Tambla Limited
(Formerly known as ComOps Limited)
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Tambla Limited
ABN:	79 000 648 082
Reporting period:	For the year ended 31 December 2018
Previous period:	For the year ended 31 December 2017

2. Results for announcement to the market

				$
Revenues from ordinary activities	up	11.3%	to	9,729,667
Loss from ordinary activities after tax attributable to the owners of Tambla Limited	down	94.6%	to	(348,936)
Loss for the year attributable to the owners of Tambla Limited	down	94.6%	to	(348,936)
Earnings Before Interest, Tax, Depreciation and Amortisation, adjusted for impairment	up	114.5%	to	302,010

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The earnings before interest, tax, depreciation and amortisation ('EBITDA'), adjusted for impairment ('Adjusted EBITDA'), was a profit of $302,010 (2017: loss of $2,079,174).

EBITDA represents the profit determined under Australian Accounting Standards ('AAS') but adjusted for non-specific non-cash and significant items. The directors consider Adjusted EBITDA to reflect the core earnings of the consolidated entity.

Highlights of the consolidated entity's financial statements covering the year ended 31 December 2018 are as follows:

	Consolidated	
	2018	2017
	$	$
Sales revenue	9,729,667	8,745,662
Loss after tax for the year	(348,936)	(6,507,913)
Add: depreciation and amortisation	843,451	877,775
Add: impairment and write off of assets	-	3,671,493
Less: interest revenue	(3,395)	(2,991)
Add: finance costs	39,162	147,687
Less: tax benefit	(228,272)	(265,225)
Adjusted EBITDA	302,010	(2,079,174)

Refer to Chairman's letter and 'Review of operations' within the Directors' report of the Annual Report for further commentary on the results.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(0.20)	(0.25)

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period
There were no dividends paid, recommended or declared during the current financial period.

Previous period
There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unqualified opinion has been issued.

11. Attachments

Details of attachments (if any):

The Annual Report of Tambla Limited for the year ended 31 December 2018 is attached.

12. Signed

Signed ______________________ Date: 27 February 2019

Niall Cairns
Non-Executive Chairman
Sydney

Tambla Limited

(Formerly known as ComOps Limited)

ABN 79 000 648 082

Annual Report - 31 December 2018

Contents

Directors	Mr Niall Cairns - Non-Executive Chairman Dr Phillip Carter - Non-Executive Director Mr Neil Docherty - Non-Executive Director Mr Matthew Michalewicz - Non-Executive Director	
Chief executive officer	Mr Chris Fydler	
Company secretary	Mr Christopher Brooke	
Notice of annual general meeting	The details of the annual general meeting of Tambla Limited are: 12:00PM on Wednesday, 22 May 2019 The offices of Grant Thornton Level 17 383 Kent Street Sydney NSW 2000	
Registered office	Level 16 132 Arthur Street North Sydney NSW 2060 Tel: +61 2 9122 6200	
Principal place of business	Level 16 132 Arthur Street North Sydney NSW 2060	
Share register	Automic Pty Ltd Level 3 50 Holt Street Surry Hills NSW 2010 Tel: 1300 288 664 or +61 2 9698 5414 Fax: +61 2 8583 3040	
Auditor	Grant Thornton Audit Pty Ltd Level 17 383 Kent Street Sydney NSW 2000	
Bankers	ANZ Bank New Zealand Limited Level 16 242 Pitt Street Sydney NSW 2000	HSBC Bank Plc 196 Oxford Street London, WIDIN United Kingdom
Stock exchange listing	Tambla Limited shares are listed on the Australian Securities Exchange (ASX code: TBL)	
Website	www.tambla.com.au	
Corporate Governance Statement	The Corporate Governance Statement dated 27 February 2019 which was approved at the same time as the Annual Report can be found at https://tambla.com.au/investor-centre/	

Dear fellow shareholders,

It is a pleasure to deliver the 2018 Annual Report of Tambla Limited, especially as the results show tangible benefits of 2017's transformation and the achievement of most of 2018's targets. The financial highlights include:

- 11.3% organic revenue growth
- EBITDA and cash flow positive
- Strengthened balance sheet
- Material new contracts with existing and new customers
- Ongoing enhancement of the management team and technology solutions

These results are the best produced for many years and that this places your company in the strongest financial position it has been in for many years. The tangible evidence of this is shown by the removal of the "Emphasis of matter - going concern" and the ability to raise the post balance date Convertible Note on favourable terms. The ongoing benefits of our stronger financial position are already being seen with greater confidence and engagement by local and international partners, potential M&A interest, existing and new customer engagement and recruitment of new people. Looking forward we are confident that this will also be reflected in investor interest, especially as we deliver positive results and remove the perception baggage of the past.

One of the major changes we undertook during the year, following a proper management led process, was renaming your company Tambla Limited. This has enabled us to reposition our market leading solutions and rebrand as Tambla "Intelligent Workforce Solutions". The recent corporate update, released to the ASX in January 2019, provides a comprehensive review of our business, its enterprise focus and also an introduction to our new Insights, Analytics and Intelligent Workforce Solutions. We are finding that these are delivering us market differentiation and edge.

So where do we see opportunity to grow revenue, profitability and shareholder value?

In Australia there is an increasing requirement for the workforce automation, compliance and management solutions we provide. In addition, we are finding that there is a growing realisation that our "Intelligent Workforce Solutions" deliver significant benefits and management decision making tools to our customers. One of the key focuses for the new year is driving existing and new customer take up of these market leading solutions.

Globally, industry conditions are creating significant opportunity for Tambla. For example, in some countries, like the USA, governments and employers are increasing pay rates, often for the first time making accruals (for holiday pay, sick pay, parental leave etc) and adding significant complexity to working conditions (employee scheduling and rostering rights, with different pay rates). This is driving demand for software solutions like Tambla's, where our advantage is that we have been delivering enterprise solutions to groups like Kmart, Qube, Sydney Trains and Securitas globally for many years.

These global trends and other factors are driving significant change in the global human capital management, payroll and software sectors. Recent M&A and investor appetite has driven the creation of significant shareholder value and recent new global partnerships are driving a re-alignment of partnerships and opportunity.

Our strategy, to take advantage of the above, is to drive growth globally by a combination of direct customer engagement and by an increasing partnership based model. In Australia and New Zealand we have increased our business development capability for both direct sales and driving existing and new partnerships. A good example is the Alayacare partnership which is focused on the healthcare, aged care and disability care sector that commenced last year and is already delivering new customers.

Overseas we continue to expand the footprint of Tambla's Rostima solutions in Europe, Middle East and especially in the North American airport sector. However, the main strategy overseas is our developing partnership program with an initial focus on the USA. Though it is early days, a current partner has pitched Tambla as part of its solution.

Our target is to double revenue in the next 4-5 years, which should deliver strong profitability and cash surpluses. Should we be able to deliver such growth, locally and globally, we strongly believe that the this will drive strong investor recognition, even greater (than the current) M&A interest and most importantly strong and sustainable shareholder value.

To place Tambla in the best possible position to deliver on this strategy your board has undertaken the recently announced $1 million Convertible Note raising, which my Kestrel Capital group has backed. We believe that this provides the right balance of capital to underwrite the growth plans, whilst minimising dilution for shareholders.

Many thanks to all shareholders for their support, to my fellow directors and to our CEO Chris Fydler and his team for their dedication and hard work that has placed Tambla in the strong position we are in today.

In conclusion, we strongly believe that in 2019 and onwards we are poised to reap the rewards of the transformation of your company into Tambla and deliver on the opportunities we see to take advantage of the strength of our enterprise systems, configuration capability and new intelligent workforce solutions both in Australia and globally. On delivery of tangible execution of this strategy Tambla should be able to deliver material growth in revenue, profitability and significant sustainable shareholder value.

Your sincerely,

Niall Cairns
Non-Executive Chairman

27 February 2019
Sydney

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Tambla Limited (referred to hereafter as the 'company', 'Tambla' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2018.

Directors
The following persons were directors of Tambla Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Niall Cairns	Non-Executive Chairman
Dr Phillip Carter	Non-Executive Director
Mr Neil Docherty	Non-Executive Director
Mr Matthew Michalewicz	Non-Executive Director

Principal activities
During the financial year, the principal activities of the consolidated entity consisted of the provision of Intelligent Workforce Solutions through its cloud-based software. Initially required to simplify the highly complex labour force environments of Australian and New Zealand, today the consolidated entity provides these solutions to enterprises globally who are looking to simplify complex working environments and gain greater efficiency and transparency of their workforces. It specialises in interpreting complex business rules including Award Wages and Enterprise Bargaining Agreements and is a leader in emerging field of Workforce Intelligence.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The company achieved its prior stated goal of becoming EBITDA positive for the full year 2018, also recording its strongest annual cashflows since 2015 and a strong operating cashflow surplus for the year. The reported EBITDA of $302,010 represents a significant improvement in the business performance when compared to the previous year which reported an EBITDA loss of $2,079,174.

The dramatic improvement in the Group’s position has been driven through a combination of increased revenue and significant efficiency gains and focus resulting in better bottom line performance. An ongoing focus on cost control saw a dramatic reduction in expenses across all reported expense categories with an increasing emphasis on maintaining costs in order to progressively improve margins. Recurring revenue as a percentage of total revenue is strong at 62%, and based on the current long-term contract base, is forecast to grow in excess of 65% in CY2019.

This year, which included a name change, has also seen significant product enhancements to modernise and grow the solutions provided to our customers. The enhancements have created new revenue opportunities including the development of new product modules being offered to customers in areas such as Workforce Intelligence and Workforce Planning.

The improved performance, reliability and functionality of the core software and service offerings have also led to improved customer satisfaction results which are currently at their highest point in over 2 years.

The board and management team believe that the combination of financial stabilisation and product innovation, which has been achieved in 2018, will provide a platform for accelerated, profitable growth in 2019. On top of a strengthening sales pipeline, additional sales and marketing resources are budgeted to assist and accelerate both new customer acquisition and continued growth in the services provided to existing customers.

The loss for the consolidated entity after providing for income tax amounted to $348,936 (31 December 2017: $6,507,913).

The earnings before interest, tax, depreciation and amortisation ('EBITDA'), adjusted for impairment, was a profit of $302,010 (2017: loss of $2,079,174).

