Annual Report

2014

ABN 70 009 203 203

www.medtechglobal.com

MEDTECH GLOBAL LIMITED

Annual Report

For the year ended 31 March 2014

Corporate Directory

Directors
Mr Vino Ramayah (CEO, Executive Chairman)
Mr Russell Clarke (Executive Director)
Mr Darryl Stuart (Non-Executive Director)
Mr Michael Gaylard (Non-Executive Director)
Mr Ross Tanner (Non-Executive Director)

Company Secretary
Mr Michael Gaylard

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Advanced Share Registry
150 Stirling Highway
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WA 6008
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Auditor
Ernst & Young, Australia
8 Exhibition Street
Melbourne
VIC 3000
Australia

Banker
Westpac Banking Corporation
GPO Box 333
Sydney
NSW 2001
Australia

Stock Exchange
Australian Stock Exchange Ltd
Exchange Plaza
2 The Esplanade
Perth
WA 6000
Australia

Solicitor
Minter Ellison
Level 21
300 Murray Street
Perth
WA 6000
Australia

Medtech Global Limited shares are listed on the Australian Stock Exchange (ASX) and trade with the symbol MDG.

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About Medtech Global

Our vision is to Empower Health. At Medtech, we believe that healthcare should be about quality care, not about the complexities of business. We enable health professionals to efficiently manage their patients through technology solutions. We connect parts of the health ecosystem through sharing of health information and empower individuals to manage their health and wellness.

Our Products

Revolutionary Solutions for Healthcare Professionals

Primary Health

Evolution General Practice

Evolution Specialist

Evolution Allied Health

Medtech32

Rx Practice Management

Secondary Health

Evolution HIS

Evolution Specialist

MD Analyze

Shared EHR

Personal & Telehealth

ManageMyHealth™

VitelMed™

Data Intelligence

Clinical Business Intelligence

MD Analyze

LinkTech

Data Mobility

Medtech Cloud

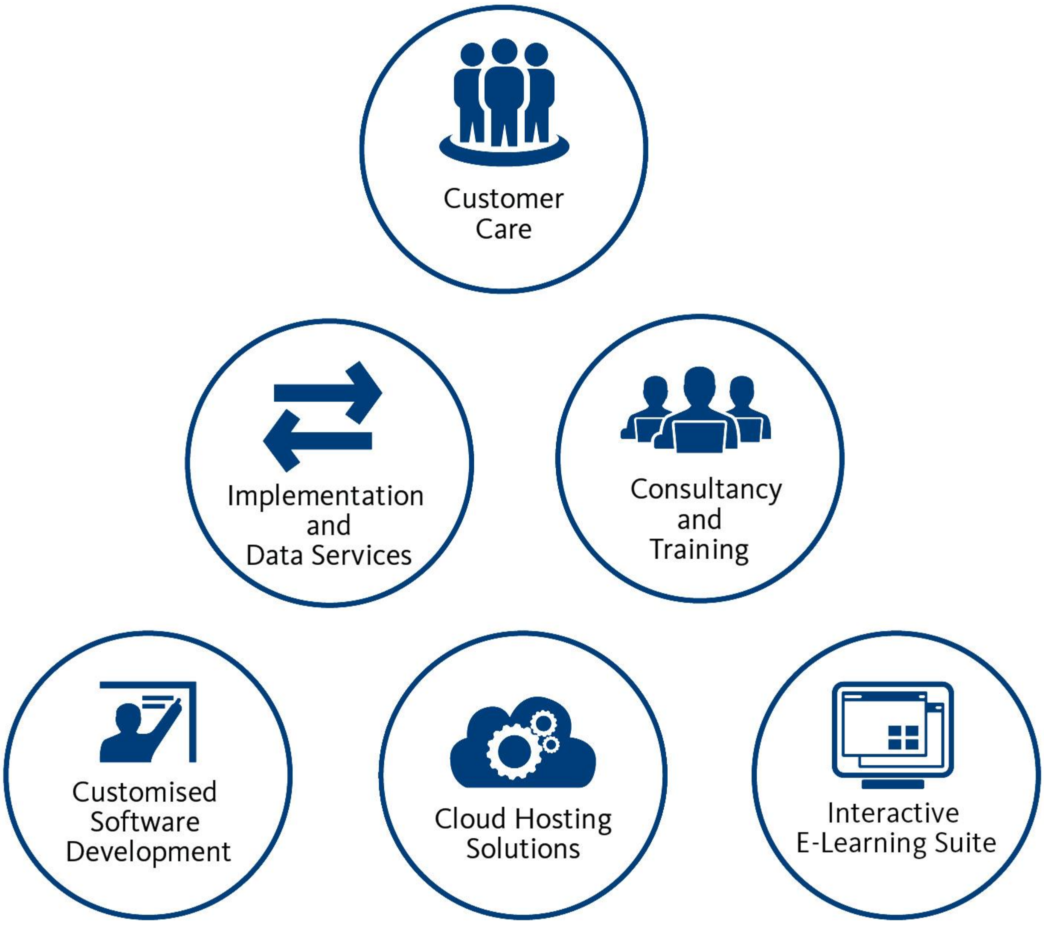
ConnectedCare™

VitelMed™

Medtech SMS

Our Services

We offer an extensive range of services designed around our client's needs that support our products, deliver business value, and improve service quality.



Accreditations and Affiliations

Review of Operations

A$000's	2014	2013
Revenue	16,649	11,814
EBITDA	**2,143**	**251**
Depreciation	(242)	(306)
EBITA	**1,901**	**(55)**
Net Interest	(20)	(18)
Impairment and Amortisation of intangibles	(5,144)	(720)
Income Tax Expense	(872)	(64)
Other Income	-	-
Profit/(loss) for the year after tax	**(4,135)**	**(857)**
Attributable to non-controlling interests	(317)	40
Profit/(loss) attributable to members	**(4,452)**	**(817)**

This review of operations has not been audited.

The directors of Medtech Global Limited present the results for the financial year ended 31 March 2014.

Key elements of the result are:

- Revenue increased by 41%
- EBITDA increased by 754%
- Loss attributable to members increased by 445% due a one off impairment of intangible assets.

Management considers EBITDA and EBITA to be key relevant measures in which operations are reviewed for performance.

Overview

The financial year ended 31 March 2014 saw a continuation of the group's initiative to invest in establishment of new markets in USA and India. The Group's revenue has increased by 41% during the year. The strategy is to diversify our revenue to ensure stability and mitigate risks in any one market. Whilst this investing has affected the performance of the Group for the year in terms of increased operating costs, the directors remain confident that this commitment to expand the global presence of the Group will yield significant benefits for shareholders in future years.

After completion of development, the Evolution product has now been released to market in New Zealand. There will be continued investment in product development to enhance and improve the product to respond to the changing needs of the health informatics market. This will include mobile and Telehealth technologies.

The Group's operations in the established markets of New Zealand and Australia continue to trade profitably and support the group by providing funding for the establishment of new markets and product development.

Outlook

The coming years provide significant opportunities and challenges for the Group as we focus on strong earnings and growing value.

We are focused on improving our execution in current markets as well as identifying new markets to pursue. We continue to focus on new mobile technologies and facilitate availability of health services in all areas.

We were successfully audited and recertified by an independent auditor as an ISO 9001 compliant organisation. We also continue to retain our Microsoft Gold Partnership. This is a testament to our long term commitment to quality.

The prospects for the current financial year look promising. This is indeed a very exciting period for the Group with the launch of a new enhanced product range and the opportunities that are now emerging in USA and India. The board is confident that the investment of past years in technological excellence and better products has been a sound decision.

