

connecting

clinicians and
consumers



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Review of Operations

Your Directors submit their report for the financial year ended 30 June 2014.

CHAIRMAN'S LETTER

Dear Global Health Limited Shareholders

I am pleased to announce the Company had another strong year with revenues up by 16% and a Net Profit after Tax of \$1.4M.

At last year's Annual General Meeting, we outlined the Company's vision to provide our solutions as a Cloud service, thus enabling healthcare businesses to realize significant improvements and reduce the costs associated with running their businesses. This is now producing sustainable success. Whilst the move to providing our solutions as a Cloud service will present opportunities on an international level, the immediate focus is to ensure the domestic market is well served by our product portfolio.

Our MasterCare and ReferralNet platforms performed strongly again, with MasterCare gaining a greater reach in the Mental Health sector. ReferralNet continued to gain acceptance in the broader market experiencing steady growth.

Thank you to all our employees for their loyalty and ongoing commitment to the achievement of the Company's goals.

As always, the Board continues to look for ways to grow shareholder value and we also thank you, our shareholders, for your continued support.

Signed in accordance with a resolution of the Directors.



Steven Leigh Pynt
Non-Executive Chairman

FINANCIAL SUMMARY

Group Revenue	up	\$707,323 (+16%)	to	\$5,251,086
Operating Expenses	up	\$212,262 (+6%)	to	\$3,591,600
Group EBITDA	up	\$495,061 (+43%)	to	\$1,659,486
Group Net Profit After Tax	up	\$346,665 (+32%)	to	\$1,443,513
Earnings Per Share	up	0.40 cents (+10%)	to	4.42 cents per share

The Previous Corresponding Period (PCP) for this report is the twelve months to 30 June 2013.

Group Revenue up 16%

The Company's core Operational Revenue is derived from the sale of software licences and annual subscriptions to:

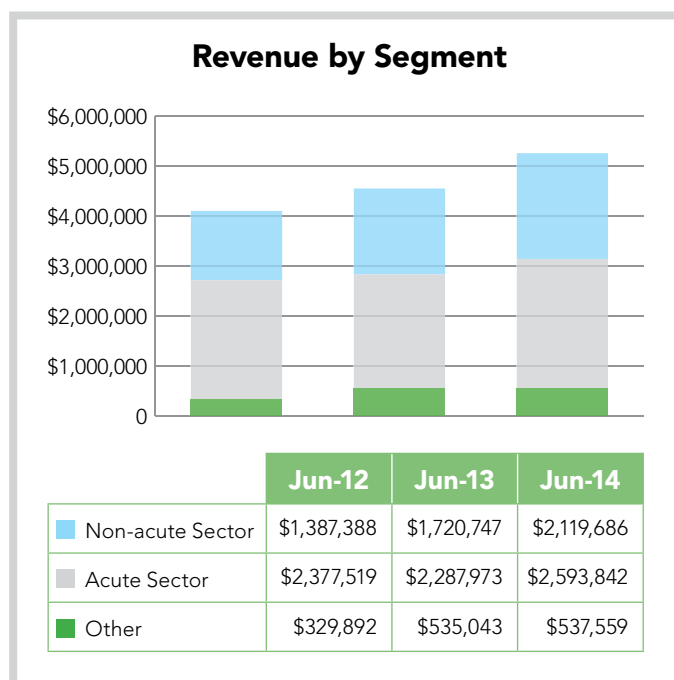
- Overnight and Day Hospitals (the acute sector) and,
- Specialists, General Practitioners, Community Health and Allied Health Providers (the non-acute sector).

Total revenue increased by \$707,323 (+16%) to \$5,251,086 with revenue from acute segment customers increasing by \$305,869 (+13.4%) and non-acute segment customers increasing by \$398,939 (+23.2%).

The growth in non-acute sector revenue was largely from new sales of MasterCare EMR (Electronic Medical Record) driven by demand from Mental Health services nationally.

The growth in acute sector revenue was from a combination of new value-add sales to existing customers and new hospital and day surgery customers of MasterCare ePAS (enhanced Patient Administration System).

An AusIndustry Research and Development Grant of approximately \$413K represented the bulk of Other Revenue received in the reporting period.



Operating Expenses up 6%

Operating expenses increased by \$212,262 (+6%) over the reporting period. Staffing levels were maintained at around 30 full-time equivalents. Aside from staff costs, the main expenditure increase was directed at transitioning the Company's internal systems infrastructure to the Cloud.

Over the reporting period, the Company migrated a number of 'on-premises' internal applications to the Cloud.

These include:

- Corporate Accounting Systems,
- Software Development Life Cycle Management Systems and,
- Customer Support and Help Desk Ticketing Systems.

Aside from providing a more cost-effective internal infrastructure, these activities provide the Company access to the global marketplace for talent at competitive prices for our software development, sales and support services.

Earnings and Margins

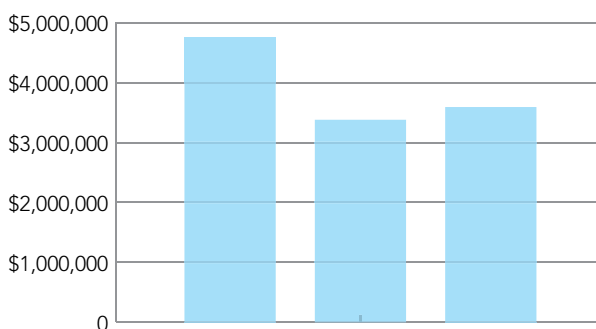
As a result of the changes to the operating profile of the Company to a more scalable cost base and a focus on online channels for business development, a marginal cost of approximately 30% has been achieved for marginal revenue.

This has resulted in a 23% improvement in EBITDA margins to 32% overall and an increase in EBITDA of \$495,061 (+42.5%) to \$1,659,486.

The Net Profit After Tax (NPAT) margin improved by approximately 27% to 28% overall resulting in an increase of \$495,072 in NPAT to \$1,472,007 over the reporting period.

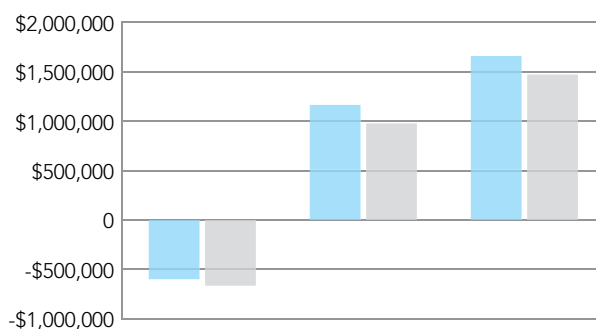
Earnings Per Share (EPS) improved by 0.40 cents (+10%) to 4.42 cents per share.

Operating Expenses



	Jun-12	Jun-13	Jun-14
Operating Expense	\$4,748,531	\$3,379,338	\$3,591,600

Earning and Margins



	Jun-12	Jun-13	Jun-14
EBITDA	-\$600,471	\$1,164,425	\$1,659,486
NPAT	-\$666,019	\$976,935	\$1,472,007
EBITDA Margin	-14%	26%	32%
NPAT Margin	-16%	22%	28%

FINANCIAL POSITION SUMMARY

At 30 June 2014, the Company had Net Assets of \$2,675,052 – an improvement of \$1,472,007.

Cash at Bank was up \$292,090 (+35%) to \$1,117,444 with Quick Assets (Cash + Net Receivables) up \$399,495 (+72%) to \$951,526.

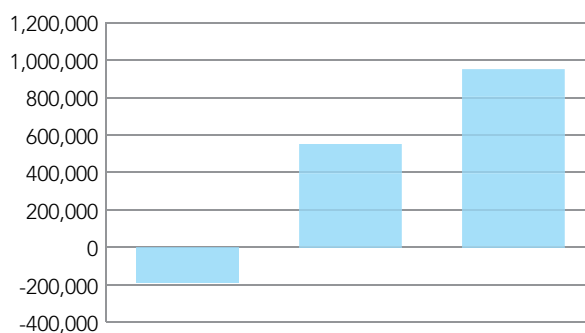
The major current liability is represented by Unearned Income of \$997,646. This represents non-refundable Annual Licence Fees (ALF's) paid in advance.

In addition to a 'Right-to-Use' Licence, the ALF entitles customers to help desk services, software updates and upgrades.

Consequently any ALF prepayments are recognised as revenue pro-rata at the end of each month.

Other than short-term insurance premium funding of \$44,715, the Company has no debt.

Cash + Net Receivables



	Jun-12	Jun-13	Jun-14
Cash + Net Receivables	-188,373	552,031	951,526

FORWARD OUTLOOK

In the longer term, the goal is to continually develop new products in the Cloud and new export markets.

In support of the longer term growth objectives, the Company continues to invest approximately 20% of total revenue to the research and development of a connected healthcare eco-system that is consumer-centric and offered as a Software Service in the Cloud, across multiple devices.

The provision of integrated Cloud applications is being piloted with a cohort of existing MasterCare customers across both the acute and non-acute segments. These pilot customers expect significant improvement in the efficiency of their operations through online engagement with their patients, funders and colleagues thereby offering a better experience for all stakeholders. The Cloud infrastructure will also provide more scalable and cost-effective operating profiles for our Customers.

These pilot projects will also integrate our Healthcare Provider applications (MasterCare) to our Patient Portal (HotHealth), Secure Messaging (ReferralNet) and Personal Healthcare Record applications (LifeCard PHR) positioning the Company as a single comprehensive technology partner for the connected healthcare eco-system. This is in contrast to the multiple vendor / multiple product alternatives in the market today. Standards-based Inter-connectivity is inherent across all Global Health products enabling our customers to seamlessly integrate to best-of-breed and pre-existing software investments.

Importantly, the provision of integrated Cloud applications will extend our sales reach to export markets with a cost-effective and scalable platform. In combination, this solution architecture will potentially provide significant new revenue opportunities in subsequent years.

In the current period to June 2015, revenue growth will continue to be derived mainly from new sales of our existing on-premises applications to Australian customers and value-add bundling of our product portfolio to existing customers. The existing Australian sales pipeline indicates organic revenue growth of approximately 10%.

The Company re-commenced export market development activity in the first half of this calendar year and is targeting the commercial release of further MasterCare Cloud products in the second half of the 2015 financial year.

Enquiries can be directed to Mathew Cherian, Chief Executive Officer, on +61 3 9675 0600 or alternatively by email to mathew.cherian@global-health.com.

For and on behalf of Global Health Limited,



Mathew Cherian
Chief Executive Officer and Managing Director

A business and clinical solution that supports healthcare delivery across acute and non-acute sectors

MasterCare®



Directors' Report

Your Directors present their report on Global Health Limited consolidated entity ('Group') for the financial year ended 30 June 2014.

DIRECTORS

The following persons were Directors of Global Health Limited during the whole of the financial year and up to the date of this report (except where indicated otherwise):

1. Steven L. Pynt LLB, BBus, MBA, MTax Age 56
Independent Non-Executive Chairman

Mr Pynt has been an independent non-executive director since 2000 and Chairman since 2005.

Mr Pynt is Managing Director of Muzz Buzz Franchising Pty Ltd, a drive through coffee store franchisor.

Other Listed Company Current Directorships

Ephraim Resources Limited

Richfield International Limited

Gondwana Resources Limited

Former Directorships in the last 3 years

South East Asia Resources Limited

Special Responsibilities

Chairman of the Board

Member of Audit Committee

2. Mathew Cherian BBus (IS/IT), MACS, MAICD Age 57
Chief Executive Officer

Mr Cherian has been in the information technology industry since 1981. In 1985 he established Working Systems Pty Ltd in Perth, Western Australia.

Mr Cherian was appointed CEO of Working Systems Solutions Limited in January 2002, to re-focus the Group as a software product developer for the Healthcare sector. The initial phase culminated with the re-branding of the Company as Global Health Limited in December 2007.

Mr Cherian plays an active role in product strategy and the development of overseas markets for the Company.

Other Current Directorships

None

Former Directorships in the last 3 years

None

Special Responsibilities

Managing Director

3. Grant Smith Age 60 (appointed on 25 September 2013)
Independent Non-Executive Director

Mr Smith has worked in insurance, superannuation, investment and funds management for over 30 years. He started with National Mutual (now AMP) in the investments division and was responsible for the establishment of the funds management business for National Mutual.

