Appendix 4E

Preliminary Final Report

30 June 2018

buyMyplace.com.au Limited

ABN 68 132 204 561

buyMyplace.com.au Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	buyMyplace.com.au Limited
ABN:	68 132 204 561
Reporting period:	For the year ended 30 June 2018
Previous period:	For the year ended 30 June 2017

2. Results for announcement to the market

				$
Revenues from ordinary activities	up	38.4%	to	2,909,061
Loss from ordinary activities after tax attributable to the owners of buyMyplace.com.au Limited	up	42.6%	to	(5,446,188)
Loss for the year attributable to the owners of buyMyplace.com.au Limited	up	42.6%	to	(5,446,188)

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

Comments
The loss for the consolidated entity after providing for income tax amounted to $5,446,188 (30 June 2017: $3,819,265).

The working capital position as at 30 June 2018 of the consolidated entity results in a deficiency of current liabilities over current assets of ($2,106,263) (30 June 2017: $1,803,120).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(3.02)	3.06

4. Control gained over entities

Name of entities (or group of entities)	MyPlace Conveyancing Pty Ltd
Date control gained	1 August 2017

	$
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities before income tax during the period (where material)	(31,515)
Profit/(loss) from ordinary activities before income tax of the controlled entity (or group of entities) for the whole of the previous period (where material)	(26,038)

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 report, and accompanying financial statements, are based upon accounts which are in the process of being audited. The auditor has indicated that they are likely to issue an unqualified audit opinion but with an emphasis of matter on the going concern prospects for the business.

---

11. Attachments

Details of attachments (if any):

The preliminary final report of buyMyplace.com.au Limited for the year ended 30 June 2018 is attached.

---

12. Signed

Signed ____________________________ Date: 31 August 2018

Matthew Driscoll
Chairman

buyMyplace.com.au Limited
Contents
30 June 2018

buyMyplace.com.au Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2018

	Note	Consolidated 2018 $	Consolidated 2017 $
Revenue	3	2,909,061	2,102,105
Other income	4	256,701	96,723
Expenses			
Cost of sales		(976,027)	(697,637)
Legal and business services		(1,564,483)	(928,192)
Advertising and marketing expenses		(1,462,546)	(1,463,629)
Salaries and employment expenses		(2,395,566)	(1,666,799)
Depreciation and amortisation expenses		(130,132)	(68,851)
Impairment of goodwill relating to acquisition of MPC		(226,946)	-
Share-based payments expenses		(1,077,396)	(856,164)
Finance costs		(109,950)	(716)
Other expenses		(668,904)	(336,105)
Loss before income tax expense		(5,446,188)	(3,819,265)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of buyMyplace.com.au Limited		(5,446,188)	(3,819,265)
Other comprehensive (loss)/income for the year, net of tax		-	-
Total comprehensive (loss)/income for the year attributable to the owners of buyMyplace.com.au Limited		(5,446,188)	(3,819,265)
		Cents	**Cents**
Basic earnings per share	13	(8.25)	(6.39)
Diluted earnings per share	13	(8.25)	(6.39)

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

buyMyplace.com.au Limited
Statement of financial position
As at 30 June 2018

	Note	Consolidated 2018 $	Consolidated 2017 $
Assets			
Current assets			
Cash and cash equivalents		267,783	2,553,317
Trade and other receivables		336,804	71,531
Prepayments		82,237	56,767
Total current assets		686,824	2,681,615
Non-current assets			
Plant and equipment		88,972	104,892
Intangible assets	5	367,077	160,352
Other non-financial assets		40,506	40,465
Total non-current assets		496,555	305,709
Total assets		1,183,379	2,987,324
Liabilities			
Current liabilities			
Trade and other payables		1,073,426	785,321
Borrowings	6	1,608,920	-
Employee benefits provision		110,741	93,174
Total current liabilities		2,793,087	878,495
Non-current liabilities			
Provisions	7	61,225	-
Total non-current liabilities		61,225	-
Total liabilities		2,854,312	878,495
Net assets/(liabilities)		(1,670,933)	2,108,829
Equity			
Issued capital	8	16,502,746	15,913,716
Share-based payment reserve	10	2,942,000	2,202,907
Accumulated losses		(21,115,679)	(16,007,794)
Total equity/(deficiency)		(1,670,933)	2,108,829