Regional Segmentation

A$000's	2014	2013
Revenue		
New Zealand	8,515	7,324
Australia	2,365	2,347
United States of America	5,639	2,102
India	130	41
Total	**16,649**	**11,814**
EBITDA		
New Zealand	703	332
Australia	731	19
United States of America	1,065	(363)
India	(44)	(100)
Inter–Segment Elimination	(312)	363
Total	**2,143**	**251**

New Zealand

The New Zealand operation continues to be the leading provider of technology solutions to the Primary Healthcare market. We have been involved with the

Ministry of Health to provide e-solutions wherever required.

The new Evolution product for General Practitioners, Allied Health providers and Specialists is launched and is being rolled out to customers in a phased manner.

Manage My Health, both in respect of the Patient Portal and the Shared Electronic Health Record, continues to gain real traction with its implementation in the Central North Island, Wellington, Wairarapa and the West Coast of the South Island.

Vitelmed Telehealth solutions are expected to be released to BETA and subsequently launched during this financial year.

Australia

The company's Australian subsidiary, i.e. Medtech Healthcare Pty Ltd, is working with Peninsula Health based in Victoria to demonstrate the capability of the company's Telehealth product (Vitelmed) for the remote monitoring of patients suffering from Chronic Heart-Failure. After successful completion of the feasibility study funded under the Health Market Validation Program (Health MVP), an initiative of the Victorian Government under *Victoria's Technology Plan for the Future – Biotechnology*, the project has now been assessed and approved to move to the next stage which is the validation stage of the Health MVP.

The company is very pleased to be associated with CSIRO and Peninsula Health in conducting this clinical trial using our innovative technology, Vitelmed, for the care of CHF patients.

Manage My Health is a solution which is also being rolled out in Australia. It is expected that this will be launched to existing customers and subsequently to the entire market. Medtech Evolution's Australian version for GP, Allied, and Specialists is expected to be launched in the first quarter of 2015.

United States

The acquisition of ConSova has fulfilled our expectations. It has expanded our geographical coverage in the United States; enhanced our capabilities; added complementary products to our portfolio and provided an entrance into new opportunities to expand.

ConSova contributed A$5.6m of revenue for the last financial year. ConSova's contribution to the Group's overall net loss after tax was approximately A$815K Net Profit.

The other activity in the US is performed through Medtech Global USA, LLC (85% owned by Medtech Holdings USA, Inc.). Medtech Global USA, LLC is focused on selling our Telehealth solutions to enable the delivery of healthcare remotely. The revenue contributed by Medtech Global USA, LLC was A$59K. This operation contributed approximately A$330K of the Group's net losses after tax for the year ended 31 March 2014. We remain confident that this initiative will provide good returns for the Group in the future. Medtech is currently in a pilot phase with skilled nursing facilities. With advent of Affordable Care Act, significant opportunities have arisen for growth in the US market. Pilots have been successful and Medtech USA is in a roll out phase.

India

Our Indian operation contributed approximately A$76K to the Group's net losses after tax for the year ended 31 March 2014.

The strategy continues to be driven towards building strong relationships with Government-owned hospitals and the private hospital sector. Our Telehealth and Manage My Health solutions are expected to take advantage of pilots already established. We also participated in various tenders and are awaiting positive outcomes after evaluation.

This is an important market in Asia, where private health care is experiencing significant growth.

United Kingdom

Medtech has significant opportunities with Manage My Health solutions in the United Kingdom. This is being pursued with strategic partners and is expected to yield results in the next 12 months.

Conclusion

The company achieved a positive operating profit margin for the year. As a result of the one-off impairment of intangible results, the Group financials results in a loss, The Board however believes that the medium and long term position of the Group's trading position is strong and financial results will continue to show improvements during the current year.

Finally, I would like to thank my Board colleagues and team for their hard work and valued contributions and to our shareholders for their continuing support.

Vino Ramayah

Executive Chairman

Melbourne, 26 June 2014

Directors' Report

The directors of Medtech Global Limited submit their Directors' Report accompanied by the financial report of Medtech Global Limited and its controlled entities for the financial year ended 31 March 2014. In order to comply with the provisions of the *Corporations Act 2001*, the directors report the following:

Directors

The names of directors in office at any time during and until the date of this report are:

Mr Vino Ramayah

Executive Chairman, age 61

Mr Ramayah has been Executive Chairman and the Chief Executive Officer (CEO) of the Medtech Global group of companies since he was appointed on 25th September 2006. He is also on the board of several technology companies in the Asia Pacific region. He has significant experience in mergers and acquisitions. He has been involved in the development and growth of ICT and biotech companies in Australia, New Zealand and the Pacific Region. Mr Ramayah has provided strategic advice in a professional capacity to various multinationals in several countries in the Asia Pacific. He holds a Bachelor of Laws (Hons) and a Master of Law degree from the University of London.

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Russell Clarke

Executive Director, age 62

Mr Clarke comes from a successful banking and merchant finance background. He has been the Executive Director of the Medtech Global group of companies since being appointed on 25th September 2006.

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Darryl Stuart

Non-Executive Director, age 56

Mr Stuart was appointed on 1st September 2009. He has held CEO and senior management positions in State Government, financial services ICT, health informatics, biotechnology, e-commerce and international consulting businesses. He was formerly the CEO and director of Medtamic Pty Ltd, a company specialising in clinical audit solutions for the healthcare industry. He holds a Bachelor of Science (Hons) degree from the University of New South Wales.

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Michael Gaylard

Non-Executive Director and Company Secretary, age 69

Mr Gaylard was appointed to the board on 21st April 2011. Previously, Mr Gaylard worked for McGregor and Court, Chartered Accountants and as managing partner in Rogers and Gaylard. He has been extensively involved in intellectual property, computer contracts joint ventures and corporate law. He now serves as a consultant to Rogers and Gaylard. He holds a Bachelor of Laws and Commerce degrees from the University of Melbourne. He is a barrister and solicitor of the Supreme Court of Victoria, and former member of the Australian Society of Certified Practicing Accountants.

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Ross Tanner

Non-Executive Director, age 64

Mr Tanner was appointed to the board on 15th August 2011. Mr Tanner has been a professional company director and a consultant specialising in public sector management and governance for the past thirteen years. This follows an extensive career in Public Service in New Zealand culminating in his appointment as Deputy State Services Commissioner – in effect, the Deputy Head of the Public Service. Mr Tanner is an experienced organisational strategist and provides independent advice to boards on improvements to governance arrangements and mentoring advice to chief executives. He holds a Master of Arts (1st Class Honours) degree from the University of Canterbury and a Master of Public Administration degree from

Other Current Directorships

None

Former Directorships in the last 3 years

None

Committee Membership

As at the date of this report, the Group had an Audit Committee and a Remuneration Committee.

Members acting on the committees of the board during the year were:

Audit Committee

Mr Russell Clarke

Mr Michael Gaylard

Remuneration Committee

Mr Vino Ramayah

Mr Russell Clarke

Mr Darryl Stuart

Mr Michael Gaylard

Mr Ross Tanner

The Board of Directors of the Group does not have a Nominations Committee. The board is of the opinion that due to the nature and size of the Group, the functions performed by a Nominations Committee can be adequately handled by the full board.

Meetings of Directors

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director was as follows:

	Directors' Meetings	Audit Committee Meetings
Number of meetings held:	7	2
Number of meetings attended by:		
V Ramayah	7	
R Clarke	7	2
D Stuart	5	
R Tanner	7	
M Gaylard	7	2

All directors during the course of their directorships were eligible to attend all meetings held. The Audit Committee meetings were also attended by Ms Reena Bose and Mr Minoo Master, both non-directors.

