Days $	90+ Days $	Total $
2009	245,029	69,324	22,246	19,212	355,811
2008	197,182	87,237	45,439	42,461	372,319

Further information relating to loans to related parties is set out in note 26.

Further information relating to the Group's exposure to interest rate risk and credit risk is set out in note 19.

NOTE 11 OTHER FINANCIAL ASSETS

	Consolidated		ICSGlobal Limited	
	2009 $	2008 $	2009 $	2008 $
NON CURRENT				
Investment in Thelma Pty Ltd – at cost	-	-	100	100
Investment in Thelma-EU Limited – at cost	-	-	1,100,611	1,100,611
Investment in MRS – at cost	-	-	863,143	-
Total Other Financial Assets – Non Current	**-**	**-**	**1,963,854**	**1,100,711**

Further information relating to investment in subsidiaries is set out in note 27.

NOTE 12 HELD-TO-MATURITY INVESTMENTS

	Consolidated		ICSGlobal Limited	
	2009 $	2008 $	2009 $	2008 $
NON CURRENT				
Term deposit[1]	230,805	140,805	230,805	140,805
Rental deposit[2]	28,222	28,474	-	-
Rental deposit[3]	42,347	-	-	-
Total Held-to-Maturity Investments – Non Current	**301,374**	**169,279**	**230,805**	**140,805**

[1] The term deposit is a standard commercial guarantee relating to the lease of the premises used as the principal place of business and registered office of the Group. The term deposit is in ICSGlobal's name and is measured at fair value.

[2] The rental deposits relate to premises formerly occupied by the MBC. The deposits are held by the landlord until the expiry of the term of the leases and are subject to the satisfactory performance of all tenant covenants on the leases. The deposits are held in an interest bearing deposit account with the Landlord's bank and all interest revenue is remitted back to the Group.

[3] The rental deposits relate to the new premises occupied by the MBC. The deposits are held by the landlord until the expiry of the term of the leases and are subject to the satisfactory performance of all tenant covenants on the leases. The deposits are held in an interest bearing deposit account with the Landlord's bank and all interest revenue is remitted back to the Group.

Further information relating to the Group's exposure to interest rate risk is set out in note 19.

Notes To The Financial Statements

NOTE 13 PLANT AND EQUIPMENT

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
NON CURRENT				
Leasehold improvements				
At cost	324,131	250,055	250,055	250,055
Accumulated depreciation	(253,759)	(250,055)	(250,055)	(250,055)
	70,372	-	-	-
Office Furniture and Equipment				
At cost	196,549	139,986	135,227	135,227
Accumulated depreciation	(136,724)	(125,449)	(124,969)	(124,699)
	59,825	14,537	10,258	10,528
Computer Equipment				
At cost	302,927	861,824	250,675	859,780
Accumulated depreciation	(211,738)	(790,100)	(204,078)	(789,845)
	91,189	71,724	46,597	69,935
Total Plant and Equipment – Non Current	221,386	86,261	56,855	80,463

Consolidated: 2009	Leasehold Improvements	Office Furniture and Equipment	Computer Equipment	Total
	$	$	$	$
Balance at the beginning of the year	-	14,537	71,724	86,261
Additions	74,076	-	18,632	92,708
Acquisitions through business combination	-	57,880	40,792	98,672
Depreciation expense	(3,704)	(12,592)	(39,959)	(56,255)
Balance at the end of the year	70,372	59,825	91,189	221,386

ICSGlobal Limited: 2009	Leasehold Improvements	Office Furniture and Equipment	Computer Equipment	Total
	$	$	$	$
Balance at the beginning of the year	-	10,528	69,935	80,463
Additions	-	-	8,603	8,603
Depreciation expense	-	(270)	(31,941)	(32,211)
Balance at the end of the year	-	10,258	46,597	56,855

Notes To The Financial Statements

NOTE 14 INTANGIBLE ASSETS

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
NON CURRENT				
Goodwill	5,223,009	2,214,282	-	-
Total Intangible Assets – Non Current	5,223,009	2,214,282	-	-
Balance at the beginning of the year	2,214,282	-	-	-
Acquisition through business combination	3,008,727	2,214,282	-	-
Balance at the end of the year	5,223,009	2,214,282	-	-

Goodwill is allocated to the Group's cash generating units (CGU) identified according to business segment and country of operation.

A segment - level summary of the goodwill allocation is presented below:

	2009	2008
	$	$
MBC (UK)	2,214,282	2,214,282
MRS (US)	3,008,727	-
Total	5,223,009	2,214,282

The recoverable amount of each cash-generating unit above is determined based on value in use calculations in the functional currency of the respective CGU. Value in use is calculated based on the present value of cash flow projections over a 5 year period plus a terminal value based on the net cashflows in year five. The cash flows are discounted using the weighted average cost of capital calculated for each CGU which has been estimated to be 15.0%. The cash flows are based on forecasts for each CGU. These forecasts use estimated growth rates to project revenue and expenses.

