

ASX PRELIMINARY FINAL REPORT

Bisan Limited

ABN 75 006 301 800

30 June 2015

Lodged with the ASX under Listing Rule 4.3A

Contents

Key Appendix 4E Information

Appendix 4E items 1 and 2

Preliminary Statement of Profit or Loss and Other Comprehensive Income

Appendix 4E item 3

Preliminary Statement of Financial Position

Appendix 4E item 4

Preliminary Statement of Cash Flows

Appendix 4E item 5

Preliminary Statement of Changes in Equity

Appendix 4E item 6

Other Appendix 4E Information

Appendix 4E item 7 to 12 and 14 to 15

This report covers the consolidated entity comprising Bisan Limited and its controlled entities.

The financial report is presented in Australian dollars and has been prepared in accordance with Australian Accounting Standards.

Appendix 4E

PRELIMINARY FINAL REPORT

Name of entity

Bisan Limited

ABN

75 006 301 800

Half yearly
(tick)

☐

Preliminary
final (tick)

☒

Half year/financial year ended
(‘current period’)

30 June 2015
(previous period 30 June 2014)

For announcement to the market

Extracts from this report for announcement to the market

\$A

Extracts from this report for announcement to the market

\$'A

Revenues from ordinary activities	down	71%	to	4,860
Loss from ordinary activities after tax attributable to members	up	41%	to	(1,156,762)
Loss from extraordinary items after tax attributable to members		-		-
Net loss for the period attributable to members	up	41%	to	(1,156,762)

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend (<i>Preliminary final report only</i>)	0.0000 ¢	0.0000 ¢
Interim dividend (<i>Half yearly report only</i>)	N/A	N/A
Previous corresponding period	0.0000 ¢	0.0000 ¢
Record date for determining entitlements to the dividend	N/A	
	2015	2014
Net tangible assets per security attributable to members	\$0.0018	\$0.0019

Brief explanation of any of the figures reported above and short details of any item(s) of importance not previously released to the market:

The Directors of Bisan Limited present the preliminary results for Bisan and its controlled entities for the financial year ended 30 June 2015.

The consolidated loss of the consolidated entity after income tax amounted to \$1,156,762 (2014: loss of \$821,521).

In FY15, Bisan focused on assessing its business objectives and set out its strategy moving forward. The Company underwent a number of strategic changes designed to generate value for its shareholders.

Outlook

Bisan has actively sought and evaluated a number of investment opportunities. During the year additional investments were made in the unlisted company P-Fuel Limited ("P-Fuel"). P-Fuel has a process that claims to convert both waste plastics and waste oils into diesel. Bisan is a major shareholder in P-Fuel with a stake of approximately 16.39%. It has further advanced a loan of \$315,000 to provide working capital to P-Fuel.

During the year, the Company considered an investment in Pencil Hill Ltd, which held an interest in the "Pencil Hill" graphite prospecting licence in Botswana. The due-diligence returned significant graphite results over a strike length of at least 25 km and exploration confirmed the potential for a large graphite tonnage discovery, the eligible Board members of Bisan resolved not to proceed with the investment due to the sudden collapse of commodity prices.

In the first half of 2015 the Company decided to form a new venture to establish a new business for the trading of second hand smart phones with Mr Yehuda Shmaya Szender ("Szender"). A corporate structure was established and the first batch of smart phones was acquired from the UK. Szender subsequently took possession of the phones. The Company was successful in late August 2015 in obtaining Court orders against Szender in the Supreme Court of Victoria. The Company is assessing its options in respect to how it may recover funds from Szender.

Capital Raisings

The Directors continue to seek, identify, evaluate and pursue suitable opportunities to broaden its current business offerings. During the year the Company issued a total of 244,237,212 fully paid ordinary shares to raise additional capital of \$1,652,528 before costs. A further 1,500,000 fully paid ordinary shares were issued at a deemed issue price of one and a half cents (\$0.015) per share as consideration for the acquisition of further shares in P-Fuel.

Annual Meeting

The annual meeting will be held as follows:

Place:	<div>TBA</div>
Date:	<div>TBA</div>
Time:	<div>TBA</div>
Approximate date the annual report will be available:	<div>30 September 2015</div>

Compliance Statement

1. This report has been prepared in accordance with AASB Standards (incorporating AIFRS), other AASB and IASB authoritative pronouncements and other standards acceptable to ASX.

Other standards used:

Not applicable

2. This report, and the accounts upon which the report is based (if separate), use the same accounting policies.
3. This report does give a true and fair view of the matters disclosed.
4. This report is based on accounts to which one of the following applies:

☐

The accounts have been audited.

☐

The accounts have been subject to review.

☐

The accounts are in the process of being audited or subject to review.

☒

The accounts have not yet been audited or reviewed.

5. If the audit report or review by the auditor is not attached, details of any qualifications will follow immediately they are available. There are currently no disputes pending or expected to arise in the audit process.
6. Due to the size of the Board of Directors, the entity does not have a formally constituted Audit Committee.

Sign here:



Date: 7 September 2015

Print name:

Avrohom (Avi) Kimelman
Chairman

Financial Results

Bisan Limited & Controlled Entities Statement of Financial Position As at 30 June 2015

	NOTE	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	17(a)	50,465	57,891
Receivables	4	19,497	6,086
Other financial assets	5	315,000	-
TOTAL CURRENT ASSETS		384,962	63,977
NON CURRENT ASSETS			
Other financial assets	5	563,755	440,113
Property, plant and equipment	6	2,529	-
TOTAL NON CURRENT ASSETS		566,284	440,113
TOTAL ASSETS		994,996	504,090
CURRENT LIABILITIES			
Trade and other payables	7	262,661	222,396
TOTAL CURRENT LIABILITIES		262,661	222,396
TOTAL LIABILITIES		262,661	222,396
NET ASSETS		688,585	281,694
EQUITY			
Contributed equity	8	14,202,412	12,638,759
Option reserve		1,456,351	1,456,351
		15,658,763	14,095,110
Accumulated losses		(14,970,178)	(13,813,416)
TOTAL EQUITY		688,585	281,694

The accompanying notes form part of these financial statements.