In 1984 he established an independent funds management group and floated Hospitals of Australia – the first healthcare investment fund in Australia. Hospitals of Australia owned and operated a number of hospitals throughout Australia. Mr Smith was intimately involved in the building of a number of hospitals including Strathfield Private, Southern Highlands Private Hospital, Port Macquarie Hospital and the refurbishment of a number of other healthcare facilities. Hospitals of Australia was ultimately acquired by Mayne Nickless Limited.

In the past 14 years Mr Smith developed and built the Medica Centre and opened the first digital (paperless) private surgical hospital in Australia. He is currently involved in developing new hospitals in Sydney, Melbourne, Shanghai, Papua New Guinea and Canada.

Mr Smith is also involved in utilising digital technology to generate productivity for the healthcare sector.

Other Listed Company Current Directorships

None

Former Directorships in the last 3 years

None

Special Responsibilities

Member of Audit Committee

4. Mr Robert Knowles, AO Age 67 (appointed 15 October 2013)
Independent Non-Executive Director

Mr Knowles is a director of the Silver Chain Group of Companies, IPG Pty Ltd and Drinkwise Australia Ltd.

He is also a Commissioner with the National Mental Health Commission, Chair of the Royal Children's Hospital and Chair of the Victorian Health Innovation and Reform Council.

Other Listed Company Current Directorships

Drinkwise Australia Ltd

Former Directorships in the last 3 years

None

Special Responsibilities

None

5. Peter Curigliano BBus (Accounting), CPA Age 46
(resigned Executive Director position on 25 November 2013)

Chief Financial Officer and Company Secretary

Mr Curigliano has in excess of 20 years' experience in corporate accounting including financial and business planning and compliance and taxation. He was appointed Chief Financial Officer in October 2007 after joining the Company as Financial Controller in May 2004.

Mr Curigliano is also the Company Secretary and has held this position since October 2005. In this role he is responsible for the Company's continuous disclosure requirements, preparation of the Annual Report, Annual General Meetings and announcements to the share market.

Other Listed Company Current Directorships

None

Former Directorships in the last 3 years

None

Special Responsibilities

As Chief Financial Officer of the Company, Mr Curigliano has direct responsibility for corporate matters and is primarily responsible for financial reporting, treasury and managing the financial risks of the Company.

MEETING OF DIRECTORS AND COMMITTEES

The number of meetings of the Company's Board of Directors and of each Audit committee held, whereby members could attend in their capacity during the year ended 30 June 2014, and the number of meetings attended by each Director were:

	Directors Meetings		Audit Committee Meetings	
	Number of Meetings Attended	Number of Meetings eligible to attend	Number of Meetings Attended	Number of Meetings eligible to attend
M Cherian	9	9	- ¹	-
S L Pynt	9	9	1	1
Grant Smith ²	5	5	-	-
Robert Knowles ³	5	5	-	-
Peter Curigliano ⁴	5	5	- ⁵	-

DIRECTORS' INTERESTS

Relevant interest of the Directors and their closely related parties in the shares of the Company at the date of this report are:

	Ordinary Shares
M Cherian	18,619,370
S L Pynt	232,408
G Smith	280,000
R Knowles	20,000
P Curigliano ⁶	55,459
Total	19,207,237

There are no options currently issued to Directors.

PRINCIPAL ACTIVITIES

During the year the principal activities of the Group consisted of:

1. The development, sales and support of application software for the healthcare sector; and
2. The development of systems integration software that enables data to be securely exchanged between multiple, disparate software applications within an enterprise and across the healthcare value chain.

¹ Not a member of the relevant committee.

² Appointed on 25 September 2013.

³ Appointed on 15 October 2013.

⁴ Appointed on 29 November 2012, resigned 25 November 2013.

⁵ Not a member of the relevant committee.

⁶ As of resignation date of 25 November 2013.

RESULTS AND DIVIDENDS

Operating Results

The profit of the Group for the financial year after providing for income tax and eliminating non-controlling equity interests amounted to \$1,443,513 (2013: \$1,096,848).

Dividends

No dividends have been declared or paid on the ordinary shares for the financial year ended 30 June 2014.

REVIEW OF OPERATIONS

Information on the operations and financial position of the Group and its business strategies and prospects is set out in the 'Chief Executive Officer's Operations Report' section of this Annual Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There are no significant changes in the state of affairs of the Group during the financial year ended 30 June 2014 and up to the date of this report.

SIGNIFICANT EVENTS AFTER REPORTING DATE

There were no significant events since the end of the financial year that are expected to have a significant effect on the results and state of affairs of the Group.

LIKELY DEVELOPMENTS

The Group will continue to pursue its policy of increasing the profitability and market share of its major business sectors during the next financial year.

SHARE OPTIONS

At the date of this report, the unlisted ordinary shares of Global Health Limited under option are:

Date of Issue	Date of Expiry	Exercise Price per option	Number Under Option
5 July 2013	5 July 2018	\$0.15 ⁷	300,000
19 December 2013	19 December 2018	\$0.65	690,000
26 May 2014	26 May 2019	\$0.75	300,000
			1,290,000

The share options which recently expired are as follows:

Date of Issue	Date of Expiry	Exercise Price per option	Number Under Option
31 July 2008	31 July 2013	\$2.25	4,000
8 October 2008	8 October 2013	\$2.25	106,667
			110,667

⁷ The exercise price was incorrectly reported as being \$2.25 per option post-consolidation in the Annual Report 2013.

REMUNERATION REPORT

Principles used to determine the nature and amount of remuneration

Remuneration of Directors and key management personnel of the Company is established by the Board. Remuneration is determined as part of an annual performance review, having regard to market factors and a performance evaluation process. The remuneration framework is designed to align executive reward with achievement of strategic objectives and the creation of value of shareholders, and conforms to market best practice for delivery of reward. For Directors and executives, remuneration packages generally comprise salary and superannuation. Executives are also provided with longer-term incentives through the employee share and share option schemes, which act to align the executive's actions with the interests of the shareholders. Non-Executive Directors are not entitled to performance-based bonuses.

The Board meets annually to review its own performance. The Chairman also holds individual discussions with each Director to discuss their performance. The Non-executive Directors are responsible for evaluating the performance of the Chief Executive Officer, who in turn evaluates the performance of all other senior executives. These evaluations are based on specific criteria, including the Group's business performance and achievement of turnover and NPAT (Net Profit After Tax) targets, whether long-term strategic objectives are being achieved and the achievement of individual performance objectives.

- Non-Executive Directors' remuneration

Fees and payments to Non-executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive Directors' fees and payments are reviewed annually by the Board to ensure all payments are appropriate and in line with the market. The maximum amount of remuneration as determined by shareholders at the Company's Annual General Meeting on 24 November 2009 is \$350,000 per annum which may be divided among Non-executive Directors in the manner determined by the Board from time to time. The Chairman's fees are determined independently to the fees of Non-executive Directors based on comparative roles in similar sized companies and sectors in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration.

- Executive Directors' remuneration

The Executive Directors' salary and conditions are determined by the Board of Directors and reviewed at the expiry of each contract period.

- Executive remuneration

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. There is no guaranteed base pay increases included in any senior executive's contract.

Details of Remuneration

Details of the remuneration of the Directors and the key management personnel of Global Health Limited are set out in the following table:

2014	Short-Term benefits	Performance related	Post-Employment Benefits	Other long term benefits	Share-based Payment	
Name	Salary and or Fees \$	Bonus \$	Superannuation \$	Accrued Long Service Leave \$	Shares \$	Total \$
Directors:						
S L Pynt	41,284	-	3,819	-	-	45,103
M Cherian	277,376	25,000	23,252	4,751	-	330,379
G Smith ⁸	24,554	-	2,271	-	-	26,825
R Knowles ⁹	22,693	-	2,099	-	-	24,792
Key Management Personnel:						
P Curigliano	175,138	-	16,200	3,124	-	194,462
K Jayesuria ¹⁰	70,938	-	6,562	-	-	77,500
TOTAL	611,983	25,000	54,203	7,875	-	699,061

2013	Short-Term benefits	Performance related	Post-Employment Benefits	Other long term benefits	Share-based Payment	
Name	Salary and or Fees \$	Bonus \$	Superannuation \$	Accrued Long Service Leave \$	Shares \$	Total \$
Directors:						
S L Pynt	36,124	-	3,251	-	-	39,375
N Pinski ¹¹	12,901	-	1,161	-	-	14,062
M Cherian	232,916	-	18,947	16,421	-	268,284
T Qureshi ¹²	-	-	-	-	-	-
P Curigliano ¹³	175,138	-	15,762	3,124	-	194,024
TOTAL	457,079	-	39,121	19,545	-	515,745

⁸ Appointed as director on 25 September 2013.

⁹ Appointed as director on 15 October 2013.

¹⁰ Commenced employment on 11 November 2013.

¹¹ Up until date of retirement on 29 November 2012.

¹² Mr Qureshi was contracted via his director-related company, Gemini Consulting Pty Ltd, and resigned as a director on 15 July 2012.

¹³ Appointed as director on 29 November 2012, resigned on 25 November 2013.

Service Agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements with a fixed term of three years except as noted. It is Company policy that employment contracts contain provisions for termination with notice or payment in lieu thereof and for termination by the Company without notice for serious misconduct and breach of contract. The Managing Director is entitled to receive a termination payment in addition to notice where the Company terminates employment on grounds of illness or incapacity.

The notice period required to be given by the employee or the Company along with any termination payments are set out in the table below.

	Notice period by Company	Notice period by Employee	Termination Payments
Managing Director			
M Cherian	6 months	6 months	6 months*
Chief Financial Officer			
P Curigliano	1 month	1 month	None
Technology Delivery Manager			
K Jayesuria	1 month	1 month	None

* if termination is by reason of the employee's illness or incapacity.

Shares and Options granted to directors and officers of the Company

	Number of shares issued		Number of options granted	
Key Management Personnel	2014	2013	2014	2013
Peter Curigliano	-	-	300,000	-
K Jayesuria	-	-	300,000	-

During the financial year and up to the date of these accounts, 4,000 unlisted director options with an exercise price of \$2.25 per option expired on 31 July 2013 and another 106,667 unlisted employee options with an exercise price of \$2.25 per option expired on 8 October 2013.

During the financial year and up to the date of these accounts, the Company issued the following unlisted employee options to employees of the company: (a) on 5 July 2013, 300,000 options to one employee with an exercise price of 15 cents per option; (b) on 19 December 2013, 690,000 options to three employees with an exercise price of 65 cents per option; and (c) on 26 May 2014, 300,000 options to one employee with an exercise price of 75 cents per option. All of the unlisted employee options will vest in equal one-third every 12-months over a period of 36 months from their respective dates of issue.

All options were granted during the financial year.

During the financial year and up to the date of this report, nil options have been exercised.

INDEMNIFICATION OF DIRECTORS AND EXECUTIVES OR AUDITORS

During or since the end of the financial year, the Group has not, in any respect for any person who is or has been an officer or director of the parent entity or a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings.

During or since the end of the financial year the Group has paid premiums in respect of a contract insuring the Directors and officers of all companies in the Group against a liability incurred in their role as Directors and officers of all companies within the Group except where:

- i. The liability arises out of conduct involving a wilful breach of duty; or
- ii. There has been a contravention of Sections 232(5) or (6) of the Corporations Act 2001.

The total amount of premiums paid by the Group for Directors and Officers Liability Insurance was \$31,948 (2013: \$33,515).

PROCEEDINGS ON BEHALF OF THE COMPANY

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the Corporations Act 2001.

NON-AUDIT SERVICES

The Group had a need to employ the auditor on assignments additional to their statutory audit duties as detailed in Note 23.

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed in Note 23 did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board of Directors prior to the commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

ENVIRONMENTAL ISSUES

As the operations of the Group are limited to computer software development and support and professional consulting services, the Group has minimal involvement in and exposure to environmental risks and issues. The Group is not required to comply with any specific Act.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of the Company support and have adhered to the principles to the extent outlined in the corporate governance statement. The Company's corporate governance statement is contained in a separate section of this Annual Report.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 accompanies and forms part of this report.

Signed in accordance with a resolution of the Directors.



Steven Leigh Pynt
Non-Executive Chairman
Melbourne, 26 September 2014



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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF GLOBAL HEALTH LIMITED**

As auditor for the audit of Global Health Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the independence requirements of the Corporations Act 2001 in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

MSI Ragg Wei

MSI RAGG WEIR
Chartered Accountants

L.S. Wong

L.S. WONG
Partner

Melbourne: 26 September 2014

A cloud-based platform for connectivity across
the healthcare sector

ReferralNet



Corporate Governance Statement

Global Health Limited (the Company) and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Accordingly, unless stated otherwise in this document, the Board's corporate governance arrangements comply with the recommendations of the ASX Corporate Governance Council (including the 2010 amendments) as well as current standards of best practice for the entire financial year ended 30 June 2014.