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

buyMyplace.com.au Limited
Statement of changes in equity
For the year ended 30 June 2018

Consolidated	Contributed equity $	Share-based payment reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2016	13,064,988	1,432,761	(12,254,319)	2,243,430
Loss after income tax expense for the year	-	-	(3,819,265)	(3,819,265)
Other comprehensive (loss)/income for the year, net of tax	-	-	-	-
Total comprehensive (loss)/income for the year	-	-	(3,819,265)	(3,819,265)
Shares issued	3,038,004	-	-	3,038,004
Transaction costs in issuing shares	(209,504)	-	-	(209,504)
Share based payments	-	856,164	-	856,164
Options expired or lapsed	-	(65,790)	65,790	-
Exercise of options	20,228	(20,228)	-	-
Balance at 30 June 2017	15,913,716	2,202,907	(16,007,794)	2,108,829

Consolidated	Contributed Equity $	Share-based payment reserve $	Accumulated losses $	Total deficiency in equity $
Balance at 1 July 2017	15,913,716	2,202,907	(16,007,794)	2,108,829
Loss after income tax expense for the year	-	-	(5,446,188)	(5,446,188)
Other comprehensive (loss)/income for the year, net of tax	-	-	-	-
Total comprehensive (loss)/income for the year	-	-	(5,446,188)	(5,446,188)
Shares issued	609,030	-	-	609,030
Transaction costs in issuing shares	(20,000)	-	-	(20,000)
Share based payments	-	1,077,396	-	1,077,396
Options expired or lapsed	-	(338,303)	338,303	-
Balance at 30 June 2018	16,502,746	2,942,000	(21,115,679)	(1,670,933)

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

buyMyplace.com.au Limited
Statement of cash flows
For the year ended 30 June 2018

	Consolidated 2018 $	Consolidated 2017 $
Cash flows from operating activities		
Receipts from customers	2,948,868	2,211,255
Receipts from sub-lessee	73,477	91,372
Payments to suppliers and employees	(6,898,772)	(4,818,367)
	(3,876,427)	(2,515,740)
Interest received	1,547	5,351
R&D tax incentive	49,622	-
Net cash used in operating activities	(3,825,258)	(2,510,389)
Cash flows from investing activities		
Payments for property, plant and equipment	(39,770)	(45,796)
Payments for intangibles	(226,391)	(143,502)
Payments for acquisition of investments (net of cash acquired)	(149,115)	-
Net cash used in investing activities	(415,276)	(189,298)
Cash flows from financing activities		
Proceeds from issue of shares	475,000	3,038,003
Transaction costs on issue of shares	(20,000)	(209,503)
Proceeds from borrowings	1,500,000	-
Repayment of borrowings	-	(48,795)
Net cash from financing activities	1,955,000	2,779,705
Net increase/(decrease) in cash and cash equivalents	(2,285,534)	80,018
Cash and cash equivalents at the beginning of the financial year	2,553,317	2,473,299
Cash and cash equivalents at the end of the financial year	267,783	2,553,317

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

Note 1. General information

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

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

Note 2. Significant accounting policies

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

This financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2017, the 2017 Annual Financial Statements and any public announcements made by buyMyplace.com.au Limited during the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Going concern

It is noted that for 2018 financial year, the Group incurred a loss from continuing operations after income tax of $5,446,188 (2017: $3,819,265) and had consolidated net cash outflows from operating activities of $3,825,258 (2017: $2,510,389).

The cash reserves as at 30 June 2018 are $267,783 (30 June 2017: $2,553,317). The working capital position as at 30 June 2018 of the consolidated entity results in a deficiency of current liabilities over current assets of $2,106,263 (30 June 2017: excess of $1,803,120).