Director's Interests

As at the date of this report, the relevant interests of the directors of this report in the shares of the company are:

Director	Number of Fully Paid Ordinary Shares
V. Ramayah	70,809,262
R. Clarke	109,000
D. Stuart	750,000
Total	**71,668,262**

Mr V Ramayah has an interest of 70,809,262 shares in the company held by Cereus Holdings Limited.

Mr R Clarke has an interest of 10,000 shares in the company held directly, 89,000 shares held by R G Clarke & Associates Ltd, and 10,000 shares held by The Russell Clarke Family Trust.

Mr D Stuart has an interest of 750,000 shares held directly.

Principal Activities

The principal activities of the Group during the financial year were the business and sale by way of sub-licence of healthcare technologies worldwide.

Review of Operations and Operating Results

A review of the operations of the Group during the year and the results of those operations can be found on page 7 of this report.

Dividends

No dividends have been paid or declared since the start of the financial year.

Financial Position

As a result of a one off impairment of intangible assets amounting to $4,155,753 (2013: $Nil), the net assets of the Group declined by $4,251,746 (2013: $629,995 decline) since 31 March 2013. The directors do not consider this reduction in carrying value of the intangibles to have any material impact on the company's business in the coming years.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Group other than that already referred to in the financial statements.

Profit per Share

The loss per share was 4.13 cents (2013: Loss per share 0.85 cents). The weighted average number of shares on issue during the financial year used in the calculation of earnings / loss per share was 100,248,061 (2013: 100,248,061).

Subsequent Events

As at the date of this report, the directors are not aware of any matters or circumstances that have significantly affected, or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in the financial years subsequent to 31 March 2014.

Share Options

No options were granted during or since the end of the financial year up to the date of this report to any of the directors or other officers of the Group. No director or other officer of the Group holds any options over unissued shares of the company.

Indemnification and Insurance of Directors and Officers

The Group has agreed to indemnify all the directors and executive officers for any breach of environmental or discrimination laws by the Group for which they may be held personally liable. The agreement provides for the Group to pay an amount not exceeding $2,000,000 provided that:

(a) The liability does not arise out of conduct involving a lack of good faith.

(b) The liability is for costs and expenses incurred by the director or officer in defending proceedings in which judgement is given in their favour or in which they are acquitted.

During or since the financial year, the Group has paid premiums in respect of a contract insuring all the directors against legal costs incurred in defending proceedings for conduct other than:

(a) A wilful breach of duty.

(b) A contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*.

The total amount of directors insurance contract premiums paid was $23,157.

Environmental Regulation

The Group's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Remuneration Report (Audited)

This Remuneration Report outlines the director and executive remuneration arrangements of the company and Group in accordance with the requirements of the *Corporations Act 2001* and its Regulations. This information has been audited as required by section 308(3C) of the Act.

For the purposes of this report, Key Management Personnel (KMP) of the company and Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the company and Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report, the term 'executive' encompasses the chief executive, senior executives, general managers and secretaries of the company and Group.

Remuneration Committee

The Remuneration Committee consists of the Board of Directors of the Group and is responsible for determining and reviewing remuneration arrangements for the directors and executives.

The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality, high performing directors and executive team.

Remuneration Philosophy

The performance of the Group depends upon the quality of its directors and executives. To prosper, the Group must attract, motivate and retain highly skilled directors and executives.

The Group embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;
- Link executive rewards to shareholder value; and
- Establish appropriate and demanding performance hurdles for variable executive remuneration.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive directors and executive remuneration is separate and distinct.

Non-Executive Director Remuneration

Objective

The board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

Structure

The constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting.

The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually. The board considers advice from external consultants as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

The non-executive directors do not participate in any incentive programs.

Executive Remuneration

Objective

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group so as to:

- Reward executives for Group, business unit and individual performance against targets set by reference to appropriate benchmarks;
- Align the interests of executives with those of shareholders; and
- Ensure total remuneration is competitive by market standards.

Structure

In determining the level and make-up of executive remuneration, the Remuneration Committee engages external consultants as required to provide independent advice. In the year ended 31 March 2014, no significant revisions to executive remunerations were undertaken and approved.

The Remuneration Committee has entered into a contract of employment with the Chief Executive Officer and other executives.

Remuneration consists of the following key elements:

- Fixed remuneration (base salary and superannuation);
- Variable remuneration including short term incentives (STI).

The proportion of fixed remuneration and variable remuneration for each executive is set out below.

Fixed Remuneration

Objective

Fixed remuneration is reviewed annually by the Remuneration Committee. The process consists of a review of the Group, business unit and individual performance, relevant comparative remuneration from external and internal sources and where appropriate, external advice on policies and practices. As noted above, the Committee has access to external advice independent of management.

Structure

Executives are given the opportunity to receive their fixed remuneration in a variety of forms including cash and fringe benefits such as motor vehicles. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group.

Variable Remuneration – short term incentive (STI)

Objective

The objective of the STI program is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level so as to provide sufficient incentive to the executive to achieve their operational targets and that the cost to the Group is reasonable in the circumstances.

Structure

Actual STI payments granted to each executive depends on the extent to which specific targets set at the beginning of the financial year are met. The target consists of a number of key performance indicators (KPI's), covering financial and non-financial, corporate and individual measures of performance. Typically included are measures such as contribution to net profit after tax, customer service, risk management and leadership/team contribution. These measures were chosen as they represent the key drivers for the short term success of the business and provide a framework for delivering long term value.

The Group has predetermined benchmarks that must be met in order to trigger payments under the STI scheme. On an annual basis, after consideration of performance against KPI's, the Remuneration Committee, in line with their responsibilities, determine the amount, if any, of the STI to be paid to each executive. This process usually occurs within three months after the reporting date.

The aggregate of annual STI payments available for executives across the Group is subject to the approval of the Remuneration Committee. Payments made are delivered as a cash bonus in the following reporting period.

The Remuneration Committee has considered the STI entitlements for the 2014 financial year.

There was no alteration to the STI bonus plan for the year.

Remuneration Mix

The following table sets out the percentage of fixed and at-risk remuneration as a component of total available remuneration for those KMP who participate in the STI programme.

There are several key performance components to the STI which apply to the individual KMP. These are linked to financial goals, strategic objectives, and sustainable performance to name a few.

Name	**Title**	**% Fixed**	**% Variable (At-Risk)**
S Samaraweera	Head of Solution Sales	92%	8%
R Kumble	Chief Technical Officer	83%	17%
D Norton (Resigned 20 December 2013)	Operations Manager	90%	10%

Employment Contracts

All executives including the CEO have rolling contracts. The Group may terminate the executive's employment agreement by providing one month's written notice or providing payment in lieu of the notice period (based on the fixed component of the executive's remuneration). The Group may terminate the contract at any time without notice if serious misconduct has occurred.

Except for R Bose, D Norton (resigned 20 December 2013), D Stuart, M Gaylard, and R Kumble, the CEO and other executives provide their services via corporate entities rather than being employed directly by the Group.