EBITDA represents the profit determined under the Australian Accounting Standards ('AAS') but adjusted for non-specific, non-cash and significant items. The directors consider Adjusted EBITDA to reflect the core earnings of the consolidated entity.

Highlights of the consolidated entity's financial statements covering the year ended 31 December 2018 are as follows:

	Consolidated 2018 $	Consolidated 2017 $
Sales revenue	9,729,667	8,745,662
Loss after tax for the year	(348,936)	(6,507,913)
Add: depreciation and amortisation	843,451	877,775
Add: impairment and write off of assets	-	3,671,493
Less: interest revenue	(3,395)	(2,991)
Add: finance costs	39,162	147,687
Less: tax benefit	(228,272)	(265,225)
Adjusted EBITDA	302,010	(2,079,174)

Significant changes in the state of affairs
On 1 October 2018, the company changed its name to Tambla Limited from ComOps Limited.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
The consolidated entity has signed a convertible Note Deed Poll which has been underwritten by a related party shareholder to a minimum of $1.0 million.

No other matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
Tambla is well placed at the start of 2019 with:

- benefits of financial stabilisation and product innovation achieved in 2018;
- a growing and strengthening tendering and customer pipeline;
- a strong balance sheet as a result of the successful debt raising;
- high levels of customer satisfaction for the consolidated entity’s technology suite;
- additional sales and marketing resources expected to assist and accelerate both new customer acquisition and continued growth in the services provided to existing customers; and
- stable earnings streams;

which will provide a platform for accelerated, profitable growth and is expected to deliver a positive EBITDA for FY 2019.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Niall Cairns
Title:	Non-Executive Chairman
Qualifications:	Niall holds a Bachelor of Economics (BEc) and is a Chartered Accountant (CA) and Fellow of the Institute of Company Directors (FAICD).
Experience and expertise:	Niall is a technology growth company developer and investor. As a co-founder of Kestrel Capital Pty Ltd (founded in Sydney in 1993), Niall has over 30 years' experience in investing in and developing technology companies with global aspirations and opportunities. During this time, he (and Kestrel) has invested in over 60 companies and delivered significant value creation and exits. This has included listed and unlisted companies in Australia, NZ, US and UK; and exits to local and internationally based listed and unlisted groups, including being an AVCAL award winner for Best Expansion Deal for Gale Pacific Limited.
Other current directorships:	Cardiex Limited (ASX: CDX), Chant West Holdings Limited (ASX: CWL), Agri-Carbine Investments Limited (formerly Tru-Test Corporation Limited), Kestrel Growth Companies Limited, Kestrel Capital Pty Ltd, C2 Ventures P/L and the Carnethy Group of Companies.
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Nomination and Remuneration Committee and member of the Audit Committee
Interests in shares:	296,814,785 ordinary shares held indirectly
Interests in options:	None
Interests in rights:	None
Contractual rights to shares:	None

Name:	Dr Phillip Carter
Title:	Non-Executive Director
Qualifications:	Phillip holds a doctorate and bachelor's degree in engineering (PhD, BEng) and a masters degree in finance (MAppFin). He is also a Fellow of the Institute of Company Directors (FAICD) and a Senior Fellow of the Financial Services Institute (SF Fin).
Experience and expertise:	Phillip is a joint managing director of Kestrel Capital Pty Ltd. He has extensive experience developing and financing technology rich industrials in Australia, Europe and the United States of America. As chairman of Prism Group Holdings (a developer of enterprise management information systems software), he led the restructure and turnaround of its global operations and subsequent sale of the business to a US competitor, delivering significant returns to investors. Previously, Phillip headed a leading United Kingdom technology consulting and investment advisory practice and managed the InterTechnology Fund, recognised by the European Private Equity and Valuations Capital Association (EVCA) as one of the most active development capital funds in Europe.
Other current directorships:	Kestrel Growth Companies Limited and Chant West Holdings Limited.
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Nomination and Remuneration Committee and Chairman of the Audit Committee.
Interests in shares:	176,901,077 ordinary shares held indirectly
Interests in rights:	None
Contractual rights to shares:	None

Name:	Neil Docherty
Title:	Non-Executive Director
Qualifications:	Saint Columba's College Greenock, Scotland, Glasgow University and MBA from University of Southern California, Berkley Business School Executive MBA Program.
Experience and expertise:	Neil has more than 45 years of leadership experience in Business Management and Information Technology, of which the last 20 have been spent as an Owner, Board Member and CEO in the Business Consulting, Information Technology and Telecommunications and Professional Services industries. Neil was CEO of DMR Consulting, a $120 million, 1,000 person organisation and an Executive General Manager of Fujitsu Australia Limited. He has also started his own technology services company which he sold to a NASDAQ listed organisation. Most recently he has consulted as an Advisory Board Member to the Birchman Group (recently acquired by SMS), SigNav (a world class precision signalling developer acquired by leading Swiss organisation u-Blox) and Avand Limited (an Australian Content Management Company acquired by Technology One). Neil brings to Tambla a strong background in management, go-to-market strategies, sales, and services management.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Nomination and Remuneration Committee and member of the Audit Committee.
Interests in shares:	None
Interests in options:	None

Name:	Matthew Michalewicz
Title:	Non-Executive Director
Qualifications:	Matthew holds a Bachelor of Science in business administration, with a concentration in finance and has completed the Australian Institute of Company Directors' course.
Experience and expertise:	Matthew has more than 20 years of experience in starting and running high-growth tech companies, especially in the areas of predictive analytics and optimisation. He is currently the CEO of Complexica (a provider of Artificial Intelligence software for helping large organisations increase revenue, margin, and customer engagement through automated analytics). From 2005-2012, Matthew was the co-founder and CEO of SolveIT Software (a supply chain optimisation business he grew from zero to almost 180 employees and $20 million in revenue before selling the business to Schneider Electric). Under his leadership, SolveIT Software became the 3rd fastest-growing company in Australia in 2012, as ranked by Deloitte.
Other current directorships:	Prophecy International Ltd
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Nomination and Remuneration Committee and member of the Audit Committee.
Interests in shares:	3,137,500 ordinary shares
Interests in options:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Christopher Brooke ('Chris') is Tambla's Chief Financial Officer and Company Secretary. An experienced finance professional, Chris has worked in senior roles with a range of ASX listed companies over his 25 year career, including KPMG and Boral Energy Resources Ltd as well as the Adelaide companies Suburban Transport Services and FH Faulding Ltd. Prior to joining Tambla, Chris was formerly the Group Chief Financial Officer for Razor Risk Technologies Ltd, whom he had been with since 2007. Chris assisted with the successful sale of the business to the Toronto and Montreal Stock Exchange (TMX) prior to joining Tambla in April 2012.

Chris has a proven track record in driving cost management, cash control and staff utilisations. He also has strengths in finance negotiations, liaison with sales teams and enhancement of management and board reporting information.

Chris holds a bachelor's degree in economics (BEc) and has a Masters of Business Administration (MBA) and is both a fellow member of CPA Australia (CPA) and the Institute of Chartered Secretaries and Administrators (London) (ICSA). Chris has recently successfully completed the Australian Institute of Company Directors course and is a Justice of the Peace.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2018, and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit Committee	
	Attended	Held	Attended	Held	Attended	Held
Niall Cairns	14	14	1	1	5	5
Phillip Carter	13	14	1	1	5	5
Neil Docherty	14	14	1	1	5	5
Matthew Michalewicz	12	14	1	1	2	5

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration report (audited)

The remuneration report details the key management personnel ('KMP') remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to KMP

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders and conforms to the market best practice for the delivery of reward. The Board of Directors ('the Board') and in particular the Nomination and Remuneration Committee ('NRC') are engaged in the progressive refinement of reward policy and practice consistent with good governance in ensuring that executive reward satisfies the following key criteria:
- competitiveness and reasonableness;
- acceptability to shareholders;
- linked to performance; and
- is transparent.

The function of the NRC is currently carried out by the full Board, due to the size of the Board. The NRC is responsible for determining and reviewing remuneration arrangements for its directors and executives. The consolidated entity's remuneration policy has been developed to enable it to attract, motivate and retain high quality executives. The NRC has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the KMP on key drivers of sustainability and value creation; and
- attracting and retaining high calibre KMPs.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors, remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees are reviewed annually by the NRC. The NRC may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the market. The chairman is not present at any discussions relating to the determination of his own remuneration. Obligations required to be met in compliance with the Superannuation Guarantee legislation are incorporated within Board approved fees for all non-executive directors.

In accordance with the constitution of the company, shareholders determine the aggregate remuneration of the non-executive directors. The maximum aggregate remuneration for non-executive directors is currently $500,000 per annum. The directors determine the allocation of the aggregate remuneration, or part thereof, between themselves.

There are no schemes or provisions for retirement benefits for non-executive directors.

Executive remuneration
The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has three components:

- Fixed remuneration – salary, employee benefits and superannuation contributions;
- Annual incentive – payments aligned to both the consolidated entity and the individual’s performance assessed annually; and
- Equity – share options/performance rights granted under the company’s approved incentive plans.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the NRC based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

Short-term incentives ('STI')
The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include revenue, staff utilisations and costs and profit and cash flow.

Long term incentives ('LTI')
A select number of senior executives and managers have been granted options over shares in the company which are available to be exercised after defined periods of service. The exercise price of options in all instances have been set at a premium to the prevailing share price at the time of award. In this manner, the Board believes that executive reward is aligned to share price growth and further under the program and recent grants the executive only benefits if the share price increases, which in turn benefits all shareholders.

The LTI plan presently incorporates the granting of options and/or performance rights and has been established in order to:
- align employees reward with growth in the enterprise value;
- assist in the retention and motivation of employees of the consolidated entity; and
- provide an incentive to directors and executives of the consolidated entity to grow shareholder value by providing them with an opportunity to receive an ownership interest in the company.

Consolidated entity performance and link to remuneration
The Board refers to the consolidated entity and KMP performance when determining incentive payments. STI and LTI are based on measures outlined above.

The following incentive plans have been established by the consolidated entity and approved by shareholders at the annual general meeting held on 7 May 2018:
- Employee share option plan (option plan) under which eligible employees may be offered the opportunity to be granted options; and
- Employee performance rights plan (performance rights plan) under which eligible employees may be offered the opportunity to be granted performance rights.