The forecast for MBC reflects management's expectation with respect to revenue growth and the cost to service the expected revenue. These forecasts vary from the actual results as management expects that the investment in the business in the last 18 months will enable it to generate significant additional revenue with a smaller increase in costs.

The forecast for MRS reflects management's expectation with respect to revenue growth and the cost to service the expected revenue. These forecasts vary from the actual results for the first seven months of ownership with were affected by delayed revenue from the second largest customer and additional costs associated with billing system changes at a number of customers.

Discount rates are pre-tax and are adjusted to incorporate risks associated with a particular CGU.

Key assumptions used to test impairment are as follows:

	Annual Growth Rate - Revenue		Annual Growth Rate - Costs		Discount Rate		Terminal Value Growth	
	2009	2008	2009	2008	2009	2008	2009	2008
MBC (UK)	10.4%	10.0%	9.6%	10.0%	15.0%	7.25%	2.0%	2.0%
MRS (US)	8.0%	n/a	7.1%	n/a	15.0%	n/a	2.0%	n/a

Sensitivity of Analysis

Based on the management forecasts, even with no terminal value, MRS is not impaired and MBC would only be impaired by $48,000.

Notes To The Financial Statements

NOTE 15 TRADE AND OTHER PAYABLES

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
CURRENT				
Trade creditors	315,793	222,327	314,953	133,894
Sundry creditors and accruals	422,429	86,483	303,275	49,088
Total Trade and Other Payables – Current	**738,222**	**308,810**	**618,228**	**182,982**

NOTE 16 NOTE PAYABLE

As part of the acquisition of the MRS business, Thelma-US entered into a loan agreement with Donna Murphy, for the amount of US$625,000 with a fixed interest rate of 10%. The note is to be repaid in 23 monthly instalments of principal and interest of US$15,851.61 plus a final payment on or before 1 January 2011 of US$359,269.65. This loan is secured against the shares of Medical Recovery Services Inc. The balance of this loan is as follows:

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
CURRENT				
Note payable to Donna Murphy	173,240	-	-	-
Total Note Payable – Current	**173,240**	**-**	**-**	**-**
NON CURRENT				
Note payable to Donna Murphy	516,673	-	-	-
Total Note Payable – Non Current	**516,673**	**-**	**-**	**-**

NOTE 17 PROVISIONS

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
CURRENT				
Employee annual leave entitlements	209,840	157,174	171,646	151,069
Total Provisions – Current	**209,840**	**157,174**	**171,646**	**151,069**
NON CURRENT				
Employee long service leave entitlements	204,699	171,554	204,699	171,554
Directors retirement benefits[1]	27,931	27,931	27,931	27,931
Estimated earn out payment for MRS	366,989	-	-	-
Total Provisions – Non Current	**599,619**	**199,485**	**232,630**	**199,485**

[1] In July 2003, the directors made a decision to discontinue the non-executive directors' retirement benefits scheme. Accordingly, no benefits have been accrued since 30 June 2003. Amounts accrued under the scheme prior to 30 June 2003 will be paid to the respective non-executive director upon their retirement.

Notes To The Financial Statements

NOTE 18 COMMITMENTS AND CONTINGENCIES

Medicare Litigation

On 11 August 2008, Thelma Pty Limited ('Thelma'), a wholly owned subsidiary of ICSGlobal, filed an application in the Federal Court of Australia alleging anti-competitive conduct by Medicare Australia. In essence, Thelma alleged that Medicare Australia has unlawfully used its market power in providing electronic private health transaction services, identical to those provided by Thelma, into the private health sector, free of charge, in direct competition to Thelma, for the purpose or effect of eliminating or substantially damaging Thelma and/or to deter or prevent Thelma from engaging in competitive conduct.

Thelma has estimated its loss and damage in excess of $65 million and the Federal Court hearing has been listed for 30 November 2009.

While the Board of ICSGlobal is confident of the merits of Thelma's claims against Medicare Australia, there is no assurance that Thelma's claims will be upheld in Court or that, if its claims are upheld, it will recover its estimated loss and damage in full.

If the claims are not upheld, ICSGlobal would be liable for Medicare Australia's legal costs. The Board of ICSGlobal is confident of the merits of Thelma's claims against Medicare Australia and believes that the recording of a provision in the accounts is not currently warranted.

Operating Leases

The Group has six operating leases, which have not been capitalised in the financial statements.

