iWebGate Limited
(formerly My ATM Holdings Limited)
("Company")

Consolidated Statement of Financial Position

	Note	30 June 2014 Company Audited	30 June 2014 iWebGate Audited	Subscription Pro-forma adjustments	Subscription Pro-forma historical
Current assets					
Cash and cash equivalents	2	510,658	539,368	4,514,806	5,564,832
Trade and other receivables		141,481	243,227	-	384,708
Other current assets		23,860	-	-	23,860
Loan receivable	3	1,600,000	-	(1,600,000)	-
Total current assets		2,275,999	782,595	2,914,806	5,973,400
Non-Current assets					
Property, plant and equipment		-	20,130	-	20,130
Other		-	17,784	-	17,784
Total non-current assets		-	37,914	-	37,914
Total assets		2,275,999	820,509	2,914,806	6,011,314
Current liabilities					
Trade and other payables		132,477	147,588	-	280,065
Total current liabilities		132,477	147,588	-	280,065
Non-Current liabilities					
Borrowings	4	-	3,678,235	(2,465,694)	1,212,541
Total non-current liabilities		-	3,678,235	(2,465,694)	1,212,541
Total liabilities		132,477	3,825,823	(2,465,694)	1,492,606
Net assets		**2,143,522**	**(3,005,314)**	**5,380,500**	**4,518,708**
Equity					
Issued capital	5	4,086,490	2,782,407	5,259,446	12,128,343
Retained earnings/ (accumulated losses)	6	(1,942,968)	(5,787,721)	121,054	(7,609,635)
Total equity		**2,143,522**	**(3,005,314)**	**5,380,500**	**4,518,708**

(i) **"Company"** means iWebGate Limited (formerly My ATM Holdings Limited)

(ii) **"iWebGate"** means iWebgate Technology Limited acquired by the Company under the Share Sale Agreement

iWebGate Limited

Notes to and Forming Part of the Consolidated Financial Statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the historical financial information included in this Report have been set out below.

a) Basis of preparation of historical financial information

The historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian equivalents to International Financial Reporting Standards ("**AIFRS**"), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The financial information has also been prepared on a historical cost basis, except for derivatives and available-for-sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged are adjusted to record changes in the fair value attributable to the risks that are being hedged. Non-current assets and disposal group's held-for-sale are measured at the lower of carrying amounts and fair value less costs to sell.

b) Going Concern

The historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

c) Income tax

The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates that have been enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (benefit) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Income tax (continued)

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in when management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

d) Leases

Leased payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

e) Impairment of assets

At each reporting date, the Company 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. 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.

f) Financial instruments

Initial recognition and measurement: Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to the profit or loss immediately.

Classification and subsequent measurement: Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties. Where available, quoted prices in an active market are used to determine fair value.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Financial instruments (continued)

The Company does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

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 subsequently measured at amortised cost.

Financial liabilities: Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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: At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired.

g) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year are measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Superannuation contributions: Employees may nominate their own superannuation fund into which the Company pays superannuation contributions. The Company currently contributes 9% of employee's salary to each employee's nominated fund or where a fund is not nominated by an employee, to a superannuation fund chosen by the Company.

h) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits held with banks, other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue from the sale of ATM's is recognised upon receipt of the funds as the minimum guarantee return to investors is payable from this date. Revenue in respect of the deployment of machines is recognised in the period in which the service is provided.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

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

k) Trade and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

l) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remains unpaid.

m) 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 the expense.

Receivables and payables are stated in the statement of financial position inclusive of GST.

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 ATO are classified as operating cash flows.

n) Transaction costs on the issue of equity instruments

Transaction costs arising from 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. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

o) Comparative figures

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

p) Earnings per Share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding of the effects of all dilutive potential ordinary shares, which comprise share options.

q) Segment Reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

NOTE 2: CASH

	$
Company Balance at 30 June	510,658
iWebGate balance acquired	539,368
Funds from shares issued on 2 September 2014	1,000,000
Less repayment to Talks One Pty Ltd	(865,694)
Funds raised for the issue of shares	5,000,500
Less capital raising costs	(620,000)
Pro forma balance	5,564,832

NOTE 3: LOAN RECEIVABLE

	$
Company Balance at 30 June	1,600,000
iWebGate balance eliminated on consolidation	(1,600,000)
Pro forma balance	-

NOTE 4: BORROWINGS

	$
Company Balance at 30 June	-
iWebGate balance acquired	3,678,235
Company balance eliminated	(1,600,000)
Less repayment to Talks One Pty Ltd	(865,694)
	1,212,541

NOTE 5: ISSUED CAPITAL

	$	Number*
Company Balance at 30 June	4,086,490	115,360,356
Acquisition of iWebGate 30 June balance	2,782,407	-
Shares issued under 2 September 2014 placement	1,000,000	10,000,000
Elimination of Company balance via reverse acquisition	(4,086,490)	-
Reverse acquisition value of share capital issued	3,765,436	465,972,916
Facilitation shares issued	200,000	5,000,000
Shares issued (minimum raising)	5,000,500	12,501,250
Capital raising costs (minimum raising)	(620,000)	-
Pro forma balance (minimum raising)	12,128,343	608,834,522

*the opening balance of shares on issue is post consolidation

NOTE 6: RETAINED EARNINGS/(ACCUMULATED LOSSES)

	$
Company Balance at 30 June	(1,942,968)
iWebGate balance acquired	(5,787,721)
Elimination of Company balance via reverse acquisition	1,942,968
Cost of listing (reverse acquisition accounting)	(1,621,914)
Facilitation shares issued	(200,000)
Pro forma balance	(7,609,635)

NOTE 7: AQUISITION ACCOUNTING

The acquisition of iWebgate Technology Limited ("iWebgate") has been treated as a reverse acquisition and has been provisionally accounted for. These details have been determined for the purposes of the pro-forma adjustments as at 30 June 2014. Based on the ownership interests under the acquisition agreement the value of the shares as at the announcement of the transaction for the Company to acquire their resulting interest in iWebgate is $3,765,436. After eliminating share capital and retained earnings this results in a cost of listing of $1,621,914.

NOTE 8: RELATED PARTY DISCLOSURES

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus announced to the market on 18 September 2014.

NOTE 9: COMMITMENTS AND CONTINGENCIES

At the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus announced to the market on 18 September 2014.