Bisan Limited & Controlled Entities
Statement of Profit or Loss and Other Comprehensive Income
For the Year ended 30 June 2015

	NOTE	2015 \$	2014 \$
Revenue from continuing operations	2	4,860	16,495
Administration expenses		(49,251)	(48,061)
Auditors remuneration	10	(13,795)	(22,620)
Interest expense		(2,000)	-
Occupancy expense		(13,643)	(31,404)
Share registry and listing fees expense		(30,447)	(32,917)
Impairment of other financial assets	2	(28,957)	(326,800)
Legal fees expense		(1,353)	(32,440)
Directors fee expense	11	(162,000)	(166,108)
Investment and consulting expense		(197,326)	(110,000)
Travel expense		(2,407)	(11,560)
Company secretary fee expense		(11,000)	(30,394)
Due-diligence costs – Pencil Hill		(220,032)	-
Realised losses on held-for-trading investments		(8,439)	-
Other		(31,585)	(14,627)
Loss before income tax	3(b)	(767,375)	(821,521)
Income tax expense (benefit)	3	-	-
Loss after income tax from continuing operations		(767,375)	(821,521)
Loss after income tax from discontinued operations	18	(389,387)	-
Loss for the year		(1,156,762)	(821,521)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Revaluation for available-for-sale financial assets		-	-
Total comprehensive income		(1,156,762)	(821,521)
Earnings (loss) per share	15	Cents	Cents
<i>Basic earnings (loss) per share</i>			
Loss from continuing operations		(0.33)	(0.66)
Loss from discontinued operations		(0.17)	-
Total		(0.50)	(0.66)
<i>Diluted earnings (loss) per share</i>			
Loss from continuing operations		(0.33)	(0.66)
Loss from discontinued operations		(0.17)	-
Total		(0.50)	(0.66)

The accompanying notes form part of these financial statements.

Bisan Limited & Controlled Entities
Statements of Changes in Equity
For the Year ended 30 June 2015

Consolidated Entity

	Contributed Equity \$	Available for sale investments revaluation reserve \$	Option Reserve \$	Accumulated Losses \$	Total Equity \$
At 1 July 2014	12,638,759	-	1,456,351	(13,813,416)	281,694
Loss for the period	-	-	-	(1,156,762)	(1,156,762)
Total comprehensive income/(loss) for the period	-	-	-	(1,156,762)	(1,156,762)
Transactions with equity holders in their capacity as equity holders					
Issue of new shares	1,675,028	-	-	-	1,675,028
Share issue costs	(111,375)	-	-	-	(111,375)
At 30 June 2015	14,202,412	-	1,456,351	(14,970,178)	688,585
At 1 July 2013	11,993,951	-	1,456,351	(12,991,895)	458,407
Loss for the period	-	-	-	(821,521)	(821,521)
Total comprehensive income/(loss) for the period	-	-	-	(821,521)	(821,521)
Transactions with equity holders in their capacity as equity holders					
Issue of new shares	685,236	-	-	-	685,236
Share issue costs	(40,428)	-	-	-	(40,428)
At 30 June 2014	12,638,759	-	1,456,351	(13,813,416)	281,694

The accompanying notes form part of these financial statements.

Bisan Limited & Controlled Entities
Consolidated Statement of Cash Flows
For the Year ended 30 June 2015

	NOTE	2015 \$	2014 \$
Cash flows from operating activities:			
Payments to suppliers and employees		(714,038)	(412,293)
Interest received		-	788
Net cash used in continuing operations		(714,038)	(411,505)
Net cash used in discontinued operations	18	(389,387)	-
Net cash outflows from operating activities	17(b)	(1,103,425)	(411,505)
Cash flows from investing activities:			
Proceeds from sale of investments		41,529	50,406
Purchase of investments		(180,000)	(560,000)
Loans to other entities		(315,000)	-
Interest received		4,860	-
Net cash outflow from investing activities		(448,611)	(509,594)
Cash flows from financing activities:			
Proceeds from issue of shares		1,652,528	625,236
Share issue costs		(102,418)	(40,428)
Proceeds from borrowings		120,000	-
Interest paid		(2,000)	-
Repayment of borrowings		(123,500)	-
Net cash inflows from financing activities		1,544,610	584,808
Net decrease in cash held		(7,426)	(336,291)
Cash and cash equivalents at beginning of the financial year		57,891	394,182
Cash and cash equivalents at end of the financial year	17(a)	50,465	57,891

The accompanying notes form part of these financial statements.

Bisan Limited & Controlled Entities

Notes to the Financial Statements as at 30 June 2015

1. Summary of Significant Accounting Policies

The financial statements cover the consolidated entity of Bisan Limited and controlled entities. Bisan Limited is a listed public company incorporated and domiciled in Australia. The financial statements have been prepared on an accruals basis and are based on historical convention, as modified by the revaluation of financial assets at fair value through profit and loss. Cost is based on the fair values of the consideration given in exchange for assets.

The functional and presentation currency of the financial statements is the Australian Dollar.

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

a) Statement of Compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Bisan Limited is a for-profit entity for the purpose of preparing financial statements.

The financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

b) Principles of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2015. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The financial information for the parent entity, Bisan Limited, included in Note 21, has been prepared on the same basis as the consolidated financial statements.

c) Income tax

The income tax expense for the year 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 amounts in the financial statements, and to unused tax losses.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

Bisan Limited & Controlled Entities

Notes to the Financial Statements as at 30 June 2015 (continued)

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are only recognised for all deductible temporary differences, carry-forward of unused tax losses and credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised, except:

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

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred tax balances relating to items recognised directly in equity are also recognised in equity and not in the profit or loss.

d) Investments

All investments are initially recognised at cost, being the fair value of the consideration given including all directly attributable transaction costs.

After initial recognition, investments, which are classified as held for trading, are measured at fair value. Gains or losses on investments held for trading are recognised in the profit or loss.

Financial assets at fair value through profit or loss include financial assets that are classified as held for trading or that meet certain conditions and are designated at fair value through profit or loss upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which hedge accounting requirements apply.

For investments that are actively traded in active markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the reporting date.

For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment. Assumptions used are based on observable market prices and rates at reporting date.

The Group's available-for-sale investments include equity investments in JCL and P-Fuel, both acquired during the year. The investment in JCL is measured at cost less any impairment charges, as its fair value cannot currently be estimated reliably. Impairment charges are recognised in profit or loss.

The equity investment in P-Fuel is measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the available-for-sale investments revaluation reserve within equity, except for impairment losses, which are recognised in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income.

Purchases and sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place are recognised on the trade date i.e. the date that the Group commits to purchase the asset.

Bisan Limited & Controlled Entities

Notes to the Financial Statements as at 30 June 2015 (continued)

Joint Venture Entities

Interests in joint venture entities are accounted for in the consolidated financial statements using the equity method. Under the equity method of accounting, the group's share of post-acquisition profits or losses of joint venture entities are recognised in consolidated profit or loss and the group's share of the movements in reserves of joint venture entities are recognised in consolidated other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Details of joint venture entities are set out in Note 5.

e) Employee benefits

Wages & Salaries, Annual Leave & Sick Leave

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

Long Service Leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Contributions made by the consolidated entity to employee superannuation funds are charged as expenses when incurred.

f) Controlled entities

Investments in controlled entities are measured at cost less any impairment losses in the parent entity financial information in Note 21.

g) Earnings (loss) per share

Basic earnings (loss) per share

Basic earnings (loss) per share is determined by dividing the profit or loss for the year after related income tax attributable to members of Bisan Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings (loss) per share

Diluted earnings (loss) per share adjusts the figures used in the determination of basic earnings (loss) per share to take into account after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

h) Going concern

Notwithstanding the fact that for the year ended 30 June 2015, the consolidated Group generated a loss and deficiency in working capital, the financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. As at 30 June 2015, the Group generated a loss after tax of \$1,156,762 (2014: loss of \$821,521) and a net working capital surplus of \$122,301 (2014: deficiency of \$158,419).

Significant judgments made by the Directors in determining that the financial statements to be prepared on a going concern basis include:

- Cash flow required to fund mandatory expenditure is sufficient in order for the Company to meet its obligations as and when they fall due; and

Bisan Limited & Controlled Entities

Notes to the Financial Statements as at 30 June 2015 (continued)

- Future capital raising activities. The Board has a track record of raising capital and has assisted the Company in raising in excess of \$1.6M in the year to 30 June 2015.

For these reasons, the Directors believe the assumption of going concern basis in the preparation of this financial report is appropriate. The financial report does not include any adjustments in relation to the recoverability or classification of recorded assets, or the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

i) Revenue

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

Revenue from the sale of investments and disposal of other assets is recognised when the consolidated entity has passed risk and rewards of the investments or other assets to the purchaser, and can be reliably measured.

Interest revenue is recognised on a time proportion basis using the effective interest method.

Dividends and trust distributions are recognised when the right to receive the dividend and/or trust distribution has been established.

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

j) Trade and other payables

Trade and other payables are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services. They are measured initially at fair value and subsequently at amortised cost. The amounts are unsecured and are usually paid within 30 days of recognition.

k) Trade and other receivables

Trade and other receivables are recognised initially at fair value, and subsequently at amortised cost, less any impairment. Trade receivables are generally due to 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 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 the estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discount if the effect of discounting is not material.

l) Leases

Lease 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 on a straight line basis.

m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. 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 in the statement of financial position are shown inclusive of GST.

n) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events of circumstances indicate that they might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable

Bisan Limited & Controlled Entities

Notes to the Financial Statements as at 30 June 2015 (continued)

amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non financial assets, other than goodwill, that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

o) Cash and Cash Equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash.

p) Contributed Equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the entity reacquires its own equity instruments, eg. as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

q) Share-based Payments

Share based compensation benefits are provided to employees via the employee share scheme.

The fair value of options granted under the employee share scheme 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 a Black Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions, but 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. The impact of the revision to original estimates, if any, is recognised in the profit or loss with a corresponding adjustment to equity.

r) Significant and Critical Judgements and Estimates

The group makes estimates and assumptions concerning the future. The resulting estimates may not always equal the related results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are:

i. Going Concern

The financial statements have been prepared on a going concern basis as explained in Note 1(h). If this basis is not appropriate the carrying amount of assets and liabilities may be significantly different.

ii. Investments in unlisted shares

The Group holds investments in unquoted shares and accounts for these investments as available-for-sale investments. For the investment in JCL, the Directors were not able to obtain the necessary financial information to determine the fair value of the investment. Accordingly, this investment is carried at cost less impairment. In assessing for impairment,

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

the Directors use the best information available to assess the appropriate carrying values for the investments and amount of impairment (if any). For the investment in P-Fuel acquired during the year, the Directors consider the acquisition cost is a reasonable estimation of the fair value of the investment at year end.

s) Standards and Interpretations in issue not yet adopted

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

AASB 9: Financial instruments – addresses the classification, measurement and de-recognition of financial instruments. The standard only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. The standard is applicable for annual reporting period commencing 1 January 2018. The Group has not yet decided when to adopt AASB 9. Management has not yet made an assessment of the impact of these amendments.

t) Segment Information

No information is disclosed for operating segments as no management accounts are regularly provided to the Board of Directors, other than those of the consolidated entity. As such no operating segments exist.