Details of Remuneration

2014	SHORT-TERM EMPLOYEE BENEFITS		POST-EMPLOYMENT BENEFITS		CASH-BASED BONUS
KEY MANAGEMENT PERSONNEL	**CASH SALARY AND FEES $**	**CASH BONUS $**	**SUPER-ANNUATION [d] $**	**TOTAL $**	**PERCENTAGE**
Non-Executive Directors					
D Stuart	15,000	-	-	15,000	-
R Tanner	36,718	-	-	36,718	-
M Gaylard – Company Secretary	12,000	-	-	12,000	-
Sub-total Non-Executive Directors	**63,718**	**-**	**-**	**63,718**	**-**
Executive Directors					
V Ramayah [a] [c]	384,255	-	11,528	395,783	-
R Clarke [c]	81,383	-	-	81,383	-
Sub-total Executive Directors	**465,638**	**-**	**11,528**	**477,166**	**-**
Key Management Personnel					
S Samaraweera - Head of Solution Sales [b]	102,468	8,539	-	111,007	7.7%
R Kumble - Chief Technical Officer	150,577	-	12,803	163,380	-
D Norton – Operations Manager – Resigned 20 December 2013	61,403	4,270	1,970	67,643	6.32%
R Bose – Financial Controller	128,578	-	3,857	132,435	-
Sub-total Key Management Personnel	**443,026**	**12,809**	**18,630**	**474,465**	**-**
Total	**972,382**	**12,809**	**30,158**	**1,015,349**	**-**

a) Other than direct payments for services provided, no other benefits in the form of superannuation, incentives or share options were provided to the directors, with the exception of Mr V Ramayah (superannuation).

b) Payment to S Samaraweera is made via his incorporated entity CRM4Sight Ltd. CRM4Sight Ltd has an agreement with Medtech Limited to provide services for a remuneration of $111,007.

c) Mr V Ramayah and Mr R Clarke provide their services to Medtech Global Limited by way of a management agreement between Medtech Global Limited and Cereus Holdings Limited.

d) As New Zealand does not operate a compulsory (unless opted-in) employer superannuation scheme similar to Australia, payments to KMP as employees (where applicable) do not attract an equivalent superannuation cost, unless the employee elects in to a superannuation scheme.

2013	SHORT-TERM EMPLOYEE BENEFITS		POST-EMPLOYMENT BENEFITS		CASH-BASED BONUS
KEY MANAGEMENT PERSONNEL	**CASH SALARY AND FEES**	**CASH BONUS**	**SUPER-ANNUATION**	**TOTAL**	**PERCENTAGE**
	$	**$**	**$**	**$**	
Non-Executive Directors					
D Stuart	15,000	-	-	15,000	-
R Tanner	27,673	-	-	27,673	-
M Gaylard – Company Secretary	12,000	-	-	12,000	-
Sub-total Non-Executive Directors	**54,673**	**-**	**-**	**54,673**	**-**
Executive Directors					
V Ramayah	381,028	-	6,104	387,133	-
R Clarke	100,515	-	-	100,515	-
Sub-total Executive Directors	**481,543**	**-**	**6,104**	**487,647**	**-**
Key Management Personnel					
S Samaraweera - Head of Solution Sales	97,668	16,278	-	113,946	14.3%
R Kumble - Chief Technical Officer	150,000	-	13,500	163,500	-
S Crase - Chief Architect – Resigned 13 April 2012	17,623	-	1,586	19,209	-
A Carmody – General Manager (NZ) – Redundancy 26 October 2012	90,974	-	1,819	92,794	-
D Norton – Operations Manager - Joined 10 December 2012	22,539	-	451	22,990	-
R Bose – Financial Controller	122,085	-	2,442	124,527	-
Sub-total Key Management Personnel	**500,889**	**16,278**	**19,798**	**536,965**	**-**
Total	**1,037,105**	**16,278**	**25,902**	**1,079,285**	**-**

Group Performance

The table below demonstrates the performance of the Group over the five years ended 31 March:

	YEAR ENDED 31 MARCH				
	2014	**2013**	**2012**	**2011**	**2010**
Total revenue	16,649,422	11,814,110	9,660,418	10,926,323	9,317,426
Profit / (loss) before income tax	(3,263,453)	(792,746)	10,089	699,276	(894,268)
Net profit / (loss) for the year	(4,135,234)	(856,787)	(107,184)	161,224	(269,960)
Net profit / loss attributable to owners of the parent	(4,452,222)	(816,710)	(99,933)	154,601	(269,960)
Total KMP remuneration	1,015,349	1,079,285	1,206,585	1,118,997	993,838
Profit / (loss) per share (cents per share)	(4.13)	(0.85)	(0.10)	0.16	(0.27)

Service Agreements

As noted above, certain Key Management Personnel have an interest in Consultancy Services Agreements with the Group. All contracts can be terminated by either party with one month's notice. The interests for the year ended 31 March 2014 are as follows:

a) The management agreement between Medtech Global Limited and Cereus Holdings Limited for the services of Mr V Ramayah and Mr R Clarke commenced 1 November 2006 and makes provision for a remuneration of $395,783 for V Ramayah and $81,383 for Mr R Clarke.

b) Mr S Samaraweera via his company, CRM4Sight Ltd, has an agreement with Medtech Limited to provide services for a remuneration of $111,007.

c) Ms R Bose is an employee of Medtech Limited and her remuneration is $132,435 per annum.

d) Mr D Norton (resigned 20 December 2013) was an employee of Medtech Limited and his remuneration was $67,643 for the year.

e) Mr R Kumble is an employee of Medtech Healthcare Pty Limited and his remuneration is $163,380 per annum.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purposes of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company and/or Group are important.

Details of the amounts paid or payable to auditors for audit and non-audit services provided during the year can be located in note 7 of the financial statements.

The directors have considered the position and are satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors as imposed by the *Corporations Act 2001*.

The directors are satisfied that the provision of non-audit services, as set out below, did not compromise the auditor independence of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and

- none of the services undermine the general principles relating to auditor independence including reviewing or auditing the auditor's own work, acting in a management or a decision making capacity for the company and/or Group, acting as advocate for the company and/or Group, or jointly sharing economic risk and rewards.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 March 2014, as required under Section 307 of the *Corporations Act 2001*, has been received and can be found on page 17 of this report.

Signed in accordance with a resolution of the directors made pursuant to Section 298(2) of the *Corporations Act 2001*.

This report is made in accordance with a resolution of the directors.

Vino Ramayah

Executive Chairman

Melbourne, 26 June 2014

Auditor’s Declaration of Independence

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Auditor’s Independence Declaration to the Directors of Medtech Global Limited

In relation to our audit of the financial report of Medtech Global Limited for the financial year ended 31 March 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

Brumley

Don Brumley
Partner
26 June 2014

Independent Auditor’s Report

Building a better working world

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8 Exhibition Street
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Independent auditor's report to the members of Medtech Global Limited

Report on the financial report

We have audited the accompanying financial report of Medtech Global Limited, which comprises the consolidated statement of financial position as at 31 March 2014, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that 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 judgment, 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 controls relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal controls. 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*. We have given to the directors of the company a written Auditor’s Independence Declaration, a copy of which is included in the directors’ report.

Independent Auditor's Report

Opinion

In our opinion:

a. the financial report of Medtech Global Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 31 March 2014 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the remuneration report

We have audited the Remuneration Report included in pages 12 to 16 of the directors' report for the year ended 31 March 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Medtech Global Limited for the year ended 31 March 2014, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

Brumley

Don Brumley
Partner
Melbourne
26 June 2014

Declaration by Directors

In accordance with a resolution of the directors of Medtech Global Limited, we state that:

In the opinion of the directors:

1. The financial statements and notes of Medtech Global Limited for the financial year ended 31 March 2014 are in accordance with the *Corporations Act 2001*, including:

    a) giving a true and fair view of the Group's financial position as at 31 March 2014 and of its performance for the year ended on that date; and

    b) complying with Accounting Standards and the Corporations Regulations 2001; and

2. The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 1; and

3. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the directors by the Chief Executive Officer and the Financial Controller in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 31 March 2014.

