

**MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED
ENTITIES**

ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

ABN: 94 050 240 330

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

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MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

CORPORATE DIRECTORY

Directors

David Shein – Non Executive Chairman
Michael Pollak - Non Executive Director
Jonathan Pager – Non Executive Director
Joseph Fridman - Non Executive Director

Company Secretary

Andrew Whitten

Auditors

Stantons International
Level 2
1 Walker Avenue
West Perth WA 6005

Solicitors

Whittens Lawyers and Consultants
Level 5
137 – 139 Bathurst Street
Sydney NSW 2000

Bankers

Westpac Banking Corporation

94 Church Street
Middle Brighton
VIC 3186

Registered Office

Level 5
137 – 139 Bathurst Street,
Sydney NSW 2000

Share Registry

Link Market Services Pty Limited
Ground Floor,
178 St Georges Terrace
PERTH WA 6000

Investor Enquiries: 1300 554 474
Facsimile: +61 2 9287 0303

Stock Exchange Listing

Securities of Montech Holdings Limited are listed on the Australian Securities Exchange (ASX).
ASX Code: MOQ (previously SIU)

Website: montechholdings.com.au

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Your directors submit financial report of Montech Holdings Limited (formerly Sirius Corporation Limited) (**Company**) for the year ended 30 June 2013.

Officers and Directors

The names and particulars of the Directors during or since the end of the financial year are:

Name	Particulars
Mr Rajiv Parrab	Non Executive Chairman (Resigned 17 February 2014)
Mr Anthony Onsley	Managing Director (Resigned 17 February 2014)
Mr David Mandel	Non Executive Director (Resigned 17 February 2014)
Mr David Shein	Non Executive Chairman (Appointed 17 February 2014)
Mr Michael Pollak	Non Executive Director (Appointed 17 February 2014)
Mr Joseph Fridman	Non Executive Director (Appointed 17 February 2014)
Mr Jonathan Pager	Non Executive Director (Appointed 17 February 2014)

The above named Directors held office during and since the financial year, except as otherwise indicated

Information on Directors

David Shein

Experience and Expertise

David established Com Tech Communications with \$10,000 capital, and built it up to annual revenues of \$700m, profits of \$40m and 1,400 employees in 2001 when it was acquired by Dimension Data. During his tenure, Com Tech was voted the second best company to work for in Australia and the bulk of the management team recruited by David remains in place at the company. Over the past 10 years, David has been involved in investing in and managing a number of start-up and early stage technology companies, many of which have been successfully exited. Most recently he was Chairman and founding investor of Macromatix, a provider of specialist cloud based retail software solutions with offices in Australia and US. Macromatix was sold to US based TPG Ventures in 2012. David actively mentors management teams including his role as Non-Executive Chairman of Centric Wealth which was owned by CHAMP Private Equity and recently successfully sold to Findex. Some of the other companies that David mentors and where he has an investment include Pocketbook, ShopReply, Clipp, Assetic, OneBigSwitch, ZipMoney and OurCrowd. David is involved in building companies that are genuinely committed to customer and staff satisfaction.

As at the date of this report, Mr Shein does not have a direct or indirect interest in the Company.

Other Current Directorships

None

Former Directorships in the Last Three Years

None

Special Responsibilities

None

Interests in Shares and Options

None

Michael Pollak

Experience and Expertise

Michael holds a bachelor of Commerce, is a chartered accountant and has an MBA in strategy from the Australian Graduate School of Management. Michael commenced his career at PricewaterhouseCoopers over 15 years ago. Michael has gained valuable experience in both Sydney and London in general management, audit, insolvency, corporate advisory and strategy across a wide range of industries, including financial services, professional services, retail, mining and manufacturing. Michael has been involved in the restructuring, recapitalisation and relisting of a number of ASX listed entities.

As at the date of this report, Mr Pollak does not have a direct or indirect interest in the Company.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Information on Directors (Continued)

Other Current Directorships

None

Former Directorships in the Last Three Years

Disruptive Investment Group Limited (Non-executive director)

Rhype Limited (Non-executive director)

Prospect Resources Limited (Non-executive director)

PLD Corporation Limited (Non-executive director)

Special Responsibilities

None

Interests in Shares and Options

None

Joseph Fridman

Experience and Expertise

Joey is the co-founder and Chief Executive Officer of Monash Private Capital Pty Limited, a Sydney based independent principal investment and advisory firm. Prior to establishing Monash Private Capital, Joey was Chief Financial Officer of Investec Bank Australia and Chairman of the bank's Investment Committee. With a career spanning audit, investment banking and executive financial management, Joey brings a comprehensive mix of financial, strategic, operational, risk management and commercial skills and experience. Joey is a Chartered Accountant and has an M.B.A. from the Australian Graduate School of Management.

As at the date of this Prospectus, Mr Fridman does not have a direct or indirect interest in the Company.

Other Current Directorships

None

Former Directorships in the Last Three Years

None

Special Responsibilities

None

Interests in Shares and Options

None

Jonathan Pager

Experience and Expertise

Jonathan has over 20 years' experience as a management consultant across a wide range of industries in Australia and overseas, and is currently Managing Director of Pager Partners Corporate Advisory. He has a Masters of Economics and qualified as a chartered accountant with Deloitte, where he commenced his career. He has restructured a range of public companies and been a director of publicly listed companies involved in the mining, healthcare and service industries.

As at the date of this report, Mr Pager does not have a direct or indirect interest in the Company.

Other Current Directorships

INT Corporation Limited (Finance director)

Former Directorships in the Last Three Years

Rhype Limited (Non-executive director)

PLD Corporation Limited (Non-executive director)

Prospect Resources Limited (Non-executive director)

Special Responsibilities

None

Interests in Shares and Options

None

Company Secretary

Mourice Garbutt

Resigned 17 February 2014

Andrew Whitten

Appointed 17 February 2014

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Directors interest in securities of the Company 2012

	Number of Ordinary Shares		Number of Options	
	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest
Rajiv Parrab	5,510,890	17,057,976	2,755,445	197,655
David Mandel	-	17,092,050	-	6,278,479

For financial year ended 30 June 2012 the Company issued the following securities to Rajiv Parrab and Daniel Mandel and/or their associates. All shares were issued at \$0.0125 a share.

- Settlement of 2011 additional service fees as approved by shareholders at the 2011 Annual General Meeting
Rajiv Parrab 5,032,000 shares
Daniel Mandel 1,280,000 shares
- As Underwriters of the Non Renounceable Rights Issue to shareholders per Prospectus dated 31 October 2011.
Rajiv Parrab 5,906,200 shares 2,953,100 options
Daniel Mandel 12,556,958 shares 6,278,479 options

Details of securities held in the Group are disclosed in Note 23 to the financial statements.

Options

At 30 June 2013 per Note 20 the Company has on issue 63,866,689 non quoted options (pre consolidation), issued pursuant to the Non Renounceable Rights Issue (NRRI) Prospectus dated 31 October 2011 to shareholders and attaching to the ordinary shares issued under the NRRI on the basis of 1 option for each 2 shares allotted. The options have exercise price of 3.5 cents each and expire on 9 December 2014. 10,000,000 options exercisable at 3.5 cents expiring at various dates from 12 February 2016 were issued to Mr Anthony Onsley and were approved by the shareholders at the 2012 Annual General Meeting.

Environmental regulation and performance

There are no applicable environmental regulations that would have an effect on the Company.

Dividends

No dividends have been paid or declared since the beginning of the financial year and none are recommended.

Principal activities

The Group principal activities were the provision of group ownership, strategy and oversight over a number of software and service enterprises.

Operating and financial review

The Company commenced trading on the Australian Securities Exchange on 19 December 2000. The Company was suspended from trading on ASX on 30 August 2013 at its request and the Company and all its Australian controlled subsidiaries were placed into voluntary administration. The Administrators sold certain of the Company's assets as announced on the ASX on 29 October 2013.

Because of these events, the assets have been written down to their realisable values in the Statement of Financial Position and liabilities have been recorded at the amounts for which proofs of debt are expected by the Administrator.

The loss after income tax for the financial year was \$2,670,124 (2012: loss of \$2,200,713).

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Significant changes in the state of affairs

The Company was suspended from trading on ASX on 30 August 2013 at its request and Quentin Olde and Nathan Landrey of FTI Consulting were appointed as joint and several Administrators of the Group and assumed control of the Group and their business, property and affairs. The Administrators sold certain of the Company's assets as announced on the ASX on 29 October 2013.

Because of these events assets have been written down to their realisable values in the Statement of Financial Position and liabilities have been recorded at the amounts for which proofs of debt are expected by the Administrator.

Significant events after balance date

The Company was suspended from trading on ASX on 30 August 2013 at its request and Quentin Olde and Nathan Landrey of FTI Consulting were appointed as joint and several Administrators of the Group and assumed control of the Group and its business, property and affairs.

The Administrator subsequently advertised, sought and negotiated proposals to reconstruct the Company with interested parties. Pager Partners put forward a recapitalisation proposal which was accepted at a meeting of the Company's creditors on 17 October 2013. The DoCA was signed on 7 November 2013.

Under the Proposal, it was agreed that the Company would pay \$500,000 to the Deed Administrator for distribution under the DoCA to the Creditors' Trust in return for secured and unsecured creditors releasing all claims against the Company and their charge over the Company. The Administrators sold certain of the Company's assets as announced on the ASX on 29 October 2013 however under the Proposal certain unencumbered assets were retained by the Company including the Pinnacle software. A Creditors' Trust Deed has been established pursuant to the DoCA which will be used to pay the Deed Administrator's fees and costs, the Administrator's fees and costs and the Trustees' fees and costs, with the balance distributed to creditors as full and final payment of the Company's outstanding debts. The syndicate lead by Pager Partners loaned the Company \$500,000 in order to effectuate the DoCA. This occurred on the 16 May 2014.