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

	NOTE	2015 \$	2014 \$
2. Revenue and Expenses			
Loss before income tax includes the following revenues and expenses whose disclosure is relevant in explaining the performance of the entity:			
(a) Expenses			
Impairment of other financial assets:			
- shares in listed bodies corporate		28,957	91,800
- shares in unlisted bodies corporate		-	235,000
		<u>28,957</u>	<u>326,800</u>
(b) Revenue			
Interest received from other persons and / or bodies corporate		4,860	788
Realised gains on held-for-trading investments		-	10,406
Others		-	5,301
		<u>4,860</u>	<u>16,495</u>
3. Income Tax			
(a) The components of tax benefit comprise:			
Current Tax		-	-
Deferred Tax		-	-
Total		<u>-</u>	<u>-</u>
(b) The prima facie tax payable (benefit) on the loss before income tax is reconciled to the income tax expense (benefit) as follows:			
Loss before income tax		<u>(1,156,762)</u>	<u>(821,521)</u>
Prima facie tax payable (benefit) at 30% (2013: 30%)		(347,029)	(246,456)
Temporary differences not brought to account		84,067	-
Permanent difference not brought to account		457	-
Income tax losses not brought to account		<u>(262,505)</u>	<u>(246,456)</u>
(c) Unrecognised deferred tax assets:			
Deferred tax assets have not been recognised in the statement of financial position for the following items:			
- Unused tax losses		3,984,604	3,109,589
- Deductible temporary differences		357,840	77,617
		<u>4,342,444</u>	<u>3,187,206</u>
Potential deferred tax asset not brought to account at 30 June 2015 calculated at the corporate tax rate of 30% (2013: 30%)		<u>1,302,733</u>	<u>956,162</u>

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

	NOTE	2015 \$	2014 \$
--	------	------------	------------

3. Income Tax (continued)

These benefits will only be obtained if:

- (i) The consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised.
- (ii) The consolidated entity continues to comply with the conditions for deductibility imposed by the law; and
- (iii) No changes in tax legislation adversely affect the consolidated entity in realising the benefit from the deduction for the loss.
- (iv) Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking dividends and franking credits that may be prevented from distribution in subsequent financial years.

321,009

321,009

- (a) No decisions has yet been made in relation to the Consolidations Tax Regime and its applicability to the consolidated entity. As there are no deferred tax balances brought to account in the financial statements it is unlikely this regime will have a material impact on the consolidated entity.

4. Trade and other receivables

Current

Other receivables

19,497

6,086

5. Other Financial Assets

Current

Unsecured loan to P-Fuel Limited

315,000

-

On 30 April 2015 Bisan Limited entered into a Loan Agreement with P-Fuel Limited ("P-Fuel") to provide an advance of funds ahead of a proposed entitlements offer by P-Fuel to all its shareholders. The loan is on normal terms and conditions and interest is payable by P-Fuel monthly in arrears at the same rate as is charged by the Bank of Melbourne on commercial overdrafts. The rate of interest charged during the year was 8.80% per annum. As at 30 June 2015 the loan was classified as a current asset as it is repayable on 27 October 2015.

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

	NOTE	2015 \$	2014 \$
5. Other Financial Assets (continued)			
Non-current			
Other Financial Assets:			
<i>Held for trading investments – at fair value</i>			
(a) Investments quoted on a prescribed stock exchange:			
Shares in other bodies corporate		56,105	104,963
(b) Units in unit trusts		150	150
		56,255	105,113
<i>Available for sale investments – at fair value</i>			
(a) Unquoted shares (i)		507,500	335,000
<i>Available for sale investments – at cost</i>			
(a) Unquoted shares – cost (ii)		235,000	235,000
Less: impairment		(235,000)	(235,000)
Unquoted shares – carrying amount		-	-
Total non-current other financial assets		563,755	440,113

(i) This investment is in P-Fuel Limited ("P-Fuel"):

The Directors have considered the financial position of P-Fuel and have noted that the Company is still in the process of restarting its operations. The Directors consider the aggregate acquisition cost is a reasonable estimation of the fair value of the investment at year end.

(ii) This investment is in Jernigan Commodities Pty Ltd ("JCL"):

Fair value information has not been disclosed for the investment in JCL because its fair value cannot be measured reliably as Bisan is not able to obtain updated financial information for JCL. This investment is an unlisted equity investment in an Australian company, and therefore, has no active market. The investment has been stated at cost less impairment charges. In 2014, an impairment charge of \$235,000 was recognised in the Statement of Profit and Loss. Bisan has no plan to dispose of this investment. The loss on de-recognition of this investment will be the amount of cost of acquisition of this investment less impairment loss made.

(a) Aggregate quoted market value of investments listed on a prescribed stock exchange at reporting date amount to:

56,105	104,963
---------------	---------

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

	NOTE	2015 \$	2014 \$
--	------	------------	------------

5. Other Financial Assets (continued)

(b) Business Undertakings:

The consolidated entity has a 50% investment in the issued units of Dynamic Earth Unit Trust. No distribution of income was received during the year and as at 30 June 2015, the trust owed Bisan Limited \$90,029 (2013: \$90,029). A provision for impairment has been raised in relation to the receivable in the amount of \$90,029 (2013: \$90,029). This investment is in a joint venture accounted for using the equity method.