On behalf of the board

Vino Ramayah

Executive Chairman

Melbourne, 26 June 2014

Russell Clarke

Executive Director

Melbourne, 26 June 2014

Statement of comprehensive income

For the year ended 31 March 2014

		CONSOLIDATED ENTITY	
		2014	2013
	NOTE	$	$
Revenue	**4**	16,649,422	11,814,110
Cost of sales		(890,891)	(413,414)
Finance costs	**5a**	(35,929)	(30,239)
Consulting fees		(2,692,732)	(2,057,558)
Impairment of Intangibles	**5**	(4,155,753)	-
Depreciation	**5b**	(242,180)	(306,116)
Amortisation of Intangibles	**14**	(988,920)	(720,417)
Recovery of bad debts		37,313	(54,941)
Employee benefits expenses	**5c**	(7,383,515)	(5,653,998)
Management fee to related party	**28**	(808,819)	(883,652)
Travelling expenses		(412,633)	(296,817)
Occupancy costs		(539,105)	(505,557)
IT support expenses		(466,265)	(304,037)
Telecommunication costs		(377,009)	(342,571)
Legal and statutory costs		(584,022)	(493,493)
Printing, stationery and postage		(291,620)	(209,003)
Other expenses		(80,795)	(335,043)
Profit / (Loss) before income tax expense		**(3,263,453)**	**(792,746)**
Income tax (expense) / credit	6	(871,781)	(64,041)
Net Profit / (Loss) for the year		**(4,135,234)**	**(856,787)**
Other comprehensive income			
Items that may be reclassified subsequently to Profit and Loss		**-**	**-**
Foreign currency translation gain / (loss)		**(156,588)**	**26,621**
Total comprehensive income / (loss) net of tax		**(4,291,822)**	**(830,166)**
Net profit / (loss) attributable to owners of the parent		**(4,452,222)**	**(816,710)**
Non-controlling interest		**316,988**	**(40,077)**
		(4,135,234)	**(856,787)**
Total comprehensive income / (loss) attributable to owners of the parent		**(4,608,810)**	**(790,089)**
Non-controlling interest		**316,988**	**(40,077)**
		(4,291,822)	**(830,166)**
From Operations			
Basic and diluted profit / (loss) per share (cents per share)	**8**	**(4.13)**	**(0.85)**

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

As at 31 March 2014

	NOTE	CONSOLIDATED ENTITY 2014 $	2013 $
CURRENT ASSETS			
Cash and cash equivalents	**9**	1,784,996	845,144
Trade and other receivables	**10**	2,354,892	1,315,213
Inventories	**11**	226,003	264,347
Income tax receivable	**6**	-	138,179
Other current assets	**15**	156,188	153,561
TOTAL CURRENT ASSETS		**4,522,079**	**2,716,444**
NON-CURRENT ASSETS			
Property, plant & equipment	**13**	623,010	486,038
Deferred tax asset	**6**	251,715	410,228
Intangible assets	**14**	7,774,065	12,801,250
TOTAL NON-CURRENT ASSETS		**8,648,790**	**13,697,516**
TOTAL ASSETS		**13,170,869**	**16,413,960**
CURRENT LIABILITIES			
Trade and other payables	**16**	3,272,815	2,176,687
Deferred revenue	**16d**	881,487	874,811
Interest bearing loans and borrowings	**17**	163,914	361,759
Provisions	**18**	531,778	480,753
Income tax payable		101,067	-
TOTAL CURRENT LIABILITIES		**4,951,061**	**3,894,010**
NON-CURRENT LIABILITIES			
Deferred revenue	**16d**	-	-
Deferred tax liability	**6**	118,946	169,279
Interest bearing loans and borrowings	**17**	287,562	349,563
Other non-current liabilities		64,095	157
TOTAL NON-CURRENT LIABILITIES		**470,603**	**518,999**
TOTAL LIABILITIES		**5,421,664**	**4,413,009**
NET ASSETS		**7,749,205**	**12,000,951**
EQUITY			
Contributed equity	**19**	48,929,120	48,929,120
Accumulated losses		(41,447,240)	(36,995,018)
Foreign currency translation reserve		(250,027)	(93,439)
Equity attributable to the owners of the parent		**7,231,853**	**11,840,663**
Non-controlling interest	**20**	517,352	160,288
TOTAL EQUITY		**7,749,205**	**12,000,951**

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

Statement of changes in equity

For the year ended 31 March 2014

	ORDINARY SHARE CAPITAL	ACCUMULATED LOSSES	FCTR[1]	OWNERS OF THE PARENT	NCI[2]	TOTAL EQUITY
Balance at 1 April 2012	**48,929,120**	**(36,178,308)**	**(120,060)**	**12,630,752**	**194**	**12,630,946**
Net Profit / (Loss) for the year	-	(816,710)	-	(816,710)	(40,077)	**(856,787)**
Other comprehensive income	-	-	26,621	26,621	-	**26,621**
Total comprehensive income	**-**	**(816,710)**	**26,621**	**(790,089)**	**(40,077)**	**(830,166)**
Non-Controlling Interest of Business Combination						
Minority share of pre-acquisition retained earnings	-	-	-	-	200,171	**200,171**
Balance at 31 March 2013	**48,929,120**	**(36,995,018)**	**(93,439)**	**11,840,663**	**160,288**	**12,000,951**
Net Profit / (Loss) for the year	-	(4,452,222)	-	(4,452,222)	316,988	**(4,135,234)**
Other comprehensive income	-	-	(156,588)	(156,588)	-	**(156,588)**
Total comprehensive income	**-**	**(4,452,222)**	**(156,588)**	**(4,608,810)**	**316,988**	**(4,291,822)**
Non-Controlling Interest of Business Combination						
Minority share of pre-acquisition retained earnings	-	-	-	-	40,076	**40,076**
Balance at 31 March 2014	**48,929,120**	**(41,447,240)**	**(250,027)**	**7,231,853**	**517,352**	**7,749,205**

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

[1] Foreign Currency Translation Reserve

[2] Non-Controlling Interest (NCI) represents 15% NCI in Medtech Global USA, LLC and 49.9% NCI in ConSova Corporation

Statement of cash flows

For the year ended 31 March 2014

		CONSOLIDATED ENTITY	
		2014	2013
	NOTE	$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		18,887,034	12,785,230
Payments to suppliers and employees		(16,640,638)	(11,758,829)
Interest received		17,879	12,160
Finance costs		(33,470)	(20,694)
Income tax paid		(354,665)	(408,227)
Net operating cash flows	**25(a)**	**1,876,140**	**609,640**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		(316,209)	(117,458)
Purchase of intangible assets		(198,526)	(615,315)
Disposal of property, plant & equipment		4,460	-
Net investing cash flows		**(510,275)**	**(732,773)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		267,446	211,616
Repayments of borrowings		(492,266)	(120,423)
Other		1,866	(506)
Payments for acquisition of business		(161,331)	(94,692)
Dividends paid		(41,728)	-
Net financing cash flows		**(426,013)**	**(4,005)**
Net increase/(decrease) in cash held		939,852	(127,138)
Cash at the beginning of the financial year		845,144	972,282
Cash and cash equivalents at the end of the financial year	**9**	**1,784,996**	**845,144**

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

Notes to the financial statements for the year ended 31 March 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Corporate Information

The consolidated financial report of Medtech Global Limited for the year ended 31 March 2014 was authorised for issue in accordance with a resolution of the directors on 26 June 2014.

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

Medtech Global Limited is a for profit company incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

This report is to be read in conjunction with any public announcements made by Medtech Global Limited during the reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and Australian Stock Exchange Listing Rules.