The Company and its controlled entities together are referred to as the Group in this statement.

The Board of Directors of the Company is responsible for the corporate governance of the Group. The Directors are responsible to the shareholders for the performance of the Group in both the short and the longer term and seek to balance sometimes competing objectives in the best interests of the Group as a whole. The Board is also responsible for setting the strategic direction and establishing the policies of the Group. The focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Group is properly managed.

Day to day management of the Group's affairs and the implementation of the corporate strategy and policy initiatives are formally delegated by the Board to the Managing Director and senior executives.

A description of the Company's main corporate governance practices is set out below. All these practices, unless otherwise stated, were in place for the entire year.

Global Health Limited is listed on the Australian Securities Exchange (ASX). Accordingly, unless stated otherwise in this document, the Board's corporate governance arrangements comply with the recommendations of the ASX Corporate Governance Council (including the 2010 amendments) as well as current standards of best practice for the entire financial year ended 30 June 2014.

Ethical Standards

The Board is committed to its core governance values of integrity, respect, trust and openness among and between board members, management, employees, customers and suppliers. These values are enshrined in the Board's Code of Conduct policy.

The Code of Conduct policy requires all directors, management and employees to, at all times:

- act honestly and in good faith;
- exercise due care and diligence in fulfilling the functions of office;
- avoid conflicts and make full disclosure of any possible conflict of interest;
- comply with both the letter and spirit of the law;
- encourage the reporting and investigation of unlawful and unethical behaviour; and
- comply with the share trading policy outlined in the Code of Conduct.

Directors are obliged to be independent in judgment and ensure all reasonable steps are taken to ensure that the Board's core governance values are not compromised in any decisions the Board makes.

Diversity Policy

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Company is committed to diversity and recognises the benefits arising from employee and Board diversity and the importance of benefiting from all available talent.

The policy outlines requirements for the Board to develop measurable objectives for achieving diversity, and annually assess both objectives and the progress in achieving those objectives. As Director and senior executive positions become vacant and appropriately qualified candidates become available, the Board has developed the following objectives:

- Achieve a diverse and skilled workforce leading to continuous improvement;
- The development of clear criteria for behavioural expectations in relation to promoting diversity in the work environment;
- Ensure that personnel responsible for recruitment take diversity issues into account when considering vacancies;
- Create a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives;
- Create awareness in all employees of their right and responsibilities with regards to fairness, equity and respect for all aspects of diversity

The Board believes it has been successful in implementing these objectives throughout the Company's workforce and continues to monitor and assess the Company efforts in this regard.

The number of women employed by the Company and their employment classifications are as follows:

	2014		2013	
	Number	Percentage	Number	Percentage
Women on the Board	-	0%	-	0%
Women in senior management	3	38%	3	38%
Women employees in the Company	11	34%	11	34%

COMPOSITION OF THE BOARD

There were between three and four directors on the Board at any one time throughout the year. Of these, at various times, one to three were non-executive directors and one to two were executive directors – the latter being the Managing Director/Chief Executive Officer and the Chief Financial Officer. Each year one-third of directors and any director (excluding the Managing Director) who has held office for three years or three annual general meetings (whichever is longer) must retire from office. A retiring director is eligible to seek re-election if so minded.

The skills, experience and expertise relevant to the position of each director who is in office at the date of the Annual Report and their term of office are detailed in the Director's Report. The Board strives to achieve a mix of commercial, financial, legal, management, health industry and IT skills and experience among its members.

The composition of the Board is determined in accordance with the following principles and guidelines:

- The Board should comprise at least three Directors and should maintain a majority of independent and Non-executive Directors. Whilst there was not an independent majority following the retirement of Dr Nathan Pinski on 29 November 2012, this was rectified with the appointments of Mr Grant Smith and Mr Robert Knowles as Non-executive Directors to the Board of Global Health Limited on 25 September 2013 and 15 October 2013 respectively;
- The Chairman must be an independent and Non-executive Director;
- The roles of Chief Executive Officer and Chairman must not be performed by the same individual;
- The Board should comprise Directors with an appropriate range of qualifications and expertise; and
- The Board shall meet regularly and have available all necessary information to participate in an informed discussion of all agenda items.

When considering potential candidates for directorship, the Board assesses qualified professionals and experienced business people in industry. The Company does not engage any consultants to source potential Board members, but relies on the Directors' industry contacts to identify potential candidates based on an individual's professional and business reputation, health care services industry experience and other areas of expertise. The Company seeks to maintain a diverse range of members of the Board by having only one director drawn from any one professional background at any one time.

BOARD MEMBERS

The Directors in office at the date of this statement are:

Name	Position
Mr S L Pynt	Non-Executive Chairman
Mr M Cherian	Chief Executive Officer and Managing Director
Mr Grant Smith	Non-executive Director
Mr Robert Knowles AO	Non-executive Director

There are three Non-executive Directors who are deemed independent under the principles set out below, and one Executive Director, at the date of signing the Directors' Report.

The Board seeks to ensure that:

- At any point in time, its membership represents an appropriate balance between Directors with experience and knowledge of the Group and Directors with an external or fresh perspective.
- The size of the Board is conducive to effective discussion and efficient decision-making.

As a Board, the Directors need to provide the following skills and knowledge:

- A balance of proven expertise, diverse skills and experience in commerce, finance, health care innovation and other areas where software technology can improve the experience of consumers and providers of health care services
- Understanding of the roles, duties and responsibilities of directors under the Corporations Act
- Leadership skills, experience making decisions at the highest levels, strategic thinking and long-term planning abilities
- An understanding of current issues affecting the Australian health care industry in particular, and in general a wider understanding of international medical and technological trends in health care provision and consumption
- Flexible, consultative and innovative approaches to communicating and achieving corporate goals
- A passion for and strong commitment to the success of the activities of Global Health Limited

As Global Health Limited has a relatively small Board, the full Board acts as a nomination and audit committee and reviews Board memberships including an assessment of necessary and desirable competencies, particularly in consideration of appointments and removals.

BOARD RESPONSIBILITIES

The responsibilities of the Board include:

1. providing strategic guidance to the Company including contributing to the development of and approving the corporate strategy;
2. reviewing and approving business plans, the annual budget and financial plans including available resources and major capital expenditure initiatives;
3. overseeing and monitoring:
 - a. organisational performance and the achievement of the Group's strategic goals and objectives
 - b. progress of major capital expenditures and other significant corporate projects including any acquisitions or divestments;
4. monitoring financial performance including approval of the annual and half-year financial reports and liaison with the Company's auditors;
5. appointment, performance assessment and, if necessary, removal of the Managing Director;
6. ratifying the appointment and/or removal and contributing to the performance assessment for the members of the senior management team;
7. ensuring there are effective management processes in place and approving major corporate initiatives;
8. enhancing and protecting the reputation of the organisation;
9. overseeing the operation of the Group's system for compliance and risk management reporting to shareholders.

NON-EXECUTIVE DIRECTORS' INDEPENDENCE

The Board has adopted specific principles in relation to Non-Executive Directors' independence.

These state that to be deemed independent, a Director must be a Non-executive and;

- Not be a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company.
- Within the last three years, not have been employed in an executive capacity by the Company or any other Group member or been a Director after ceasing to hold any such employment.
- Within the last three years not have been a principal of a material professional advisor or a material consultant to the Company or any other Group member, or an employee materially associated with the service provided.
- Not be a material supplier or customer of the Company or any other Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer.
- Must have no material contractual relationship with the Company or a controlled entity other than as a Director of the Group.
- Not have been on the Board for any period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.
- Be free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

TRADING POLICY

Directors are subject to the Corporations Act 2001 relative to restrictions applying to acquiring and disposing of securities of the Company, if they are in possession of information which is not generally available, and which, if generally available, a reasonable person would expect to have a material effect on the price of the securities of the Company.

The Company's policy restricts Directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CEO)

The Chairman is responsible for leading the Board, ensuring Directors are properly briefed in all matters relevant to their role and responsibilities, facilitating Board discussions and managing the Board's relationship with the Company's senior executives.

The CEO is responsible for implementing Group strategies and policies. The Board charter specifies that these are separate roles to be undertaken by separate people.

COMMITMENT

The Board held nine Board meetings during the year.

The number of meetings of the Company's Board of Directors and of each Board committee held during the year ended 30 June 2014, and the number of meetings attended by each Director is disclosed in the Directors' Report.

The three Non-executive Directors met once during the year, in a scheduled session without the presence of management, to discuss the operation of the Board and a range of other matters. Relevant matters arising from this meeting was shared with the full Board.

It is the Company's practice to allow its Executive Directors to accept appointments outside the Company with prior written approval of the Board.

Prior to appointment or being submitted to for re-election, each Non-executive Director is required to specifically acknowledge that they have and will continue to have the time available to discharge their responsibilities to the Company.

CORPORATE REPORTING

The Managing Director and Chief Financial Officer have made the following certifications to the Board:

- that the Group's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Group and are in accordance with relevant accounting standards; and
- that the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board and that the Group's risk management and internal compliance and control is operating efficiently and effectively in all material respects.

AUDIT COMMITTEE

The Board has established an audit committee which acts in accordance with its charter. The audit committee consists of the following Non-executive Directors:

Mr S L Pynt
Mr Grant Smith

Due to the small number of Board members, the Board has agreed to allow the audit committee to be made up of two independent non-executive Directors. Details of these Directors' qualifications and attendance at audit committee meetings are set out in the Directors' Report.

The audit committee has appropriate financial expertise and all members are financially literate and have an appropriate understanding of the industries in which the Group operates. The audit committee has authority, within the scope of its responsibilities, to seek any information it requires from any employee or external party.

It is the committee's responsibility to ensure that an effective internal control framework exists within the Group. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes. This includes the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information.

REMUNERATION

The Board does not have a separate remuneration committee due to the small number of Board members. Consequently the issue of remuneration is under the control of the Board which has the responsibility of reviewing and approving remuneration of the Non-Executive Chairman and other executives of the Group. Remuneration levels will be competitively set to attract the most qualified and experienced Directors and senior executives. Where necessary the Board may obtain independent advice on the appropriateness of remuneration packages and obtain any necessary shareholder approvals. The amount of remuneration for all Directors is detailed in the Directors' Report section.

Payment of equity-based executive remuneration is made in accordance with thresholds set in plans approved by shareholders. The Board expects that the remuneration structure implemented will result in the Company being able to attract and retain the best executives to run the Group. It will also provide executives with the necessary incentives to work to grow long term shareholder value.

MONITORING OF THE BOARD'S PERFORMANCE

The Board has adopted a code of conduct for Directors in keeping with the Company's desire to remain a good corporate citizen and appropriately balance, protect and preserve all stakeholders' interests.

In order to ensure that the Board continues to discharge its responsibilities in an appropriate manner, the Chairman reviews the performance of all Directors annually.

COMMUNICATION TO SHAREHOLDERS

The Board aims to ensure that the shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of the economic entity. Information is communicated to the shareholders through:

- the Annual Report which is distributed to all shareholders;
- the Annual General Meeting and other meetings called to obtain approval for Board action as appropriate;
- regular release of media and market updates to the ASX; and
- the Company's website: www.global-health.com.

The Company Secretary is the person responsible for communications with the Australian Stock Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing and coordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

All information disclosed to the ASX is posted on the Company's website as soon as it is disclosed to the ASX. When analysts are briefed on aspects of the Group's operations, the materials used in the presentation are released to the ASX and posted on the Company's website.

All shareholders are entitled to receive a copy of the Company's annual and half yearly reports. In addition, the Company seeks to provide opportunities for shareholders to participate through electronic means. Initiatives to facilitate this include making all Company announcements, media briefings, details of Company meetings, press releases for the last three years and financial reports for the last three years available on the Company's website. The website also includes an option for shareholders to register their email address for direct email updates on Company matters.

INDEPENDENT PROFESSIONAL ADVICE

Each Director is entitled to seek independent professional advice at the expense of the Company in carrying out his duties as a Director. Prior to obtaining such advice, if at the expense of the economic entity, the Chairman will be advised of the matter and an estimate of the cost.