(c) Jointly controlled entity:

In 2008 the Company acquired equity interest in a jointly controlled company, Size Technologies Australia Pty Ltd ("STA"). The Company has provided information on the investment in previous financial reports and the investment had been fully written off. On 2 November 2014 the Australian Securities and Investments Commission deregistered STA.

6. Property, plant and equipment

Balance at 1 July	-	-
Additions	2,529	-
Balance at 30 June	2,529	-

7. Trade and Other Payables

Unsecured:

Trade and other payables	187,661	126,396
Other creditors and accruals	75,000	96,000
	262,661	222,396

Other creditors and accruals includes \$75,000 of fees due to directors as at 30 June 2015.

8. Contributed Equity

394,260,793 Fully Paid Ordinary Shares*
(2014 – 148,523,581)

14,202,412	12,638,759
14,202,412	12,638,759

Movements in ordinary share capital:

	2015		2014	
	No.	\$	No.	\$
Fully paid ordinary shares				
At the beginning of the reporting period	148,523,581	12,638,759	80,000,000	11,993,951
Shares issued during the year	245,737,212	1,675,028	68,523,581	685,236
Share issue costs	-	(111,375)	-	(40,428)
At the end of the reporting period	394,260,793	14,202,412	148,523,581	12,638,759

*Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

NOTE	2015 \$	2014 \$
------	------------	------------

9. Unsecured loans to controlled entities

The directors of the parent entity (Bisan Limited) have issued assurances to Bisan International Limited, Bisan International Pty Ltd, Bisan Investment Corporation Pty Ltd, Australian Commercial Mortgages Pty Ltd, Elken Tower Pty Ltd, Toplite Connection Pty Ltd and My Generation Smartphones (HK) Limited, that Bisan Limited will continue to provide financial support to these bodies corporate and consequently will not call up the debt owing to the parent entity during the next financial year. The parent entity is owed \$6,528,903 (2014: \$6,109,516) by wholly owned subsidiaries against which a provision for non-collectability of \$6,449,606 (2014: \$6,060,219) has been raised.

During the year ended 30 June 2015:

- the Company paid \$30,000 on behalf of its subsidiary Elken Tower Pty Ltd to enable the subsidiary to take up its rights under the entitlements offer by Abilene Oil and Gas Limited; and
- the Company paid a total of \$389,387 on behalf of My Generation Smartphones (HK) Limited in connection with the smart phones business, the amount was fully impaired as at 30 June 2015.

Financial information for the parent entity is disclosed in Note 21.

10. Auditor's remuneration

Amounts received or due and receivable by the auditors of the consolidated entity for:

Auditing or reviewing the financial statements	13,795	17,000
--	---------------	--------

11. Remuneration of directors and key management personnel

The Directors of Bisan Limited during the financial year were Mr P Volpe, Mr D Herszberg, Mr A Kimelman. Details of remuneration of key management personnel of the Company during the financial year are represented in the Directors Report. Other transactions with directors and key management personnel are detailed in Note 13.

The following table summarises the remuneration of directors and key management personnel.

Short-term Employee Benefits		
- Cash Salary & Fees	75,000	81,108
- Non-monetary benefits	-	1,786
Post-employment Benefits		
- Superannuation	-	-
Share Based Payment	-	-
	75,000	82,894

Directors fees were accrued and unpaid as at 30 June 2015 for the following directors: Mr P Volpe (\$30,000), Mr A Kimelman (\$30,000) and Mr D Herszberg (\$15,000).

During the year the Company paid current and former Directors remuneration of \$85,000 that was accrued and unpaid as at 30 June 2014.

Other amounts were paid to entities associated with directors as set out in Note 13 Related Party Transactions.

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

12. Contingent liabilities and commitments

The Group has no material contingent liabilities or commitments.

13. Related party transactions

- (a) The directors of the parent entity who held office during the year are referred to in Note 11. Remuneration of directors is disclosed in Note 11.
- (b) Directors' relevant interests in shares and other securities of Bisan Limited at the beginning and at the end of the financial year are shown in the table below.
- (c) Aggregate amounts receivable from wholly owned and controlled entities and the provision for non-collectability on these loans are disclosed at Note 9. These unsecured loans are interest free.
- (d) During the 1997 year, the consolidated entity acquired 50 per cent of the issued units of Dynamic Earth Unit Trust at a cost of \$150. No distribution of income was received during the current financial year (2014: \$Nil) and as at 30 June 2015 the Trust owed Bisan Limited \$90,029 (2014: \$90,029). A provision for non-collectability of \$90,029 (2014: \$90,029) has been raised against this amount.
- (e) Kushkush Investments Pty Ltd (a company related to Avi Kimelman) was paid fees of \$55,000 for services in connection with investments made by the Company;
- (f) Caraway Corporate Pty Ltd (a company of which Avi Kimelman is a Director and shareholder) invoiced for consulting fees of \$55,000 for services in connection with investments made by the Company. The amount was accrued and unpaid at 30 June 2015. Bisan owed Mr Kimelman \$11,250 from a settlement reached between the Company and him during the year ended 30 June 2013.
- (g) Trayburn Pty Ltd ("Trayburn"), a company of which Patrick Volpe is a Director and shareholder, was paid outstanding fees of \$55,000 for amounts invoiced and accrued as at 30 June 2014. Trayburn invoiced for consulting fees of \$55,000 for services in connection with investments made by the Company. The amount was accrued and unpaid as at 30 June 2015.
- (h) The following transactions occurred between the Company and Foxfire Capital Pty Ltd ("Foxfire") (a company of which Patrick Volpe was a shareholder and consultant during the year):
 - the Company paid Foxfire outstanding fees of \$23,485 for capital raising services which were accrued and unpaid at 30 June 2014;
 - Foxfire was paid \$30,633 being 5% (plus GST) of the funds raised under the share placement managed by Foxfire in July 2014;
 - Foxfire invoiced the Company \$17,050 being 5% (plus GST) of the funds raised under the share placement managed by Foxfire in February 2015 – the invoice was unpaid at year end;
 - Foxfire was paid \$6,600 for providing a nominee service for ineligible shareholders as approved by ASIC in the April 2015 rights issue; and
 - Foxfire invoiced the Company \$22,525 being 5% (plus GST) of the funds raised by Foxfire through the placement of the rights issue shortfall – the invoice was unpaid at year end.
- (i) The following transactions occurred between the Company and P-Fuel Limited ("P-Fuel") (a company of which Patrick Volpe and Avi Kimelman were directors during the year):
 - the Company subscribed \$150,000 cash for 3,000,000 fully paid ordinary shares in P-Fuel at an issue price of 5 cents (\$0.05) per share;