Under the Proposal, the Company is to issue up to 300,000,000 fully paid ordinary shares and up to 75,000,000 options exercisable at 0.0025 cents per option, to raise up to \$1,876,875 before the costs of the Proposal. On 7 April 2014 the Company's shareholders approved the issue of the shares at an Extraordinary General Meeting.

The Directors are currently working towards the restructure and recapitalisation of the Company and liaising with the ASX in relation to the reinstatement of the Company's securities for trading on the ASX.

Likely developments and expected results

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

Indemnification and insurance of directors and officers

Due to the Group entering administration on the 30 August 2013, the Directors D & O insurance premium was consequently not renewed. It is the intention of the current Directors of the Company to ensure an adequate premium in respect of insuring the Directors of the Group, the Group secretary, and all executive officers of the Group and of any related body corporate against a liability incurred as such a Director, secretary or executive officer to the extent permitted by the Corporations Act 2001.

Directors' meetings

Due to the appointment of the Administrators on 30 August 2013 to the Company, information on the attendance at Directors' meetings is not available.

Auditor independence

The auditor's independence declaration is included on page 48 of the financial report.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Non-audit services

The following non-audit services were provided by the Company's auditor, Stantons International (2012: RSM Bird Cameron Partners). The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence has not been compromised.

Stantons International did not receive and are not due to receive any fees for the provision of non-audit services in 2013. In 2012 RSM Bird Cameron Partners received \$64,171 for taxation services and \$6,948 for due diligence services.

Incomplete records

The management and affairs of the Company and all its controlled entities have not been under the control of the Directors of the Group since it entered into voluntary administration on 30 August 2013.

The financial report was prepared by Directors who were not in office at the time the Group entered voluntary administration or for the full periods presented in this report. The Directors who prepared this financial report were appointed on 17 February 2014.

To prepare the financial report, the Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting systems and the record of receipts and payments made available by the Administrator of the Company and its subsidiaries for the period from their appointment. However, it has not been possible for the Directors to obtain all the books and records of the Group for the period prior to the appointment of the Administrators.

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001, nor is it possible to state this financial report gives a true and fair view of the Group's financial position.

REMUNERATION REPORT (Audited)

The remuneration report below reflects the remuneration policies that were adopted by the directors of the Company who were in office prior to the company entering administration. These policies applied until the Company entered voluntary administration on 30 August 2013. On entering administration, the Administrators were responsible for the remuneration policies of the Company.

The directors who are in office at the date of this report had no involvement in adopting, implementing or complying with these remuneration policies. These policies may or may not have been in place during the financial period.

If the recapitalisation proposal is successful, the directors who are in office at the date of this report will adopt a new remuneration policy.

The following persons were directors and key management personnel in office at any time during the year:

Directors

Mr Rajiv Parrab
Mr Anthony Onsley
Mr David Mandel

Particulars

Non Executive Chairman (Resigned 17 February 2014)
Managing Director (Resigned 17 February 2014)
Non Executive Director (Resigned 17 February 2014)

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (Continued)

The remuneration policy is designated to link the remuneration of the executive directors and senior executives of the Group with Group performance.

The executive directors and senior executives' remuneration was linked to performance through a short term incentives plan (STI Plan), where individuals are assessed against a combination of quantitative and qualitative measures of performance over the past year. For the 30 June 2013 no STI's were recommended to be paid to executive directors or senior executives (2012: Nil).

From 30 June 2006, the Company has adopted a long term incentives plan (LTI Plan) which through the use of performance rights, all of which have long term performance measures, ensure the rights can only be exercised when the Group achieves previously set targets. For the year ended 30 June 2013 no performance rights were under the LTI Plan were recommended or issued (2012: Nil).

NON-EXECUTIVE DIRECTORS

The non executive directors' remuneration is not linked to short term performance to preserve their independence as the focus of the Board is on governance and the longer term strategic direction of the Group.

Non executive directors are remunerated in accordance with the Company's Constitution, which provides an aggregate limit of fees is set and varied only by approval of a resolution of shareholders at the annual general meeting. The fee pool was \$300,000 for the relevant period. The Board determines how those fees are allocated among the directors within the fee pool based on their respective roles on the Board. Non executive directors are not remunerated for their participation in Board Committees and they may participate in long term incentives plans.

Share options and equity compensation

At the date of this report, no new share options were granted to non executive directors. The share options outstanding for the year for non- executive directors were:

Rajiv Parrab	2,953,100
David Mandel	6,278,479

Superannuation

Mandatory superannuation contributions are included as part of each Director's total remuneration package and directors may state a preference to increase the proportion of their package taken as superannuation contributions subject to legislative requirements.

Other benefits

In accordance with the Board policy, as permitted under Rule 7.3 of the Constitution, directors also receive reimbursements for reasonable travelling, accommodation and other expenses incurred in travelling to and from meetings of the Board or Committees, or when otherwise engaged on the business of the Group.

Retirement benefits

Under service agreements with the Group, non executive directors are entitled to payment of one month's director's fees plus superannuation entitlements should they retire less than one year from commencement. After one year from initial appointment, non executive directors become entitled to payment of 1 years' director's fees plus superannuation entitlement upon retirement.

EXECUTIVE DIRECTORS

Executive directors are not paid directors' fees. However, in both 2013 and 2012 financial years some directors have held executive roles.

Share options and equity compensation

At the date of this report, there are 10,000,000 share options (pre-consolidation) outstanding. New share options were granted to Managing Director, Anthony Onsley pursuant to his service agreement, which was approved at the 2012 Annual General Meeting.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (Continued)

OTHER KEY MANAGEMENT PERSONNEL

Remuneration policy

The Remuneration and Nomination Committee regularly reviews the strategy, structure and policy for other key management personnel. Responsibility for reviewing and recommending to the Board the remuneration strategy and structure for the Company's other key management personnel lies with the Remuneration and Nomination Committee.

The Committee's policy is that other key management personnel remuneration should:

- Reflect the size and scope of the role and be market competitive in order to attract and retain talent;
- Be linked to the financial and operational performance of the Group;
- Be aligned with the achievement of the Group's long term objectives; and
- Be differentiated based on individual performance.

The Committee reviews the structure of the remuneration packages of the other management personnel on a periodic basis and takes into account:

- Salary and employment market movements; and
- Group's performance.

Any decision made by the Remuneration and Nomination Committee concerning an individual personnel's remuneration is made without that person being present.

Remuneration structure

There are 3 main components to the remuneration structure:

1. Fixed remuneration

Fixed remuneration is made up of a guaranteed salary (including salary sacrifice benefits and any applicable fringe tax benefits) and superannuation. An individual's fixed remuneration is generally set once a year as part of the Group wide remuneration review.

The Group contributes to the other key management personnel's superannuation in accordance with the superannuation guarantee legislation. They may increase the proportion of their fixed remuneration taken as superannuation, subject to legislative requirements.

2. Short term incentive

The short term incentive plan rewards other key management personnel for meeting or exceeding specific annual business objectives linked to the annual business plan at the Group, business unit and individual level.

Measures and targeted performance levels are reviewed each year to reflect changes in business priorities for the forthcoming year. The short term incentive plan is based on a range of Group's financial, organisational and individual performance measure and targets and was approved by the Board. The value received under the short term incentive plan is delivered in cash as a bonus.

The short term incentive plan applies to other key management personnel and executive directors with the exception of the Company Secretary. The bonus is payable to each of the indicated other key management personnel and executive directors on meeting predetermined targets as approved by the Board for Earnings before Interest Tax. The potential bonus payment, in total for a particular individual, may range between 16% and 39% of the base salary.

2. Long term incentive

From financial year 2006, key management personnel have been invited to participate in the long term incentive plan, which is designated to reward the delivery of shareholder returns over a 3 to 5 year period.

The long term incentive plan will involve issue of share options under the Group's Employee Options Plan, generally with vesting criteria subject to various performance hurdles based on Group and its share price performance over the 2 year period. The Board has discretion as to the performance hurdles attached to a grant of employee options, and act under recommendation from the Remuneration and Nomination Committee.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (Continued)

OTHER KEY MANAGEMENT PERSONNEL (Continued)

Service agreements

Remuneration and other forms of employment for directors and other key management personnel are formalised in service agreements. The major provisions of the agreement relating to remuneration are as follows:

- Terms of agreement;
- Remuneration review by Remuneration and Nomination Committee; and
- Termination benefits on early termination by the employer other than for gross misconduct.

DETAILS OF REMUNERATION

The Company was under External Administration after 30 August 2013 and the Company's operations were suspended by the Administrator. The Company does not have sufficient information to allow this level of disclosure for the year ended 30 June 2013.

The remuneration for each Director and other Key Management Personnel (KMP) of the Consolidated Entity for the year ended 2012 was as follows:

DETAILS OF REMUNERATION FOR YEAR ENDED 30 JUNE 2012

	Short term employment benefits				Post employment benefits	Other Short - term benefits	Share based payments	Total
	Cash salary & fees	Cash bonus	Non monetary benefits	Termination Payments	Superannuation			
	\$	\$	\$	\$	\$	\$	\$	\$
Directors								
Keith Goss	5,000	-	-	36,923	3,773	-	-	45,696
Frank Licciardello	145,092	-	-	3,179	8,654	-	-	156,925
Arthur Lagos	52,685	-	-	9,538	2,025	-	-	64,248
Rajiv Parrab	136,354	-	-		8,685	-	-	145,039
David Mandel	117,053	-	-		-	-	-	117,053
Anthony Onsley	96,154	-	-		8,654	-	-	104,808
Other Key Management Personnel								
Geoff Reeves	99,023	-	-		4,517	-	-	103,540
Andrew Lutterbeck	168,962	-	-		14,156	-	-	183,118
Martin O'Connor	160,001	-	-		14,400	-	-	174,401
	980,324	-	-	49,640	64,864	-	-	1,094,828

The previous directors' contracts ended upon entering administration. At the date of this report, there are no new contracts in place for the new directors appointed during the period of the Administration.