An eligible employee includes a director, senior executive or employee of the consolidated entity or an associated body corporate of the consolidated entity.

The Board may, in its absolute discretion, invite an eligible employee to participate in the option plan or performance right plan. Shareholder approval is required before a director or related party of the company can participate in an issue of options under the option plan or an issue of performance rights under the performance rights plan. No grant under the LTI plan would be made to a director or a related party of a director without prior shareholder approval. The Board are not proposing any such award for the year ending 31 December 2018.

Related party payments
A number of directors are associated with shareholders or entities which provide services to the consolidated entity. Those services are requested by management and are authorised by the Board both prior to the provision of those services and following receipt of invoices outlining the provision and cost of services. Board approval follows a sign-off from the Chief Executive Officer and the related party is absented from the authorisation process. Related party arrangements are reviewed annually by the Chair of the NRC and a recommendation made to the Board. These related party transactions primarily relate to Kestrel Capital Pty Limited and its affiliates, associated with Niall Cairns and Phillip Carter. Refer to 'Additional disclosures relating to KMP' section below for further details.

Use of remuneration consultants
During the financial year ended 31 December 2018, the consolidated entity did not engage any remuneration consultants, to review its existing remuneration policies and provide recommendations on how to improve both the STI and LTI programs.

Voting and comments made at the company's 2018 Annual General Meeting ('AGM')
At the 2018 AGM, 84.99% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2017. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
The KMP of the consolidated entity consisted of the following directors of Tambla Limited:
- Niall Cairns (Non-Executive Chairman)
- Phillip Carter (Non-Executive Director)
- Neil Docherty (Non-Executive Director)
- Matthew Michalewicz (Non-Executive Director)

And the following persons:
- Chris Fydler (Chief Executive Officer)
- Christopher Brooke (Chief Financial Officer and Company Secretary)

Details of the remuneration of KMP of the consolidated entity are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2018	Cash salary and fees $	Bonus payable $	Consulting $	Super-annuation $	Employee leave $	Equity-settled $	Total $
Non-Executive Directors:							
N. Cairns	90,000	-	-	-	-	-	90,000
P. Carter	65,000	-	9,375	-	-	-	74,375
N. Docherty	65,000	-	-	-	-	-	65,000
M. Michalewicz	60,000	-	-	-	-	-	60,000
Other KMP:							
C. Fydler (a)	335,000	20,000	-	25,000	1,523	19,029	400,552
C. Brooke (b), (c)	210,000	10,000	-	19,950	18,937	-	258,887
	825,000	30,000	9,375	44,950	20,460	19,029	948,814

(a) Mr Fydler received a discretionary bonus of $20,000 in recognition of good work performed during the year ended 31 December 2018.
(b) Mr Brooke received a discretionary bonus of $10,000 in recognition of good work performed during the year ended 31 December 2018.
(c) An expense associated with the grant of options has not been recorded as the amount was deemed trivial. Based on the fair value of the options at grant date, the benefit to Mr Brooke is calculated as approximately $1,000.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2017	Cash salary and fees $	Bonus payable $	Consulting $	Super-annuation $	Employee leave $	Equity-settled $	Total $
Non-Executive Directors:							
N. Cairns	90,000	-	-	-	-	-	90,000
P. Carter	65,000	-	12,500	-	-	-	77,500
N. Docherty	65,000	-	-	-	-	-	65,000
M. Michalewicz	60,000	-	-	-	-	-	60,000
Other KMP:							
C. Fydler(a), (d)	173,942	-	-	12,500	164	-	186,606
G. Williams(a), (b)	234,383	83,250	-	29,167	-	-	346,800
C. Brooke (c)	210,000	15,000	-	20,644	12,733	-	258,377
	898,325	98,250	12,500	62,311	12,897	-	1,084,283

(a) Represents remuneration from the date of appointment or up to the date of resignation.
(b) During the first quarter of the year ended 31 December 2017, the 2017 Incentive Plan for the then Chief Executive Officer, Mr Williams, was implemented. The STI payment was based upon the same quantitative criteria as agreed for the 2016 CEO Remuneration Plan with an additional qualitative item added relating to the quality of the handover to the new CEO. Following Mr Williams' announcement of his retirement, a minimum payment of 50% of the quantitative STI target to 31 October 2017 of $112,500 was guaranteed ($56,250) for the 2017 year.
The total bonus of $83,250 was paid comprising of $56,250 which related to the achievement of the quantitative STI targets and $27,000 which related to the achievement of the agreed qualitative KPIs.
(c) Mr Brooke received a discretionary bonus of $15,000 in recognition of good work performed during the year ended 31 December 2016
(d) Mr Fydler was granted 34,000,000 performance rights subsequent to year end; however, no expenses were taken up in relation to the performance rights during the year ended 31 December 2017.

There have been no non-monetary benefits paid during the financial year.

Further details of share-based payments are outlined in note 33 to the financial statements.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2018	2017	2018	2017	2018	2017
Non-Executive Directors:						
N. Cairns	100%	100%	-	-	-	-
P. Carter	100%	100%	-	-	-	-
N. Docherty	100%	100%	-	-	-	-
M. Michalewicz	100%	100%	-	-	-	-
Other KMP:						
C. Fydler	90%	100%	5%	-	5%	-
G. Williams	-	76%	-	24%	-	-
C. Brooke	96%	94%	4%	6%	-	-

Cash bonuses are dependent on meeting defined performance measures. The amount of the bonus is determined having regard to the satisfaction of performance measures and weightings as described above in the section 'Consolidated entity performance and link to remuneration'. The maximum bonus values are established at the start of each financial year and amounts payable are determined in the final month of the financial year by the Nomination and Remuneration Committee.

The proportion of the cash bonus paid/payable or forfeited is as follows:

	Cash bonus paid/payable		Cash bonus forfeited	
Name	2018	2017	2018	2017
Other Key Management Personnel:				
C. Fydler	100%	-	-	-
C. Brooke	100%	100%	-	-
G. Williams	-	60%	-	40%

Service agreements
Remuneration and other terms of employment for KMP are formalised in service agreements. Details of these agreements are as follows:

Name:	Chris Fydler
Title:	Chief Executive Officer
Agreement commenced:	26 June 2017
Term of agreement:	30 June 2020
Details:	Base salary of $360,000 and 6 month notice period. STI: Mr Fydler is entitled to short-term incentives as determined by the Nomination and Remuneration Commitee. LTI: Mr Fydler is eligible to participate in the LTI plan, being 3.3% of the company’s issued share capital, vesting over a period of three years and will be subject to performance conditions. The performance condition of achieving growth in the company's share price is aligned with shareholders' interests.

Name:	Christopher Brooke
Title:	Chief Financial Officer and Company Secretary
Agreement commenced:	1 February 2013
Term of agreement:	No fixed term
Details:	Base salary of $210,000 and 12 month notice period. STI: Mr Brooke is entitled to short-term incentives as determined by the Nomination and Remuneration Commitee.

KMP have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

The remuneration package of the CEO and CFO include the issue of options and share performance rights, which are subject to a time-based performance hurdle and, in some cases, share price performance hurdles, which the directors believe reflects the stage of development of the company.

Issue of shares
There were no shares issued to directors and other KMP as part of compensation during the year ended 31 December 2018.

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other KMP in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
C. Brooke	500,000	31/12/2015	31/12/2015	31/12/2019	$0.030	$0.002
C. Brooke	500,000	31/12/2015	31/12/2016	31/12/2019	$0.030	$0.002
C. Brooke	500,000	31/12/2015	31/12/2017	31/12/2019	$0.030	$0.002
C. Brooke	500,000	31/12/2015	31/12/2018	31/12/2019	$0.030	$0.002

Options granted carry no dividend or voting rights.

All options were granted over unissued fully paid ordinary shares in the company. The number of options granted was determined having regard to the satisfaction of performance measures and weightings as described above in the section 'Consolidated entity performance and link to remuneration'. Options vest based on the provision of service over the vesting period whereby the executive becomes beneficially entitled to the option on vesting date. Options are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such options other than on their potential exercise.

The number of options over ordinary shares granted to and vested in directors and other KMP as part of compensation during the year ended 31 December 2018 are set out below:

Name	Number of options granted during the year 2018	Number of options granted during the year 2017	Number of options vested during the year 2018	Number of options vested during the year 2017
C. Brooke	-	-	500,000	500,000

Performance rights

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other KMP in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Vesting and exercisable period	Expiry date
C. Fydler - Tranche 1	6,000,000	20/02/2018	01/01/2018 - 31/12/2022	31/12/2022
C. Fydler - Tranche 2	6,000,000	20/02/2018	01/01/2019 - 31/12/2023	31/12/2023
C. Fydler - Tranche 3	6,000,000	20/02/2018	01/01/2020 - 31/12/2024	31/12/2024
C. Fydler - Tranche 4	6,000,000	20/02/2018	01/07/2018 - 30/06/2023	30/06/2023
C. Fydler - Tranche 5	5,000,000	20/02/2018	01/01/2019 - 31/12/2023	31/12/2023
C. Fydler - Tranche 6	5,000,000	20/02/2018	01/01/2020 - 31/12/2024	31/12/2024

The performance rights vest if Chris Fydler remains in employment during the vesting periods specified in the table above. The performance rights have an exercise price of nil cents and the rights will vest and become exercisable if the company’s share price achieves the following value at any point in time during the respective vesting periods:

(i) Tranche 1 - 2.5 cents
(ii) Tranche 2 - 3.0 cents
(iii) Tranche 3 - 4.0 cents
(iv) Tranche 4 - 6.0 cents
(v) Tranche 5 - 1.3 cents
(vi) Tranche 6 - 1.3 cents

The performance condition of achieving growth in the company's share price is aligned with shareholders' interests.

Performance rights granted carry no dividend or voting rights.

The fair value of each performance right at grant date was $0.002 for each performance right granted in tranche 1,2,3,5 and 6 and $0.001 for each performance right granted in tranche 4.

The number of performance rights over ordinary shares granted to and vested in directors and other KMP as part of compensation during the year ended 31 December 2018 are set out below:

Name	Number of rights granted during the year 2018	Number of rights granted during the year 2017	Number of rights vested during the year 2018	Number of rights vested during the year 2017
C. Fydler	34,000,000	-	-	-

Additional information

Consequence of performance on shareholders wealth
In considering the consolidated entity's performance and benefits for shareholder wealth, the Board have regard to the earnings of the consolidated entity and total shareholders return as summarised in the tables below.