The Group recognises that it needs to raise funds for prospective acquisitions and working capital requirements in the near future and has commenced a capital raising process by seeking commitments from cornerstone investors. If the capital raising is unsuccessful, it would indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. However, the Group has already received verbal assurances from a number of prospective investors that they are prepared to participate in the capital raising process and is currently formalising these arrangements in the form of commitment letters.

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates normal business activity, realisation of assets and the settlement of liabilities in the normal course of business.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of buyMyplace.com.au Limited ('company' or 'parent entity') as at 30 June 2018 and the results of all subsidiaries for the year then ended. buyMyplace.com.au 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.

Note 2. Significant accounting policies (continued)

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.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets
The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for loans and receivables carried at amortised cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. If there is a reversal of impairment, the reversal cannot exceed the amortised cost that would have been recognised had the impairment not been made and is reversed to profit or loss.

Note 3. Revenue

	Consolidated	
	2018	**2017**
	$	**$**
Products and services	2,909,061	2,102,105

Accounting policy for revenue recognition
Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods
Sale of goods is recognised when the Group has transferred to the buyer the significant risks and rewards of ownership, generally when the customer has taken undisputed delivery of the goods. Revenue from the sale of goods is recognised on delivery to the customers.

Rendering of services
Revenue from the provision of services to customers is recognised upon delivery of the services to the customers.

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.

Note 3. Revenue (continued)

Sub-lease income
Sub-lease income from operating leases is recognised on a straight-line basis over the sub-lease term.

Note 4. Other income

	Consolidated 2018 $	Consolidated 2017 $
Interest income	1,588	5,351
Sub-lease income	73,477	91,372
Research and development receivable	132,014	-
Research and development refund	49,622	-
Other income	256,701	96,723

Note 5. Non-current assets - Intangible assets

	Consolidated 2018 $	Consolidated 2017 $
Goodwill - at cost	288,170	-
Less: Impairment - MPC Acquisition	(226,945)	-
	61,225	-
Website - at cost	197,681	174,100
Less: Accumulated amortisation	(112,348)	(73,007)
	85,333	101,093
Software - at cost	272,357	69,707
Less: Accumulated amortisation	(51,838)	(10,448)
	220,519	59,259
	367,077	160,352

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 $	Website $	Software $	Total $
Balance at 1 July 2016	-	40,451	3,683	44,134
Additions	-	81,291	64,126	145,417
Amortisation expense	-	(20,649)	(8,550)	(29,199)
Balance at 30 June 2017	-	101,093	59,259	160,352
Additions	-	23,581	202,650	226,231
Additions through business combinations (note 12)	288,170	-	-	288,170
Impairment - MPC Acquisition	(226,945)	-	-	(226,945)
Amortisation expense	-	(39,341)	(41,390)	(80,731)
Balance at 30 June 2018	61,225	85,333	220,519	367,077

Note 5. Non-current assets - Intangible assets (continued)

Accounting policy for intangible assets
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.

Website
Significant costs associated with the development of the revenue generating aspects of the website, including the capacity of placing orders, are deferred and amortised on a 33% diminishing value basis over the period of their expected benefit, being their finite life of 1-3 years.

Software
Significant costs associated with software are deferred and amortised on a 33% diminishing value basis over the period of their expected benefit, being their finite life of 1-3 years.

Note 6. Current liabilities - borrowings

	Consolidated	
	2018	**2017**
	$	**$**
Debt Facility	1,608,920	-

On 21 November 2017, the Consolidated Entity announced that it had entered into a $1 million working capital facility with KM Custodians Pty Ltd. The Company could draw-down on this facility in two tranches as required by the Company.

On 30 April 2018, the Consolidated Entity announced that it had entered into an unsecured $3 million Financing Facility with KM Custodians. The proceeds from the facility were used to repay the existing KM Custodian's loan of $1 million, with the remaining $2 million to fund working capital and technology investment.