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

Basis of Preparation

This financial report includes results of the consolidated entity consisting of Medtech Global Limited and its controlled entities (the "Group").

Compliance with IFRS

The financial report complies with for-profit Australian Accounting Standards (AAS) and International Financial Reporting Standards (IFRS) as issued by the International Financial Reporting Standards Board.

Historical cost basis

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

Going Concern

Management recognise the trading loss for the period of $4,135,234 however it is noted this was after an impairment expense recognised of $4,155,753**.** Management also recognise a current asset deficiency of $428,982 at 31 March 2014. The board of directors believe that it is appropriate to continue to adopt the going concern assumption for the completion of these financial statements. Based on the recognition of positive operating cash flows for the period ending 31 March 2014, five year cash flow forecasts and a key shareholder providing a pledge of support, management are confident that the Company will be able to operate as a going concern for the next 12 months from the date that these financial statements have been approved.

Critical accounting estimates

The preparation of financial statements in conformity with AAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

Accounting Policies

a) Basis of consolidation

The consolidated financial statements are those of the consolidated entity, comprising the financial statements of the parent entity and of all entities which Medtech Global Limited controlled from time to time during the year and at balance date. Details of the controlled entities are contained in note 12.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses including any unrealised profits or losses, have been eliminated on consolidation.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities.

The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights, and when holding less than a majority voting rights may give control.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in subsidiaries held by Medtech Global Limited are accounted for at cost less any impairment losses in the separate financial statements of the parent entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition (see note (h).

Non-controlling interests not held by the Group are allocated their share of net profit after tax in the statement of comprehensive income (profit or loss) and are presented within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

b) Segment reporting

The Group has identified its operating segments based on the internal reports that are reviewed and used by the CEO in assessing performance and in determining the allocation of resources. The operating segments are geographic. A geographic segment is a distinguishable component of the entities that is engaged in providing products and services within a particular economic environment and is subject to its risks and returns.

c) Foreign currency transactions and balances

(i) Functional and presentation currency

The functional currency of each of the Group entities is the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, as this is the parent entity's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies of entities within the consolidated entity are translated into functional currency at the rate of exchange ruling at the date of the transaction.

Foreign currency monetary items that are outstanding at the reporting date (other than monetary items arising under foreign currency contracts where the exchange rate for that monetary item is fixed in the contract) are translated using the spot rate at the end of the financial year.

Resulting exchange differences arising on settlement or restatement are recognised as revenue and expenses for the financial year.

(iii) Translation of Group Companies functional currency to presentation currency

The results of the foreign subsidiaries are translated into Australian Dollars as at the date of each transaction. Assets and liabilities are translated at exchange rates prevailing at balance date.

Exchange variations resulting from the translation are recognised in the foreign currency translation reserve in Equity.

On consolidation, exchange differences arising from the translation of the net investment in New Zealand, USA and India subsidiaries are taken to the foreign currency translation reserve in Equity. If any of the foreign subsidiaries were sold, the proportionate share of the exchange difference would be transferred out of Equity and recognised in the statement of comprehensive income (profit or loss).

d) Revenue

Revenue is recognised and measured at fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue from the provision of services to a customer is recognised upon delivery of the service. Certain clients may be invoiced in advance of provision of services and this amount is recognised as a liability until the service is performed. Revenue from the sale of rights to use the products (license) is recognised when the license is delivered.

ConSova Corporation's revenue from over-payment claims services is recognised on an achievement of milestone basis when the services have been provided and the over-payments have been identified for the customer.

Revenue from software contracts is recognised when milestones and / or specific deliverables are met. The milestones and / or specific deliverables generally mirror the software development life cycle.

Interest revenue is recognised as interest accrues using the effective interest method.

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

e) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the statement of comprehensive income (profit or loss) over the period necessary to match them on a systematic basis to the costs that they are intended to compensate.

Government grants relating to purchase of property, plant and equipment, except for R & D Grants, are included in non-current liabilities as deferred income and are released to the statement of comprehensive income (profit or loss) on a straight-line basis over the expected useful life of the asset.

R & D Grants are credited to Other Income when expected to be received in cash.

f) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

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

- when the taxable temporary difference is associated with investments in subsidiaries, associates or interest in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, 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 credits and unused tax losses can be utilised, except:

- when 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.

- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

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.

Unrecognised deferred income tax assets is reviewed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

g) Hire purchase and leased assets

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement and require an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases of property, plant and equipment where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership that are transferred to entities in the consolidated entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability equal at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease assets are depreciated on a diminishing-value basis over their estimated useful lives.

Operating lease payments are recognised as an expense in the statement of comprehensive income (profit or loss) on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

h) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of AASB 139 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised either in either profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of AASB 139, it is measured in accordance with the appropriate AASB. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

i) Impairment of intangible assets other than goodwill

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

j) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of 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. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

k) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in the statement of comprehensive income (profit or loss) when the trade and other receivables are de-recognised or impaired. These are included in current assets, except for those with maturities greater than 12 months after the reporting date, which are classified as non-current assets.

Trade receivables which generally have 30-60 day terms are carried at original invoice amount, less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis at an operating unit level. Individual debts that are known to be uncollectible are written off when identified. An impairment allowance is recognised when there is objective evidence that the Group will not be able to collect the receivable.

Financial difficulties of the debtor and / or default payments are considered objective evidence of impairment.

l) Inventories

Inventories include database licences and are stated at the lower of cost and net realisable value.

Cost comprises direct materials and related transportation costs in bringing each product to its present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

m) Investments in controlled entities

Shares in controlled entities are measured at cost less any impairment losses.

n) Property, plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, where applicable.

The carrying amount of plant and equipment is reviewed for impairment annually for events or changes in circumstances that indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are written down to their recoverable amount. Impairment losses are recognised in the statement of comprehensive income (profit or loss).

Depreciation

The depreciable amount of plant and equipment are depreciated on a diminishing value basis over their estimated useful lives commencing from the time the asset is held ready for use.

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

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

Plant and equipment	10%-60%
Leased plant and equipment	40%-50%

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted (if appropriate), at each financial year end.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount. Gains or losses are recognised in the statement of comprehensive income (profit or loss).

All repairs and maintenance are recognised in the statement of comprehensive income (profit or loss) as incurred.

De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal.

o) Goodwill and intangibles

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at the amount recognised at acquisition date less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

Goodwill is not amortised but is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses. Impairment is determined by assessing the recoverable amount of the cash generating unit to which the goodwill relates.

When the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a cash-generating unit and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Impairment losses recognised for goodwill are not subsequently reversed.

Intangibles

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the statement of comprehensive income (profit or loss) in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is accounted for as a change in accounting estimate.

The intangible assets amortisation methods, useful lives, and residual values are reviewed and adjusted (if appropriate) at each financial year end.

Licences

Licences are initially brought to account at cost of acquisition and are amortised over the period in which their benefits are expected to be realised. The balances are reviewed annually and any balance representing future benefits for which realisation is no longer probable, are written off. Licences are amortised on a straight-line basis over the period of its useful life of eight years. Amortisation commences from the time of the first binding contract to sell the product is signed.

Research and development

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditures that do not meet these criteria are recognised as an expense when incurred.

Capitalised development costs recorded as intangible assets are amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, which varies from 2.5 to 10 years.

Capitalised development costs are carried at cost less accumulated amortisation less impairments. The carrying value of an intangible asset arising from development expenditure is tested for impairment annually when the asset is not yet available for use or more frequently when an indication of impairment arises during the reporting period. Impairment is determined when the expected discounted future cash flows (recoverable amount) is less than its carrying value. Impairment is recognised as soon as it is determined.