Bisan Limited & Controlled Entities

Notes to the Financial Statements as at 30 June 2015 (continued)

13. Related party transactions (continued)

- the Company provided an unsecured loan of \$315,000 to P-Fuel on normal terms and conditions (refer to Note 5);
- the Company received interest of \$4,860 from P-Fuel; and
- P-Fuel Europe Limited ("P-Fuel Europe"), a wholly owned subsidiary of P-Fuel, purchased smartphones in the United Kingdom as agent for My Generation Smartphones (HK) Limited (then called Asia Founder Limited). The goods were on sold to Asia Founder Limited at cost and P-Fuel Europe was paid an agency fee of \$2,370.

In view of his significant interest in P-Fuel, Mr Volpe did not participate in any of the decisions by the Directors regarding transactions between the Company and P-Fuel.

Mr Volpe is a Director of P-Fuel and directly owns 2.87% of P-Fuel and is a director and shareholder of the following companies that own shares in P-Fuel:

- Bisan Limited (in which Mr Volpe's interest is 6.34%) holds 16.39% of P-Fuel.
- Growthtech International Pty Ltd (in which Mr Volpe's interest is 23%) holds 9.09% of P-Fuel.
- Teltec Capital Pty Ltd (in which Mr Volpe's interest is 29%) holds 3.30% of P-Fuel.
- Nova Vita Pty Ltd (in which Mr Volpe's interest is 47%) holds 2.64% of P-Fuel.

(j) The following transactions occurred between the Company and Cohiba Minerals Limited ("Cohiba") (a company of which Patrick Volpe and David Herszberg were directors during the year):

- the Company repaid an unsecured interest free loan of \$3,500 to Cohiba;
- the Company paid Cohiba \$5,805 for the provision of office space during the year ended 30 June 2014 which was due and owing at 30 June 2014;
- Cohiba provided the Company with office space at a cost of \$13,643 which was paid in full during the year;
- Cohiba supplied the Company with a laptop computer at a cost of \$2,719 which amount was due and owing to Cohiba at 30 June 2015;
- Cohiba provided the Company with the services of Cardia Pfeffer (a close family member of Patrick Volpe) as an administrative assistant at a cost of \$25,300 which was due and owing to Cohiba at year end.

(k) The following transactions occurred between the Company and CAP Holdings Pty Ltd ("CAP") (a company of which close family members of Patrick Volpe are directors and shareholders during the year):

- CAP invoiced the Company \$11,000 for the preparation of investor presentations for P-Fuel and the Pencil Hill Graphite project – the invoice was paid;
- CAP invoiced the Company \$1,687 for the printing and despatching the Company's rights issue Prospectus – the invoice was paid;
- CAP invoiced the Company \$2,750 for printing and despatching a Notice of General Meeting – the invoice was paid.

(l) The following transactions occurred between the Company and Botswana Metals Limited ("BML") (a company of which Patrick Volpe was a Director during the year):

- BML invoiced the Company \$857 for the costs of a General Meeting – the invoice was paid.
- BML invoiced the company \$935 being a share of IT costs paid by BML – the invoice was paid.

(m) During the year the Company received an unsecured interest free loan of \$20,000 from Denman Audio Pty Ltd (an entity associated with David Herszberg). The loan was repaid in full.

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

13. Related party transactions (continued)

- (n) As discussed above, during the year the Company considered an investment in the Pencil Hill Graphite project in Botswana and undertook due-diligence investigations, including exploration activities (drilling and trenching) and laboratory analysis, at a cost of approximately \$220,000. Mr Patrick Volpe has an interest in the Pencil Hill project and accordingly he did not participate in the decisions of the Board of Directors regarding the project. The Company ultimately decided not to proceed with the investment.
- (o) All agreements with related parties were on normal commercial terms and conditions.
- (p) Directors and their related entities are reimbursed for out-of-pocket expenses incurred in the performance of their duties.
- (q) During the year the company held shares in Lemarne Corporation Limited ("LMC") with a carrying value of \$24,229 as at 30 June 2015. LMC is a public company listed on ASX however the shares are currently suspended from trading. Mr David Herszberg, a director of the company, was a director of LMC from 22 October 2012 to 11 July 2013.

The number of options over ordinary shares in the company held during the financial year by Key Management Personnel of the Group, including their personally related parties, are set out below.