At balance date the amount drawn down was $1.5 million plus an embedded derivative value of $108,920 has also been recognised in accordance with AASB 132: Financial Instruments.

The terms of the Financing Facility are that no interest is repayable, the lender is entitled to a 5% facility fee, the amount repayable includes provision for a variable premium on the outstanding amount, depending on when period the loan is repaid and the loan is repayable at the earliest of 30 June 2020 and the occurrence of a Liquidity Event.

Accounting policy for borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Note 7. Non-current liabilities - provisions

	Consolidated	
	2018 $	2017 $
Provision for Contingent Consideration	61,225	-

Deferred consideration
The provision represents the obligation to pay contingent consideration following the acquisition of MyPlace Conveyancing. It is measured at the present value of the estimated liability.

Note 8. Equity - issued capital

	Consolidated			
	2018 Shares	2017 Shares	2018 $	2017 $
Ordinary shares - fully paid	67,508,545	63,743,754	16,502,746	15,913,716

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2016	55,142,562		13,064,988
Shares issued	15 December 2016	8,451,192	$0.355	3,000,504
Exercise of options	13 January 2017	150,000	$0.250	37,500
Transfer from reserve for exercise of options		-	$0.000	20,228
Transaction costs in issuing shares		-	$0.000	(209,504)
Balance	30 June 2017	63,743,754		15,913,716
Issue of shares	28 July 2017	583,775	$0.171	100,000
Issue of shares	8 December 2017	3,125,000	$0.160	500,000
Issue of shares to an employee	9 May 2018	56,016	$0.161	9,030
Transaction costs in issuing shares		-	$0.000	(20,000)
Balance	30 June 2018	67,508,545		16,502,746

Ordinary shares
Ordinary shares have the right to receive dividends as declared and in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. The voting rights attached to the ordinary shares at a general meeting of shareholders are such that on a show of hands every member present (in person or by proxy) shall have one vote and on a poll one vote for each share held. Ordinary shares have no par value.

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 to reduce the cost of capital.

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.

Note 8. Equity - issued capital (continued)

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 30 June 2017 Annual Report.

Accounting policy for 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.

Note 9. Equity - Deferred consideration shares

In the prior financial year the Company issued 15,000,003 deferred consideration shares to the shareholders of BuyMyHome Pty Ltd as a consideration pursuant to Share Sale Agreement for the acquisition of BuyMyHome Pty Ltd. Each deferred consideration share converts into one ordinary share, subject to meeting specific conditions within specified period.

The terms of the deferred consideration shares are as follows:

- 5,000,001 to be converted to equivalent number of fully paid ordinary shares upon the Group achieving 8,000 property listings in any financial year between 29 February 2016 and 30 June 2019

- 5,000,001 to be converted to equivalent number of fully paid ordinary shares upon the Group achieving revenue of $10 million or more in any financial year between 29 February 2016 and 30 June 2019

- 5,000,001 to be converted to equivalent number of fully paid ordinary shares upon the Group achieving EBITDA of $3 million or more in any financial year between 29 February 2016 and 30 June 2019

There is no movements in relation to deferred consideration shares as at 30 June 2018.

Note 10. Equity - Share-based payment reserve

	Consolidated 2018 $	Consolidated 2017 $
Share based payments reserve	2,942,000	2,202,907

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

Consolidated	Share based payments $
Balance at 1 July 2016	1,432,761
Share based payments	856,164
Options expired or lapsed	(65,790)
Exercise of options	(20,228)
Balance at 30 June 2017	2,202,907
Share based payments*	1,077,396
Options expired or lapsed	(338,303)
Balance at 30 June 2018	2,942,000

Note 10. Equity - Share-based payment reserve (continued)

* Share based payments for the period include amortisation of prior and current year performance rights and options which are expensed over the relevant vesting period. Included in this value are, Tranche 1 options granted to an employee in August 2016, Tranche 1 options granted to employee's in May and June 2017 and performance rights granted to the Chief Executive Officer and members of the senior management team in May 2018.

Note 11. Fair value measurement

Accounting policy for 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.