Details of the operating leases are as follows:

Lease	Cancellable	Term	Payments In Advance	Option To Renew	Allow For Sub-Letting
Registered Office	No	30 June 2012	Yes	No	Yes
Data Centre Hosting	No	2 August 2009	No	Yes	No
MBC UK – premises 1	No	21 July 2009	Yes	No	Yes
MBC UK – premises 2	No	21 July 2011	Yes	No	Yes
MBC UK – premises 3	No	8 April 2014	Yes	No	Yes
MRS US	No	31 Dec 2011	Yes	Yes	Yes

A new lease for the Registered Office at 201 Kent Street, Sydney, NSW Australia commenced on 1 July 2008. The new lease includes the potential for make good to be carried out at the expiration of the lease term. A provision for make good of $24,000 per annum will be made for the term of the new lease. A standard commercial guarantee relating to the lease of the premises exists. As at 30 June 2009 the fair value of the guarantee was $ 230,756 (2008 $140,805).

As at 30 June 2009, MBC had three premises in the UK under lease.

- Premises 1, this lease expired on 21 July 2009
- Premises 2, the company is currently negotiating to sublet this lease
- Premises 3, is the new premises that the MBC business moved into on 9 April 2009.

Three standard rental bonds relating to the leases of the premises existed. As at 30 June 2009 the fair value of the guarantees was $ 70,569 (2008 $ 28,474).

As part of the acquisition of the MRS business, MRS entered into a lease agreement with Donna M. Murphy LLC, (an entity associated with Donna Murphy), for the lease of the premises at 6501 Peake Road, Building 1100, Macon Georgia. The term commences on 1 January 2009 and shall continue for 3 years.

	Consolidated		ICSGlobal Limited	
	2009 $	2008 $	2009 $	2008 $
Payable:				
Not later than 1 year	704,143	490,410	437,951	421,293
Later than 1 year but not later than 5 years	1,543,234	1,503,040	923,629	1,358,855
Total Operating Lease Commitments	**2,247,377**	**1,993,450**	**1,361,580**	**1,780,148**

Notes To The Financial Statements

NOTE 19 FINANCIAL RISK MANAGEMENT

Financial Risk Management Policies

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to subsidiaries. The main financial instrument is cash held for working capital.

The Group's risk management policies are approved and reviewed by the Board on a regular basis. These include the use of credit risk policies and future cash flow forecasts.

The main concentration of risks the Group is exposed to through its financial instruments is foreign currency risk because of its operations overseas. Interest rate risk is limited to interest income on cash and cash equivalents since the Group has no financial liabilities that are exposed to interest rates.

Foreign Currency Risk

The Group is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the Group's measurement currency. The Group has assets and liabilities in currencies other than the Group's measurement currency.

Revenue from Australian customers is billed and received in Australian dollars. Expenses are paid in Australian dollars. Assets and liabilities are held in Australian dollars.

Revenue from MBC customers is billed and received by Thelma-EU Limited in UK pounds sterling. Expenses are paid in UK pounds sterling. Assets and liabilities are held in UK pounds sterling.

Revenue from Thelma-US Inc. and MRS customers is billed and received in US dollars. Expenses are paid in US dollars. Assets and liabilities are held in US dollars.

The Group does not have any foreign currency hedges in place.

Interest Rate Risk

The Group has no financial liabilities that are exposed to interest rate risk.

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

Financial instrument composition and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments.

Consolidated - 2009 All items have maturity within 1 year	Non Interest Bearing 2009 $	Floating Interest Rate 2009	Fixed Interest Rate 2009 $	Total 2009 $
Financial Assets				
Cash and cash equivalents	-	471,039	-	471,039
Term deposit	-	230,805	-	230,805
Rental deposit	-	70,569	-	70,569
Trade receivables	355,811	-	-	355,811
Other receivables	108,632	-	-	108,632
Total Financial Assets	**464,443**	**772,413**	**-**	**1,236,856**
Weighted Average Interest Rate		6.2%		
Financial Liabilities				
Trade payables	738,222	-		738,222
Note payable – purchase MRS	-	-	689,913	689,913
Total Financial Liabilities	**738,222**	**-**	**689,913**	**1,428,135**
Interest Rate			10.0 %	

Notes To The Financial Statements

Consolidated - 2008 All items have maturity within 1 year	Non Interest Bearing 2008 $	Floating Interest Rate 2008 $	Total 2008 $
Financial Assets			
Cash and cash equivalents	-	3,567,016	3,567,016
Term deposit	-	140,805	140,805
Rental deposit	-	28,474	28,474
Trade receivables	372,319	-	372,319
Other receivables	80,880	-	80,880
Total Financial Assets	**453,199**	**3,736,295**	**4,189,494**
Financial Liabilities			
Trade payables	308,810	-	308,810
Total Financial Liabilities	**308,810**	**-**	**308,810**
Weighted Average Interest Rate	N/A	6.8%	

Trade and sundry payables are expected to be paid as follows:

	Consolidated		ICSGlobal Limited	
	2009 $	2008 $	2009 $	2008 $
Less than 6 months	738,123	308,810	618,228	182,981
More than 6 months	-	-	-	-
	738,123	**308,810**	**618,228**	**182,981**

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions, as disclosed in the Balance Sheet and Notes to the financial statements. The Group does not have any material credit risk exposure to any single debtor or Group of debtors under financial instruments entered into by the Group.