The earnings of the consolidated entity for the five years to 31 December 2018 are summarised below:

	2018 $	2017 $	2016 $	2015 $	2014 $
(Loss)/profit after income tax	(348,936)	(6,507,913)	(655,048)	(3,787,102)	(2,701,102)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2018	2017	2016	2015	2014
Share price at financial year end ($)	0.01	0.01	0.01	0.02	0.02
Earnings per share (cents per share)	(0.04)	(0.87)	(0.09)	(0.61)	(0.69)

Additional disclosures relating to KMP

Shareholding
The number of shares in the company held during the financial year by each director and other members of KMP of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
N. Cairns(i)	296,814,785	-	-	-	296,814,785
P. Carter(ii)	176,901,077	-	-	-	176,901,077
M. Michalewicz	3,137,500	-	-	-	3,137,500
C. Fydler	5,300,550	-	-	-	5,300,550
C. Brooke	9,558,574	-	509,800	-	10,068,374
	491,712,486	-	509,800	-	492,222,286

(i) Niall Cairns' shareholding is nominally held through his directorships of Kestrel Growth Companies Limited (holder of 167,620,731 shares), Kestrel Capital Pty Ltd (holder of 6,208,767 shares) and Carnethy Evergreen Pty Limited (holder of 122,985,287 shares).
(ii) Phillip Carter's shareholding is nominally held through his directorships of Kestrel Growth Companies Ltd (holder of 167,620,731 shares), Kestrel Capital Pty Ltd (holder of 6,208,767 shares) and Granta Capital Pty Ltd (holder of 3,071,579 shares).

Option holding
The number of options over ordinary shares in the company held during the financial year by each director and other members of KMP of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
N. Cairns	10,000,000	-	-	(10,000,000)	-
P. Carter	10,000,000	-	-	(10,000,000)	-
C. Brooke	4,000,000	-	-	-	4,000,000
	24,000,000	-	-	(20,000,000)	4,000,000

Performance rights holding
The number of performance rights over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
C. Fydler	-	34,000,000	-	-	34,000,000
	-	34,000,000	-	-	34,000,000

Other transactions with KMP and their related parties
The loss for the financial year includes the following services purchased from directors or other KMP or their personally related entities other than remuneration, loans or equity holdings that have been separately detailed above:

(a) $2,274 of out-of-pocket expenses from Carnethy Investments Pty Ltd which is a consulting services company privately owned by Niall Cairns (2017: $2,000).
(b) $705 of out-of-pocket expense from Granta Capital Pty Ltd which is a consulting services company of which Phillip Carter is a director and shareholder (2017: $1,335).
(c) $961 of out-of-pocket expense from Chrysalis Professional Services Pty Ltd which is a consulting services company privately owned by Neil Docherty (2017: $2,316).
(d) $12,033 of out-of-pocket expense from Credibility Corporation Pty Ltd which is a consulting services company privately owned by Matthew Michalewicz (2017: $25,346).

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Tambla Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
03/05/2013	30/06/2019	$0.010	2,000,000
20/06/2013	30/06/2019	$0.020	2,000,000
02/07/2013	30/06/2019	$0.010	3,000,000
01/10/2015	30/09/2019	$0.030	7,565,380
31/12/2015	31/12/2019	$0.030	4,000,000
01/07/2016	30/06/2022	$0.030	5,000,000
			23,565,380

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares under performance rights

Unissued ordinary shares of Tambla Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under rights
20/02/2018	31/12/2022	$0.000	6,000,000
20/02/2018	31/12/2023	$0.000	6,000,000
20/02/2018	31/12/2024	$0.000	6,000,000
20/02/2018	30/06/2023	$0.000	6,000,000
20/02/2018	31/12/2023	$0.000	5,000,000
20/02/2018	31/12/2024	$0.000	5,000,000
			34,000,000

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of Tambla Limited issued on the exercise of options during the year ended 31 December 2018 and up to the date of this report.

Shares issued on the exercise of performance rights

There were no ordinary shares of Tambla Limited issued on the exercise of performance rights during the year ended 31 December 2018 and up to the date of this report.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability 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.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 24 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 24 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of Grant Thornton Audit Pty Ltd

There are no officers of the company who are former partners of Grant Thornton Audit Pty Ltd.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

Grant Thornton Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Niall Cairns Non-Executive Chairman	Phillip Carter Non-Executive Director

27 February 2019
Sydney

Level 17, 383 Kent Street
Sydney NSW 2000

Correspondence to:
Locked Bag Q800
QVB Post Office
Sydney NSW 1230

T +61 2 8297 2400
F +61 2 9299 4445
E info.nsw@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration

To the Directors of Tambla Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Tambla Limited for the year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

M Leivesley

M R Leivesley
Partner – Audit & Assurance

Sydney, 27 February 2019

	Note	Consolidated 2018 $	2017 $
Revenue	5	9,726,272	8,742,671
Other income	6	593,479	699,150
Interest revenue calculated using the effective interest method		3,395	2,991
Expenses			
Materials - clocks		(98,032)	(126,016)
Employee benefits expense	7	(7,484,424)	(7,620,654)
Consultancy and legal fees		(433,170)	(831,586)
Directors' fees		(280,000)	(280,000)
Depreciation and amortisation expense	7	(843,451)	(877,775)
Impairment and write off of assets	7	-	(3,671,493)
Impairment of receivables		-	(85,630)
Accounting and professional fees		(372,392)	(445,740)
Occupancy expenses		(297,708)	(461,499)
IT hosting expenses		(549,117)	(829,439)
Travel expenses		(241,109)	(252,924)
Other expenses		(261,789)	(587,507)
Finance costs		(39,162)	(147,687)
Loss before income tax benefit		(577,208)	(6,773,138)
Income tax benefit	8	228,272	265,225
Loss after income tax benefit for the year attributable to the owners of Tambla Limited		(348,936)	(6,507,913)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(12,471)	350
Other comprehensive income for the year, net of tax		(12,471)	350
Total comprehensive income for the year attributable to the owners of Tambla Limited		(361,407)	(6,507,563)
		Cents	Cents
Basic earnings per share	32	(0.04)	(0.87)
Diluted earnings per share	32	(0.04)	(0.87)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	Consolidated 2018 $	Consolidated 2017 $
Assets			
Current assets			
Cash and cash equivalents		786,398	666,733
Trade and other receivables	9	1,093,853	931,066
Inventories	10	64,425	89,495
Research and development rebate receivable		149,858	178,122
Contract assets	11	308,100	33,400
Prepayments		94,588	133,433
Total current assets		2,497,222	2,032,249
Non-current assets			
Property, plant and equipment	12	92,404	100,300
Intangibles	13	2,104,597	2,894,016
Security deposits		125,237	172,305
Total non-current assets		2,322,238	3,166,621
Total assets		4,819,460	5,198,870
Liabilities			
Current liabilities			
Trade and other payables	14	1,292,406	1,019,436
Contract liabilities	15	1,925,905	1,836,918
Provisions	16	782,439	972,387
Total current liabilities		4,000,750	3,828,741
Non-current liabilities			
Deferred tax	17	629,934	866,159
Provisions		108,942	77,257
Total non-current liabilities		738,876	943,416
Total liabilities		4,739,626	4,772,157
Net assets		79,834	426,713
Equity			
Issued capital	18	38,286,177	38,290,678
Reserves	19	444,311	437,753
Accumulated losses		(38,650,654)	(38,301,718)
Total equity		79,834	426,713

The above statement of financial position should be read in conjunction with the accompanying notes

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 January 2017	36,553,145	437,403	(31,793,805)	5,196,743
Loss after income tax benefit for the year	-	-	(6,507,913)	(6,507,913)
Other comprehensive income for the year, net of tax	-	350	-	350
Total comprehensive income for the year	-	350	(6,507,913)	(6,507,563)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 18)	1,737,533	-	-	1,737,533
Balance at 31 December 2017	38,290,678	437,753	(38,301,718)	426,713

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 January 2018	38,290,678	437,753	(38,301,718)	426,713
Loss after income tax benefit for the year	-	-	(348,936)	(348,936)
Other comprehensive income for the year, net of tax	-	(12,471)	-	(12,471)
Total comprehensive income for the year	-	(12,471)	(348,936)	(361,407)
Transactions with owners in their capacity as owners:				
Share-based payments (note 33)	-	19,029	-	19,029
Buy-back of shares	(4,501)	-	-	(4,501)
Balance at 31 December 2018	38,286,177	444,311	(38,650,654)	79,834

The above statement of changes in equity should be read in conjunction with the accompanying notes

	Note	Consolidated 2018 $	Consolidated 2017 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		10,289,658	9,808,295
Payments to suppliers (inclusive of GST)		(10,656,967)	(12,182,404)
Interest received		3,391	2,991
Interest and other finance costs paid		(16,066)	(103,213)
Research and development grants		556,921	640,923
Income taxes paid		(8,047)	-
Net cash from/(used in) operating activities	30	168,890	(1,833,408)
Cash flows from investing activities			
Payments for property, plant and equipment	12	(49,461)	(17,200)
Payments for intangibles	13	-	(267,729)
Net cash used in investing activities		(49,461)	(284,929)
Cash flows from financing activities			
Proceeds from issue of shares		-	1,910,569
Buy back of shares		(4,501)	-
Share issue transaction costs		(7,602)	(182,672)
Proceeds from borrowings		383,206	2,284,520
Repayment of borrowings		(375,917)	(2,429,051)
Net cash from/(used in) financing activities		(4,814)	1,583,366
Net increase/(decrease) in cash and cash equivalents		114,615	(534,971)
Cash and cash equivalents at the beginning of the financial year		666,733	1,196,999
Effects of exchange rate changes on cash and cash equivalents		5,050	4,705
Cash and cash equivalents at the end of the financial year		786,398	666,733

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Tambla Limited ('company' or 'parent entity') as a consolidated entity consisting of Tambla Limited and the entities it controlled at the end of, or during, the year ('consolidated entity). The financial statements are presented in Australian dollars, which is Tambla's Limited's functional and presentation currency.