ASX RECOMMENDATIONS

		Complied	Page/ Note
1.1	Establish and disclose the functions reserved to the Board and those delegated to senior management	✓	P23
1.2	Disclose the process for evaluating the performance of senior executives	✓	P12
1.3	Provide the information indicated in Guide to Reporting on Principle 1	✓	Pp 12, 23
2.1	A majority of the Board should be independent Directors	✓	Pp 21, 23
2.2	The Chairperson should be an independent director	✓	P21
2.3	The roles of the Chairperson and Chief Executive Officer should not be exercised by the same individual	✓	P21
2.4	The Board should establish a Nomination Committee		N1
2.5	Disclose the process for performance evaluation of the board, its committee and individual directors	✓	P12
2.6	Provide the information indicated in Guide to Reporting on Principle 2	✓	Pp 12, 21, 23
3.1	Establish a code of conduct and disclose the code as to: 3.1.1. the practices necessary to maintain confidence in the Company's integrity 3.1.2. the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders 3.1.2. the responsibility and accountability of individuals for reporting and investigating reports of unethical practices	✓	P19
3.2	Establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them	✓	P20
3.3	Disclose in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them	✓	P20
3.4	Disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board	✓	P20
3.5	Provide the information indicated in Guide to Reporting on Principle 3	✓	P20
4.1	The Board should establish an Audit Committee	✓	P25
4.2	Structure the Audit Committee so that it consists of: - only non-executive directors; - a majority of independent directors; - an independent chairperson, who is not chairperson of the Board; and - at least three members	✓ ✓ ✓	N2
4.3	The Audit Committee should have a formal charter	✓	P25
4.4	Provide the information indicated in Guide to Reporting on Principle 4	✓	P25
5.1	Establish and disclose written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance	✓	Pp 9, 26, 62
5.2	Provide the information indicated in Guide to Reporting on Principle 5	✓	P26
6.1	Design and disclose a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings	✓	P26
6.2	Provide the information indicated in Guide to Reporting on Principle 6	✓	Pp 9, 26, 62
7.1	Establish and disclose policies for the oversight and management of material business risks	✓	Pp 39, 42, 45, 59, 60
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 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	✓	Pp 9, 39, 42, 45, 59, 60
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	✓	P24

		Complied	Page/ Note
7.4	Provide the information indicated in Guide to Reporting on Principle 7	✓	Pp 9, 24, 39, 42, 45, 59, 60
8.1	The Board should establish a remuneration committee		N3
8.2	The Remuneration Committee should be structured so that it: <ul style="list-style-type: none"> - consists of a majority of independent directors; - is chaired by an independent director; and - has at least three members 		N3
8.3	Clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives	✓	P12
8.4	Provide the information indicated in Guide to Reporting on Principle 8	✓	Pp 12, 28

Note 1: The Board of Directors of the Company does not have a Nomination Committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by a Nomination Committee can be adequately handled by the full Board.

Note 2: The Company has three non-executive Directors, of whom two comprise the Audit Committee. The Board is of the opinion that due to the nature and size of the Company, this function can be adequately handled with less than the three members recommended under ASX guidelines.

Note 3: The Company does not have a Remuneration Committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by a Remuneration Committee can be adequately handled by the full Board.

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Directors' Declaration

1. In the opinion of the Directors of Global Health Limited ('the Company'):
 - (a) the financial statements and notes, set out on pages 33 to 72 are in accordance with the Corporations Act 2001 including:
 - i. giving a true and fair view of financial position of the consolidated entity as at 30 June 2014 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date;
 - ii. complying with Accounting Standards in Australia and the Corporations Regulations 2001;
 - iii. complying with International Reporting Standards as disclosed in Note 1; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. There are reasonable grounds to believe that the Company and the controlled entities identified in Note 19 will be able to meet any obligations or liabilities to which they are or may become subject.
3. The Directors have been given the declarations required by section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the year ended 30 June 2014.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Board



Steven Leigh Pynt
Non-Executive Chairman
Melbourne, 26 September 2014

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HotHealth



2014



annual financial report

This Global Health Limited consolidated entity ('Group') financial report is presented in the Australian currency.

Global Health Limited is a company limited by shares, incorporated and domiciled in Australia. With effect from 1 September 2014, the Company's registered office and principal place of business is:

Global Health Limited
Level 2, 607 Bourke Street
Melbourne, Victoria 3000
Australia.

A description of the nature of the Group's operations and its principal activities is included in the review of operations and activities in the Directors' Report which are part of this financial report.

The financial report was authorised for issue by the Directors on 26 September 2014.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

	Note	Consolidated Group	
		2014 \$	2013 \$
Revenue from the sale of licenses and maintenance contracts	2	4,102,836	3,621,385
Revenue from professional services	2	666,065	564,414
Other revenues	2	482,185	357,964
Total revenue from continuing operations		5,251,086	4,543,763
Salaries and related costs	3	(2,614,639)	(2,328,956)
Direct external costs	3	(136,803)	(271,921)
General and administration costs		(840,158)	(778,461)
Earnings before interest, tax, depreciation and amortisation		1,659,486	1,164,425
Finance costs	3	31,397	(66,897)
Depreciation	3	(8,402)	(13,876)
Amortisation	3, 9	(209,953)	(105,657)
Non-operating foreign exchange gains/(losses)		(29,015)	118,853
Profit before income tax		1,443,513	1,096,848
Income tax benefit/(expense)	4	-	-
Net profit for the period		1,443,513	1,096,848
Other comprehensive income			
Exchange differences on translating foreign operations		28,494	(119,913)
Total comprehensive profit for the period		1,472,007	976,935
Net profit/(loss) for the period attributable to:			
Owners of the parent	17	1,443,725	1,097,069
Non-controlling interest	18	(212)	(221)
		1,443,513	1,096,848
Total comprehensive profit/(loss) attributable to:			
Owners of the parent		1,472,135	977,342
Non-controlling interest		(128)	(407)
		1,472,007	976,935
Earnings per share		Cents	Cents
Basic earnings per share (cents per share)	25	4.420	4.022
Diluted earnings per share (cents per share)	25	4.420	4.022

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

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	Consolidated Group	
		2014 \$	2013 \$
Current Assets			
Cash and cash equivalents	5	1,117,444	825,354
Receivables	6	500,899	564,718
Other	7	166,479	125,302
Total Current Assets		1,784,822	1,515,374
Non-Current Assets			
Receivables	6	97,680	-
Property, plant and equipment	8	10,664	7,878
Intangibles	9	3,080,101	2,189,594
Total Non-Current Assets		3,188,445	2,197,472
Total Assets		4,973,267	3,712,846
Current Liabilities			
Payables	11	666,817	838,041
Interest bearing liabilities	12	44,715	55,080
Provisions	13	455,439	434,791
Unearned income	14	997,646	1,095,368
Total Current Liabilities		2,164,617	2,423,280
Non-Current Liabilities			
Provisions	13	133,598	86,521
Total Non-Current Liabilities		133,598	86,521
Total Liabilities		2,298,215	2,509,801
Net Assets/(Liabilities)		2,675,052	1,203,045
Equity			
Contributed equity	15	20,656,242	20,656,242
Reserves		186,133	157,723
Accumulated losses	17	(18,029,436)	(19,473,161)
Total Parent Entity Interest		2,812,939	1,340,804
Non-controlling interest	18	(137,887)	(137,759)
Total Equity		2,675,052	1,203,045

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2014

Consolidated Group	Issued capital ordinary	Option reserve	Currency translation reserve	Retained earnings	Total attributable to owners of the parent	Non-Controlling interest	Total equity
Balance 1 July 2013	20,656,242	29,978	127,745	(19,473,161)	1,340,804	(137,759)	1,203,045
Share based payments	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Profit/(loss) for the period	-	-	-	1,443,725	1,443,725	(212)	1,443,513
Other comprehensive income:							
Exchange difference on translation of foreign operations	-	-	28,410	-	28,410	84	28,494
Total comprehensive profit/(loss) for the period	-	-	28,410	1,443,725	1,472,135	(128)	1,472,007
Balance 30 June 2014	20,656,242	29,978	156,155	(18,029,436)	2,812,939	(137,887)	2,675,052
Balance 1 July 2012	20,117,676	32,200	247,472	(20,570,230)	(172,882)	(137,352)	(310,234)
Issue of share capital – exercise of options and new shares	536,344	-	-	-	536,344	-	536,344
Share based payments	2,222	(2,222)	-	-	-	-	-
Transactions with owners	538,566	(2,222)	-	-	536,344	-	536,344
Profit/(loss) for the period	-	-	-	1,097,069	1,097,069	(221)	1,096,848
Other comprehensive income:							
Exchange difference on translation of foreign operations	-	-	(119,727)	-	(119,727)	(186)	(119,913)
Total comprehensive profit/(loss) for the period	-	-	(119,727)	1,097,069	977,342	(407)	976,935
Balance 30 June 2013	20,656,242	29,978	127,745	(19,473,161)	1,340,804	(137,759)	1,203,045

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

	Note	Consolidated Group	
		2014 \$	2013 \$
Cash Flows from Operating Activities			
Receipts from customers		5,534,917	4,928,569
Payments to suppliers and employees		(4,167,132)	(3,546,232)
Sub-total		1,367,785	1,382,337
Interest received		14,921	4,461
Interest and finance costs paid		31,397	(66,897)
Net cash inflow from operating activities	28	1,414,103	1,319,901
Cash Flows from Investing Activities			
Purchase of property, plant & equipment		(11,188)	(915)
Purchase of intangibles		(1,100,460)	(824,800)
Net cash outflow from investing activities		(1,111,648)	(825,715)
Net operating and investing activities		302,455	494,186
Cash Flows from Financing Activities			
Proceeds from borrowings		66,301	239,345
Proceeds from issue of shares		-	537,534
Repayment of finance leases		-	(1,004)
Repayment of borrowings		(76,666)	(456,366)
Net cash inflow from financing activities		(10,365)	319,509
Net increase in cash and cash equivalents held		292,090	813,695
Cash and cash equivalents at the beginning of the financial year		825,354	11,659
Cash and cash equivalents at the end of the financial year	5	1,117,444	825,354

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

Notes to the Financial Statements

Global Health Limited and its controlled entities is a for-profit company domiciled in Australia. The financial statements were authorised for issue by the Board of Directors on 26 September 2014.

The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The separate financial statements and notes of the parent entity, Global Health Limited, have not been presented within this financial report as permitted by amendments made to the *Corporations Act 2001*. The parent entity summary is included in note 32.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements cover Global Health Limited and its controlled entities as a consolidated entity ('Group'). Global Health Limited is a for-profit public listed company limited by shares, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Compliance with IFRSs

Compliance with Australian Accounting Standards ensures that the financial statements and notes of Global Health Limited and its controlled entities comply with International Financial Reporting Standards (IFRSs).

Historical cost convention

These financial statements have been prepared under the historical cost convention and are also prepared on an accruals basis.

Critical Accounting Estimates and Judgements

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

Key estimates

(i) Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

With respect to cash flow projections in Australia and overseas, modest growth rates have been factored into valuation models for the next five years on the basis of management's expectations around the Group's continued ability to capture market share from competitors.

Key judgments

(i) Provision for Impairment of Receivables

Provision for impairment of trade receivables has been included in Note 6 Receivables.

(b) Principles of Consolidation

A controlled entity is any entity that Global Health Limited has the power to control the financial and operating policies of the entity so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 19 to the financial statements. All controlled entities have a June financial year end.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

All inter-company balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Non-controlling interests, being that portion of the profit or loss and net assets of subsidiaries attributable to equity interests held by persons outside the Group, are shown separately within the equity section of the consolidated statement of financial position and in the consolidated statement of profit or loss.

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (ie parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously-held equity interest shall form the cost of the investment. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of profit or loss. Where changes in the value of such equity holdings had been previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds or consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is re-measured each reporting period to fair value through the statement of profit or loss and other comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss and other comprehensive income.

(c) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

(d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and amounts collected on behalf of third parties. Revenue is recognised for the major business activities as follows:

Sales Revenue

Sales revenue comprises revenue earned (net of returns, discount and allowances) from the provision of products or services to entities outside the consolidated entity. Sales revenue is categorised and recognised as follows:

- **Licence Fees**

Initial licence fees are brought to account on the signing of a contract.