The new directors have taken opinion that no value will be placed on options issued to the directors at 2012 Annual General Meeting.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS REPORT

REMUNERATION REPORT (Audited) (Continued)

Options granted as remuneration

Details of pre-consolidation options over the ordinary shares in the Company provided as remuneration to each director and key management personnel of the Group is set out below. When exercisable, each option is convertible into one ordinary share of the Company.

	Number of pre-consolidation options granted during the year		Number of pre-consolidation options vested during the year		% vested	
	2013	2012	2013	2012	2013	2012
Directors						
Rajiv Parrab	-	-	-	-	-	-
Anthony Onsley	10,000,000*	-	3,333,333	-	33%	-
David Mandel	-	-	-	-	-	-
	<u>10,000,000</u>	<u>-</u>	<u>3,333,333</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Key Management Personnel:						
Andrew Lutterbeck	-	-	-	-	-	-
Martin O'Connor	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

*The options are granted for no consideration. Prior the company entering administration the previous directors had placed a value of \$6,790 on the options vested to the 30 June 2013. Due to the Company entering administration the new directors have taken opinion that no value will be placed on the options subsequent to their appointment.

The grant, exercise and expiry dates used for the options granted to directors and key management personnel of the Company in 2013 were:

	Grant Date	Exercise Date	Expiry Date
Directors			
Rajiv Parrab	-	-	-
Anthony Onsley	21 November 2012	Note 1	Note 2
David Mandel	-	-	-
Other Key Management Personnel:			
Andrew Lutterbeck	-	-	-
Martin O'Connor	-	-	-

Note 1-The options granted to Anthony Onsley are exercisable on at the rate of one-third each year for the three year period immediately following on from the 13 February 2012.

Note 2-The options granted to Anthony Onsley expire at the rate of one-third each year for the three year period commencing the 12 February 2016.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS REPORT

REMUNERATION REPORT (Audited) (Continued)

Options granted as remuneration (Continued)

For the options granted, the percentage of the available grant that was paid, or that vested, in the financial year, and the percentage that was forfeited because the person did not meet the service and performance criteria is set out below.

	Year Granted	Vested %	Forfeited %	Financial years in which options vests	Minimum total value of grant yet to vest	Maximum total value of grant yet to vest
Directors						
Rajiv Parrab	-	-	-	-	-	-
Anthony Onsley	2013	33%	Note 1	2013	Note 2	Note 2
David Mandel	-	-	-	-	-	-
Other Key Management Personnel:						
Andrew Lutterbeck	-	-	-	-	-	-
Martin O'Connor	-	-	-	-	-	-

Note 1-The options issued to Anthony Onsley are subject to the terms and conditions of his employment contract however as the directors preparing this financial report were appointed post year end they are unable to confirm if all terms and conditions of the employment contract have been complied with or if all options were forfeited by Mr Onsley's resignation on the 17 February 2014.

Note 2-The options are granted for no consideration. Prior the company entering administration the previous directors had placed a value of \$6,790 on the options vested to the 30 June 2013. Due to the Company entering administration the new directors have taken opinion that no value will be placed on the options subsequent to their appointment.

Share options on issue

(a) At the date of this report, the unissued ordinary shares of the Company under listed options are as follows:

Grant Date	Exercise Date	Exercise Price	Number under option
Nil	Nil	Nil	Nil

(b) At the date of this report, the unissued ordinary shares of the Company under unlisted options are as follows:

Grant Date	Exercise Date	Exercise Price	Number under option
6 December 2011	9 December 2014	3.5 cents	63,866,689*
21 November 2012	Note 1	3.5 cents	10,000,000*

Note 1-The options expire at the rate of one-third each year for the three year period commencing the 12 February 2016.

*pre- consolidation proposed

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS REPORT

Signed in accordance with a resolution of the directors.

A handwritten signature in dark ink, appearing to read 'D Shein', with a stylized flourish extending from the end.

David Shein
Non Executive Chairman
24 June 2014

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

STATEMENT OF CORPORATE GOVERNANCE

The corporate governance statement below reflects the corporate governance policies that were adopted by the directors of the Company who were in office prior to the company entering administration. These policies applied until the Company entered voluntary administration on 30 August 2013. On entering administration, the Administrators were responsible for the corporate governance of the Company.

The directors who are in office at the date of this report had no involvement in adopting, implementing or complying with these corporate governance policies. These policies may or may not have been in place during the financial period.

If the recapitalisation proposal is successful, the directors who are in office at the date of this report will adopt a new corporate governance policy.

The board of directors of the Company is responsible for establishing the corporate governance framework of the Group. The board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The table below summarizes the Company's compliance with the ASX Corporate Governance Council's (CGC) corporate governance principles and recommendations.

	BEST PRACTICE RECOMMENDATION	COMMENT
1.	LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT	
1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	Unknown
1.2	Companies should disclose the process for evaluating the performance of senior executives.	Unknown
1.3	Companies should provide the information indicated in the Guide to reporting on Principle 1 as follows: (a) an explanation of any departures from any Principle 1 recommendation; (b) whether a performance evaluation for senior executives has taken place during the reporting period under the process disclosed; and (c) the board charter should be made publicly available.	Unknown
2.	STRUCTURE THE BOARD TO ADD VALUE	
2.1	A majority of the board should be independent directors	Unknown
2.2	The Chairman should be an independent director.	Unknown
2.3	The roles of Chairman and Chief Executive Officer should not be exercised by the same individual.	Unknown
2.4	The board should establish a nomination committee.	Unknown
2.5	Companies should disclose the process for evaluating the performance of the Board, its committees and individual directors.	Unknown
2.6	Provide the information indicated in Guide to Reporting on Principle 2	Unknown

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

STATEMENT OF CORPORATE GOVERNANCE

	BEST PRACTICE RECOMMENDATION	COMMENT
	PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING	
3.1	Establish a code of conduct and disclose the code or a summary of the code as to: (a) the practices necessary to maintain confidence in the company's integrity; (b) the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; (c) the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	Unknown
3.2	Companies should disclose in each annual report the measurable objectives for achieving gender diversity	Unknown
3.3	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	Unknown
3.4	Provide the information indicated in Guide to Reporting on Principle 3	Unknown
	SAFEGUARD INTEGRITY IN FINANCIAL REPORTING	
4.1	The board should establish an audit committee.	Unknown
4.2	Structure the audit committee so that it: (a) consists only non-executive directors; (b) consists of a majority of independent directors; (c) is chaired by an independent chairperson, who is not chair of the board; and (d) has at least three members.	Unknown
4.3	The audit committee should have a formal charter.	Unknown
4.4	Provide the information indicated in Guide to Reporting on Principle 4.	Unknown
	MAKE TIMELY AND BALANCED DISCLOSURE	
5.1	Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	Unknown
5.2	Provide the information indicated in Guide to Reporting on Principle 5.	Unknown
	RESPECT THE RIGHTS OF SHAREHOLDERS	
6.1	Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.	Unknown
6.2	Provide the information indicated in the Guide to reporting on Principle 6.	Unknown
	RECOGNISE AND MANAGE RISK	
7.1	Establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Unknown

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

STATEMENT OF CORPORATE GOVERNANCE

	BEST PRACTICE RECOMMENDATION	COMMENT
7.2	The Board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	Unknown
7.3	The Board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Unknown
7.4	Provide the information indicated in Guide to Reporting on Principle 7.	Unknown
	REMUNERATE FAIRLY AND RESPONSIBLY	
8.1	The Board should establish a remuneration committee.	Unknown
8.2	Clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	Unknown
8.3	Provide the information indicated in Guide to Reporting on Principle 8.	Unknown

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 \$	2012 \$
Revenue	6	5,877,108	5,966,104
Expenses			
Acquisition expenses		-	(26,436)
Amortisation expenses	7	(564,542)	(559,529)
Cost of goods sold		(107,479)	(97,116)
Depreciation expenses	7	(61,322)	(68,659)
Employee benefits, other labour and related expenses		(4,758,738)	(5,415,355)
Insurance		(47,026)	(62,892)
Marketing expense		(52,078)	(238,400)
Occupancy expenses		(412,859)	(586,836)
Operating lease payments (excluding occupancy)		(12,603)	(12,208)
Professional fees		(224,673)	(212,127)
Telecommunication carrier expenses		(114,748)	(142,806)
Travel, accommodation and entertainment expenses		(219,280)	(273,516)
Other expenses		(138,019)	(286,827)
Total expenses		<u>(6,713,367)</u>	<u>(7,982,707)</u>
Loss before finance costs and impairment		(836,259)	(2,016,603)
Finance costs	7	(312,241)	(184,110)
Provision for doubtful debts	10	(108,247)	-
Additional income	11	1,434	-
Impairment of other assets	11	(42,218)	-
Impairment of plant & equipment	12	(64,780)	-
Impairment of intangible assets	13	(947,948)	-
Creditors Claims under Administration	14	(738,298)	-
Impairment of long service leave	16	128,500	-
Write off of income received in advance	17	<u>249,933</u>	<u>-</u>
Loss before income tax expense		(2,670,124)	(2,200,713)
Income tax expense	8	<u>-</u>	<u>-</u>
Loss from continuing operations		<u>(2,670,124)</u>	<u>(2,200,713)</u>
Other comprehensive income for the year			
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive loss		<u><u>(2,670,124)</u></u>	<u><u>(2,200,713)</u></u>
Loss is attributable to:			
Owners of Montech Holdings Limited		<u>(2,670,124)</u>	<u>(2,200,713)</u>
		<u><u>(2,670,124)</u></u>	<u><u>(2,200,713)</u></u>
Total comprehensive loss is attributable to			
Owners of Montech Holdings Limited		<u>(2,670,124)</u>	<u>(2,200,713)</u>
		<u><u>(2,670,124)</u></u>	<u><u>(2,200,713)</u></u>
Loss per share from continuing operations attributable to equity holders of the parent entity			
Basic loss per share (cents per share)	30	(0.87)	(0.90)
Diluted loss per share (cents per share)	30	(0.87)	(0.90)