Tambla Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 16
132 Arthur Street
North Sydney NSW 2060

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 February 2019. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 9 Financial Instruments
The consolidated entity has adopted AASB 9 from 1 January 2017, using the fully retrospective approach. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

The adoption of AASB 9 resulted in the following adjustment:

- provision for impairment of receivables now reclassified as allowance for expected credit loss.

There was no change in the carrying amounts on the adoption of AASB 9 as at 1 January 2017.

Note 2. Significant accounting policies (continued)

AASB 15 Revenue from Contracts with Customers
The consolidated entity has adopted AASB 15 from 1 January 2017, using the fully retrospective approach. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract asset, contract liability, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

The adoption of AASB 15 resulted in the following adjustments:
- interest receivable now shown on the face of profit or loss;
- work in progress now reclassified as contract asset; and
- deferred maintenance revenue now reclassified as contract liability.

There was no change in the carrying amounts on the adoption of AASB 15 as at 1 January 2017.

Going concern
The directors have prepared the financial statements on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

As at 31 December 2018 the consolidated entity had a working capital deficiency of $1,503,528 (2017: $1,796,492) and reported a net loss after tax for the year of $348,936 (2017: $6,507,913) and operating cash inflows of $168,890 (2017: operating cash outflow of $1,833,408) for the financial year.

The consolidated entity has reported 3 out of 4 quarters of positive operating cash flows in its Appendix 4C during the financial year and the directors are confident that Tambla is well placed at the start of 2019 with a growing tendering and customer pipeline; a strong balance sheet; very high levels of customer satisfaction for the company’s technology suite; stable earnings streams; and larger and more experienced sales and marketing team that was strengthened in Q4 with new appointments. All such factors should result in a continued positive cash position and ensure the consolidated entity can continue as a going concern.

The consolidated entity has signed a convertible Note Deed Poll which has been underwritten by a related party shareholder to a minimum of $1.0 million.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 28.

Note 2. Significant accounting policies (continued)

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Tambla Limited as at 31 December 2018 and the results of all subsidiaries for the year then ended. Tambla Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Tambla Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars 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 financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Note 2. Significant accounting policies (continued)

Revenue recognition
The consolidated entity recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Sale of software and goods
Sale of software licenses which does not include installation and support services, is accounted for as a separate performance obligation. Sale of software licences provides the customer with a right of use of the group's software as it exists at the point in time the licence is granted. Revenue from license sales will be recognised at the point in time when the performance obligation to transfer control to the customer is satisfied and the ownership risks have effectively passed to the customer pursuant to the contract. Revenue is only recognised where there is a signed contract confirming the terms and value of the license sale or license extension along with a signed letter from the customer confirming that the software has been delivered or that the customer has access to it.

Sale of goods
Sale of goods revenue is recognised when its performance obligation to transfer control of the goods to the customer is satisfied which occurs either at the point of sale or when delivery is completed by way of shipping the product to the location specified by the customer and the ownership risks have therefore passed to the customer pursuant to the contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Rendering of installation services
Rendering of services revenue, being installation, is recognised when the performance obligations have been satisfied and control of the installed software and goods has passed to the customer which is measured by reference to the stage of completion. Stage of completion is measured by reference to time and costs incurred to date as a percentage of total costs for each contract. Where the contract outcome cannot be reliably estimated, revenue is only recognised to the extent of the recoverable costs incurred to date.

Customer Support and Hosting
Revenue from customer support or hosting (SaaS or MAS) is typically paid in advance on an annual, quarterly or monthly basis. Revenue is recognised over the period the customer support/hosting relates to (the coverage period) and shall not be refundable in any way. Customer support and hosting fees received in advance of the performance of services are deferred and recognised as contract liabilities.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Note 2. Significant accounting policies (continued)

Research and development rebate
The consolidated entity has adopted the income approach to accounting for research and development tax offsets pursuant to AASB 120 'Accounting for Government Grant and Disclosure of Government Assistance' whereby the incentive is recognised in profit or loss on a systematic basis over the periods in which the consolidated entity recognises the eligible expenses.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

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

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Tambla Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

The tax sharing agreement provides for the determination of the allocation of income tax liabilities between tax consolidated entities should the head entity default in its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Note 2. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories
Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Contract assets
Contract assets arise where the consolidated entity has satisfied performance obligations by transferring goods or services to a customer prior to the receipt of consideration from the customer and prior to payment becoming due and represents the consolidated entity's right to consideration for the transferred good or service. Such assets are treated as financial assets for impairment purposes. Amounts are transferred from contract assets to trade receivables upon invoicing the customer.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	1-3 years
Plant and equipment	3-13 years
Furniture and fittings	5-13 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Note 2. Significant accounting policies (continued)

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Leases
The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated entity will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Software
Significant costs associated with acquired software are deferred and amortised on a straight-line basis over the period of their expected benefit, being its finite useful life of seven years.

Customer relationships
Customer relationships acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite useful lives of seven years.

Impairment of non-financial assets
Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other non-financial 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.

Note 2. Significant accounting policies (continued)

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities
Contract liabilities are recognised when a customer pays consideration for maintenance services, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier), in circumstances where the consolidated entity is yet to transfer goods or services to satisfy performance obligations to the customer.

Provisions
Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the consolidated entity from a contract are lower than the unavoidable cost of meeting the obligations under the contract. Such contracts include property leases when the consolidated entity has committed to a course of action that will result in the property becoming vacant.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for employee benefits not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled compensation benefits are provided to directors, employees, suppliers and other parties. Equity-settled transactions are awards of shares, or options over shares including performance rights, that are provided for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is determined using the Black-Scholes option pricing model that takes into account the exercise price, the 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 interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

Note 2. Significant accounting policies (continued)

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

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.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

Note 2. Significant accounting policies (continued)

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Tambla Limited, 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 financial 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.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 2. Significant accounting policies (continued)

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2018. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset and lease liability are recognised at the commencement of the lease. The right-of-use asset is recognised at an amount that is equivalent to the initial measurement of the lease liability, adjusted for lease prepayments, lease incentives received, initial direct costs incurred, and an estimate of any future restoration, removal or dismantling costs. The lease liability is recognised at the present value of future lease payments comprising fixed lease payments less incentives, variable lease payments, residual guarantees payable, payment of purchase options where exercise is reasonably certain, and any anticipated termination penalties. The lease payments are discounted at the rate implicit in the lease, or where not readily determinable, the entity’s incremental borrowing rate. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

The standard will affect primarily the accounting for the consolidated entity’s operating leases. The consolidated entity’s operating leases include leases for low value assets, short-term leases (less than 12 months) and long-term leases. As at the reporting date, the consolidated entity has non-cancellable operating lease commitments of $606,487, see note 26. The consolidated entity would apply the exemption for short-term leases. Accordingly, the standard does not change how the consolidated entity accounts for its short-term leases and leases for low value assets.

The consolidated entity will adopt the standard from 1 January 2019, will opt to apply the simplified approach and will recognise a right-of-use asset and lease liability in relation to its long-term leases. In assessing the right-of use asset value and lease liability balance, the consolidated entity has taken into account the extension and termination options of its leases. In addition, for the right-of-use assets recognised on adoption, the consolidated entity would recognise a depreciation expense amounting to a value that approximates the operating lease expense that would have otherwise been incurred. Furthermore, the consolidated entity would incur additional interest expense which would be recognised in relation to the lease liability recognised on adoption.

Based on the consolidated entity's operating leases at 31 December 2018, the adoption of AASB 16 at 1 January 2019 will result in the recognition of a right-of-use asset of approximately $583,000 and a corresponding lease liability of $583,000. There will be no impact on accumulated losses as at 1 January 2019.

IASB revised Conceptual Framework for Financial Reporting
The revised Conceptual Framework has been issued by the International Accounting Standards Board ('IASB'), but the Australian equivalent has yet to be published. The revised framework is applicable for annual reporting periods beginning on or after 1 January 2020 and the application of the new definition and recognition criteria may result in future amendments to several accountings standards. Furthermore, entities who rely on the conceptual framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under Australian Accounting Standards may need to revisit such policies. The consolidated entity will apply the revised conceptual framework from 1 July 2020 and is yet to assess its impact.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Revenue recognition
Determining when to recognise revenues from installation, customer support and hosting services recognised over time, the amounts of revenue recognised in the reporting period depends on the extent to which the performance obligations have been satisfied. For customer support agreements, revenue recognition requires an understanding of the customer's use of the related products, historical experience and knowledge of the market. Recognising revenue from installation services also requires significant judgement in determining milestones, actual work performed and the estimated costs to complete the work.

Recognised amounts of contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion. This includes the assessment of the profitability of ongoing contracts and the order backlog. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation uncertainty.

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Estimation of useful lives of assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill
The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Employee benefits provision
As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Capitalised development software
Capitalised development software costs have been capitalised on the basis that the software project to which they relate will be a success considering its commercial and technical feasibility, from which time the costs will be amortised. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered through the successful commercialisation of the software assets. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 4. Operating segments

Identification of reportable operating segments
The consolidated entity is organised into one operating segment being workforce management. This operating segment is based on the internal reports that are reviewed and used by the Chief Executive Officer and Chief Financial Officer (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The workforce management business focuses on providing effective workforce management solutions including rostering and scheduling, award interpretation, labour cost management, fatigue risk management, leave management, time and attendance, employee self-service portals, risk management and safety compliance and workforce analytics. The Software central to this business is Microster (workforce management solutions), eTivity (workforce management solutions), Rostima (workforce management solutions) and Salvus (safety, risk and claims solutions).

The operating segment information is the same information as provided throughout the financial statements and therefore not duplicated.

Major customers
During the year ended 31 December 2018 approximately 12% (2017: 13%) of the consolidated entity's external revenue was derived from sales to a single customer.