Credit risk is managed by using banks with an 'A' financial rating for deposits and assessing potential customers for credit worthiness taking into account their size, market position and financial standing.

Net Fair Values

The aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date are materially equal because all maturity and settlement dates are within one year.

Sensitivity Analysis

The Group has performed a sensitivity analysis relating to interest rate risk and foreign currency risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity, which could result from a change in these risks.

Notes To The Financial Statements

Foreign Currency Risk Sensitivity Analysis

At 30 June 2009, the effect on profit and equity as a result of changes in the value of the Australian Dollar to the UK Pound and US Dollar, with all other variables remaining constant would be as follows:

Foreign Currency Risk Sensitivity Analysis	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Change in loss				
- Improvement in AUD to UK Pounds Sterling by 5%	8,533	(7,760)	-	-
- Decline in AUD to UK Pounds Sterling by 5%	(8,533)	7,760	-	-
- Improvement in AUD to US Dollar by 5%	(33,451)	-	-	-
- Decline in AUD to US Dollar by 5%	33,451	-	-	-
Change in equity				
- Improvement in AUD to UK Pounds Sterling by 5%	(13,591)	(23,643)	-	-
- Decline in AUD to UK Pounds Sterling by 5%	13,591	23,643	-	-
- Improvement in AUD to US Dollar by 5%	(33,319)	-	-	-
- Decline in AUD to US Dollar by 5%	33,319	-	-	-

Interest Rate Sensitivity Analysis

At 30 June 2009, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

Interest Rate Sensitivity Analysis	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Change in loss				
- Increase in interest rates by 2%	39,385	74,726	39,385	50,880
- Decrease in interest rates by 2%	(39,385)	(74,726)	(39,385)	(50,880)
Change in equity				
- Increase in interest rates by 2%	39,385	74,726	39,385	50,880
- Decrease in interest rates by 2%	(39,385)	(74,726)	(39,385)	(50,880)

Notes To The Financial Statements

NOTE 20 RECONCILIATION OF NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES TO OPERATING LOSS AFTER INCOME TAX

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Operating loss after income tax	(2,951,751)	(1,915,652)	(2,749,754)	(1,760,514)
Depreciation	56,255	34,131	32,211	33,126
Non-cash employee benefits expense – share based payments	91,388	81,262	91,388	81,262
Provision for impairment of related party loan	-	-	2,000,000	-
(Increase)/Decrease in trade accounts receivable	16,508	(186,541)	-	-
(Increase)/Decrease in loans to related parties	-	-	(2,189,347)	(657,271)
(Increase)/Decrease in held-to-maturity investments	(132,095)	(28,474)	(90,000)	-
(Increase)/Decrease in GST refund	(6,670)	(24,024)	(10,820)	5,824
(Increase)/Decrease in prepayments	(21,082)	(4,982)	(21,082)	(4,982)
(Increase)/Decrease in deferred tax	(20,568)	(41,238)	-	-
Increase/(Decrease) in trade payables	429,313	28,995	435,246	(96,825)
Increase/(Decrease) in employee benefits	74,061	37,139	53,722	31,034
(Increase)/Decrease in exchange rate translation	(44,301)	(603)	-	-
Net Cash (Used) In Operating Activities	(2,508,942)	(2,019,987)	(2,448,436)	(2,368,346)

Notes To The Financial Statements

NOTE 21 CONTRIBUTED EQUITY AND RESERVES

Share Capital	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Ordinary Shares fully paid	32,595,838	31,197,907	32,595,838	31,197,907

The Group's capital includes ordinary share capital. There are no externally imposed capital requirements.

Management controls the capital of the Group in order to ensure that the Group has appropriate working capital on hand at all times to fund its operations. During the 2008 and 2009 financial years, the Group has issued shares to raise additional working capital and to fund acquisitions. On 24 August 2009, the Group announced that it had raised a further $2,050,000 in cash by issuing 20,500,000 new shares via a renounceable pro rata rights issue.

There have been no changes in the strategy adopted by management since the prior year.

Consolidated	Number of Shares		$	
	2009	2008	2009	2008
Ordinary Shares at beginning of the financial year	140,739,720	110,030,705		
Opening Capital			31,197,907	26,926,761
Shares issued during the year / Proceeds of Capital Raising:				
Shares issued as part of the consideration for the acquisition of MBC on 3 Dec 07		4,568,406		1,050,733
Rights Issue Shares issued on 15 April 2008 @ $0.13 each		26,099,792		3,392,973
Shares issued on 15 May 2008 @ $0.245 each		40,817		10,000
Shares issued on 31 December 2008 as part of the consideration for the acquisition of MRS	4,785,055	-	837,385	-
Shares placed on 21 January 2009 @ $0.13 each	4,461,197		579,956	
Capital Raising Expenses		-	(19,410)	(182,560)
Total Shares On Issue / Closing Balance	**149,985,972**	**140,739,720**	**32,595,838**	**31,197,907**

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

Share Based Payments Reserve	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Balance at the beginning of the year	594,073	465,021	594,073	465,021
Option expense	91,388	129,052	91,388	129,052
Options issued in part consideration for MRS	25,758	-	25,758	-
Balance at the end of the year	**711,219**	**594,073**	**711,219**	**594,073**

The share based payments reserve is used to recognise the fair value of options issued to employees but not exercised.