Note 12. Business combinations

During the period ended 30 June 2018, the Consolidated Entity acquired 100% of the ordinary shares of MyPlace Conveyancing Pty Ltd. It was acquired to invest in areas of strategic interest which complement the entity's commission free real estate business and provide potential in additional earnings streams leveraging off the group's core business.

In relation to the business acquisitions, the Consolidated Group initially performed a provisional assessment of the fair value of the assets and liabilities as at the date of the acquisition. For the purposes of the balance sheet, the assets and liabilities were recorded at their provisional fair values. Under Australian Accounting Standards, the Consolidated Group has up to 12 months from the date of acquisition to complete its initial acquisition accounting.

On 1 August 2017, the Consolidated Entity acquired 100% of the ordinary shares of MyPlace Conveyancing Pty Ltd for the total consideration transferred of $316,094.The total consideration includes cash paid of $150,000, 583,775 ordinary shares issued to MyPlace Conveyancing at market value of $100,000 and contingent consideration of $66,094.The contingent consideration represents present value of earn out shares that MyPlace Conveyancing will be entitled upon achieving the performance hurdles.

MyPlace Conveyancing is an incorporated legal practice engaged exclusively in providing conveyancing services to both property buyers and sellers across New South Wales, Victoria, Queensland and Western Australia with other states rolling out in the short to medium term. The recognised goodwill of $288,170 represents the purchase price paid (including contingent consideration) less the fair value of net assets acquired. The acquired business contributed revenues of $373,040 to the consolidated entity for the period from 1 August 2017 to 30 June 2018.

Note 12. Business combinations (continued)

Details of the acquisition are as follows:

	Fair value $
Cash and cash equivalents	885
Trade receivables	8,582
Prepayments	2,466
Plant and equipment	18,087
Other assets	1,077
Trade payables	(8,042)
Net assets acquired	23,055
Goodwill	288,170
Acquisition-date fair value of the total consideration transferred	311,225
Representing:	
Cash paid or payable to vendor	150,000
buyMyplace.com.au Limited shares issued to vendor	100,000
Contingent consideration	61,225
	311,225
Cash used to acquire business, net of cash acquired:	
Cash paid	150,000
Cash acquired	(885)
Net cash used	149,115

Consideration transferred

The fair value of the ordinary shares issued to vendor was $0.1713 per ordinary share, being the closing share price on 28 July 2017(issue date). These shares are subject to a voluntary escrow for a period of 12 months.

The contingent consideration is calculated as the present value of consideration for the earn-out period by applying a probability of achieving the following performance hurdles:

(a) the Company recording annual gross revenue of $250,000 (excluding GST) in its Earn Out Accounts for FY19;
(b) the Company recording annual gross revenue of $650,000 (excluding GST) in its Earn Out Accounts for any financial year during the Earn Out Period.

The probability of achieving performance hurdle is determined by management based on analysis of current half year cost of sales, current half year revenue and budgeted revenue for the earn out period.

Acquisition relates costs
Acquisition-related costs are not included as part of consideration for the acquisition and have been recognised as transaction costs. These costs have been included within corporate costs in the Statement of Profit or Loss and Other Comprehensive Income.

Accounting policy for 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 12. Business combinations (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.

Note 13. Earnings per share

	Consolidated	
	2018	**2017**
	$	**$**
Loss after income tax attributable to the owners of buyMyplace.com.au Limited	(5,446,188)	(3,819,265)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	66,043,603	59,760,280
Weighted average number of ordinary shares used in calculating diluted earnings per share	66,043,603	59,760,280
	Cents	**Cents**
Basic earnings per share	(8.25)	(6.39)
Diluted earnings per share	(8.25)	(6.39)

Note 13. Earnings per share (continued)

Options and performance rights granted to directors, employees and cornerstone investors are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent they are dilutive. Accordingly, these options and performance rights have not been included in the determination of basic earnings per share.

There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these preliminary financial statements.

Accounting policy for earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of buyMyplace.com.au 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.