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

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Notes	2013 \$	2012 \$
Current Assets			
Cash and cash equivalents	9	176,078	518,272
Trade and other receivables	10	1,289,838	1,203,768
Other assets	11	1,434	171,216
		<u>1,467,350</u>	<u>1,893,256</u>
Non Current Assets			
Property plant and equipment	12	38,326	141,363
Intangible assets	13	645,029	2,157,519
		<u>683,355</u>	<u>2,298,882</u>
Total assets		<u>2,150,705</u>	<u>4,192,138</u>
Current Liabilities			
Trade and other payables	14	1,830,073	1,843,314
Short-term borrowings	15	2,577,024	1,154,645
Other liabilities	17	1,550,724	1,775,727
Short-term provision	16	31,011	113,986
		<u>5,988,832</u>	<u>4,887,672</u>
Non Current Liabilities			
Long-term provision	18	-	144,259
Other liabilities	19	-	335,000
		<u>-</u>	<u>479,259</u>
Total Liabilities		<u>5,988,832</u>	<u>5,366,931</u>
Net Assets		<u>(3,838,127)</u>	<u>(1,174,793)</u>
Equity			
Issued capital	20	13,636,115	13,636,115
Reserves		6,790	-
Accumulated losses	21	(17,481,032)	(14,810,908)
		<u>(3,838,127)</u>	<u>(1,174,793)</u>

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

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013

	Issued Capital	Share Based Payments Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$
Balance as at 1 July 2012	13,636,115	-	(14,810,908)	(1,174,793)
Net loss for the year	-	-	(2,670,124)	(2,670,124)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(2,670,124)	(2,670,124)
Transactions with owners in their capacity as owners				
Options issued at net cost	-	6,790	-	6,790
Total transactions with owners in their capacity as owners	-	6,790	-	6,790
Balance as at 30 June 2013	<u>13,636,115</u>	<u>6,790</u>	<u>(17,481,032)</u>	<u>(3,838,127)</u>
Balance as at 1 July 2011	12,030,147	-	(12,610,195)	(580,048)
Net loss for the year	-	-	(2,200,713)	(2,200,713)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(2,200,713)	(2,200,713)
Transactions with owners in their capacity as owners				
Shares issued at net cost	1,605,968	-	-	1,605,968
Total transactions with owners in their capacity as owners	1,605,968	-	-	1,605,968
Balance as at 30 June 2012	<u>13,636,115</u>	<u>-</u>	<u>(14,810,908)</u>	<u>(1,174,793)</u>

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

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 \$	2012 \$
Cash flow from operating activities			
Receipts from customers		5,251,398	6,847,739
Payments to suppliers and employees		(7,249,058)	(9,155,216)
Interest received		4,083	11,125
Finance costs		(8,793)	(21,969)
Receipt from research and development grant		626,192	479,424
Insurance recoveries		-	135,000
Net cash (used in) operating activities	9	(1,376,178)	(1,703,897)
Cash flow from investing activities			
Payment for property plant and equipment		(23,065)	(33,362)
Payment for acquisition		-	(96,215)
Purchase of subsidiary	29	-	(571,995)
Repayment of debt		-	(75,000)
Payment of Pinnacle deferred consideration		(61,882)	-
Proceeds from sale of investments		-	144,771
Net cash (used in) investing activities		(84,947)	(631,801)
Cash flow from financing activities			
Proceeds from rights issue		-	1,723,567
Payment for rights issue costs		-	(65,480)
Proceeds from bank borrowings		-	250,000
Repayment of bank borrowings		-	(250,000)
Receipt of unsecured loans		1,130,000	2,705,000
Repayment of unsecured loans		(10,000)	(1,707,032)
Repayment of interest on unsecured loans		(1,069)	(57,583)
Net cash generated by financing activities		1,118,931	2,598,472
Net (decrease)/increase in cash and cash equivalents		(342,194)	262,774
Cash and cash equivalents at beginning of year		518,272	255,498
Cash and cash equivalents at end of year	9	176,078	518,272

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

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements cover Montech Holdings (formerly Sirius Corporation Limited) ("Company or "parent entity") and its controlled entities as a consolidated entity (also referred to as "the Group"). Montech Holdings Limited is a company limited by shares, incorporated and domiciled in Australia. The Group is a for-profit entity and is primarily involved in the information technology industry being the field of software and services.

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

(a) Basis of preparation of the financial report

Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law where possible (refer to note 1(b) below).

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company comply with International Financial Reporting Standards ('IFRS').

The consolidated financial statements were authorised for issue by the Board of Directors on 24 June 2014.

(b) Incomplete records

The management and affairs of the Company and all its controlled entities have not been under the control of the Directors of the Group since it entered into voluntary administration on 30 August 2013.

The financial report was prepared by Directors who were not in office at the time the Group entered voluntary administration or for the full periods presented in this report. The Directors who prepared this financial report were appointed on 17 February 2014.

To prepare the financial report, the Directors have reconstructed the financial records of the Group using data extracted from the Group's accounting systems the record of receipts and payments made available by the Administrators of the Company and its subsidiaries for the period from their appointment. However, it has not been possible for the Directors to obtain all the books and records of the Group for the period prior to the appointment of the Administrators.

Consequently, although the Directors have prepared this financial report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that this financial report has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001, nor is it possible to state this financial report gives a true and fair view of the Group's financial position.

(c) Basis of preparation

The financial report has been prepared on the historical cost basis.

(d) Going concern

The consolidated entity incurred a net loss of \$2,670,124 (2012: \$2,200,713) and experienced total cash outflows from operating activities of \$1,376,178 (2012: \$1,703,897) for the year ended 30 June 2013 and, as at that date, had net current asset deficiency of \$4,521,482 (2012: \$2,994,416).

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(d) Going concern (Continued)

Subsequent to the end of the year the following events took place:

- The Company was suspended from trading on ASX on 30 August 2013 at its request and Quentin Olde and Nathan Landrey of FTI Consulting were appointed as joint and several Administrators of the Group and assumed control of the Group and its business, property and affairs.
- Pager Partners were successful in winning a bid to recapitalise the company which was accepted at a meeting of the Company's creditors on 17 October 2013. The Deed of Company Arrangement (DoCA) was signed on 7 November 2013.
- Under the Proposal, it was agreed that the Company would pay \$500,000 to the Deed Administrator for distribution under the DoCA to the Creditors' Trust in return for secured and unsecured creditors releasing all claims against the Company and their charge (if any) over the Company. The Administrators sold certain of the Company's assets as announced on the ASX on 29 October 2013 however under the Proposal certain unencumbered assets were retained by the Company including the Pinnacle software. A Creditors' Trust Deed has been established pursuant to the DoCA which will be used to pay the Deed Administrator's fees and costs, the Administrator's fees and costs and the Trustees' fees and costs, with the balance distributed to creditors as full and final payment of the Company's outstanding debts. The syndicate lead by Pager Partners loaned the Company \$500,000 in order to effectuate the DoCA. This occurred on the 16 May 2013.
- Under the Proposal, the Company is to issue up to 300,000,000 fully paid ordinary shares and up to 75,000,000 options exercisable at 0.0025 cents per option, to raise up to \$1,876,875 before the costs of the Proposal. On 7 April 2014 the Company's shareholders approved the issue of the shares at an Extraordinary General Meeting.

The cash flow forecast indicates that based on the completion of the equity raising described above; the consolidated entity will have sufficient cash flows to meet all commitments and working capital requirements for a period of at least 12 months from the date of signing the financial report. Accordingly, the directors are satisfied that the going concern basis of preparation is appropriate.

The financial report has therefore been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

(e) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Montech Holdings Limited as at 30 June 2013 and the results of all subsidiaries for the year then ended. Montech Holdings Limited and its subsidiaries together are referred to in these financial statements as the Group or the consolidated entity.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

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

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(f) Income tax

Current income tax expense or revenue for the year is the tax payable on the current period's taxable income based on the notional income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax asset and tax liabilities are offset where the entity has a legally enforceable right to offset and intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Tax Consolidation Legislation

The Company and its Australian wholly owned subsidiaries have formed an income tax consolidated group under the tax consolidation legislation for the whole of the financial year. Each entity in the Group recognises its own current and deferred tax liabilities, except for any deferred tax liabilities resulting from unused tax losses and tax credits, which are immediately assumed by the parent entity. The Group notified the Australian tax Office it had formed an income tax consolidated group to apply from 1 July 2005. The tax consolidated group has entered a tax sharing agreement whereby each company in the Group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

(g) Plant and equipment

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

Plant and equipment is measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

The depreciated amount of all fixed assets including capitalised leased assets is depreciated on a straight line basis over their useful lives commencing from the time the asset is held ready for use.

The expected useful life of plant and equipment ranges from 3 to 15 years.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(g) Plant and equipment (Continued)

The assets' residual values and useful life are reviewed at the balances date. The asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included net in profit or loss.

(h) Leases

At inception of an arrangement, the Group determines whether such an arrangement is, or contains, a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset. At inception, or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values.