Customer relationships

Customer relationships have finite useful lives and are amortised over a 13 year period and this expense is taken to the statement of comprehensive income (profit or loss).

ConSova Corporation's customer relationships have finite useful lives and are amortised over a three year period and this expense is taken to the statement of comprehensive income (profit or loss). If the asset is impaired, a reassessment of the useful life will occur

Software and development costs

Software predominantly represents cost of development of Medtech Evolution and is amortised over eight years from the time the software becomes commercially available.

Capitalised development costs are carried at cost less accumulated amortisation less impairments. The carrying value of an intangible asset arising from development expenditure is tested for impairment annually when the asset is not yet available for use or more frequently when an indication of impairment arises during the reporting period. Impairment is determined when the expected discounted future cash flows (recoverable amount) is less than its carrying value. Impairment is recognised as soon as it is determined.

p) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

q) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at fair value, less directly attributable transaction costs incurred. Interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income (profit or loss) over the period of the borrowings using the effective interest method.

Interest bearing loans and borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Borrowing costs are recognised as an expense when incurred. The Group does not currently hold qualifying assets but if it did, the borrowing costs directly associated with this asset would be capitalised (including any other associated costs directly attributable to the borrowing).

r) Defered Revenue

Annual maintenance fees are charged against customers, except if customers pay in advance of more than one year. Maintenance fees are deferred and recognised as income in the statement of comprehensive income (profit or loss) on a straight line basis over the contractual period.

s) Provisions

Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee benefits expected to be settled within 12 months of the reporting date are measured at their nominal amounts, based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

Defined contribution superannuation schemes

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

t) 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, for example, 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 statement of comprehensive income (profit or loss) and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at balance date.

v) Earnings per share

Basic Loss / Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to members of the Group, 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 loss / Earnings per share

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

w) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part 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 taxation authority is presented as an operating cash flow.

Cash flows are presented on a gross basis. The GST components of cash flow arising from investing or financing activities, which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

Commitment and contingencies are disclosed net of the amount of GST recoverable from or payable to the taxation authority.

x) Comparative figures

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

y) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 March 2014 reporting period. The Group's assessment of the impact of these new standards and interpretations is that they have no material impact for financial reporting purposes. These are detailed in the table below:

Reference	Title	Summary	Application date of standard	Application date for Group
AASB 1053	Application of Tiers of Australian Accounting Standards	This standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements: a. Tier 1: Australian Accounting Standards b. Tier 2: Australian Accounting Standards - Reduced	1 July 2013	1 April 2014

Reference	Title	Summary	Application date of standard	Application date for Group
		Disclosure Requirements Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements. The following entities apply Tier 1 requirements in preparing general purpose financial statements: a. For-profit entities in the private sector that have public accountability (as defined in this standard) b. The Australian Government and State, Territory and Local governments The following entities apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements: a. For-profit private sector entities that do not have public accountability b. All not-for-profit private sector entities c. Public sector entities other than the Australian Government and State, Territory and Local governments. Consequential amendments to other standards to implement the regime were introduced by AASB 2010-2, 2011-2, 2011-6, 2011-11, 2012-1, 2012-7 and 2012-11.		
AASB 2011-4	Amendments to Australian Accounting Standards to *Remove Individual Key Management Personnel Disclosure Requirements* [AASB 124]	This amendment deletes from AASB 124 individual key management personnel disclosure requirements for disclosing entities that are not companies. It also removes the individual KMP disclosure requirements for all disclosing entities in relation to equity holdings, loans and other related party transactions.	1 July 2013	1 April 2014
AASB 2012-3	Amendments to Australian Accounting Standards - *Offsetting Financial Assets and Financial Liabilities*	AASB 2012-3 adds application guidance to AASB 132 *Financial Instruments: Presentation* to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1 January 2014	1 April 2014
AASB 9	*Financial Instruments*	AASB 9 includes requirements for the classification and measurement of financial assets. It was further amended by AASB 2010-7 to reflect amendments to the accounting for financial liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below. a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. c. Financial assets can be designated and measured at fair value through profit or loss at	1 January 2018	1 April 2018

Reference	Title	Summary	Application date of standard	Application date for Group
		initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. d. Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: ► The change attributable to changes in credit risk are presented in other comprehensive income (OCI) ► The remaining change is presented in profit or loss If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7 and 2010-10. The AASB issued a revised version of AASB 9 (AASB 2013-9) during December 2013. The revised standard incorporates three primary changes: 1. New hedge accounting requirements including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures; 2. Entities may elect to apply only the accounting for gains and losses from own credit risk without applying the other requirements of AASB 9 at the same time; and 3. In February 2014, the IASB tentatively decided that the mandatory effective date for AASB 9 will be 1 January 2018.		
Annual Improvements 2010–2012 Cycle	Annual Improvements to IFRSs 2010–2012 Cycle	This standard sets out amendments to International Financial Reporting Standards (IFRSs) and the related bases for conclusions and guidance made during the International Accounting Standards Board's Annual Improvements process. These amendments have not yet been adopted by the AASB. The following items are addressed by this standard: ► IFRS 2 - Clarifies the definition of 'vesting conditions' and 'market condition' and introduces the definition of 'performance condition' and 'service condition'. ► IFRS 3 - Clarifies the classification requirements for contingent consideration in a business combination by removing all references to IAS 37. ► IFRS 8 - Requires entities to disclose factors used to identify the entity's reportable segments when operating segments have been aggregated. An entity is also required to provide a reconciliation of total reportable segments' asset t the entity's assets. ► IAS 16 & IAS 38 - Clarifies that the determination of accumulated depreciation does not depend on the selection of the valuation technique and that it is calculated as the difference between the gross and net carrying amounts. ► IAS 24 - Defines a management entity providing KMP services as a related party of the reporting entity. The amendments added an exemption from the detailed disclosure requirements in paragraph	1 July 2014	1 April 2015

Reference	Title	Summary	Application date of standard	Application date for Group
		17 of IAS 24 for KMP services provided by a management entity. Payments made to a management entity in respect of KMP services should be separately disclosed.		
Annual Improvements 2011–2013 Cycle	Annual Improvements to IFRSs 2011–2013 Cycle	This standard sets out amendments to International Financial Reporting Standards (IFRSs) and the related bases for conclusions and guidance made during the International Accounting Standards Board's Annual Improvements process. These amendments have not yet been adopted by the AASB. The following items are addressed by this standard: ► IFRS 13 - Clarifies that the portfolio exception in paragraph 52 of IFRS 13 applies to all contracts within the scope of IAS 39 or IFRS 9, regardless of whether they meet the definitions of financial assets or financial liabilities as defined in IAS 32. ► IAS 40 - Clarifies that judgment is needed to determine whether an acquisition of investment property is solely the acquisition of an investment property or whether it is the acquisition of a group of assets or a business combination in the scope of IFRS 3 that includes an investment property. That judgment is based on guidance in IFRS 3.	1 July 2014	1 April 2015

Other than as noted below, the Group has not elected to early adopt any other new or amended Standards or Interpretations that are issued but not yet effective, as described below.

The AASB issued AASB 2013-3 Amendments to AASB 136 – Recoverable Amounts Disclosures for Non-Financial Assets. AASB 2013-3 amends the disclosure requirements in AASB 136 Impairment of Assets. The amendments addressed certain unintended consequences arising from consequential amendments made to AASB 136 when AASB 13 was issued. Although the mandatory effective date for application of the amendments is for annual periods beginning on or after 1 January 2014 (and hence not applicable to the Group until 1 April 2014), the Group has elected to early adopt it in these financial statements. There was no impact on the financial statements.