- **Maintenance Fees**

Maintenance fees are a non-refundable deferred revenue stream. Clients subscribe to their licences in advance – ranging from monthly, quarterly, half-yearly to annual payments. They are proportionally accrued in arrears, at the end of each month. These entitle the customer to a usage licence, help desk telephone support and rights to extended warranty and product enhancements.

Professional Services

Professional services are brought to account on the issue of invoice on completion of work that may be performed on a time and materials or a project milestone basis. This includes work done in the health and non-health segments.

Grants

Grant monies are not recognised until there is reasonable assurance that the consolidated entity will comply with the conditions attaching to it, and that the grant will be received. Receipt of a grant does not of itself provide conclusive evidence that the conditions attaching to the grant have been or will be fulfilled.

Rent recharge

Revenue received from the sub-let of office premises is recognised monthly.

Interest Income

Interest revenue is recognised using the effective interest method.

Asset Sales

The net profit or loss on asset sales is included as revenue of the consolidated entity. The profit or loss on disposal of assets is brought to account at the date an unconditional contract of sale is signed.

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

(e) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flow.

(f) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying values in the financial statements, and to unused tax losses. Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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.

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

Tax consolidation legislation

Global Health Limited and its wholly-owned Australian entities have implemented the tax consolidation legislation. These were formally adopted on lodgement of the 2004 income tax returns.

On forming a tax consolidated group, Global Health Limited is now responsible for recognising the deferred tax assets relating to tax losses for the Tax Consolidated Group. The Tax Consolidated Group has entered into 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) Intangible assets

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and accumulated impairment losses.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project which is 10 years.

(h) Plant and Equipment

Cost and valuation

Plant and equipment, leasehold improvements and furniture and fittings are carried at cost.

Asset are carried at cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

Plant and equipment, leasehold improvements and furniture and fittings of the consolidated entity are depreciated on a diminishing value basis. Rates of depreciation are calculated to allocate the cost, less estimated residual value at the end of the useful lives of the assets.

The depreciation rates used for each class of depreciable assets are:

Class of Asset	Diminishing Value (%)
Leasehold Improvements	25 - 35
Plant & Equipment	27 - 40
Furniture and Fittings	13
Motor Vehicles	22.5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the assets' carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

(i) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade 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. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. 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 the statement of profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against general and administrative expenses in the statement of profit or loss and other comprehensive income.

(j) Foreign Currency***Functional and presentation currency***

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

Translation of controlled foreign entities

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

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

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and borrowings and other currency instruments, are taken to shareholders' equity. When a foreign operation is sold or borrowings repaid, a proportionate share of such exchange differences are recognised in the statement of profit or loss and other comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(k) Leases

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

Finance leases, which effectively transfer to the Group, substantially all of the risks and benefits incidental to ownership of the leased item, are capitalised at the present value of the minimum lease payments and amortised over the period the Group is expected to benefit from the use of the leased assets. Operating lease payments, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased items, are included in the determination of the operating profit or loss in equal instalments over the lease term.

(l) Employee Benefits

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

Wages, Salaries & Annual Leave

Liabilities arising in respect of wages, salaries, annual leave and other employee benefits expected to be settled within 12 months represent the amount which the Group has a present obligation to pay resulting from employees' services provided up to the reporting date. Liabilities have been calculated at the amounts expected to apply at the time of settlement. On-costs are included in this amount.

Long Service Leave

The liability for employee benefits to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the reporting date.

Liabilities for employee benefits which are not expected to be settled within twelve months are discounted using the rates attaching to national government securities at reporting date, which most closely match the terms of maturity of the related liabilities.

In determining the liability for long service leave, consideration has been given to future increases in wage and salary rates, and the Group's experience with staff departures. Related on-costs have also been included in the liability.

Share-based payments

Share-based compensation benefits are provided to employees via the Company's Employee Option Plan and an employee share scheme. Information relating to these schemes is set out in note 27.

The fair value of options granted under the Company's Employee Option Plan is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using an option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital.

The market value of shares issued to employees for no cash consideration under the employee share scheme is recognised as an employee benefits expense with a corresponding increase in equity when the employees become entitled to the shares.

(m) Accounts Payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Group. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Financial Instruments

Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instrument classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Effective interest rate method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through profit or loss'.

Classification and subsequent measurement

Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the Group's intention to hold these investments to maturity. Held-to-maturity investments held by the Group are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. They are held at fair value with changes in fair value taken through the financial assets reserve directly to other comprehensive income.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment of financial assets

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of profit or loss.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in other comprehensive income.

Financial Guarantees

Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118 Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

The fair value of financial guarantee contracts has been assessed using the probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a 12-month period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

(o) Contributed Equity

Issued and paid up capital is recognised at the fair value of the consideration received by Global Health Limited.

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate.

(p) Earnings Per Share

Basic earnings per share (EPS) is calculated as the net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as the net result attributable to members, adjusted for:

- Costs of servicing equity (other than dividends) and preference share dividends;
- The after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(q) Cash and cash equivalents

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

(r) Going Concern

At 30 June 2014, the Company reported an EBITDA profit of \$1,659,487 (2013: \$1,164,425). A net asset surplus of \$2,675,052 (2013: \$1,203,045) was also recorded, demonstrating a \$1,472,007 improvement from the prior year. In the same period a net current asset deficiency of \$379,795 was recorded (2013: \$907,906). Again, this represented an improvement of \$528,111.

This net current asset deficiency is primarily represented by unearned revenue of \$997,646. Unearned revenue comprises annual subscriptions (licence to use, help desk telephone support, rights to enhancements and extended warranties) paid in advance but recognised monthly. These subscriptions in advance are not subject to refunds or cancellation but do incur an obligation by the Group to provide monthly help-desk and warranty services. The reporting of unearned revenue on the Company's balance sheet has always been shown and is a normal business operation.

The Board believes it is appropriate to prepare the financial statements on a going concern basis.

(s) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Comparatives are consistent with prior years, unless otherwise stated.

(t) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income on the date of receipt of the grant.

The Government has the right to review grants paid and may clawback funds in the event of an excess claim.

Research and Development Grant

The Company received a federal government Research and Development Tax Incentive of \$413,833 (2013:\$300,333) in relation to its research and development activities for the 2013 financial year.

Export Market Development Grant

The Australian Federal Government provides export market development grants to help Australian companies develop markets for their product overseas. As the Company continues to develop markets for its products overseas, it qualifies for the grant. For the year ending 30 June 2014, the Company's activity and subsequent income and expenditure levels ruled it ineligible to apply for further export market development grants in 2014. In the year ended 30 June 2013 the Company qualified for and received (gross) \$12,298 in grant monies for activity related to the year ended 30 June 2012.

(u) Borrowing Costs

Borrowing costs are expensed as incurred.

(v) New accounting standards and Australian Accounting Interpretations

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting.

There are no significant effects on current, prior or future periods arising from the first-time application of the standards discussed above in respect of presentation, recognition and measurement of accounts.

At the date of authorisation of the financial statements, the following Australian Accounting Standards/ Accounting Interpretations have been issued or amended and are applicable to the Group but are not yet effective and have not been adopted in preparation of the financial statements.

Standard/Interpretation	Impact on the Group	Effective for annual reporting periods beginning on or after	First applied in the year ending
AASB 9 Financial Instruments AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instrument	No significant impact is expected	1 January 2018	30 June 2019
AASB 2012-3 – Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities	There is no impact on the entity as it does not offset its financial assets or liabilities	1 January 2014	30 June 2015
AASB 2013 – Amendments to AASB 136 – Recoverable Amounts Disclosures for Non-Financial Assets	No significant impact is expected	1 January 2014	30 June 2015
IFRS 15 Revenue from contracts with customers	No significant impact is expected	1 January 2017	30 June 2018
AASB 2014-1 Amendments to Australian Accounting Standards	No significant impact is expected	1 January 2015	30 June 2015

2. REVENUE AND OTHER INCOME

	Consolidated Group	
	2014 \$	2013 \$
Revenue		
Sales of licences	1,682,444	1,119,023
Maintenance contracts	2,420,392	2,502,362
Professional services	666,065	564,414
	4,768,901	4,185,799
Other Income		
Interest received on financial assets at amortised cost	14,921	4,461
Research and Development grants	413,833	300,333
Export market development grants	-	12,298
Rental recharge	8,957	6,511
Other	44,474	34,361
	482,185	357,964
	5,251,086	4,543,763

Note: All revenue is attributed to controlling interests

3. EXPENSES

	Consolidated Group	
	2014 \$	2013 \$
Profit before income tax includes the following specific expenses		
Cost of sales	136,803	271,921
Depreciation of non-current assets	8,402	13,876
Amortisation of Development Asset	209,953	105,657
Impairment losses on financial assets		
- Trade receivables	15,337	25,771
Wages and salaries, net of Capitalised Development cost	2,614,639	2,328,956
Travel and accommodation	87,864	45,059
Operating lease payments	214,403	228,526
Interest expense on financial liabilities carried at amortised cost	(31,397)	66,897
Share based payments	-	2,222

4. INCOME TAX EXPENSE

	Consolidated Group	
	2014 \$	2013 \$
A The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie income tax payable on profit/(loss) before income tax at 30%	433,054	329,055
Increase/(decrease) in income tax expense due to:		
- other non-allowable items	216,686	215,962
- foreign subsidiary losses not booked	3,822	2,214
- recoupment of losses	(404,170)	(340,018)
Deferred tax asset/(liabilities) not brought to account	(249,392)	(207,212)
B Deferred tax asset not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(f) occur		
- from temporary differences	(255,449)	(6,056)
- from unused tax losses	1,463,764	1,806,283
	1,208,315	1,800,227

5. CASH AND CASH EQUIVALENTS

	Consolidated Group	
	2014 \$	2013 \$
Cash at bank and on hand	1,108,754	816,520
Deposits at call	8,690	8,834
Balance per Statement of Cash Flows	1,117,444	825,354

6. RECEIVABLES

	Consolidated Group	
	2014 \$	2013 \$
Current		
Trade receivables	507,909	574,248
Impairment of receivables	(7,010)	(9,530)
	500,899	564,718
Non-Current		
Trade receivables	97,680	-
	97,680	-
	598,579	564,718

Provision for Impairment of Current Trade Receivables

Current trade receivables are non-interest bearing receivable and generally on 30-day terms. A provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired.

Movements in the provision are as follows:

	Consolidated Group	
	2014 \$	2013 \$
Balance at beginning of year	9,530	45,755
Charge for year	-	3,810
Amounts written off	-	(40,035)
Amounts reversed	(2,520)	-
Closing balance	7,010	9,530

Trade receivables that are impaired

As at 30 June 2014, the following trade receivables of the Group were past due and impaired (2013: \$9,530).

The ageing of trade receivables which have been impaired are as follows:

	Consolidated Group	
	2014 \$	2013 \$
1 to 3 months	-	-
3 to 6 months	5,369	-
Over 6 months	1,641	9,530

Trade receivables that are past due but not impaired

As of 30 June 2014, trade receivables of \$9,074 (2013: \$450,194) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	Consolidated Group	
	2014 \$	2013 \$
1 to 3 months	344	427,263
3 to 6 months	8,730	3,901
Over 6 months	-	19,030

Fair Values

The carrying value less impairment provision of trade receivables are assumed to approximate fair value.

7. OTHER ASSETS

	Consolidated Group	
	2014 \$	2013 \$
Current		
Prepayments	110,384	69,207
Security bonds	56,095	56,095
	166,479	125,302

8. PROPERTY, PLANT AND EQUIPMENT

	Consolidated Group	
	2014 \$	2013 \$
Leasehold improvements – at cost	9,500	9,500
Accumulated amortisation	(9,500)	(6,958)
	-	2,542
Plant and equipment – at cost	718,479	707,291
Accumulated depreciation	(707,815)	(701,955)
	10,664	5,336
Property, plant and equipment (net)	10,664	7,878

Reconciliation of the carrying amounts of each class of property, plant and equipment are set out below:

Leasehold improvements		
Carrying amount – as at 1 July	2,542	5,555
Additions	-	-
Amortisation	(2,542)	(3,013)
Carrying amount – as at 30 June	-	2,542
Plant and equipment		
Carrying amount – as at 1 July	5,336	11,956
Additions	11,188	915
Disposal, net	-	(87)
Depreciation	(5,860)	(7,448)
Carrying amount – as at 30 June	10,664	5,336
Motor Vehicle		
Carrying amount – as at 1 July	-	46,595
Additions	-	-
Depreciation	-	(3,415)
Disposal, net	-	(43,180)
Carrying amount – as at 30 June	-	-

9. INTANGIBLES

	Consolidated Group	
	2014 \$	2013 \$
Non Current		
Development expenditure – at cost*	3,395,711	2,295,251
Accumulated amortisation	(315,610)	(105,657)
	3,080,101	2,189,594
Intangibles	3,080,101	2,189,594
Carrying amount – as at 1 July	2,189,594	1,470,451
Additions	1,100,460	824,800
Amortisation	(209,953)	(105,657)
Carrying amount – as at 30 June	3,080,101	2,189,594

* This represents costs arising from the development phase of internal projects.