Geographical information

	Sales to external customers		Geographical non-current assets	
	2018 $	2017 $	2018 $	2017 $
Australia	8,679,026	7,613,886	2,320,734	3,165,688
New Zealand	54,842	61,888	-	-
United Kingdom	992,404	1,066,897	1,504	933
	9,726,272	8,742,671	2,322,238	3,166,621

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Note 5. Revenue

	Consolidated 2018 $	Consolidated 2017 $
Sale of software	745,752	300,984
Rendering of services	8,832,005	8,229,451
Sale of goods	148,515	212,236
Revenue	9,726,272	8,742,671

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

	Consolidated 2018 $	Consolidated 2017 $
Major product lines		
Sale of software licences	745,752	300,984
Product services	1,887,609	1,856,313
Customer support	3,967,965	4,180,709
Subscriptions	2,248,000	2,042,810
Development	457,708	123,807
Royalties and commissions	40,670	25,812
Sale of clocks	148,515	212,236
Clock maintenance	230,053	-
	9,726,272	8,742,671

	Consolidated 2018 $	Consolidated 2017 $
Timing of revenue recognition		
Products and services transferred at a point in time	934,937	539,032
Services transferred over time	8,791,335	8,203,639
	9,726,272	8,742,671

Note 6. Other income

	Consolidated 2018 $	Consolidated 2017 $
Research and development rebate	462,218	646,910
Other income	131,261	52,240
Other income	593,479	699,150

Note 7. Expenses

	Consolidated 2018 $	Consolidated 2017 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Leasehold improvements	33,300	48,830
Plant and equipment	18,800	16,803
Fixtures and fittings	1,932	2,504
Total depreciation	54,032	68,137
Amortisation		
Software	644,861	661,673
Customer relationships	144,558	147,965
Total amortisation	789,419	809,638
Total depreciation and amortisation	843,451	877,775
Impairment and write off of assets		
Goodwill	-	2,342,001
Capitalised development software	-	1,052,854
Software	-	229,998
Customer relationships	-	46,640
Total impairment	-	3,671,493
Employee benefits		
Employee benefits expense excluding superannuation	6,842,184	6,890,381
Defined contribution superannuation expense	642,240	730,273
Total employee benefits	7,484,424	7,620,654
Rental expense relating to operating leases		
Minimum lease payments	274,244	412,230
Research costs		
Research costs	1,793,413	2,694,669

Note 8. Income tax benefit

	Consolidated 2018 $	Consolidated 2017 $
Income tax benefit		
Current tax	7,953	-
Deferred tax - origination and reversal of temporary differences	(216,539)	(265,225)
Adjustment recognised for prior periods	(19,686)	-
Aggregate income tax benefit	(228,272)	(265,225)
Deferred tax included in income tax benefit comprises:		
Decrease in deferred tax liabilities (note 17)	(216,539)	(265,225)
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax benefit	(577,208)	(6,773,138)
Tax at the statutory tax rate of 27.5%	(158,732)	(1,862,613)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	21,182	1,054,813
Non-deductible research and development	366,079	741,034
Sundry items	135,062	(6,068)
	363,591	(72,834)
Adjustment recognised for prior periods	(19,686)	-
Current year temporary differences and tax losses not recognised	(572,177)	(192,391)
Income tax benefit	(228,272)	(265,225)

	Consolidated 2018 $	Consolidated 2017 $
Tax losses not recognised		
Estimated unused tax losses for which no deferred tax asset has been recognised	13,755,136	15,389,189
Potential tax benefit @ 27.5%	3,782,662	4,232,027

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

	Consolidated 2018 $	Consolidated 2017 $
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Allowance for expected credit losses	4,702	27,835
Accrued expenses and provisions	273,078	372,758
Total deferred tax assets not recognised	277,780	400,593

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 9. Current assets - trade and other receivables

	Consolidated 2018 $	Consolidated 2017 $
Trade receivables	1,053,017	1,028,837
Less: Allowance for expected credit losses	(17,100)	(101,216)
	1,035,917	927,621
Other receivables	57,936	3,445
	1,093,853	931,066

Allowance for expected credit losses
The consolidated entity has recognised a net gain of $22,135 (2017: net loss of $85,630) in profit or loss in respect of impairment of receivables for the year ended 31 December 2018.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Consolidated	Expected credit loss rate 2018 %	Expected credit loss rate 2017 %	Carrying amount 2018 $	Carrying amount 2017 $	Allowance for expected credit losses 2018 $	Allowance for expected credit losses 2017 $
Not overdue	-	-	342,693	70,902	-	-
0 to 3 months overdue	-	10.037%	744,542	853,114	-	85,627
3 to 6 months overdue	-	-	5,060	86,140	-	-
Over 6 months overdue	91.650%	70.454%	18,658	22,126	17,100	15,589
			1,110,953	1,032,282	17,100	101,216

Movements in the allowance for expected credit losses are as follows:

	Consolidated 2018 $	Consolidated 2017 $
Opening balance	101,216	15,586
Additional provisions recognised	-	85,630
Receivables recovered which were previously written off	(61,981)	-
Unused amounts reversed	(22,135)	-
Closing balance	17,100	101,216

Note 10. Current assets - inventories

	Consolidated 2018 $	Consolidated 2017 $
Stock on hand - at cost	64,425	89,495

Note 11. Current assets - contract assets

	Consolidated 2018 $	Consolidated 2017 $
Contract assets	308,100	33,400

Contract assets have significantly increased between 31 December 2017 and 31 December 2018 due to timing of recognition of revenue in satisfying the performance obligations to actual invoicing, which is expected to be invoiced in quarter one of 2019.

Allowance for expected credit losses
The allowance for expected credit losses on contract assets for the year ended 31 December 2018 is $nil (2017:$nil).

Note 12. Non-current assets - property, plant and equipment

	Consolidated 2018 $	Consolidated 2017 $
Leasehold improvements - at cost	181,033	178,513
Less: Accumulated depreciation	(137,552)	(104,261)
	43,481	74,252
Plant and equipment - at cost	240,742	197,082
Less: Accumulated depreciation	(196,923)	(178,070)
	43,819	19,012
Fixtures and fittings - at cost	21,299	21,299
Less: Accumulated depreciation	(16,195)	(14,263)
	5,104	7,036
	92,404	100,300

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Leasehold improvements $	Plant and equipment $	Fixtures and fittings $	Total $
Balance at 1 January 2017	133,594	31,392	9,540	174,526
Additions	-	13,842	-	13,842
Disposals	(10,508)	(9,444)	-	(19,952)
Exchange differences	(4)	25	-	21
Depreciation expense	(48,830)	(16,803)	(2,504)	(68,137)
Balance at 31 December 2017	74,252	19,012	7,036	100,300
Additions	2,529	43,576	-	46,105
Exchange differences	-	31	-	31
Depreciation expense	(33,300)	(18,800)	(1,932)	(54,032)
Balance at 31 December 2018	43,481	43,819	5,104	92,404

Note 13. Non-current assets - intangibles

	Consolidated 2018 $	Consolidated 2017 $
Goodwill - at cost	16,584,001	16,584,001
Less: Impairment	(16,584,001)	(16,584,001)
	-	-
Software - at cost	5,981,061	5,136,061
Less: Accumulated amortisation	(4,031,954)	(2,542,093)
Less: Impairment	(229,998)	(229,998)
	1,719,109	2,363,970
Customer relationships - at cost	1,071,315	1,071,315
Less: Accumulated amortisation	(639,187)	(494,629)
Less: Impairment	(46,640)	(46,640)
	385,488	530,046
	2,104,597	2,894,016

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill $	Capitalised development software $	Software $	Customer relationships $	Total $
Balance at 1 January 2017	2,342,001	785,125	3,255,641	724,651	7,107,418
Additions	-	267,729	-	-	267,729
Impairment of assets	(2,342,001)	-	(229,998)	(46,640)	(2,618,639)
Write off of assets	-	(1,052,854)	-	-	(1,052,854)
Amortisation expense	-	-	(661,673)	(147,965)	(809,638)
Balance at 31 December 2017	-	-	2,363,970	530,046	2,894,016
Amortisation expense	-	-	(644,861)	(144,558)	(789,419)
Balance at 31 December 2018	-	-	1,719,109	385,488	2,104,597

Note 14. Current liabilities - trade and other payables

	Consolidated 2018 $	Consolidated 2017 $
Trade payables	354,006	259,381
Accruals	485,388	488,080
Other payables	453,012	271,975
	1,292,406	1,019,436

Refer to note 21 for further information on financial instruments.

Note 15. Current liabilities - contract liabilities

	Consolidated 2018 $	Consolidated 2017 $
Contract liabilities	1,925,905	1,836,918

Reconciliation
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

	2018 $	2017 $
Opening balance	1,836,918	1,876,919
Payments received in advance	4,730,547	3,754,148
Transfer to revenue - included in the opening balance	(1,836,918)	(1,876,919)
Transfer to revenue - other balances	(2,804,642)	(1,917,230)
Closing balance	1,925,905	1,836,918

Unsatisfied performance obligations
The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $1,925,905 as at 31 December 2018 ($1,836,918 as at 31 December 2017) and is expected to be recognised as revenue in future periods as follows:

	Consolidated 2018 $	Consolidated 2017 $
Within 12 months	1,925,905	1,836,918

Note 16. Current liabilities - provisions

	Consolidated 2018 $	Consolidated 2017 $
Annual leave	337,931	367,915
Long service leave	227,422	258,986
Deferred lease incentives	217,086	345,486
	782,439	972,387

Deferred lease incentives
The provision represents operating lease incentives received. The incentives are allocated to profit or loss in such a manner that the rent expense is recognised on a straight-line basis over the lease term.

The consolidated entity expects all annual leave entitlements to be taken within the next 12 months.

Note 16. Current liabilities - provisions (continued)

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

Consolidated - 2018	Deferred lease incentives $
Carrying amount at the start of the year	345,486
Amounts used	(128,400)
Carrying amount at the end of the year	217,086

Note 17. Non-current liabilities - deferred tax

	Consolidated 2018 $	Consolidated 2017 $
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Customer relationships	115,646	145,765
Intellectual property	514,288	648,214
Other	-	72,180
Deferred tax liability	629,934	866,159
Movements:		
Opening balance	866,159	1,173,328
Credited to profit or loss (note 8)	(216,539)	(265,225)
Other	(19,686)	(41,944)
Closing balance	629,934	866,159

Note 18. Equity - issued capital

	Consolidated 2018 Shares	Consolidated 2017 Shares	Consolidated 2018 $	Consolidated 2017 $
Ordinary shares - fully paid	989,129,167	989,691,821	38,286,177	38,290,678

Note 18. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 January 2017	716,753,415		36,553,145
Shares issued	18 October 2017	75,000,000	$0.007	525,000
Shares issued	16 November 2017	58,220,439	$0.007	407,543
Shares issued	27 November 2017	2,773,375	$0.007	19,414
Shares issued	29 November 2017	136,944,592	$0.007	958,612
Share issue transaction costs		-	$0.000	(173,036)
Balance	31 December 2017	989,691,821		38,290,678
Buy back of shares	23 February 2018	(562,654)	$0.008	(4,501)
Balance	31 December 2018	989,129,167		38,286,177

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number and paid-up amounts on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure (debt to equity ratio) to reduce the cost of capital. The consolidated entity's debt and equity includes ordinary share capital and financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 31 December 2017 Annual Report.