Number of Options Held by Key Management Personnel at 30 June 2014 and 30 June 2015:

KMP	Balance 01/07/2013	Other	Options Balance 30/06/2014	Total Un- Exercisable	Balance 01/07/2014	Other	Options Balance 30/06/2015	Total Un- Exercisable
P Volpe	-	-	-	-	-	10,000,000	10,000,000	-
D Herszberg	1,000,000	-	1,000,000	-	1,000,000	3,866,666	4,866,666	-
A Kimelman	-	2,000,000	2,000,000	-	2,000,000	8,793,333	10,793,333	-
Total	1,000,000	2,000,000	3,000,000	-	3,000,000	22,659,999	25,659,999	-

Changes disclosed under "Other" resulted from Key Management Personnel participating in the Company's pro-rata rights issue during the year.

No options were granted as compensation during the year (2014: Nil).

The number of ordinary shares in the company held during the financial year by Key Management Personnel of the Group, including their personally related parties, are set out below.

Number of Shares Held by Key Management Personnel at 30 June 2014 and 30 June 2015:

KMP	Balance 01/07/2013	Change	Balance 30/06/2014	Balance 01/07/2014	Change	Balance 30/06/2015
P Volpe	-	15,000,000	15,000,000	15,000,000	10,000,000	25,000,000
D Herszberg	2,900,000	2,900,000	5,800,000	5,800,000	3,866,666	9,666,666
A Kimelman	-	13,945,589	13,945,589	13,945,589	8,793,333	22,738,922
Total	2,900,000	31,845,589	34,745,589	34,745,589	22,659,999	57,405,588

Changes disclosed under "Other" resulted from Key Management Personnel participating in the Company's pro-rata rights issue during the year.

No shares were granted as compensation during the year (2014: Nil).

Number of performance rights Held by Key Management Personnel

On 27 February 2015 the Company issued 9,000,000 Performance Rights to Directors pursuant to shareholder approval obtained at the Annual General Meeting of the Company held on 28 November 2014.

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

13. Related party transactions (continued)

Number of performance rights Held by Key Management Personnel (continued)

The Performance Rights were issued as follows:

- Mr Pat Volpe 4,000,000 Performance Rights
- Mr Avi Kimelman 4,000,000 Performance Rights
- Mr David Herszberg 1,000,000 Performance Rights

The Performance Rights issued to Directors lapsed on 30 June 2015 as the performance conditions had not been met. No expense was recognised in the Statement of Profit and Loss in respect of the issue of the Performance Rights.

There were no performance rights on issue as at 30 June 2015 (2014: Nil).

14. Segmental information

No information is disclosed for operating segments as no management accounts are regularly provided to the Board of Directors, other than those of the consolidated entity. As such no operating segments exist.

15. Loss per share

	NOTE	2015 \$	2014 \$
		(cents)	(cents)
<i>Basic earnings/(loss) per share</i>			
Loss from continuing operations		(0.33)	(0.66)
Loss from discontinued operations		(0.17)	-
		<u>(0.50)</u>	<u>(0.66)</u>
<i>Diluted earnings/(loss) per share</i>			
Loss from continuing operations		(0.33)	(0.66)
Loss from discontinued operations		(0.17)	-
		<u>(0.50)</u>	<u>(0.66)</u>
		No.	No.
Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share & diluted earnings per share		<u>233,298,065</u>	<u>124,011,302</u>

The 269,753,836 options on issue during the year (2014: 25,253,290) were not included in the diluted loss per share calculation as the securities are non-dilutive.

16. Leasing Commitments

There were no leasing commitments at year end.

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

	NOTE	2015 \$	2014 \$
--	------	------------	------------

17. Notes to Statement of Cash Flows

(a) Reconciliation of cash and cash equivalents

For the purpose of the statements of cash flows, cash includes cash on hand and at bank and short term deposits at call which are readily convertible to cash and which are used in the cash management function on a day to day basis, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash and cash equivalents	50,465	57,891
---------------------------	---------------	--------

(b) Reconciliation of net cash outflows from operating activities to loss after income tax:

Loss after income tax	(1,156,762)	(821,521)
Adjustments		
Realised losses/(gains) on other financial assets	8,439	(10,406)
Impairment of other financial assets	28,957	326,800
Interest revenue included in investing cash flows	(4,860)	-
Interest expense included in financing cash flows	2,000	-
Changes in assets and liabilities		
Decrease/(increase) in receivables	(13,411)	19,512
Increase/(decrease) in trade and other payables	32,212	74,110
Net cash outflows from operating activities	(1,103,425)	(411,505)

(c) Financing arrangements:

There are no bank overdraft or loan facilities at reporting date.

18. Discontinued Operations

During the year the Company established a business for the trading of smartphones. The Company entered into a Services Agreement with Mr Yehuda Shmaya Szender for the conduct of the business. The first batch of smart phones was purchased and then, in breach of the Services Agreement, Szender refused to sell or hand over the phones. The Company subsequently discontinued the business. Expenses relating to the My Generation business have been eliminated from profit or loss from the Group's continuing operations and are shown as a single line item on the face of the Statement of Profit or Loss and Other Comprehensive Income (see loss for the year from discontinued operations):

Operating loss for the My Generation business is as follows:

Revenue	-	-
Cost of smart phones	(320,939)	-
Other expenses	(68,448)	-
Loss for the year from discontinued operations	(389,387)	-

There are no assets or liabilities within the Group relating to the discontinued business.

Cash flows generated by the discontinued business are as follows:

Operating activities	(389,387)	-
Cash flows from discontinued operations	(389,387)	-

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

19. Financial Instruments

(a) Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

Bisan's activities expose it to financial risks such as credit risk, cash flow interest rate risk, liquidity risk and market risk. The directors are responsible for Bisan's risk management strategy and management is responsible for implementing the Directors' strategy. A risk management program focuses on the unpredictability of finance markets and seeks to minimise potential adverse effects on financial performance. Bisan uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case on interest rate and market risk. Bisan does not use derivatives.