Amortisation has been charged to the accounts as it has been determined that the products have been launched and are ready for sale.

10. FAIR VALUE MEASUREMENT

The introduction of AASB 13 provided guidance for determining the fair value of assets and liabilities. It did not change when the Company is required to use fair value but, rather, provides guidance on how to determine fair value when fair value is required or permitted. It also expands the disclosure requirements for all assets or liabilities carried at fair value. The Company reviewed its policies for measuring fair values and the application of AASB 13 has not resulted in any change in the fair value measurements of the Company.

11. PAYABLES

	Consolidated Group	
	2014 \$	2013 \$
Trade creditors	343,881	594,631
Other creditors and accruals	322,936	243,410
	666,817	838,041

The carrying value of trade payables is assumed to approximate fair value.

12. INTEREST BEARING LIABILITIES

	Consolidated Group	
	2014 \$	2013 \$
Current		
Loan – Premium funded policies	44,715	55,080
	44,715	55,080

The Premium Funded Policies are 12-month terms in line with the term of the premiums and are unsecured.

There were no breaches or defaults made through the financial year.

Fair Values

	Consolidated Group	
	2014 \$	2013 \$
Loan – Premium-funded policies	44,715	55,080

13. PROVISIONS

	Consolidated Group	
	2014 \$	2013 \$
Analysis of Provisions		
Consolidated Group		
Opening balance at 1 July 2013	521,312	424,496
Amounts taken during the year	(200,361)	(145,817)
Amount provided during the year	268,086	242,633
Closing Balance 30 June 2014	589,037	521,312
Current		
Employee benefits	455,439	434,791
Non current		
Employee benefits	133,598	86,521
	589,037	521,312

14. UNEARNED INCOME

	Consolidated Group	
	2014 \$	2013 \$
Annual licence and maintenance in advance	997,646	1,095,368

Annual licence and maintenance in advance revenue comprises fees for the right to use our software, minor fixes, rights to updated versions and limited help line support. These are invoiced up to 12 months in advance. The revenue is recognised monthly as the services are provided to clients.

15. CONTRIBUTED EQUITY

	Consolidated Group			
	2014 Number	2014 \$	2013 Number	2013 \$
Issued and paid up capital	32,659,758	\$20,656,242	291,980,300	\$20,117,676
<i>Ordinary shares</i>				
Opening balance	32,659,758	\$20,656,242	291,980,300	\$20,117,676
Add: Shares issued as part of renounceable rights issue	-	-	197,911,296	\$536,344
Add: Shares issued as part of management service agreement	-	-	-*	\$2,222
Total number of shares on issue pre-consolidation	-	-	489,891,596	\$20,656,242
Reduce: Share consolidation 15:1				
Total number of shares on issue post-consolidation	32,659,758	\$20,656,242	32,659,758	\$20,656,242

*Note: 10,000,000 shares were issued on 2 July 2012, but were accrued into the FY2012 accounts to reflect their relevance to FY2012.

(a) Ordinary shares

The holders of ordinary shares are entitled to receive dividends as they are declared from time to time and are entitled to one vote per share at the shareholders meeting. In the event of winding up the Company ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any net proceeds of liquidation. There is no par value attributed to the shares of the Company.

(b) Options

The consolidation resulted in the number of options on issue in Financial Year 2012-2013 being reduced from 1,660,000 to 110,667 upon completion on 14 December 2012.

The movement in the number of unlisted options on issue throughout the year is as follows:

	Consolidated Group	
	2014 Number	2013 Number
(i) \$2.25 options exercisable on or before 31 July 2013		
Opening balance	4,000	4,000
Issued	-	-
Exercised	-	-
Cancelled/Expired	(4,000)	-
Closing balance	-	4,000
(ii) \$2.25 options exercisable on or before 8 October 2013		
Opening balance	106,667	106,667
Issued	-	-
Exercised	-	-
Cancelled/Expired	(106,667)	-
Closing balance	-	106,667
(iii) \$0.15 options exercisable on or before 5 July 2018		
Opening balance	-	-
Issued	300,000	-
Exercised	-	-
Cancelled/Expired	-	-
Closing balance	300,000	-
(iv) \$0.65 options exercisable on or before 19 December 2018		
Opening balance	-	-
Issued	690,000	-
Exercised	-	-
Cancelled/Expired	-	-
Closing balance	690,000	-
(v) \$0.75 options exercisable on or before 26 May 2019		
Opening balance	-	-
Issued	300,000	-
Exercised	-	-
Cancelled/Expired	-	-
Closing balance	300,000	-
TOTAL	1,290,000	110,667

During the financial year and up to the date of these accounts, the Company issued to an employee (on 5 July 2013) 300,000 unlisted employee options with an exercise price of 15 cents which will vest in equal one-third parts (ie 100,000 options) every 12 months over a period of 36 months. On 19 December 2013, the Company issued a total of 690,000 unlisted share options exercisable at 65 cents on or before 19 December 2018 to three employees – these options will vest in equal one-third parts (ie 230,000) every 12 months over a period of 36 months. The Company further issued to an employee (on 26 May 2014) 300,000 unlisted employee options with an exercise price of 75 cents which will vest in equal one-third parts (ie 100,000 options) every 12 months over a period of 36 months.

(c) Capital management

Management controls the capital of the Group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern. The Group's debt and capital comprises ordinary share capital, supported by financial assets. There are no externally imposed capital requirements.

16. RESERVES

Nature and purpose of reserve

Currency Translation Reserve

The foreign currency translation reserve records the foreign currency differences arising from the translation of foreign operations.

Option Reserve

The option reserve records the accumulated cost of options on issue for the Company.

17. ACCUMULATED LOSSES

	Consolidated Group	
	2014 \$	2013 \$
Accumulated losses at the beginning of the financial year	(19,473,161)	(20,570,230)
Net profit attributable to the members of the parent entity	1,443,725	1,097,069
Accumulated losses at the end of the financial year	(18,029,436)	(19,473,161)

18. NON-CONTROLLING INTEREST

Global Health Limited has a 93.8% (2013: 93.8%) interest in the subsidiary Working Systems Solutions (Malaysia) Sdn Bhd. Retained earnings attributable to the non-controlling interest are as follows:

	Consolidated Group	
	2014 \$	2013 \$
Balance at the beginning of the financial year	(137,759)	(137,352)
Non-controlling interests attributable to this entity is as follows:		
- share of losses	(212)	(221)
- share of currency translation reserve	84	(186)
Balance at the end of the financial year	(137,887)	(137,759)

19. PARTICULARS IN RELATION TO CONTROLLED ENTITIES

Global Health Limited, incorporated in Australia, is the ultimate parent entity. Its legal form is a public company and the Company is domiciled in Victoria.

Controlled Entity	Place of Incorporation	Type of Security	Interest 2014	Interest 2013
Global Health (Australia) Sdn Bhd	Kuala Lumpur	Ordinary Shares	100%	100%
Working Systems Solutions (Malaysia) Sdn Bhd	Kuala Lumpur	Ordinary Shares	94%	94%
Working Systems Solutions Pty Ltd	Victoria	Ordinary shares	100%	100%
Uni U International Pty Ltd	Western Australia	Ordinary shares	100%	100%
Working Systems Solutions (Singapore) Pte Ltd	Singapore	Ordinary shares	100%	100%
Bourke Johnston Systems Pty Ltd	Victoria	Ordinary shares	100%	100%
Working Systems Software Pty Ltd	Western Australia	Ordinary shares	100%	100%
Statewide Unit Trust	Western Australia	Units	100%	100%

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Group's financial instruments consist primarily of trade receivables, trade payables and borrowings. The Group does not have significant risk exposure to financial instruments and as such risk exposures are generally managed as part of the Group's overall strategic and operational risk management strategies. Consequently, there is currently no specific risk mitigating techniques employed. However, as the Group expands both domestically and internationally, management continues to monitor its exposure and will implement suitable policies when deemed necessary.

The current financial instruments held by the Group are as follows:

		Consolidated Group	
		2014 \$	2013 \$
Financial Assets			
- Cash and cash equivalents	5	1,117,444	825,354
- Receivables	6	500,899	564,718
		1,618,343	1,390,072
Financial Liabilities			
- At amortised cost		(711,532)	(893,121)
Financial liabilities measured at amortised cost consist of:			
- Current payables	10	(666,817)	(838,041)
- Current interest-bearing liabilities	11	(44,715)	(55,080)
		(711,532)	(893,121)

The Group is exposed to foreign currency fluctuations due to loan accounts between related entities being unhedged and requiring payment in AUD at an undetermined date in the future.

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group and essentially arises from holdings of cash and deposits, trade receivables and loans receivable as well as from the parent's potential obligations under the indemnity guarantee provided to banks. The risk is largely managed through a policy of only dealing with creditworthy counterparties. Periodic assessments of debtor balances are undertaken and provisions for impairment are recognised where appropriate.

Maximum exposure to credit risk without taking account of any collateral held or other credit enhancements arising from the Group's recognised financial assets is considered to be equivalent to their carrying values at reporting date. Maximum exposures arising from the indemnity guarantee are as disclosed at Note 24: Commitments and Contingencies. The Group does not have any significant credit risk exposure to any single counterparty or groups of counterparties having similar characteristics.

The majority of customers have long standing business relationships with the Group and their credit quality with respect to trade receivables is assessed as high.

All cash and cash equivalents are held with large reputable financial institutions within Australia, Malaysia and Singapore and therefore credit risk is considered very low.

	Consolidated Group	
	2014 \$	2013 \$
Cash at Bank and deposits		
Australian banks	1,105,079	816,642
Malaysian banks	3,875	78
Singaporean banks	8,490	8,634
	1,117,444	825,354

(b) Liquidity risk

Liquidity risk is managed through monitoring current funds available, undrawn facilities and anticipated recovery of receivables and comparing with future funding requirements contained in management budgets and forecasts. In this regard, the timing of expected settlement of liabilities is also analysed so as to minimise risk with respect to obligations becoming past due. This is consistent with the prior year.

The maturity profile of the Group's financial liabilities is presented in the following table based on contractual maturity dates and represent undiscounted cash flows.

Consolidated at 30 June 2014	Weighted average effective rate	Variable amount at call	<6 months	6 – 12 months	1 – 2 years	2 – 5 years	>5 years	Total contracted cash flows	Carrying value of financial liability
	%	\$	\$	\$	\$	\$	\$	\$	\$
Trade and Other Payables	-	-	666,817	-	-	-	-	666,817	666,817
Loan – Premium Funded Policies	3.47%	-	27,706	17,009	-	-	-	44,715	44,715
Totals		-	694,523	17,009	-	-	-	711,532	711,532

Consolidated at 30 June 2013	Weighted average effective rate	Variable amount at call	<6 months	6 – 12 months	1 – 2 years	2 – 5 years	>5 years	Total contracted cash flows	Carrying value of financial liability
	%	\$	\$	\$	\$	\$	\$	\$	\$
Trade and Other Payables	3.08%	-	795,278	42,763	-	-	-	838,041	838,041
Loan – Premium Funded Policies	3.64%	-	30,229	24,851	-	-	-	55,080	55,080
Totals		-	825,507	67,614	-	-	-	893,121	893,121

(c) Market risk

The Group is exposed to interest rate and foreign currency risk. Details are provided in the following paragraphs. There are no known exposures to other risks that are material to the financial statements.

(i) Interest rate risk

Fair values of financial instruments held have been disclosed at Note 20. The Group also has exposure to variable interest rates on monies that are kept in at-call bank accounts.

The table provided at Note 20(b) details the Group's exposure to interest rate risk. For sensitivities relating to interest rate risk, refer to paragraph (iii) below.

(ii) Foreign exchange risk

The Group controls subsidiaries in Malaysia and Singapore and participates in a joint venture in Malaysia. The Group is therefore exposed to foreign exchange risk arising from exposure to currencies of these respective countries. Such risk arises from future transactions and assets and liabilities that are denominated in functional currencies other than the Australian dollar. Management does not engage in an active program of hedging exposure to foreign currencies.