Note 19. Equity - reserves

	Consolidated 2018 $	2017 $
Foreign currency reserve	76,940	89,411
Share-based payments reserve	367,371	348,342
	444,311	437,753

Note 19. Equity - reserves (continued)

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency $	Share-based payments $	Total $
Balance at 1 January 2017	89,061	348,342	437,403
Foreign currency translation	350	-	350
Balance at 31 December 2017	89,411	348,342	437,753
Foreign currency translation	(12,471)	-	(12,471)
Share-based payments	-	19,029	19,029
Balance at 31 December 2018	76,940	367,371	444,311

Note 20. Equity - dividends

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Franking credits

	Consolidated 2018 $	Consolidated 2017 $
Franking credits available for subsequent financial years based on a tax rate of 27.5%	-	94,388

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Note 21. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity may use derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and ageing analysis for credit risk.

Note 21. Financial instruments (continued)

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a regular basis.

Market risk

Foreign currency risk
The consolidated entity is not exposed to any significant foreign currency risk.

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
The consolidated entity is not exposed to any significant interest rate risk.

Credit risk

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has adopted the policy of only dealing with creditworthy customers and inquiries into each customer’s ability to satisfy the consideration prior to undertaking a sale as a means of mitigating the risk of financial loss from defaults. Furthermore, management consistently reviews aged receivable levels with a view to the collection of cash within the shortest possible time-frame.

The consolidated entity does not have any significant credit risk exposure to any single customer. The carrying amount of financial assets recorded in the statement of financial position, net of any allowances for losses, represents the consolidated entity’s maximum exposure to credit risk.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

The consolidated entity has a non-recourse receivables facility in place, in which it can sell selected trade receivables and receives 80% of the invoiced value of those trade receivables in cash. The consolidated entity pays a service fee on this facility. The consolidated entity transfers substantially all of the risks and rewards to the financier which bears the collection risks without the right to receive payments from the consolidated entity in the event of any loss arising from the non-collectability of these receivables. The facility limit is $1,500,000 (2017: $1,500,000) for selected trade receivables of which $26,000 (2017: $nil) was utilised as at 31 December 2018.

Note 21. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2018	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	354,006	-	-	-	354,006
Other payables	-	453,012	-	-	-	453,012
Total non-derivatives		807,018	-	-	-	807,018

Consolidated - 2017	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	259,381	-	-	-	259,381
Other payables	-	271,975	-	-	-	271,975
Total non-derivatives		531,356	-	-	-	531,356

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 22. Fair value measurement

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities. The fair value is classified as level 3 due to the significant unobservable inputs used in the valuation, including own credit risk.

Note 23. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2018 $	Consolidated 2017 $
Short-term employee benefits	864,375	1,009,075
Post-employment benefits	44,950	62,311
Long-term benefits	20,460	12,897
Share-based payments	19,029	-
	948,814	1,084,283

Note 23. Key management personnel disclosures (continued)

In addition to the above, consultancy fees of $9,375 (2017: $30,997) were paid to non-executive directors and are included in payments for services from key management personnel as detailed in note 27.

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd, the auditor of the company:

	Consolidated	
	2018	2017
	$	$
Audit services - Grant Thornton Audit Pty Ltd		
Audit or review of the financial statements	107,700	116,800
Other services - Grant Thornton Audit Pty Ltd		
Tax compliance	50,500	37,000
Tax advisory services	30,310	40,350
	80,810	77,350
	188,510	194,150

Note 25. Contingent liabilities

The consolidated entity has a bank guarantee in place with St. George Bank which amounts to $124,000 (2017: $124,000).

Note 26. Commitments

	Consolidated	
	2018	2017
	$	$
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	403,243	459,995
One to five years	203,244	598,566
	606,487	1,058,561

The consolidated entity has operating lease commitments in respect of an operating lease over its office premises located in Sydney expiring on 3 July 2020. The lease has various escalation clauses and an option to extend. On renewal, the terms of the lease are renegotiated.

Note 27. Related party transactions

Parent entity
Tambla Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 29.

Key management personnel
Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the directors' report.

Note 27. Related party transactions (continued)

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated 2018 $	Consolidated 2017 $
Payment for goods and services:		
Payment for services from key management personnel	27,578	30,997

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated 2018 $	Consolidated 2017 $
Current payables:		
Trade payables to key management personnel	76,341	25,438

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 28. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2018 $	Parent 2017 $
Loss after income tax	(5,791,758)	(11,691,952)
Total comprehensive income	(5,791,758)	(11,691,952)

Note 28. Parent entity information (continued)

Statement of financial position

	Parent 2018 $	Parent 2017 $
Total current assets	4,930,753	2,473,805
Total assets	4,930,753	2,473,805
Total current liabilities	19,500,547	11,780,345
Total liabilities	22,494,527	14,259,715
Equity		
Issued capital	38,286,177	38,290,678
Share-based payments reserve	366,924	348,530
Accumulated losses	(56,216,875)	(50,425,118)
Total deficiency in equity	(17,563,774)	(11,785,910)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
As at 31 December 2018 and 31 December 2017, the parent entity had entered into a non-recourse facilities guarantee.

Contingent liabilities
The parent entity had no contingent liabilities as at 31 December 2018 and 31 December 2017.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 31 December 2018 and 31 December 2017.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2018 %	Ownership interest 2017 %
Tambla NZ Limited (a)	New Zealand	100.00%	100.00%
eTivity Solutions Pty Limited	Australia	100.00%	100.00%
Microster Solutions Pty Ltd	Australia	100.00%	100.00%
Salvus Solutions Pty Ltd	Australia	100.00%	100.00%
Tambla International Limited (b)	United Kingdom	100.00%	100.00%
Tambla Asia Sdn Bhd (c)	Malaysia	100.00%	100.00%
Rostima Limited (d)	United Kingdom	100.00%	100.00%

Note 29. Interests in subsidiaries (continued)

(a) formerly ComOps NZ Limited
(b) formerly ComOps International Limited
(c) formerly ComOps Asia SDN BHD (name was changed on 30 January 2019)
(d) Rostima Limited was deregistered in January 2019

Note 30. Reconciliation of loss after income tax to net cash from/(used in) operating activities

	Consolidated 2018 $	Consolidated 2017 $
Loss after income tax benefit for the year	(348,936)	(6,507,913)
Adjustments for:		
Depreciation and amortisation	843,451	877,775
Impairment of intangibles	-	2,618,639
Write off of intangibles	-	1,052,854
Net loss on disposal of property, plant and equipment	-	15,271
Foreign exchange differences	1,509	(4,275)
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables and prepayments	(98,872)	301,766
Decrease in income tax refund due	28,264	145,901
Increase in other non-current assets	50,392	36,457
Decrease/(increase) in contract assets	(274,700)	145,816
Increase/(decrease) in trade and other payables	273,283	(349,803)
Decrease in deferred tax liabilities	(236,225)	(307,169)
Increase/(decrease) in provisions	(158,263)	181,274
Increase/(decrease) in other operating liabilities	88,987	(40,001)
Net cash from/(used in) operating activities	168,890	(1,833,408)

Note 31. Changes in liabilities arising from financing activities

Consolidated	Non-recourse receivables facility* $
Balance at 1 January 2017	163,272
Net cash used in financing activities	(144,531)
Balance at 31 December 2017	18,741
Net cash from financing activities	7,289
Balance at 31 December 2018	26,030

* included in other payables

Note 32. Earnings per share

	Consolidated 2018 $	Consolidated 2017 $
Loss after income tax attributable to the owners of Tambla Limited	(348,936)	(6,507,913)

Note 32. Earnings per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	989,212,409	751,405,584
Weighted average number of ordinary shares used in calculating diluted earnings per share	989,212,409	751,405,584

	Cents	Cents
Basic earnings per share	(0.04)	(0.87)
Diluted earnings per share	(0.04)	(0.87)

23,565,380 (2017: 53,565,380) options on issue and 34,000,000 (2017: nil) performance rights on issue have been excluded from the weighted average number of ordinary shares used in calculating diluted earnings per share as they are considered anti-dilutive.

Note 33. Share-based payments

The following incentive plans have been established by the consolidated entity and approved by shareholders at a general meeting held on 7 May 2018:
- Employee share option plan (option plan) under which eligible employees may be offered the opportunity to be granted options; and
- Employee performance rights plan (performance rights plan) under which eligible employees may be offered the opportunity to be granted performance rights.

An eligible employee includes a director, senior executive or employee of the consolidated entity or an associated body corporate of the consolidated entity.

The plans are designed to provide incentives to eligible employees and to recognise their contribution to the consolidated entity's success, whilst being cost effective and efficient to it. The design of the plans encourage: (i) continued improvement in performance over time and (ii) personnel to acquire and retain share within the company.

The Board may, in its absolute discretion, invite an eligible employee to participate in the option plan or performance right plan. Prior shareholder approval is required before a director or related party of the company can participate in an issue of options under the option plan or an issue of performance rights under the performance rights plan.

Performance and vesting conditions
When granting options/performance rights, the Board may make their vesting conditional on the satisfaction of a performance condition within a specified period. The Board may at any time waive or change a performance condition or performance period in accordance with the option/performance rights plan rules if the Board (acting reasonably) considers it appropriate to do so.

The options/performance rights will vest following satisfaction of the performance conditions or such other date as determined by the Board in its discretion. Subject to the option/performance rights plan rules, the Board may declare that all or a specified number of any unvested options/performance rights granted to a participant which have not lapsed immediately vest if, in the opinion of the Board a change of control in relation to the company has occurred, or is likely to occur, having regard to the participant’s pro rata performance in relation to the applicable performance conditions up to that date.

Subject to the option/performance rights plan rules, the Board may in its absolute discretion, declare the vesting of an option/performance right where the company is wound up or passes a resolution to dispose of its main undertaking. If there is any internal reconstruction or acquisition of the company which does not involve a significant change in the identity of the ultimate shareholders of the company, the Board may declare in its sole discretion whether and to what extent options/performance rights, which have not vested by the day the reconstruction takes place, will vest.