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

Lease of fixed assets where substantially all the risks and rewards incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases. Finance lease are capitalised by recording an asset and a liability equal to the fair value of the leased property or the present value of the minimum lease payments including any guaranteed residual values. The interest expense is calculated using the interest rate implicit in the lease and is included in finance costs in the Statement of Profit or Loss and Other Comprehensive Income. Lease assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the year.

Lease payments for operating leases where substantially all the risks and benefits remain with the lessor are recognised as an expense in the year in which they are incurred. Lease incentives received under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(i) Financial instruments

The Group initially recognises financial assets on the trade date at which the Group becomes a party to a contractual provision of the instrument.

Financial assets are initially measured at cost. If the financial asset is not subsequently measured at fair value through profit or loss, the initial measurement includes transaction costs that are directly attributed to the asset's acquisition. The Group subsequently measures financial assets at either amortised costs or fair value.

A financial asset is subsequently measured at amortised cost using the effective interest method and net of any impairment loss, if:

- The asset is held with an objective to collect cash flows; and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets other than those classified as financial assets measured at amortised costs are subsequently measured at fair value with all changes in fair value recognised in profit or loss.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(h) Financial instruments (Continued)

All financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

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

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. Financial assets and financial liabilities are offset when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the assets and settle the liability simultaneously.

(j) Impairments of financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have occurred after the initial recognition of the asset and that the loss event has a negative effect on the estimated future cash flows of that assets which can be estimated reliably.

The Group considers evidence of impairment for receivables at both a specific and collective level. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

(k) Impairment of non financial assets

Intangible assets are tested annually for impairment or more frequently if changes in circumstances indicate that they might be impaired.

At each reporting date the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current marked assessment of the time value of money and the risks specific to the asset.

(l) Intangible assets

Customer contracts acquired as part of a business combination are recognised separately from goodwill. The customer contracts are carried at fair value at the date of acquisition less accumulated amortisation and impairment losses. Fair value is assessed based on the income streams generated from customer contracts after allowing for cost specific to the generation of those income streams. In the assessment of the carrying value of the intangible assets costs not related to the generation of the contract related income streams were excluded. These intangibles are separate from the business to which they relate and have been assessed on this basis. Amortisation is calculated based on the timing of projected cash flows of the contracts over their estimated useful lives, which at present are 7.5 years.

Software acquired as part of a business combination is recognised separately from goodwill. The software is carried at fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the contracts over their estimated useful lives, which at present are 4 years.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(m) Share capital

Ordinary share are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax.

If the entity reacquires its own equity instruments, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable costs net of any taxes is recognised directly in equity.

(n) Foreign currency transactions and balances

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

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated using the spot rate at the end of the financial year. Non monetary items measured at historical cost continue to be carried at the date of the transaction. Non monetary items measured at fair value are reported at the exchange rate at the date when the fair values were determined. Material exchange differences arising on the translation of monetary items are recognised in profit or loss except where deferred in equity as a qualifying cash flow or net investment hedge. Material exchange differences arising on the translation of non monetary items are recognised in equity to the extent that the gain or loss is directly recognised in equity otherwise the exchange is recognised in profit or loss.

(o) Employee benefits

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, and annual leave, including non monetary benefits, expected to be settled within 12 months of the reporting date are recognised in other payables, in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled, on an undiscounted basis.

Liabilities for non accumulating sick leave are recognised when the leave is taken and measure at the rates paid or payable.

Long service leave

The liability for long service leave and annual leave which is not expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits and measured as the present value of expected future payments to be made for services provided by employees up to the reporting date.

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 national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Termination benefits

Termination benefits are payable when employments are terminated before the normal retirement date, or when the employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after reporting date are discounted to present value.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(p) Employee benefits (Continued)

Defined contribution plans

A defined contribution plan a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contributions plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

(p) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the Statement of Financial Position date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

(q) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, deposits held on call with banks, other short term highly liquid investments with an original maturity date of three months or less held and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in Statement of Financial Position.

(r) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

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

Revenue from the sale of goods is recognised upon the delivery of goods to the customers.

Deferred revenue for maintenance contracts is recognised in equal amounts over the period for which support is to be provided to a customer, either quarterly or annually.

Interest revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

All revenue is stated net of the amount of goods and services tax (GST).

(s) Borrowing costs

Borrowings are initially recognised at fair value net of transactions costs incurred. Borrowings are subsequently measured at amortised cost.

Finance expenses comprise interest expense on borrowings and impairment losses recognised on financial assets.

For borrowing costs relating to qualifying assets, the Group capitalises borrowing costs directly attributable to the acquisition, construction or production of a qualifying assets as part of the costs of that assets.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(t) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. Potential ordinary shares are anti-dilutive when their conversion to ordinary shares would increase earnings per share or decrease loss per share from continuing operations.

(u) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the impairment allowance 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. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(v) Trade and other payables

Trade and other payables represent the principal amounts outstanding at balance date, plus, where applicable, any accrued interest. These amounts are unsecured and are usually settled within 30 days of recognition.

(w) Business combinations

The acquisition method is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are, with limited exceptions, measured at their fair value at the acquisition date. On the acquisition by acquisition basis, the Group recognises any non controlling interest in the acquire at fair value or at the non controlling interest proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non controlling interest in the acquire and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired, is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts have been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(w) Business combinations (Continued)

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

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

(x) Operating segments

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors has identified four reportable segments. Corporate consists of the compliance aspect of a public company such as the finance, human resources, IT and directors' costs. This segment provides management services to the other three segments being SMS, InfoMaster and Pinnacle.

The SMS division provides help-desk and operator services to government departments. The InfoMaster business is a provider of on-line tools for planning and development assessment and asset management software for governments and corporate clients. Pinnacle Software provides specialised systems and support services such as asset management software and mobile web applications to a wide range of organisations in the public, private and corporate sectors.

The Board of Directors monitors the performance of all the segments which is why the four segments are being reported separately.

(y) New accounting standards and interpretations

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2012 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods. However, amendments made to AASB 101 Presentation of Financial Statements effective 1 July 2012 now require the statement of comprehensive income to show the items of comprehensive income grouped into those that are not permitted to be reclassified to profit or loss in a future period and those that may have to be reclassified if certain conditions are met.

New accounting standards for application in future periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group.

At the date of the authorization of the financial statements, the standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', AASB 2010-7 'Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)', and AASB 2012-6 'Amendments to Australian Accounting Standards- Mandatory Effective date of AASB 9 and Transition Disclosures'	1 January 2015	30 June 2016
AASB 10 'Consolidated Financial Statements'	1 January 2013	30 June 2014
AASB 11 'Joint Arrangements'	1 January 2013	30 June 2014
AASB 12 'Disclosure of Interests in Other Entities'	1 January 2013	30 June 2014

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

New accounting standards for application in future periods (Continued)

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'	1 January 2013	30 June 2014
AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 19 (2011)'	1 January 2013	30 June 2014
AASB 127 'Separate Financial Statements (2011), AASB 2011-7 'Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements standards'	1 January 2013	30 June 2014
AASB 128 'Investments in Associates and Joint Ventures' (2011), AASB 2011-7	1 January 2013	30 June 2014
'Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements standards'		
AASB 2011-4 'Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements'	1 July 2013	30 June 2014
AASB 2011-7 'Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements standards'	1 January 2013	30 June 2014
AASB 2012-2 'Amendments to Australian Accounting Standards- Disclosures-Offsetting Financial Assets and Liabilities' (Amendments to AASB 7)	1 January 2013	30 June 2014
AASB 2012-3 'Amendments to Australian Accounting Standards- Disclosures-Offsetting Financial Assets and Liabilities' (Amendments to AASB 132)	1 January 2014	30 June 2015
AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements cycle'	1 January 2013	30 June 2014
AASB 2012-6 'Amendments to Australian Accounting Standards- Mandatory Effective date of AASB 9 and Transition Disclosures'	1 January 2013	30 June 2014

The Group has decided not to early adopt any of the new and amended pronouncements. Of the above new and amended Standards and Interpretations the Group's assessment of those new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below:

- AASB 9: Financial Instruments (December 2010) and AASB 2010-7 and AASB 2012-6: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010). These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

New accounting standards and interpretations (Continued)

- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

The Group has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

- AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation - Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The Group has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will only affect disclosures and is not expected to significantly impact the Group.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Group.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurements.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(cc) New accounting standards and interpretations (Continued)

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

These Standards are not expected to significantly impact the Group.

- AASB 2011-4: Amendments to Australian Accounting Standards to remove the individual key management Personnel Disclosure Requirements ((applicable for annual reporting periods commencing on or after 1 January 2013).

This standard makes amendments to AASB 124; Related Party Disclosures to remove the individual key management personnel disclosure requirements (including paras Aus 29.1 to Aus 29.9.3). These amendments serve a number of purposes, including furthering the trans-Tasman conversion, removing differences from IFRSs, and avoiding any potential confusion with the equivalent Corporations Act 2001 disclosure requirements.

This standard is not expected to significantly impact the Group's financial report as a whole.

AASB 119 (September 2011) includes changes to the accounting for termination benefits.

The Group has not yet been able to reasonably estimate the impact of these changes to AASB 119.

AASB 2012-2 'Amendments to Australian Accounting Standards-Offsetting Financial Assets and Liabilities' (Amendments to AASB 7); AASB 2012-3 'Amendments to Australian Accounting Standards-Offsetting

Financial Assets and Liabilities' (Amendments to AASB 132); AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements cycle'; AASB 2012-6 'Amendments to Australian Accounting Standards-Mandatory Effective date of AASB 9 and Transition Disclosures'; and Interpretation 20 'Stripping Costs in the Production Phase of a Surface Mine' and AASB 2011-12 'Amendments to Australian Accounting Standards arising from Interpretation 20'.