Notes To The Financial Statements

Accumulated Losses	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Balance at the beginning of the year	(25,925,569)	(24,009,917)	(25,770,432)	(24,009,918)
Loss for the year	(2,951,751)	(1,915,652)	(749,754)	(1,760,515)
Balance at the end of the year	**(28,877,320)**	**(25,925,569)**	**(26,520,186)**	**(25,770,433)**

Foreign Currency Translation Reserve	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Balance at the beginning of the year	(603)	-	-	-
Pound Sterling translation	(38,710)	(603)	-	-
US Dollar translation	115,039	-		
Balance at the end of the year	**75,726**	**(603)**	**-**	**-**

Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve. The reserve is recognised in profit and loss when the net investment is disposed of.

NOTE 22 EARNINGS PER SHARE

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
Basic earnings per share	(2.0) cents	(1.6) cents	(1.9) cents	(1.5) cents
Diluted earnings per share	(2.0) cents	(1.6) cents	(1.9) cents	(1.5) cents
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share and diluted earnings per share	145,032,770	118,160,585	145,032,770	118,160,585
Loss used to calculate basic earnings per share and fully diluted earnings per share	(2,951,751)	(1,915,652)	(2,749,754)	(1,760,514)

Notes To The Financial Statements

NOTE 23 AUDITOR'S REMUNERATION

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
The Auditor's provided the following services to the Group:				
Audit Services				
Audit and review of financial reports and other audit work under the Corporations Act 2001	50,865	34,610	50,865	34,610
Total Remuneration for Audit Services	**50,865**	**34,610**	**50,865**	**34,610**
Taxation Services				
Tax returns – assistance	8,420	7,130	8,420	7,130
Tax advice	-	875	-	875
Export market development grant - assistance	4,277	7,000	4,277	7,000
R & D tax concession offset claim - assistance	25,000	25,000	25,000	25,000
Other Services				
Workers Compensation Audit	-	850	-	850
Total Remuneration for Non-Audit Services	**37,697**	**40,855**	**37,697**	**40,855**

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

Notes To The Financial Statements

NOTE 24 SHARE BASED PAYMENTS

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

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

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

No option may be issued under the Plan Rules if:

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

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

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

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

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

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

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

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

Type 1:

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

Type 2:

- Performance options granted to certain executives, which vest upon the achievement of specified performance milestones.

Notes To The Financial Statements

Movement in Number of Issued Employee Options

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
Opening Balance – Number of Options	7,950,000	1,825,000	7,950,000	1,825,000
Number of Options Issued	2,427,634	6,400,000	2,427,634	6,400,000
Number of Options Exercised	-	-	-	-
Number of Options Cancelled or Lapsed	(2,025,000)	(275,000)	(2,025,000)	(275,000)
Closing Balance – Number of Options	**8,352,634**	**7,950,000**	**8,352,634**	**7,950,000**

Grant Date	Expiry Date	Exercise Price	Balance at Start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at end of the year	Vested & Exercisable at end of the year
			Number	Number	Number	Number	Number	Number
CONSOLIDATED AND PARENT ENTITY 2009								
7 July 2003	8 July 2008	$0.10	175,000	-	-	175,000	-	-
Dates between 1 Dec 2004 & 6 Aug 2007	Dates between 30 Nov 2009 & 5 Aug 2012	$0.50	1,625,000	-	-	275,000	1,350,000	1,302,945
21 Dec 2007	20 Dec 2012	$0.32	3,900,000	-	-	475,000	3,425,000	1,729,498
19 Feb 2008	20 Feb 2013	$0.38	250,000	-	-	250,000	-	-
1 Mar 2008	28 Feb 2013	$0.30	2,000,000	-	-	2,000,000	-	-
1 July 2008	30 June 2013	$0.35	-	1,500,000	-	-	1,500,000	166,667
15 July 2008	14 July 2013	$0.33	-	750,000		750,000	-	-
21 July 2008	20 July 2013	$0.35	-	75,000			75,000	23,562
16 Sept 2008	15 Sept 2008	$0.35	-	75,000			75,000	19,658
23 Dec 2008	22 Dec 2013	$0.20	-	2,125,000		500,000	1,625,000	284,795
31 Dec 2008	30 Dec 2013	$0.24	-	302,634	-	-	302,634	302,634
Total			**7,950,000**	**4,827,634**	**-**	**4,425,000**	**8,352,634**	**3,829,759**
Weighted average exercise price			$0.35	$0.27		$0.30	$0.33	$0.37