(b) Interest Rate Risk Exposure

The consolidated entity is exposed to interest rate risk primarily through cash. The following table summarises the interest rate risk for the consolidated entity, together with the effective weighted average interest rate for each class of financial assets and liabilities.

	Average Interest Rate %	Variable Interest Rate \$	Fixed Interest Maturing in		Non- Interest Bearing \$	Total \$
			1 year or Less \$	Over 1 to 5 years \$		
Financial Assets						
Cash	--	--	--	--	50,465	50,465
Receivables	--	--	--	--	19,497	19,497
Other Financial Assets						
Listed securities	--	--	--	--	56,105	56,105
Unlisted securities	--	--	--	--	507,650	507,650
Unsecured loan	8.8%	315,000	--	--	--	315,000
Total Financial Assets		315,000	--	--	633,717	948,717
Financial Liabilities						
Trade and other payables		--	--	--	262,661	262,661
Total Financial Liabilities		--	--	--	262,661	262,661
2014						
Financial Assets		--	--	--	504,090	504,090
Financial Liabilities		--	--	--	222,396	222,396

Interest Rate Sensitivity Analysis

At 30 June 2015, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2015 \$	2014 \$
Change in Profit		
• Increase in interest rate by 2%	97	-
• Decrease in interest rate by 2%	(97)	-
Change in Equity		
• Increase in interest rate by 2%	97	-
• Decrease in interest rate by 2%	(97)	-

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

19. Financial Instruments (continued)

(c) Net fair values of financial assets and liabilities

This note provides an update on the judgments and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table. The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2014 and 30 June 2015 on a recurring basis:

At 30 June 2015	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Assets				
Held for trading investments	56,105	-	150	56,255
Available for sale investment	-	-	507,500	507,500
At 30 June 2014	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Assets				
Held for trading investments	104,963	-	150	105,113
Available for sale investment	-	-	335,000	335,000

Valuation techniques used to determine fair values

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities. Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Valuation processes and fair values of other financial instruments

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities of the Group approximates their carrying amounts. The fair value of other monetary financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles. Non-interest bearing related party receivables are repayable on demand, thus face value equates to fair value.

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

	NOTE	2015 \$	2014 \$
--	------	------------	------------

19. Financial Instruments (continued)

Equity investments traded on organised markets have been valued by reference to market prices prevailing at balance date. For non-traded equity investments, the fair value is an assessment by the Directors based on the underlying net assets, future maintainable earnings and any special circumstances pertaining to a particular investment.

The carrying amounts of financial assets and liabilities noted above equates to their fair values at balance date.

(d) Credit Risk exposure

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the consolidated entity's maximum exposure to credit risk, without taking account of the value of any collateral or other security obtained. The entity has no significant contributions of risk.

(e) Liquidity Risk

The Directors monitor the funding requirements of the Group, but the liquidity risk management is only carried out when the Group requires funds. At present, funds are raised primarily through share issue and the Group does not have any credit facilities as disclosed in Note 17(c).

(f) Market Risk

The Group is exposed to equity securities price risk. This arises for investments held by the Group and classified as held at fair value through profit and loss.

Market Risk Sensitivity Analysis

At 30 June 2015, the effect on equity as a result of changes in the market value of listed investments, with all other variables remaining constant would be as follows:

Change in profit		
-Increase in market value by 10%	5,610	10,496
-Decrease in market value by 10%	(5,610)	(10,496)

20. Share based payments

Performance Rights, Shares and Options

The Company has established the Bisan Limited Performance Rights Plan. Participation in the plan is at the discretion of the Directors and no individual has a contractual right to participate in the plan. The Company issued 9,000,000 Performance Rights during the year ended 30 June 2015 all of which lapsed during the year as the performance conditions were not met. No shares or options were issued as compensation during the year.

Expenses arising from share - based payment transactions

There were no share-based payment transactions recognised during the year ended 30 June 2015.

Assets acquired from share – based payment transactions

The Company acquired 375,000 fully paid ordinary shares for a consideration of \$22,500 satisfied by the issue of 1,500,000 fully paid ordinary shares in the Company at a deemed issue price of one and half cents (\$0.015) per share.

Bisan Limited & Controlled Entities
Notes to the Financial Statements as at 30 June 2015 (continued)

	2015 \$	2014 \$
21. Parent Entity Information		
The following details information related to the parent entity, Bisan Limited, at 30 June 2015. The information presented here has been prepared using the consistent accounting policies as set out in Note 1.		
CURRENT ASSETS	384,948	63,963
NON CURRENT ASSETS	614,362	444,441
TOTAL ASSETS	999,310	508,404
CURRENT LIABILITIES	262,661	222,396
NON- CURRENT LIABILITIES	-	-
TOTAL LIABILITIES	262,661	222,396
NET ASSETS	736,649	286,008
Issued Capital	14,202,412	12,638,759
Reserves	1,445,646	1,445,646
Accumulated losses	(14,911,409)	(13,798,397)
TOTAL EQUITY	736,649	286,008
Loss for the year	(1,113,013)	(806,528)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	(1,113,013)	(806,528)

22. Events After the Reporting Date

On 18 August 2015 the Supreme Court of Victoria ordered that Mr Yehuda Shmaya Szender pay the Bisan group AUD 30,157.90 plus GBP 169,854.18 (both amounts include interest) together with the costs of the proceedings. Bisan is considering the available options for the enforcement of the Court orders both within and outside Australia. Significant uncertainty exists as to the ability of the Bisan group to recover any funds from Szender.

The Directors have examined potential investment opportunities in various areas including waste water management, medical biotechnology and in the financial technology (fintech) market however no material agreements have been entered into and no investment decisions have been made in respect of any opportunity under consideration.