These standards are not expected to impact the Group.

NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assumed a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Estimates – Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to an impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

NOTE 3: FINANCIAL RISK MANAGEMENT

The financial risk management policies below were adopted by the directors of the Company who were in office prior to the company entering administration. These policies applied until the Company entered voluntary administration on 30 August 2013. On entering administration, the Administrators were responsible for the Company. Therefore there is no current financial risk management policy.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 3: FINANCIAL RISK MANAGEMENT (Continued)

The Group's activities expose it to a variety of financial risks, market risks (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group'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 Group.

Risk management is carried out by the Board of Directors under policies approved by them. The Board identifies, evaluates and hedges financial risks. The Board provides written principles for overall risk management, as well as written policies covering specific areas.

(a) Credit Risk

The Group has no significant concentration of risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

The ageing of the Group's trade and other receivables at the reporting date is:

	2013	2012
	\$	\$
Current	*	825,053
30 - 60 days	*	122,441
60 - 90 days	*	227,648
More than 90 days	*	28,626
	<u>*</u>	<u>1,203,768</u>

* On 30 August 2013 the Group was placed into voluntary administration and the Group's operations were suspended under the Administrators. The Group does not have sufficient information to allow this level of disclosure.

(b) Liquidity

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group manages its liquidity risk through monitoring updated cash flow forecasts.

The Group went into voluntary administration on 30 August 2013 after it was unable to generate sufficient cash from working capital or to secure further funding for the Group.

(c) Interest rate risk

The consolidated entity exposure to interest rate risk, and the effective weighted average interest rate by maturity periods for each class of financial asset or financial liability, is set out below. Exposure arises predominantly from assets and liabilities bearing variable interest rates, as the consolidated entity intends to hold fixed rate assets and liabilities to maturity. Borrowings have fixed interest arrangements and are therefore not subject to interest rate variation.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 3: FINANCIAL RISK MANAGEMENT (Continued)

	1 year or less			Over 1 to 5 years	
	Floating Interest Rate	Fixed Interest Rate	Non Interest Bearing	Non Interest Bearing	Total
	\$	\$	\$	\$	\$
30 June 2013					
Financial assets					
Cash and deposits	*	-	*	-	*
Current receivables	-	-	1,289,838	-	1,289,838
	<u>*</u>	<u>-</u>	<u>1,289,838</u>	<u>-</u>	<u>1,289,838</u>
Weighted average interest rate	*				
Financial liabilities					
Trade and other payables	-	*	*	-	*
Borrowings	-	2,577,024	-	-	2,577,024
	<u>-</u>	<u>2,577,024</u>	<u>*</u>	<u>-</u>	<u>2,577,024</u>
Weighted average interest rate		*		*	
Net financial assets / (liabilities)	<u>*</u>	<u>(2,577,024)</u>	<u>1,289,838</u>	<u>-</u>	<u>(1,287,186)</u>

* On 30 August 2013 the Group was placed into voluntary administration and the Groups operations were suspended under the Administrators. The Group does not have sufficient information to allow this level of disclosure.

	1 year or less			Over 1 to 5 years	
	Floating Interest Rate	Fixed Interest Rate	Non Interest Bearing	Non Interest Bearing	Total
	\$	\$	\$	\$	\$
30 June 2012					
Financial assets					
Cash and deposits	266,267	-	252,005	-	518,272
Current receivables	-	-	1,203,768	-	1,203,768
	<u>266,267</u>	<u>-</u>	<u>1,455,773</u>	<u>-</u>	<u>1,722,040</u>
Weighted average interest rate	3.50%				
Financial liabilities					
Trade and other payables	-	615,447	1,227,867	335,000	2,178,314
Borrowings	-	1,154,645	-	-	1,154,645
	<u>-</u>	<u>1,770,092</u>	<u>1,227,867</u>	<u>335,000</u>	<u>3,332,959</u>
Weighted average interest rate		13.00%		0%	
Net financial assets / (liabilities)	<u>266,267</u>	<u>(1,770,092)</u>	<u>227,906</u>	<u>(335,000)</u>	<u>(1,610,919)</u>

(d) Capital management

The Board's policy is to maintain a sufficiently strong capital base as to maintain investor, creditor and market confidence and to sustain future progress on the Group's business activities.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 4: SEGMENT INFORMATION

The segment information provided to the Board of directors, for the reportable segments for the year ended 30 June 2013, is as follows:

	Corporate	SMS	InfoMaster	Pinnacle	Total
30 June 2013	\$	\$	\$	\$	\$
Revenue from external customers	87,351	401,569	3,639,272	1,748,916	5,877,108
Reportable segment profit/(loss) before tax	(1,638,824)	201,719	53,169	(1,286,187)	(2,670,123)
Total segment assets	48,694	26,117	1,735,068	340,827	2,150,706
Total segment liabilities	(2,452,042)	-	(1,467,994)	(2,068,796)	(5,988,832)

	Corporate	SMS	InfoMaster	Pinnacle	Total
30 June 2012	\$	\$	\$	\$	\$
Revenue from external customers	161,386	439,729	3,774,943	1,590,046	5,966,104
Reportable segment profit/(loss) before tax	(1,468,583)	126,366	(354,033)	(504,463)	(2,200,713)
Total segment assets	493,515	15,828	2,035,320	1,647,475	4,192,138
Total segment liabilities	2,761,611	91	1,804,090	801,139	5,366,931

NOTE 5: PARENT ENTITY DETAILS

Summarised presentation of the parent entity, Montech Holdings Limited:

	2013	2012
	\$	\$
Assets		
Current assets	68,456	478,018
Non current assets	656,385	1,357,699
Total assets	724,841	1,835,717
Liabilities		
Current liabilities	2,578,285	1,391,317
Non current liabilities	-	35,618
Total liabilities	2,578,285	1,426,935
Net assets	(1,853,444)	408,782
Equity		
Share Capital	13,636,037	13,636,037
Reserves	6,790	-
Accumulated losses	(15,496,271)	(13,227,255)
Total equity	(1,853,444)	408,782
Summarised statement of comprehensive income		
Loss for the year	(2,269,016)	(1,342,216)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(2,269,016)	(1,342,216)

There are no current contingent liabilities or contingent assets.

NOTE 6: REVENUE

Revenue from services	5,446,908	5,954,979
Gain on deferred consideration	426,117	-
Interest received	4,083	11,125
Total revenue	5,877,108	5,966,104

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 7: OPERATING LOSS

	2013	2012
	\$	\$
Loss before income tax includes the following expenses:		
Depreciation – plant and equipment	(61,322)	(68,659)
Amortisation – customer maintenance contracts	(564,542)	(559,529)
Finance costs – Interest and finance charges	(312,241)	(184,110)
Rental expense relating to operating leases	(366,159)	(541,498)

NOTE 8: INCOME TAX

(a) Tax benefit on loss from ordinary activities before income tax at 30%

Loss before tax from ordinary activities	(2,670,124)	(2,200,713)
Income tax calculated at 30%	(801,037)	(660,214)
Deferred tax asset not brought to account	801,037	660,214
Income tax benefit	-	-

(b) Tax losses

Approximate unused tax losses for which no deferred tax asset has been recognised	*	3,788,722
Potential tax benefit	*	1,136,617

* On 30 August 2013 the Group was placed into voluntary administration and the Groups operations were suspended under the Administrators. The Group does not have sufficient information to allow this level of disclosure.

NOTE 9: CASH AND CASH EQUIVALENTS

Cash at bank and on hand	176,078	518,272
Reconciliation of cash flow from operations with loss after income tax		
Loss from ordinary activities after income tax	(2,670,124)	(2,200,713)
<u>Adjustments for non cash items</u>		
Depreciation and amortisation expense	625,864	628,188
Write off of plant and equipment	-	147,283
Finance costs	303,448	162,141
Acquisition expense	-	96,215
Share based payment	6,790	-
Gain on deferred consideration	(426,117)	-
Provision for doubtful debts	108,247	-
Impairment of other assets	42,218	-
Impairment of plant & equipment	64,780	-
Impairment of intangible assets	947,948	-
Creditors Claims under Administration	738,298	-
Employee Entitlements due to Administration	(128,500)	-
Write off of income received in advance	(249,933)	-
<u>Changes in assets and liabilities</u>		
Trade and other receivables	(194,317)	511,161
Other assets	127,564	128,747
Trade and other payables	(598,541)	(922,618)
Other liabilities	24,930	(231,976)
Provisions	(98,733)	(22,325)
Cash flow from operating activities	(1,376,178)	(1,703,897)

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 10: TRADE AND OTHER RECEIVABLES

Trade and other receivables have been impaired to their net realisable value based on whether the administrator has received payment.