Notes To The Financial Statements

Grant Date	Expiry Date	Exercise Price	Balance at Start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at end of the year	Vested & Exercisable at end of the year
			Number	Number	Number	Number	Number	Number
CONSOLIDATED AND PARENT ENTITY 2008								
7 July 2003	8 July 2008	$0.10	175,000	-	-	-	175,000	-
Dates between 1 Dec 2004 & 6 Aug 2007	Dates between 30 Nov 2009 & 5 Aug 2012	$0.50	1,650,000	200,000	-	(225,000)	1,625,000	1,250,000
21 Dec 2007	20 Dec 2012	$0.32	-	3,950,000	-	(50,000)	3,900,000	-
19 Feb 2008	20 Feb 2013	$0.38	-	250,000	-	-	250,000	-
1 Mar 2008	28 Feb 2013	$0.30	-	2,000,000	-	-	2,000,000	-
Total			1,825,000	6,400,000	-	(275,000)	7,950,000	1,250,000
Weighted average exercise price			$0.46	$0.32	-	$0.47	$0.35	$0.50

The weighted average share price at the date of exercise of options exercised regularly during the year ended 30 June 2009 is not applicable since no options were exercised. (2008 - Nil).

The weighted average remaining contractual life of share options outstanding at the end of the period was 3.47 years (2008 – 4.2 years).

Fair value at grant date of options granted during the year ended 30 June 2009 was 6.4 cents per option (2008: 10.7 cents per option). The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free rate for the term of the option.

Notes To The Financial Statements

NOTE 25 KEY MANAGEMENT PERSONNEL DISCLOSURES

Key Management Personnel

Directors

The following persons were directors of ICSGlobal Limited during the financial year:

- Ross M. Bunyon is the non executive Chairman of ICSGlobal Limited
- Timothy J. Murray is employed by ICSGlobal Limited and holds the positions of Chief Executive Officer and Managing Director of the Group and director of THELMA-EU Limited & THELMA-US Inc.
- Geoffrey E. Lambert is a non-executive director of ICSGlobal Limited

Other Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the financial year:

- Lindsay Martin is employed by ICSGlobal Limited and holds the positions of Chief Financial Officer and Company Secretary (appointed Company Secretary on 4 March 2009) of the Group and director of THELMA-EU Limited & THELMA-US Inc.
- Daniel Rigby is employed by ICSGlobal Limited and holds the position of Delivery Manager
- Tom Walther is employed by ICSGlobal Limited and holds the position of Company Secretary and Accountant
- Kim Horn was employed by ICSGlobal Limited and held the position of Solution Architect.
- Bachman P. Fulmer was employed by Thelma-US Inc. and held the positions of President and CEO of THELMA-US Inc. and director of THELMA-US Inc from 1 March 2008 until his resignation on 9 July 2009.
- Garry Chapman is employed by Thelma-EU Limited and holds the position of General Manager of Medical Billing & Collection (appointed 1 July 2008)
- Donna Murphy is employed by Medical Recovery Services Inc. and holds the position of Executive Vice President.

Key Management Personnel Compensation

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Short-term employee benefits	1,348,396	994,862	1,084,170	994,862
Post-employment benefits	78,022	114,370	111,129	114,370
Share-based payments	81,144	49,145	97,406	29,212
	1,507,562	1,158,377	1,292,705	1,138,444

The Group has taken advantage of the relief provided by Corporations Regulation 2M.6.04 and has transferred the detailed remuneration disclosures to the Directors' Report. The relevant information can be found in the Remuneration Report on pages 17 - 29.

Notes To The Financial Statements

Share Holdings

The numbers of shares in the Company held during the financial year by each director of ICSGlobal Limited and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the financial year as remuneration.

Group 2009	Balance at the start of the year	Business Acquisition Consideration	On Market (Sale) / Purchase during the year	Balance at the end of the year
DIRECTORS				
R. Bunyon [1]	640,000	-	-	640,000
T. Murray [2]	16,933,333	-	-	16,933,333
G. Lambert [2]	580,001	-	-	580,001
TOTAL	18,153,334	-	-	18,153,334
KEY MANAGEMENT PERSONNEL				
L. Martin [3]	618,346	-	(72,000)	546,346
D. Rigby	-	-	-	-
G. Chapman	-	-	-	-
B. Fulmer	100,000	-	-	100,000
D. Murphy	-	4,785,055		4,785,055
T. Walther	20,000	-	-	20,000
K. Horn	-	-	-	-
TOTAL	738,346	4,785,055	(72,000)	5,451,401

[1] Shares held by an entity associated with the director

[2] Shares held by two entities associated with the director

[3] Shares held by the executive officer and a related party of the executive officer