The exposure to foreign currency risk at reporting date is represented by the following balances:

	Consolidated Group			
	2014		2013	
	MYR	SGD	MYR	SGD
Assets denominated in foreign currency	12,091	12,889	584	10,212
Liabilities denominated in foreign currency	(17,399)	(4,710)	(31,063)	(8,873)
Net exposure to foreign currency	(5,308)	8,179	(30,479)	1,339

For sensitivities relating to foreign currency risk, refer to paragraph (iii) below.

(iii) *Sensitivity Analysis*

Interest Rate Risk and Foreign Currency Risk

The following sensitivity analysis demonstrates the effect on the current year results and equity which could result from a reasonably possible change in interest rate and foreign currency risks. The analysis is indicative only and assumes that the movement in the particular variable is independent of the other variables and that all other variables remained constant.

	Consolidated Group	
	2014 \$	2013 \$
Change in profit after tax		
+/- in interest rate by 0.5%	+/-200	+/-200
+/- in \$A/MYR rate by 15%	+/-0	+/-0
Change in Equity		
+/- in interest rate by 0.5%	+/-200	+/-200
+/- in \$A/MYR rate by 15%	+/-28,000	+/-28,000

(iv) *Capital Risk Management*

Management controls the capital of the Group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern. The Group's debt and capital comprises ordinary share capital supported by financial assets.

The Group does not currently have significant debt capital employed in the business. There are no externally imposed capital requirements.

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated.

21. DIRECTORS

The names of each person holding the position of Director of Global Health Limited at any one time during the year ended 30 June 2014 are Mathew Cherian, Steven Leigh Pynt, Grant Smith, Robert Knowles and Peter Curigliano. Mr Smith was appointed on 25 September 2013 and Mr Knowles on 15 October 2013. Mr Curigliano was appointed on 29 November 2012 and resigned on 25 November 2013.

(a) Contracts involving Directors' interests

Apart from the details disclosed in this note, no Director has entered into any material contract with the Group and there are no material contracts involving Directors' interests subsisting at the end of the current financial period.

Transactions with the Group:

- (i) Mr Cherian's son is employed by Global Health Limited under standard employment terms.

(b) Transactions of Directors and Director-related entities concerning shares and options

Shares

The interest of Directors and their related entities in shares of the Company as at 30 June 2014 are:

	Total number of shares			Number of shares sold		Number of shares acquired/ granted	
	2014	2013		2014	2013	2014	2013
		Post-consolidation	Pre-consolidation				Pre-consolidation
Mr M Cherian	18,619,370	18,616,036	279,240,509	-	-	3,334	167,544,305
Mr S L Pynt	232,408	232,408	3,486,104	-	-	-	2,091,663
Mr G Smith ¹⁴	280,000	-	-	-	-	280,000	-
Mr R Knowles ¹⁵	20,000	-	-	-	-	20,000	-
Mr P Curigliano ¹⁶	55,459	55,459	831,877	-	-	-	-
	19,207,237	18,903,903	283,558,490	-	-	303,334	169,635,968

¹⁴ Appointed on 25 September 2013.

¹⁵ Appointed on 15 October 2013.

¹⁶ Appointed on 29 November 2012, resigned as executive director on 25 November 2013, figures reported as of 25 November 2013.

Options

The interests of Directors and their related entities in options of the Company as at 30 June 2014 are:

	No. of Options granted	Exercise price per Option (\$)	Option type (Listed / Unlisted)	Number of Options vested/ exercisable at report date	Number of Options exercised	Total number of Options
Mr M Cherian ¹⁷	150,000	\$0.65	Unlisted	-	-	150,000
Mr S L Pynt	-	-	-	-	-	-
Mr G Smith ¹⁸	-	-	-	-	-	-
Mr R Knowles ¹⁹	-	-	-	-	-	-
Mr P Curigiano ²⁰	300,000	\$0.65	Unlisted	-	-	300,000
	450,000	-	-	-	-	450,000

22. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Directors

The following persons were Directors of the Company during the financial year:

Parent Entity Directors:

Mr S Pynt	Chairman – Independent Non-Executive
Mr M Cherian	Chief Executive Officer and Managing Director
Mr G Smith	Director – Independent Non-Executive (appointed 25 September 2013)
Mr R Knowles	Director – Independent Non-Executive (appointed 15 October 2013)
Mr P Curigiano	Chief Financial Officer and Company Secretary (resigned as executive director on 25 November 2013)

(b) Key management personnel compensation

Refer to the Remuneration Report in the Directors' Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2014.

The total remuneration paid to key management personnel of the Company and the Group during the year are as follows:

	Consolidated Group	
	2014 \$	2013 \$
Short-term employee benefits	636,983	457,079
Other long-term benefits	7,875	19,545
Post-employment benefits	54,203	39,121
	699,061	515,745

¹⁷ Through a related party, Kye Cherian.

¹⁸ Appointed on 25 September 2013.

¹⁹ Appointed on 15 October 2013.

²⁰ Figures reported as of date of resignation on 25 November 2013.

Shares

The interest of key management personnel and their related entities in shares of the Company as at 30 June 2014 are:

	Total number of shares		Number of shares sold		Number of shares acquired	
	2014	2013	2014	2013	2014	2013
P Curigliano	55,459	55,459	-	-	-	-
K Jayesuria	-	-	-	-	-	-
	55,459	55,459	-	-	-	-

Options

The interest of key management personnel and their related entities in options of the Company as at 30 June 2014 are:

	Total number of options		Number of options granted during the year		Number of options exercised during the year	
	2014	2013	2014	2013	2014	2013
P Curigliano	300,000	-	300,000	-	-	-
K Jayesuria	300,000	-	300,000	-	-	-
	600,000	-	600,000	-	-	-

23. REMUNERATION OF AUDITORS

	Consolidated Group	
	2014 \$	2013 \$
Amounts received, or due and receivable by the auditors of the entity for:		
- MSI Ragg Weir (Australia)		
Auditing or reviewing the financial report	47,140	45,000
Taxation services	7,650	7,500
- TY Teoh International (Malaysia)		
Auditing or reviewing the financial report of controlled entities	3,391	3,242
Taxation services for controlled entities	1,147	1,080
- J Wong and Associates (Singapore)		
Auditing or reviewing the financial report	1,527	1,180
	60,855	58,002

24. COMMITMENTS AND CONTINGENCIES

(a) Operating lease commitments

	Consolidated Group	
	2014 \$	2013 \$
Future operating lease rentals not provided for in the financial statements and payable:		
Not later than 1 year	14,124	174,435
Later than 1 year but not later than 5 years	614,113	408
Later than 5 years	379,924	-
	1,008,161	174,843

The parent entity's operating lease for the Melbourne office expired on 1 May 2014 and a new lease was negotiated for reduced floor space in the same building commencing on 14 July 2014. In 2014, revenue of \$8,957 (2013: \$6,511) was earned from a sub-lease of the Melbourne office premises and recorded in the Company's gross revenue. The sub-lease agreement expires on 21 August 2014 and will not be renewed.

(b) Guarantees

	Consolidated Group	
	2014 \$	2013 \$
The parent has provided a cash security bond in favour of the property owner of the parent entity's leased premises in Melbourne, Australia.	56,095	56,095

25. EARNINGS PER SHARE

	Consolidated Group	
	2014 \$	2013 \$
The following reflects the income and share data used in the calculations of basic and diluted earnings (loss) per share:		
Net earnings	1,443,513	1,096,848
Adjustment		
Net loss attributable to outside equity interests	(212)	(221)
Earnings used in calculating basic and diluted earnings per share	1,443,725	1,097,069
	Number of Shares	Number of Shares
Weighted average number of ordinary shares used in calculating basic earnings per share:	32,659,758	27,273,361 ²¹
Weighted average number of ordinary shares used in calculating diluted earnings per share:	32,659,758	27,273,361 ²²
	2014 cents	2013 cents
Basic Earnings Per Share	4.420	4.022
Diluted Earnings Per Share	4.420	4.022

²¹ Weighted average number of shares after consolidation at 1:15 on 14 December 2012.

²² Weighted average number of shares after consolidation at 1:15 on 14 December 2012.

26. SEGMENT INFORMATION

Operating Segments

The Group operates in the computer technology, software and services industry with particular emphasis on healthcare and associated professional services.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team ('the chief operating decision maker') in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the nature of the service provided. Discrete financial information about each of these operating service lines is reported to the executive management team on at least a monthly basis.

The reportable segments are based on aggregated operating segments determined by the similarity of the services provided, the similarity of the customer bases, the common reporting and management systems used and the common regularity environment applicable to each reportable segment. There is a clear designation of responsibility and accountability by the chief operating decision makers for the management and performance of these reportable segments.

The Group comprises the following main operating segments:

<i>Hospitals/Day Surgeries</i>	Information system applications for the hospital and day surgery market to deliver better and more integrated health care.
<i>e-Health</i>	Comprehensive suite of applications that provide the management of population outcomes for communities of common interest.
<i>Other</i>	Products and services delivered to non-healthcare customers and include revenues and expenses associated with third party products and cost recoveries from customers.
<i>Corporate</i>	Expenditure associated with Corporate, Sales and Marketing activities.

Segment accounting policies

The Group generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices. Revenues are attributed to geographic areas based on the location of the assets producing the revenues.

During the financial year there were no changes in segment accounting policies that had a material effect on the segment information.

Geographical Segments

Although the Group's divisions are managed on a global basis they operate in two main geographical areas:

Australia

This is the home country of the main operating entity. The corporate head office is based in Melbourne, Victoria. The Company also has a presence in Western Australia for the provision of professional services and product development.

Malaysia

In prior years, the Group operated in the ASEAN region with local resources employed to provide support to Southeast Asian clients of the Group. Currently, there is a presence in the region with a view to future engagement in the market.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

Primary Reporting Business Segments	Hospitals/Day Surgeries		e-Health		Other		Corporate		Consolidated	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenue										
Sales to customers outside the consolidated entity	2,593,842	2,287,973	2,119,686	1,720,747	537,559	535,043	-	-	5,251,087	4,543,763
Total segment revenue	2,593,842	2,287,973	2,119,686	1,720,747	537,559	535,043	-	-	5,251,087	4,543,763
Total consolidated revenue									5,251,087	4,543,763
Results										
Segment result	1,449,478	1,256,786	1,341,072	1,212,773	198,870	211,906	(1,545,907)	(1,584,617)	1,443,513	1,096,848
Income tax expense										
Non-controlling interests										221
Net profit/(loss)										1,097,069
Assets										
Segment assets	2,456,609	1,869,572	2,007,539	1,406,074	509,119	437,200			4,973,267	3,712,846
Liabilities										
Segment liabilities	1,135,232	1,263,789	927,711	950,475	235,271	295,537	-	-	2,298,214	2,509,801
Cash flows from operating activities	408,101	379,252	271,858	180,724	83,536	120,713	650,608	639,212	1,414,103	1,319,901
Cash flows from investing activities (Acquisition of property, plant & equipment, intangible assets and other non-current assets)	(320,812)	(237,256)	(213,710)	(113,059)	(65,668)	(75,517)	(511,458)	(399,883)	(1,111,648)	(825,715)
Cash flows from financing activities	(2,995)	91,805	(1,995)	43,748	(613)	29,222	(4,762)	154,734	(10,365)	319,509
Other segment information:										
Depreciation	2,425	3,987	1,615	1,900	740	1,269	3,622	6,720	8,402	13,876

26. SEGMENT INFORMATION (CONTINUED)

Secondary Reporting Geographical	Australia		International		Consolidated	
	2014	2013	2014	2013	2014	2013
Segment revenue	5,251,086	4,543,763	-	-	5,251,086	4,543,763
Segment assets	6,089,142	4,800,652	(1,115,875)	(1,087,806)	4,973,267	3,712,846
Segment Result	1,443,513	1,096,848	-	-	1,443,513	1,096,848
Other segment information						
Acquisition of property, plant and equipment, intangible assets and other non-current assets	1,111,647	825,715	-	-	1,111,647	825,715

Major Client

The Company's major client, contributing more than 10% of its revenue, is Country Health SA Hospital Inc.