	2013	2012
	\$	\$
Trade receivables	1,418,069	1,203,768
Less Provision for Impairment of Trade Receivables	(19,984)	-
Less: Provision for Bad Debts - Administration	(108,247)	-
	<u>1,289,838</u>	<u>1,203,768</u>

NOTE 11: OTHER ASSETS

Prepayments	15,176	21,505
Accrued income	11,917	70,053
Sundry debtors	15,125	79,658
Additional income	1,434	-
Less: Impairment	(42,218)	-
	<u>1,434</u>	<u>171,216</u>

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements	Plant and Equipment	Total
	\$	\$	\$
At 30 June 2013			
Cost	73,756	4,334,245	4,408,001
Accumulated depreciation	(44,925)	(4,259,970)	(4,304,895)
Impairment due to Administration	(28,673)	(36,107)	(64,780)
	<u>158</u>	<u>38,168</u>	<u>38,326</u>
At 30 June 2012			
Cost	69,126	4,315,810	4,384,936
Accumulated depreciation	(43,355)	(4,200,218)	(4,243,573)
	<u>25,771</u>	<u>115,592</u>	<u>141,363</u>

(a) Reconciliations

Reconciliation of carrying amounts at the beginning and end of the year

At 1 July 2012	25,771	115,592	141,363
Additions	4,630	18,435	23,065
Depreciation	(1,570)	(59,752)	(61,322)
Impairment due to Administration	(28,673)	(36,107)	(64,780)
At 30 June 2013	<u>158</u>	<u>38,168</u>	<u>38,326</u>
At 1 July 2011	104,664	182,156	286,820
Disposal	(75,724)	(1,074)	(76,798)
Depreciation	(3,169)	(65,490)	(68,659)
At 30 June 2012	<u>25,771</u>	<u>115,592</u>	<u>141,363</u>

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 13: INTANGIBLE ASSETS

	Maintenance Contracts and Software \$	Total \$
At 30 June 2013		
Cost	4,196,471	4,196,471
Accumulated depreciation	(2,603,494)	(2,603,494)
Impairment due to Administration	(947,948)	(947,948)
	<u>645,029</u>	<u>645,029</u>
At 30 June 2012		
Cost	4,196,471	4,196,471
Accumulated depreciation	(2,038,952)	(2,038,952)
	<u>2,157,519</u>	<u>2,157,519</u>

NOTE 14: TRADE AND OTHER PAYABLES

	2013 \$	2012 \$
Trade creditors	580,799	1,156,782
Other payables and accrued expenses	505,976	686,532
Auditors fees	5,000	-
Creditors Claims under Administration	738,298	-
	<u>1,830,073</u>	<u>1,843,314</u>

A Creditors' Trust Deed has been established pursuant to the DoCA which will be used to pay the Deed Administrator's fees and costs, the Administrator's fees and costs and the Trustees' fees and costs, with the balance distributed to creditors as full and final payment of the Company's outstanding debts. Refer to Note 31.

NOTE 15: BORROWINGS

Current		
Unsecured Loan Interest bearing	<u>2,577,024</u>	<u>1,154,645</u>

NOTE 16: PROVISIONS

Current		
Employee benefits - long service leave	159,511	113,986
Impairment of long service leave	(128,500)	-
	<u>31,011</u>	<u>113,986</u>

NOTE 17: OTHER LIABILITIES

Current		
Income in advance	1,800,657	1,775,727
Write off of income received in advance	(249,933)	-
	<u>1,550,724</u>	<u>1,775,727</u>

* Income in advance relates to maintenance and support fees paid in advance. Pinnacle customers that purchased a perpetual license from the Administrator agreed to forgo the right to claim the fees paid in advance as an unsecured creditor under the DOCA. As a result, it is expected that the liability for income in advance will reduce however the Group does not have sufficient information to allow this level of disclosure for the half year ended 30 June 2013.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 18: LONG TERM PROVISIONS

Non Current

Employee benefits - long service leave	<u>-</u>	<u>144,259</u>
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NOTE 19: OTHER LIABILITIES

	2013	2012
	\$	\$
Non Current		
Other payables	<u>-</u>	<u>335,000</u>

NOTE 20: SHARE CAPITAL

Ordinary shares - 308,196,565 (2012: 308,196,565)	<u>13,636,115</u>	<u>13,636,115</u>
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(a) Ordinary shares - Parent entity

Details	Date	2013		2012	
		Number	\$	Number	\$
Opening balance	01/07/2011	308,196,565	13,636,115	170,311,180	12,030,147
Additions - Directors special project work	28/10/2011	-	-	10,152,000	126,900
Additions - Renounceable rights issue	06/12/2011	-	-	127,733,385	1,479,068
Closing balance	30/06/2013	<u>308,196,565</u>	<u>13,636,115</u>	<u>308,196,565</u>	<u>13,636,115</u>

(b) Rights of each type of share

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(c) Options

At 30 June 2013, the Company has on issue 63,866,689 non quoted options (pre consolidation), issued pursuant to the Non Renounceable Rights Issue (NRRI) Prospectus dated 31 October 2011 to shareholders and attaching to the ordinary shares issued under the NRRI on the basis of 1 option for each 2 shares allotted. The options have exercise price of 3.5 cents each and expire on 9 December 2014. 10,000,000 options exercisable at 3.5 cents expiring at various dates from 12 February 2016.

NOTE 21: ACCUMULATED LOSSES

	2013	2012
	\$	\$
Accumulated losses at beginning of financial year	(14,810,908)	(12,610,195)
Net loss for the year	<u>(2,670,124)</u>	<u>(2,200,713)</u>
Accumulated losses at end of financial year	<u>(17,481,032)</u>	<u>(14,810,908)</u>

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 22: FRANKING CREDITS

Franking credits available for subsequent financial years
based on a tax rate of 30%

*	279,000
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* On 30 August 2013 the Group was placed into voluntary administration and the Groups operations were suspended under the Administrators. The Group does not have sufficient information to allow this level of disclosure.

NOTE 23: KEY MANAGEMENT PERSONNEL DISCLOSURE

Key Management Personnel Compensation

Compensation received by key management personnel of the consolidated entity

Short term employee benefits	*	980,324
Post employment benefits	*	64,864
Termination benefits	*	49,640
	*	1,094,828

* On 30 August 2013 the Group was placed into voluntary administration and the Groups operations were suspended under the Administrators. The Group does not have sufficient information to allow this level of disclosure.

Number of shares held by Key Management Personnel as of the reporting date:

	Balance at start of the year	Acquired during the year	Balance at end of the year
2013			
Directors of Montech Holdings Limited			
Ordinary shares			
Rajiv Parrab	22,568,866	*	22,568,865
David Mandel	17,092,050	*	17,092,049
Options			
Rajiv Parrab	2,953,100	*	2,953,100
David Mandel	6,278,479	*	6,278,479

* On 30 August 2013 the Group was placed into voluntary administration and the Groups operations were suspended under the Administrators. The Group does not have sufficient information to allow this level of disclosure.

	Balance at start of the year	Acquired during the year	Balance at end of the year
2012			
Directors of Montech Holdings Limited			
Ordinary shares			
Rajiv Parrab	11,630,666	10,938,200	22,568,866
David Mandel	3,255,092	13,836,958	17,092,050
Options			
Rajiv Parrab	-	2,953,100	2,953,100
David Mandel	-	6,278,479	6,278,479

NOTE 24: RELATED PARTIES

(a) Parent entity

The parent entity within the Group is Montech Holdings Limited (formerly Sirius Corporation Limited).

(b) Subsidiaries

Interests in subsidiaries are set out in Note 25.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

(c) Key management personnel

Disclosures relating to key management personnel are set out in Note 23.

(d) Outstanding balances arising from sales/ purchases of goods and services

On 30 August 2013 Group was placed into voluntary administration and the Groups operations were suspended under the Administrators. The Group does not have sufficient information to allow this level of disclosure.

(e) Amounts outstanding from related parties

Unsecured loans are made to the ultimate parent entity on an arm's length basis. Repayment terms are set for each loan. Interest payable ranges from 9% to 15% and monthly principal and interest repayments are made over the term of the loans.

	2013	2012
	\$	\$
Beginning of the year	*	-
Loans advanced	*	355,000
Loans repayment	*	(355,000)
Interest charged	*	10,856
Interest paid	*	(10,856)
End of the year	<u>*</u>	<u>-</u>

* On 30 August 2013 Group was placed into voluntary administration and the Groups operations were suspended under the Administrators. The Group does not have sufficient information to allow this level of disclosure.

NOTE 25: CONTROLLED ENTITIES

		Country of Incorporation	Ownership	
			2013	2012
			%	%
InfoMaster Pty Ltd	In Liquidation	Australia	100	100
InfoMaster (NZ) Ltd	To be Deregistered	New Zealand	100	100
Pinnacle Software Pty Ltd	In Liquidation	Australia	100	100
Siricle Pty Ltd	In Liquidation	Australia	100	100
Sirius Budgets Pty Ltd	In Liquidation	Australia	100	100
Sirius Finance (Aust.) Pty Ltd	In Liquidation	Australia	100	100

On 30 August 2013, The Company and all its Australian subsidiaries were placed into voluntary administration. All the above subsidiaries were placed into liquidation by the Administrator after the reporting date.

NOTE 26: AUDITOR'S REMUNERATION

	2013	2012
	\$	\$
Amounts paid / payable to Stantons International (2012: RSM Bird Cameron Partners) for audit and review work undertaken under Corporation Act 2001		
Auditing or reviewing the financial report	5,000	71,320
Taxation services	-	64,171
Due diligence / Consulting services	-	6,948
	<u>5,000</u>	<u>142,439</u>

NOTE 27: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no current contingent liabilities or contingent assets.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 28: CAPITAL AND LEASING COMMITMENTS

Operating lease commitments

Payable - minimum lease payments		
- not later than 1 year	*	243,484
- later than 1 year and not later than 5 years	*	360,025
- later than 5 years	*	-
	<u>*</u>	<u>603,509</u>

* On 30 August 2013 Group was placed into voluntary administration and the Groups operations were suspended under the Administrators. The Group does not have sufficient information to allow this level of disclosure.

NOTE 29: ACQUISITION OF ENTITIES

During the year a 100% ownership interest in Pinnacle Software Solutions Pty Ltd was acquired.