Group 2008	Balance at the start of the year	Rights Issue of Shares during the year	On Market (Sale) / Purchase during the year	Balance at the end of the year
DIRECTORS				
R. Bunyon [1]	100,000	540,000	-	640,000
T. Murray [2]	13,587,179	3,346,154	-	16,933,333
G. Lambert [2]	57,143	522,858	-	580,001
TOTAL	13,744,322	4,409,012	-	18,153,334
KEY MANAGEMENT PERSONNEL				
L. Martin [3]	512,190	153,847	(47,691)	618,346
T. Walther	20,000	-	-	20,000
D. Rigby	-	-	-	-
B. Fulmer	-	100,000	-	100,000
TOTAL	532,190	253,847	(47,691)	738,346

[1] Shares held by an entity associated with the director

[2] Shares held by two entities associated with the director

[3] Shares held by the executive officer and a related party of the executive officer

Notes To The Financial Statements

Option Holdings

The number of options over ordinary shares in the Group held during the financial year by each director of ICSGlobal Limited and other key management personnel of the Group are set out below.

Group 2009	Balance at the start of the year	Granted as Compensation	Options Exercised during the year	Options that Expired during the year	Balance at end of year	Total Exercisable at end of year	Total Unexercisable at end of year
DIRECTORS							
R. Bunyon	-	-	-	-	-	-	-
T. Murray	1,000,000	-	-		1,000,000	1,000,000	-
G. Lambert	-	-	-	-	-	-	-
TOTAL	1,000,000	-	-	-	1,000,000	1,000,000	-
KEY MANAGEMENT PERSONNEL							
L. Martin	1,400,000	600,000	-	-	2,000,000	938,539	1,061,461
D. Rigby	975,000	150,000	-	-	1,125,000	507,831	617,169
B. Fulmer	2,000,000	-	-	2,000,000	-	-	-
G. Chapman	-	1,500,000	-	-	1,500,000	166,667	1,333,333
D. Murphy	-	302,634	-	-	302,634	302,634	-
T. Walther	450,000	150,000	-	-	600,000	340,776	259,224
K. Horn	250,000	250,000		500,000	-	-	-
TOTAL	5,075,000	2,952,634	-	2,500,000	5,527,634	2,256,447	3,271,187

Group 2008	Balance at the start of the year	Granted as Compensation	Options Exercised during the year	Options that Expired during the year	Balance at end of year	Total Exercisable at end of year	Total Unexercisable at end of year
DIRECTORS							
R. Bunyon	-	-	-	-	-	-	-
T. Murray	1,000,000	-	-	-	1,000,000	1,000,000	-
G. Lambert	-	-	-	-	-	-	-
TOTAL	1,000,000	-	-	-	1,000,000	1,000,000	-
KEY MANAGEMENT PERSONNEL							
L. Martin	350,000	1,150,000	-	100,000	1,400,000	150,000	1,250,000
D. Rigby	200,000	800,000	-	25,000	975,000	150,000	825,000
T. Walther	225,000	275,000	-	50,000	450,000	125,000	325,000
B. Fulmer	-	2,000,000	-	-	2,000,000	-	2,000,000
TOTAL	775,000	4,225,000	-	175,000	4,825,000	425,000	4,400,000

Notes To The Financial Statements

Other Transactions with Key Management Personnel

Thelma-US purchased Medical Recovery Services Inc from Donna Murphy on 31 December 2008. The details of this transaction are disclosed in note 5.

- As part of the acquisition of the MRS business, MRS entered into a lease agreement with Donna M. Murphy LLC, (an entity associated with Donna Murphy), for the lease of the premises at 6501 Peake Road, Building 1100, Macon Georgia. The term commences on 1 January 2009 and shall continue for 3 years. The rent of US$5,833 per month is in line with normal commercial terms
- As part of the acquisition of the MRS business, Thelma-US entered into a loan agreement with Donna Murphy, for the amount of US$525,000 with a fixed interest rate of 10%. The note is to be repaid in 23 monthly instalments of principal and interest of US$15,851.61 plus a final payment on or before 1 January 2011 of US$359,269.65. The balance of this loan as at 30 June 2009 is A$689,913. This loan is secured against the shares of Medical Recovery Services Inc.
- MRS was a family business. A number of the employees in MRS are related to Donna Murphy. All of these employees are employed on normal commercial terms.

There are no other transactions during the 2008 or 2009 financial years with parties related to the directors or key management personnel.

NOTE 26 RELATED PARTY TRANSACTIONS

The ultimate parent entity within the Group is ICSGlobal Limited.

Interests in subsidiaries are set out in note 27.

Disclosures relating to key management personnel are set out in note 25.