27. SHARE-BASED PAYMENTS

(a) Employee Share Option Plan

The Employee Share Option Plan was adopted when the Company was listed. The plan allows the Company to grant options over shares to key executives and directors and other employees as selected by the Directors to enable them to participate in the future growth and profitability of the Company, to provide an incentive and reward for their contributions and to attract and maintain personnel. The options are issued at no consideration. The exercise price of options is based on the weighted average market price of the Company's Shares during the five trading days up to and including the date of grant of the option or each other date or period as the Directors consider appropriate.

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

Grant Date	Expiry Date	Exercise Price	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Expired/ forfeited during the year Number	Balance at the end of the year Number	Exercisable at the end of the year Number
Consolidated and parent entity – 2014								
31 July 2008	31 July 2013	\$2.25	4,000 ²³	-	-	(4,000)	-	-
8 Oct 2008	8 Oct 2013	\$2.25	106,667 ²⁴	-	-	(106,667)	-	-
5 July 2013	5 July 2018	\$0.15	-	300,000	-	-	300,000	-
19 Dec 2013	19 Dec 2018	\$0.65	-	690,000	-	-	690,000	-
26 May 2014	26 May 2019	\$0.75	0	300,000	-	-	300,000	-
TOTALS			110,667	1,290,000	-	(110,667)	1,290,000	-
Weighted average exercise price			\$2.25	\$0.56	-	\$2.25	\$0.56	-
Consolidated and parent entity – 2013								
31 July 2008	31 July 2013	\$2.25	4,000	-	-	-	4,000	4,000
8 Oct 2008	8 Oct 2013	\$2.25	106,667	-	-	-	106,667	106,667
TOTALS			110,667	-	-	-	110,667	110,667
Weighted average exercise price			\$2.25	-	-	-	\$2.25	\$2.25

²³ Post-15:1 share consolidation, options previously issued to a director who has since resigned.

²⁴ Post-15:1 share consolidation, options previously issued to employees who have since resigned.

(b) Exempt Employee Share Plan

A plan under which shares may be issued by the Company to employees for no cash consideration was adopted when the Company was listed. All directors, officers or employees who are from time to time engaged in full or part time work for the Company are eligible to participate in the Exempt Employee Share Plan.

Under the plan, eligible employees may be granted up to \$1,000 worth of fully paid ordinary shares in the Company for no cash consideration. The market value of the shares will be measured as the market price quoted for buyers of the Company shares at the close of trading on the day immediately preceding the date of the offer by the Directors as published by the ASX.

Offers under the plan are at the discretion of the Company and the shares shall not be transferred or assigned by the holder within the period of three years from the date of issue or transfer to the holder unless the holder ceases employment with the Company earlier than that date except that the holder may at any time transfer all or any of his Shares to his spouse or to a company the majority of the issued shares in which are beneficially owned by him or to any trust that the holder is a beneficiary of.

(c) Expenses arising from share-based payment transactions

There were no employee share-based payment transactions during the year.

28. CONSOLIDATED STATEMENT OF CASH FLOWS**Reconciliation of Operating Profit/(Loss) before Income Tax to Net Cash provided by Operating Activities**

	Consolidated Group	
	2014 \$	2013 \$
Operating profit/(loss) after income tax	1,443,513	1,096,848
Add (deduct) non-cash items:		
Amortisation of Development Cost	209,953	105,657
Depreciation of fixed assets	8,402	13,876
Bad debt written off	15,337	25,771
Net loss/(gain) on disposal of plant and equipment	-	87
Movement in foreign currency translation	28,494	(135,567)
Net cash inflow/(outflow) from operating activities before change in assets and liabilities	1,705,699	1,106,672
Change in assets and liabilities during the period:		
(Increase)/Decrease in receivables	(49,198)	9,483
(increase)/Decrease in other assets	(41,177)	10,732
Increase/(Decrease) in provisions	67,725	96,816
Increase in payables and deferred income	(268,946)	96,198
Net cash inflow from operating activities	1,414,103	1,319,901

29. EMPLOYEE BENEFITS AND SUPERANNUATION COMMITMENTS

(a) Employee Share and Option Plans

The parent entity has adopted two incentive plans to enable employees and directors to participate in ownership of Global Health Limited. The directors have determined that the total number of securities which may be issued pursuant to the Exempt Employee Share Plan and Employee Share Option Plan in any five year period must not exceed 5% of the total number of securities on offer from time to time. This limitation only applies to new offers of securities by the parent entity and not to existing securities purchased on market under the Exempt Employee Share Plan.

(b) Employee Share Option Plan ('ESOP')

The options issued under the ESOP are not quoted on the Australian Stock Exchange.

Employee Share Options are issued under the terms and conditions of the Plan. Should an employee cease employment before the completion of 2 years after the issue of any employee option, the option issued automatically lapses, except where cessation is due to death or total permanent disability, retirement, redundancy or any other reason, based on which the directors believe is fair and reasonable to warrant the employee maintaining their right to exercise the option in which case they will have six (6) months to exercise the options.

	Consolidated Group	
	2014 Number	2013 Number
Opening balance	110,667	110,667
Issued	1,290,000	-
Exercised	-	-
Cancelled	(110,667)	-
Closing balance	1,290,000	110,667

During the financial year and up to the date of these accounts, 1,290,000 options were issued²⁵ and 110,667 were cancelled (2013: nil issued, nil cancelled).

The market price of the ordinary shares of Global Health Limited was \$0.54 on 30 June 2014 (2013: \$0.025).

(c) The Exempt Employee Share Plan ('EESP')

The EESP is open to all eligible employees including directors (but subject first to shareholder approval in general meeting), be they full-time or part-time. The EESP allows for the allocation of up to \$1,000 worth (market value) of shares per annum per eligible employee. The shares can either be newly issued or purchased on market.

The shares are issued free of consideration. Participants will not be permitted to dispose of their shares until three years after the date of acquisition unless they leave the employment of the Company.

The number of shares issued to participants in the plan is the offer amount divided by the weighted average price at which the Company's shares are traded on the Australian Stock Exchange during the week up to and including the date of grant.

²⁵ 300,000 on 5 July 2013 and 690,000 on 19 December 2013.

(d) Superannuation Plans

The Company contributes to various superannuation plans under which its employees are entitled to benefits on retirement, disability or death. The parent entity makes contributions as specified by Australian legislation. Employees contribute at various percentages of their wages and salaries.

30. EVENTS SUBSEQUENT TO REPORTING DATE

There were no significant events since the end of the reporting period that are expected to have a material effect on the results and state of affairs of the Company and its controlled entities.

31. DIVIDENDS

No provision is made for dividends on or before the end of the year

32. GLOBAL HEALTH LIMITED PARENT COMPANY INFORMATION

	Global Health Limited	
	2014 \$	2013 \$
Assets		
Current Assets	1,867,364	1,507,150
Non-Current Assets	3,097,909	2,212,865
Total Assets	4,965,273	3,720,015
Liabilities		
Current Liabilities	2,347,371	2,597,273
Non-Current Liabilities	133,598	86,521
Total Liabilities	2,480,969	2,683,794
Net Assets/Liabilities	2,484,304	1,036,221
Equity		
Contributed equity	20,656,242	20,656,242
Reserves	29,979	29,979
Accumulated Losses	(18,201,917)	(19,650,000)
Total Equity	2,484,304	1,036,221
Financial Performance		
Profit /(Loss) for the year	1,448,083	996,511
Other comprehensive income	-	-
Total Comprehensive income/ (loss)	1,448,083	996,511

Other than that stated in Note 24 to the financial statements, the Company is not subject to any contingent liabilities or contractual commitments

Shareholder Information

This shareholder information is made up to 12 September 2014.

SHAREHOLDING

1. Distribution of Shareholder Numbers

Category (size of holding)	Number of Holders	Ordinary Shares
1 – 1,000	491	232,319
1,001 – 5,000	368	890,444
5,001 – 10,000	153	1,254,064
10,001 – 100,000	190	5,836,478
100,001 and over	20	24,446,453
TOTAL	1,222	32,659,758

2. The number of security investors holding less than a marketable parcel of 971 securities (\$0.515 per share on 12 September 2014) is 454 and they hold 195,346 securities.
An unmarketable parcel of shares is generally a parcel of shares with a total value of less than \$500.

3. The names of the twenty largest holders of ordinary shares are:

Shareholder	No. of shares held	% of issued shares
Micron Holding Pty Ltd (Cherian Family A/C)	13,558,334	41.51%
Micron Holding Pty Ltd (Micron Holdings Pty Ltd S/F A/C)	3,624,602	11.10%
National Nominees Limited	1,684,182	5.16%
Mrs Elizabeth May Priscilla Thomas	1,530,702	4.69%
Alumootil Mathew Cherian	1,436,434	4.40%
Dr Serene Lim	400,000	1.22%
Roxanne Investments Pty Ltd	280,000	0.86%
Asket Pty Ltd	201,074	0.62%
B & R James Investments Pty Ltd	200,000	0.61%
Ranjenco Pty Ltd	180,000	0.55%
Lomas Superannuation Pty Ltd	170,845	0.52%
Ms Serene Lim & Mr Nicholas Russell Ward	170,000	0.52%
Dr Hamish Arthur Jamieson & Mr Arthur Warren Jamieson & Mr Simon Paul Nicholas	167,000	0.51%
Mr Ronald John Bewick Hack & Mrs Robyn Lesley Hack	150,000	0.46%
Bujo Pty Ltd	130,000	0.40%
KPMG Partnership	121,081	0.37%
Ms Susan Jane Nolan	120,000	0.37%
Mrs Patricia Mary Withycombe & Ms Helen Jane Claire Withycombe-Taperell	113,000	0.35%
Berne No 132 Nominees Pty Ltd	107,532	0.33%
Mrs Annette Edna Kidd	101,667	0.31%

SUBSTANTIAL SHAREHOLDERS

Shareholder	No. of Ordinary shares	Percentage
Micron Holding Pty Ltd (Cherian Family A/C)	13,558,334	41.51%
Micron Holding Pty Ltd (Micron Holdings Pty Ltd S/F A/C)	3,624,602	11.10%
National Nominees Limited	1,684,182	5.16%



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL HEALTH LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Global Health Limited, which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, the statement of changes in equity and the 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 company and the consolidated entity.

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, the directors also state, in accordance with 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 about 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.

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.



LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBAL HEALTH LIMITED continued

Opinion

In our opinion:

- (a) the financial report of Global Health Limited is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2014 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) the consolidated financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1.

Emphasis of Matter

Without qualifying our opinion expressed above, we draw attention to Note 1(r) of the financial report regarding the ability of the company to continue as a going concern. The financial report indicates that the consolidated entity's total current liabilities exceeded its total current assets by \$379,795 (2013: \$907,906). This condition indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Report on the Remuneration Report

We have audited the remuneration report included in pages 12 to 14 of the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Opinion

In our opinion the remuneration report of Global Health Limited for the year ended 30 June 2014 complies with section 300A of the Corporations Act 2001.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L.S. Wong

L.S. WONG
Partner

Melbourne: 26 September 2014



LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION

Corporate Directory

Directors

Mr Steven Leigh Pynt
(Independent Non-Executive Chairman)

Mr Mathew Cherian
(Chief Executive Officer and Managing Director)

Mr Grant Smith
(Independent Non-Executive Director
– appointed 25 September 2013)

Mr Robert Knowles AO
(Independent Non-Executive Director
– appointed 15 October 2013)

Mr Peter Curigliano
(Chief Financial Officer and Executive Director
– appointed 29 November 2012, resigned as
Executive Director on 25 November 2013)

Company Secretary

Mr Peter Curigliano CPA

Head Office

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Auditors

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2/108 Power Street
Hawthorn, Victoria 3122, Australia
Telephone: +61 (3) 9819 4011
Facsimile: +61 (3) 9819 6780
Website: www.raggweir.com.au

Share Registrar

Link Market Services Limited
Locked Bag A14
Sydney South, NSW 1235, Australia
Telephone: 1300 554 474
Facsimile: +61 (2) 9287 0303
Website: www.linkmarketservices.com.au
Email: registrars@linkmarketservices.com.au

Solicitors

McDonald Pynt Lawyers, Perth, Australia
Davies Collison Cave, Melbourne, Australia

Bankers

Bank of Western Australia Ltd
HSBC Ltd

Stock Exchange Listing

Global Health Limited shares trade on the
Australian Stock Exchange

Code: GLH

The home exchange is Australian Stock Exchange
(Melbourne) Limited

Further Information

For further information about Global Health
Limited and its operations, refer to Company
announcements to the Australian Stock Exchange.

Information is also available on our website:
www.global-health.com

global-health.com