Purchase consideration

Cash	865,000
Deferred consideration	485,000
Total consideration	<u>1,350,000</u>

Purchase consideration settled in cash	865,000
Less: cash and cash equivalents	(293,005)
Cash outflow	<u>571,995</u>

Assets and liabilities held at acquisition date

Cash and cash equivalents	293,005
Trade and other receivables	378,000
Other assets	71,318
Plant and equipment	37,123
Intangible assets	1,422,554
Trade and other payables	(57,000)
Other liabilities	(720,000)
Loan	(75,000)
Total assets and liabilities held at acquisition date	<u>1,350,000</u>

NOTE 30: EARNING PER SHARE

	2013	2012
	\$	\$
(a) Basic loss per share (cents per share)		
From continuing operations	<u>(0.87)</u>	<u>(0.90)</u>
(b) Diluted loss per share (cents per share)		
From continuing operations	<u>(0.87)</u>	<u>(0.90)</u>
(c) Total shares		
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted loss per share	<u>308,196,565</u>	<u>244,267,750</u>

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 31: EVENTS AFTER BALANCE DATE

The Company was suspended from trading on ASX on 30 August 2013 at its request and Quentin Olde and Nathan Landrey of FTI Consulting were appointed as joint and several Administrators of the Group and assumed control of the Group and its business, property and affairs.

The Administrator subsequently advertised, sought and negotiated proposals to reconstruct the Company with interested parties. Pager Partners put forward a recapitalisation proposal which was accepted at a meeting of the Company's creditors on 17 October 2013. The DoCA was signed on 7 November 2013.

Under the Proposal, it was agreed that the Company would pay \$500,000 to the Deed Administrator for distribution under the DoCA to the Creditors' Trust in return for secured and unsecured creditors releasing all claims against the Company and their charge (if any) over the Company. The Administrators sold certain of the Company's assets as announced on the ASX on 29 October 2013 however under the Proposal certain unencumbered assets were retained by the Company including the Pinnacle software. A Creditors' Trust Deed has been established pursuant to the DoCA which will be used to pay the Deed Administrator's fees and costs, the Administrator's fees and costs and the Trustees' fees and costs, with the balance distributed to creditors as full and final payment of the Company's outstanding debts. The syndicate lead by Pager Partners loaned the Company \$500,000 in order to effectuate the DoCA. This occurred on the 16 May 2014.

Under the Proposal, the Company is to issue up to 300,000,000 fully paid ordinary shares and up to 75,000,000 options exercisable at 0.0025 cents per option, to raise up to \$1,876,875 before the costs of the Proposal. On 7 April 2014 the Company's shareholders approved the issue of the shares at an Extraordinary General Meeting.

The Directors are currently working towards the restructure and recapitalisation of the Company and liaising with the ASX in relation to the reinstatement of Intermoco Limited's securities for trading on the ASX.

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

DIRECTORS' DECLARATION

- 1) In the opinion of the Directors of Montech Holdings Limited (formerly Sirius Corporation Limited) and its controlled entities ('the Group'):
 - a) as set out in note 1, although the Directors have prepared the financial statements, notes thereto, and the remuneration disclosures contained in the Remuneration Report in the Directors' Report to the best of their knowledge based on the information made available to them, they are of the opinion that it is not possible to state that the financial statements, notes thereto, and the remuneration disclosures contained in the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:
 - (1) giving a true and fair view of the Company's financial position as at 30 June 2013 and of its performance for the financial year ended on that date; and
 - (2) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- 2) Subject to the successful recapitalisation of the Company, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Directors



David Shein
Non Executive Chairman
24 June 2014

**QUALIFIED INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MONTECH HOLDINGS LIMITED**

Report on the Financial Report

We have audited the accompanying financial report of Montech Holdings Limited, which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the Financial Report

The directors of the company are responsible for the preparation 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 note 1(a), the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

Because of the matter discussed in the basis of Disclaimer of Auditor's Opinion paragraph, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*

Basis for Disclaimer of Auditor's Opinion

The company was placed into administration on 30 August 2013. Consequently, the financial information relating to the year under audit was not subject to the same accounting and internal controls processes, which includes the implementation and maintenance of internal controls that are relevant to the preparation and fair presentation of the financial report. Whilst the books and records of the company have been reconstructed to the maximum extent possible, we were unable to satisfy ourselves as to the completeness of the general ledger and financial records as well as the relevant disclosures in the financial report.

As stated in Note 1(b), the current Directors are unable to state that the financial report is in accordance with all the requirements of the Corporations Act 2001 and the Australian Accounting Standards.

Disclaimer of Auditor's Opinion

In our opinion:

- (a) because of the existence of the limitation on the scope of our work, as described in the Basis for Disclaimer of Auditor's Opinion paragraph noted above, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation not existed, we are unable to, and do not express, an opinion as to whether the financial report of Montech Holdings Limited is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2013 and of their performance for the year ended on that date;
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (iii) complying with all the requirements of the International Financial Reporting Standards.

Report on the Remuneration Report

We have audited the remuneration report included on page 8 and 13 of the directors' report for the year ended 30 June 2013. 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

Disclaimer of opinion

Because of the existence of the limitation on scope of our work, as described in the Basis of Disclaimer of Auditor's Opinion, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation not existed, we are unable to, and do not express, an opinion on the remuneration report of Montech Holdings Limited for the year ended 30 June 2013 and whether it complies with Section 300A of the Corporations Act 2001.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
24 June 2014

24 June 2014

Board of Directors
Montech Holdings Limited
Level 5, 137-139 Bathurst Street
Sydney, NSW 2000

Dear Sirs

RE: MONTECH HOLDINGS LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Montech Holdings Limited.

As Audit Director for the audit of the financial statements of Montech Holdings Limited for the year ended 30 June 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit;
and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully,

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)



Martin Michalik
Director

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

ASX ADDITIONAL INFORMATION

NUMBER OF HOLDERS OF EQUITY SECURITIES AS AT 30 JUNE 2013

ORDINARY SHARES:

308,196,565 fully paid pre consolidation ordinary shares held by 3,093 individual shareholders

All ordinary shares carry one vote per share

UNQUOTED OPTIONS:

At 30 June 2013 per Note 20 the Company has on issue 63,866,689 non quoted options (pre consolidation) across 43 option holders having an exercise price of 3.5 cents each and expiring on 9 December 2014. 10,000,000 options exercisable at 3.5 cents expiring at various dates from 12 February 2016 were issued to Mr Anthony Onsley.

Options do not carry any votes

DISTRIBUTION OF HOLDERS IN EACH CLASS OF EQUITY SECURITIES:

TOTAL HOLDERS FULLY PAID ORDINARY SHARES

Category		Number Held	Percentage of Issued Shares
1 – 1,000	7	1,981	0.00
1,001 – 5,000	90	349,531	0.11
5,001 – 10,000	61	556,491	0.18
10,001 – 100,000	94	3,712,448	1.20
100,001 and over	71	303,576,114	98.
Total	323	308,196,565	100.00

MONTECH HOLDINGS LIMITED (FORMERLY SIRIUS CORPORATION LIMITED) AND ITS CONTROLLED ENTITIES

ASX ADDITIONAL INFORMATION

TOP 20 HOLDERS OF EQUITY SECURITIES AS AT 30 June 2013:

Holder	Shares	%
1 ARMADA TRADING PTY LTDC /- BMF ASSET MANAGEMENT PTY LTD	43,598,692	14.15%
2 DAPALI SUPERANNUATION PTY LTD <DAPALI SUPER FUND A/C>	39,088,981	12.68%
3 MR KEITH GOSS	26,804,931	8.70%
4 DIXSON TRUST PTY LIMITED	22,665,590	7.35%
5 CHASTAIN CORPORATE PTY LTD <DLM SUPER FUND A/C>	17,092,050	5.55%
6 KALIGHAT SUPER PTY LTD <KALIGHAT SUPER FUND A/C>	17,057,976	5.53%
7 MR DAVID JACOB SAMUEL NAPHTALI	14,550,572	4.72%
8 RF & LF MASON PTY LTD <MASON FAMILY A/C>	12,255,806	3.98%
9 LASSETTER MANAGEMENT PTY LTD <LAGOS FAMILY SUPER FUND A/C>	10,899,290	3.54%
10 APCS INVESTMENTS (ACT) PTY LTD	10,000,000	3.24%
11 BERNE NO 132 NOMINEES PTY LTD <W 1253671 A/C>	8,400,000	2.73%
12 MR KEITH MOORING GOSS	6,861,492	2.23%
13 CITICORP NOMINEES PTY LIMITED	6,302,750	2.05%
14 MR RAJIV PARRAB	5,510,890	1.79%
15 RUSSEL EN BAKKER B.V	5,000,000	1.62%
16 DUNRAY NOMINEES PTY LTD <ABS SUPERANNUATION FUND A/C>	4,834,200	1.57%
17 ADCOY CORPORATION PTY LTD <MARK ADAMS SUPER FUND A/C>	4,000,000	1.30%
18 KEITH GOSS PTY LTD <KEITH GOSS SUPER FUND A/C>	3,399,999	1.10%
19 EST MR ROGER FARQUHARSON MASON	3,097,800	1.01%
20 MRS MARGARET KAY MOORE	3,097,800	1.01%
Top 20	264,518,819	85.83%
All Shareholders	308,196,565	100.00%

The names of substantial shareholders who have notified the Company in accordance with Section 671B of the Corporations Act are:

Name	No. of ordinary shares	% of ordinary shares
Armada Trading Pty Ltd	43,598,692	14.15%
Dapali Superannuation Pty Ltd	39,088,981	12.68%
Mr Keith Goss	37,777,423	12.26%
Dixson Trust Pty Limited	22,665,590	7.35%
Mr Rajiv Parrab & Associates	22,568,866	7.32%
Chastain Corporate Pty Ltd	17,092,050	5.55%

As at the 30th of June 2013, the number of holders who held less than a marketable parcel of 25,000 shares were 202 investors (at a price of \$0.02) and they held 1,663,584 shares.