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Fees payable to ICSGlobal Limited:				
Transaction fees, annual fees and other fees from Thelma Pty Ltd	-	-	1,239,814	1,031,225
Management fee from Thelma-EU Limited	-	-	248,040	357,503
Management fee from Thelma-US, Inc.	-	-	431,276	-
Thelma development and operation costs for the US payable by Thelma-US, Inc	-	-	1,024,319	-
	-	-	2,943,449	1,388,728

	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
	$	$	$	$
Loans payable to ICSGlobal Limited:				
Thelma Pty Ltd loan account balance	-	-	202,748	187,934
Thelma-EU Limited loan account balance	-	-	1,836,602	1,783,425
Thelma-US, Inc. loan account balance	-		2,969,594	-
Medical Recovery Services Inc. loan balance			115,043	-
	-	-	5,123,987	1,971,359

The Group has recognised a provision for impairment of related party loans of $2,000,000 in relation to amounts owed to ICSGlobal from Thelma-US.

Notes To The Financial Statements

NOTE 27 CONTROLLED ENTITIES

ICSGlobal Limited is incorporated in Australia and is the ultimate parent company of the following controlled entities:

Name of Controlled Entities	Country of Incorporation	Ownership Interest		Class of Shares
		2009	2008	
Thelma Pty Ltd	Australia	100 %	100 %	Ordinary
EziBill Pty Ltd	Australia	100 %	100 %	Ordinary
Thelma-EU Limited	England	100 %	100 %	Ordinary
Thelma US Inc[1]	United States	100 %	100 %	Ordinary
Medical Recovery Services, Inc.[2]	United States	100 %	n/a	Ordinary

[1] Thelma US Inc was incorporated on 23 October 2007

[2] Medical Recovery Services, Inc. was acquired 31 December 2008 by Thelma-US Inc..

NOTE 28 COMPANY DETAILS

Registered Office and Principal Place of Business

Level 26, 201 Kent Street, Sydney NSW 2000

Number of Employees

Number of Employees	Consolidated		ICSGlobal Limited	
	2009	2008	2009	2008
Number of employees at the end of the year	87	28	18	17

Directors' Declaration

In the opinion of the directors of ICSGlobal Limited:

a. The financial statements and accompanying notes are in accordance with the Corporations Act 2001, including:

   i) Giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2009 and of their performance for the financial year ended on that date; and

   ii) Complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

b. The Remuneration Report contained in the Directors' Report complies with Accounting Standard AASB 124 "Related Party Disclosures" and the Corporations Regulations 2001; and

c. At the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

d. The directors have been given the declarations by the chief executive officer and chief financial officer required by Section 295A.

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

Ross Bunyon
Chairman

Timothy Murray
Managing Director & Chief Executive Officer

Sydney
Dated this 28th day of August 2009

Independent Auditor's Report

Independent Auditor's Report

To the members of ICSGlobal Limited

Report on the Financial Report

We have audited the accompanying financial report of ICSGlobal Limited (the company), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration for both the company and the consolidated entity. The consolidated entity comprises 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 controls 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 Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with Australian Accounting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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.

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

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PKF

Chartered Accountants
& Business Advisers

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 ICSGlobal Limited is in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2009 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*; and

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

Report on the Remuneration Report

We have audited the Remuneration Report included on pages 17 to 26 of the directors' report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of ICSGlobal Limited for the year ended 30 June 2009, complies with section 300A of the *Corporations Act 2001*.

PKF

PKF

Paul Bull
Partner

Sydney
28 August 2009

ICSGlobal Limited
ACN 073 695 584
ABN 72 073 695 584

Thelma Pty Ltd
ACN 092 212 514
ABN 84 092 212 514

EziBill Pty Ltd
ACN 109 999 608
ABN 28 109 999 608

Registered Office
Level 26
201 Kent Street
Sydney NSW 2000
Telephone (02) 9247 2111
Facsimile (02) 9247 6122
Email information@icsglobal.net
Websites www.icsglobal.com.au
www.thelma.com.au

Thelma-EU Limited
Company No. 6280085
www.thelma-eu.co.uk

Thelma-US, Inc.
www.thelma-us.com

Directors
Ross Bunyon (Non-Executive Chairman)
Tim Murray (Managing Director and CEO)
Geoff Lambert (Non-Executive Director)

Chief Financial Officer and Company Secretary
Lindsay Martin

Company Secretary
Tom Walther

Solicitors
Minter Ellison
Aurora Place
88 Phillip Street
Sydney NSW 2000

Watson Mangioni Lawyers Pty Limited
Level 13
50 Carrington Street
Sydney NSW 2000

Auditor
PKF
Chartered Accountants
East Coast Practice
Level 10
1 Margaret Street
Sydney NSW 2000

Share Registry
Registries Limited
ACN 003 209 834
Level 7
207 Kent Street
Sydney NSW 2000

global medical banking

www.icsglobal.com.au

www.thelma.com.au
www.ezibill.com.au

www.medbc.co.uk

www.thelma-us.com
www.medrs.com