The share-based payment expense during the financial year for performance rights issued amounted to $19,029 (2017: $nil). There was no expense recognised in relation to any share options during the year ended 31 December 2018 (2017:$nil).

Note 33. Share-based payments (continued)

Set out below are summaries of options granted under the option plan:

2018

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired	Balance at the end of the year
03/05/2013	30/06/2019	$0.100	2,000,000	-	-	-	2,000,000
20/06/2013	30/06/2019	$0.200	2,000,000	-	-	-	2,000,000
02/07/2013	30/06/2019	$0.100	3,000,000	-	-	-	3,000,000
22/12/2014	18/11/2018	$0.400	30,000,000	-	-	(30,000,000)	-
01/10/2015	30/09/2019	$0.300	7,565,380	-	-	-	7,565,380
31/12/2015	31/12/2019	$0.300	4,000,000	-	-	-	4,000,000
01/07/2016	30/06/2022	$0.300	5,000,000	-	-	-	5,000,000
			53,565,380	-	-	(30,000,000)	23,565,380
Weighted average exercise price			$0.330	$0.000	$0.000	$0.400	$0.249

2017

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired	Balance at the end of the year
03/05/2013	30/06/2019	$0.010	2,000,000	-	-	-	2,000,000
20/06/2013	30/06/2019	$0.020	2,000,000	-	-	-	2,000,000
02/07/2013	30/06/2019	$0.010	3,000,000	-	-	-	3,000,000
22/12/2014	18/11/2018	$0.040	30,000,000	-	-	-	30,000,000
01/10/2015	30/09/2019	$0.030	7,565,380	-	-	-	7,565,380
31/12/2015	31/12/2019	$0.030	4,000,000	-	-	-	4,000,000
01/07/2016	30/06/2022	$0.030	5,000,000	-	-	-	5,000,000
			53,565,380	-	-	-	53,565,380
Weighted average exercise price			$0.330	$0.000	$0.000	$0.000	$0.330

Set out below are the options vested and exercisable at the end of the financial year:

Grant date	Expiry date	2018 Number	2017 Number
03/05/2013	30/06/2019	2,000,000	2,000,000
20/06/2013	30/06/2019	2,000,000	2,000,000
02/07/2013	30/06/2019	3,000,000	3,000,000
22/12/2014	18/11/2018	-	30,000,000
01/10/2015	30/09/2019	7,565,380	7,565,380
31/12/2015	31/12/2019	4,000,000	1,500,000
01/07/2016	30/06/2022	3,750,000	2,500,000
		22,315,380	48,565,380

The weighted average share price during the financial year was $0.01 (2017: $0.01).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.3 years (2017: 1.5 years).

Note 33. Share-based payments (continued)

Set out below are summaries of performance rights granted under the performance rights plan:

2018

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Forfeited	Balance at the end of the year
20/02/2018	31/12/2022	$0.000	-	6,000,000	-	-	6,000,000
20/02/2018	31/12/2023	$0.000	-	6,000,000	-	-	6,000,000
20/02/2018	31/12/2024	$0.000	-	6,000,000	-	-	6,000,000
20/02/2018	30/06/2023	$0.000	-	6,000,000	-	-	6,000,000
20/02/2018	31/12/2023	$0.000	-	5,000,000	-	-	5,000,000
20/02/2018	31/12/2023	$0.000	-	5,000,000	-	-	5,000,000
			-	34,000,000	-	-	34,000,000

2017

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Forfeited	Balance at the end of the year
01/07/2016	30/06/2022	$0.000	6,000,000	-	-	(6,000,000)	-
			6,000,000	-	-	(6,000,000)	-

No performance rights are exercisable at 31 December 2018.

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 4.8 years (2017: nil years).

For the performance rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
20/02/2018	31/12/2022	$0.010	$0.000	95.60%	-	2.00%	$0.002
20/02/2018	31/12/2023	$0.010	$0.000	95.60%	-	2.00%	$0.002
20/02/2018	31/12/2024	$0.010	$0.000	95.60%	-	2.00%	$0.002
20/02/2018	30/06/2023	$0.010	$0.000	95.60%	-	2.00%	$0.001
20/02/2018	31/12/2023	$0.010	$0.000	95.60%	-	2.00%	$0.002
20/02/2018	31/12/2024	$0.010	$0.000	95.60%	-	2.00%	$0.002

Note 34. Events after the reporting period

The consolidated entity has signed a convertible Note Deed Poll which has been underwritten by a related party shareholder to a minimum of $1.0 million.

No other matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Niall Cairns
Non-Executive Chairman

Phillip Carter
Non-Executive Director

27 February 2019
Sydney

Level 17, 383 Kent Street
Sydney NSW 2000

Correspondence to:
Locked Bag Q800
QVB Post Office
Sydney NSW 1230

T +61 2 8297 2400
F +61 2 9299 4445
E info.nsw@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report

To the Members of Tambla Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Tambla Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 31 December 2018 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Grant Thornton

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition **Note 2 and Note 5**	
Revenue has a recorded value at 31 December 2018 of $9,726,272. The process to measure the amount of revenue to recognise in the financial statements, including the determination of the appropriate timing of recognition, involves significant management judgement. This area is a key audit matter given the management judgement involved in developing and applying appropriate accounting policies that comply with accounting standards and in determining the timing of amounts to be recognised as revenue.	Our procedures included, but were not limited to: • assessing the revenue recognition policies for appropriateness and compliance with AASB 15 *Revenues from Contracts with Customers*; • selecting key controls in the revenue recognition process and testing their operating effectiveness. We have reviewed controls to evaluate: – appropriate timesheet approvals – appropriate contract approvals – alignment of invoices with sales contract terms and time recorded on timesheets; • performing a trend analysis for revenue disaggregated by month and revenue streams; • performing detailed testing of a sample of contracts for compliance with the terms and recognition in the appropriate period; • reviewing the work in progress and unearned income schedules against the corresponding sales contracts and other supporting documentation; and • assessing the adequacy of disclosures in the financial statements.
Going concern **Note 2**	
As disclosed in Note 2 to the financial report, the Directors have determined that the use of the going concern basis of accounting is appropriate in preparing the financial report. Their assessment of going concern was based on cash flow projections. The preparation of these projections incorporated a number of assumptions and judgments which includes the timing of future cash flows, operating results and the issue of convertible notes after the reporting period, resulting in a cash inflow of $1m. This area is a key audit matter due to the high level of judgement required by us in evaluating the Group's assessment of going concern.	Our audit procedures included, but were not limited to: • obtaining and evaluating the cash flow forecast prepared by management to support their assessment of preparing the financial statements on a going concern basis and comparing to actual results achieved in the current financial year; • assessing the assumption of cash inflows from the issuance of convertible notes after the reporting period through review of the relevant agreements and vouching cash received to date; • assessing management's ability to accurately forecast cash flows by comparing prior forecasts to actual results; • analysing the impact of reasonably possible changes in projected cash flows and their timing, to the projected periodic cash positions and assessing the resulting impact on the ability of the Group to pay debts as and when they fall due and continue as a going concern; and • assessing the adequacy of the Groups related disclosures included in Note 2 to the financial report.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 9 to 17 of the Directors' report for the year ended 31 December 2018.

In our opinion, the Remuneration Report of Tambla Limited, for the year ended 31 December 2018 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

M Leivesley

M R Leivesley
Partner – Audit & Assurance

Sydney, 27 February 2019

The shareholder information set out below was applicable as at 18 February 2019.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	Number of holders of options over ordinary shares
1 to 1,000	2,744	-
1,001 to 5,000	27,880	-
5,001 to 10,000	435,804	-
10,001 to 100,000	5,762,213	-
100,001 and over	982,900,526	9
	989,129,167	9
Holding less than a marketable parcel	289	-

Equity security holders

Twenty largest quoted equity security holders

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

	Ordinary shares	
	Number held	% of total shares issued
Kestrel Growth Companies Ltd	167,620,731	16.95
Carnethy Evergreen Pty Ltd (Carnethy Evergreen Fund A/C)	111,817,745	11.30
HSBC Custody Nominees (Australia) Limited - A/C 2	83,300,000	8.42
Mr Stephen Francis Rattray & Mrs Peta Michelle Rattray (Stepeta Super Fund A/C)	45,134,703	4.56
Dixson Trust Pty Limited	37,991,142	3.84
J P Morgan Nominees Australia Pty Limited	34,885,601	3.53
Spectre Ventures Pty Limited (Spectre A/C)	25,158,936	2.54
Perle Ventures Pty Ltd (Pv Investments 3 A/C)	25,000,000	2.53
Compost Investments Pty Ltd (Compost Investments Unit Ac)	18,789,902	1.90
Convergent Technology Consulting Pty Ltd (Convergent Family A/C)	18,750,000	1.90
Mr David Edgley & Mrs Louise Edgley	18,121,452	1.83
Edgley Pty Ltd (Tecorp Super Fund A/C)	16,000,000	1.62
Scumi Pty Ltd (Scumi Family A/C)	14,965,000	1.51
DBS Vickers Securities (Singapore) Pte Ltd (Client Account)	14,285,714	1.44
Gumbalie Pty Ltd	12,500,000	1.26
Coralco Pty Ltd	12,000,000	1.21
Gumbalie Pty Ltd (Short Term Trading A/C)	10,500,000	1.06
Mr Brian Leonard Vidler (Wattle Ins P/L Super A/C)	10,000,000	1.01
Bond Street Custodians Limited (Lcla - D66378 A/C)	9,628,374	0.97
Calama Holdings Pty Ltd (Mambat Super Fund A/C)	8,044,193	0.81
	694,493,493	70.19

Unquoted equity securities

	Number on issue	Number of holders
Options	23,565,380	9
Performance rights	34,000,000	1

The following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held
Chris Fydler	Performance rights over ordinary shares	34,000,000
Gerry Williams	Option over ordinary shares	13,565,380

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Kestrel Growth Companies Ltd	167,620,731	16.95
Carnethy Evergreen Pty Ltd (Carnethy Evergreen Fund A/C)	111,817,745	11.30
HSBC Custody Nominees (Australia) Limited - A/C 2	83,300,000	8.42

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.