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are based on past performance and management's expectation for the future.

The Group makes certain estimates and assumptions concerning the future, which, by definition, will seldom represent actual results. The estimates and assumptions that have a significant inherent risk in respect of estimates based on future events which could have a material impact on the assets and liabilities in the next financial year are discussed below:

(a) Estimated impairment of goodwill / intangibles

Goodwill and intangible assets are allocated to cash-generating units (CGU's) according to applicable business operations. The recoverable amount of a CGU is based on value-in-use calculations. These calculations are based on projected cash flows approved by management covering a period not exceeding five years. Management's determination of cash flow projections and gross margins are based on past performance and its expectation for the future. Refer to note 14 for further details of the assumptions used.

(b) Development costs of Evolution 2.0

The majority of development costs included as intangible assets in the statement of financial position relates to Evolution 2.0. Evolution 2.0 has successfully complete beta testing phase and has been released to market. The Group has started amortising Evolution 2.0 over eight years effective October 2013. This period of eight years is determined by management based on its past experience and market conditions for companies in the software industry.

(c) Estimation of useful lives of intangible assets

The determination of useful lives of finite life intangible assets is based upon the period over which the finite life intangible asset is expected to generate cash flows.

(d) Revenue recognition on software development and installation contracts

Revenue from software contracts is recognised when milestones and / or specific deliverables are met. The milestones and / or specific deliverables generally mirror the software development life cycle. The management exercises judgement in matching the software development life cycle as closely as possible to clients' requirements.

(e) Income taxes

Income tax benefits are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(f) Comparative information

Where appropriate, the comparative items for the previous financial year have been reclassified to conform to the current year's presentation. Such reclassifications did not affect net income or equity.

NOTE 3: FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of cash and short-term deposits with banks, accounts receivable and payable, and finance leases. The main purpose of non-derivative financial instruments is to raise finance for Group operations.

The Group does not have any derivative instruments.

The board reviews and agrees policies for each of these risks as summarised below.

Interest rate risk

At balance date, the Group had the following mix of financial assets and liabilities exposed to Australian / New Zealand variable interest rate risk that are not designated in cash flow hedges:

	CONSOLIDATED ENTITY	
	2014	**2013**
	$	**$**
Financial Assets		
Interest bearing deposits	790,586	574,359
	790,586	**574,359**
Financial Liabilities		
Finance lease liabilities	8,974	88,763
Borrowings	442,502	622,559
	451,476	**711,322**
Net exposure	**339,110**	**(136,963)**

The Group's policy is to manage its finance costs using a mix of fixed and variable rate debt. The Group's policy is to maintain a minimum of between 40-50% of its borrowings at fixed rates which are carried at amortised cost and it is acknowledged that fair value exposure is a by-product of the Group's attempt to manage its cash flow volatility arising from interest rate changes. Given the economic environment, the Group has 100% (2013: 100%) of its borrowings at fixed rates.

The Group constantly analyses its interest rate exposure. Within this analysis, consideration is given to potential renewals of existing positions, alternative financing, and the mix of fixed and variable interest rates.

	EFFECT ON PROFIT BEFORE TAX: INCREASE / (DECREASE)		EFFECT ON EQUITY: INCREASE / (DECREASE)	
	2014	**2013**	**2014**	**2013**
	$	**$**	**$**	**$**
Consolidated entity				
+0.75% (75 basis points)	758	1,768	531	1,237
-0.10% (10 basis points)	(10)	(24)	(7)	(16)

Interest rate risk sensitivity analysis

The above table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate cash and borrowings). The same assumptions have been used for the years ended 2014 and 2013.

Foreign currency risk

The Group has significant operations in New Zealand and the Group's statement of financial position can be affected by movements in the NZD/AUD and NZD/USD exchange rates. The Group seeks to mitigate the effect of any foreign currency exposure by borrowing in AUD.

The Group has minimal transactional currency exposures. The transactions represent periodic maintenance and support charges. Such exposure arises from sales or purchases by an operating entity in currencies other than the functional currency. As at 31 March 2014, the Group's exposure to foreign currency trade receivables that is not designated in cash flow hedges amounted to:

Canadian Dollars:	AUD 5,256	(2013: AUD 5,256)
United States Dollars:	AUD 12,222	(2013: AUD 15,555)
Euros:	AUD 8,856	(2013: AUD 1,449)

At 31 March 2014, the Group had no significant committed foreign currency purchases.

Currency risk sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in US Dollar, Canadian Dollar, and Euros, with all other variables held constant, of the Group's profit before tax (due to changes in the value of monetary assets and liabilities not held in the entities' functional currency, assuming year end levels of such items are held constant), and of the Group's equity due to changes in value of year end net assets held by non-AUD functional currency entities.

	EFFECT ON PROFIT BEFORE TAX: INCREASE / (DECREASE)		OTHER COMPREHENSIVE INCOME: INCREASE / (DECREASE)	
	2014	2013	2014	2013
	$	$	$	$
Consolidated Entity				
+2% AUD to USD (2013:+2%)	(240)	(305)	-	-
-2% AUD to USD (2013:-2%)	249	317	-	-
+2% AUD to Euro (2013:+2%)	(103)	(103)	-	-
-2% AUD to Euro (2013:-2%)	107	107	-	-
+2% AUD to CAD (2013:+2%)	(174)	(28)	-	-
-2% AUD to CAD (2013:-2%)	181	30	-	-

Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and its subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

The Group manages liquidity risk by forecasting and monitoring cash flows on a continuing basis.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and intercompany loans.

The Group's policy is that no more than 50% of borrowings should mature in any 12 month period. At 31 March 2014, 37% (2013: 51%) of the Group's debt will mature in less than one year.

The table below reflects all contractually fixed pay-offs and receivables for settlement, repayments and interest resulting from recognised financial assets and liabilities. The respective undiscounted cash flows for the respective upcoming fiscal years for other obligations are presented.

The remaining contractual maturity of the Group's / consolidated entity's financial liabilities are:

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
6 months or less	3,888,583	2,766,996
+6-12 months	79,924	252,203
+1-5 years	287,562	349,563
Over 5 years	-	-
	4,256,069	**3,368,762**

The maturity analysis of financial assets / liabilities based on management's expectations is shown in the table below.

The risk implied from the values shown in the table below reflects a balanced view of cash inflows and outflows. Leasing obligations, trade payables and other financial liabilities mainly originate from the financing of assets used in ongoing operations such as property, plant, equipment and investments in working capital (e.g. trade receivables). These assets are considered in the Group's overall liquidity risk.

YEAR ENDED 31 MAR 2014	NOTE	≤ 6 MONTHS $	6-12 MONTHS $	1-5 YEARS $	> 5 YEARS $	TOTAL $
Consolidated Entity						
Financial Assets						
Cash & cash equivalents (S&P A+ rating)	**9**	1,784,996	-	-	-	1,784,996
Trade & other receivables	**10**	2,354,892	-	-	-	2,354,892
		4,139,888	**-**	**-**	**-**	**4,139,888**
Consolidated Entity						
Financial Liabilities						
Trade, other payables & provisions	**16 & 18**	(3,804,593)	-	-	-	(3,804,593)
Interest bearing loans & borrowings	**17**	(83,990)	(79,924)	(287,562)	-	(451,476)
		(3,888,583)	**(79,924)**	**(287,562)**	**-**	**(4,256,069)**
Net maturity		**251,305**	**(79,924)**	**(287,562)**	**-**	**(116,181)**

YEAR ENDED 31 MAR 2013	NOTE	≤ 6 MONTHS $	6-12 MONTHS $	1-5 YEARS $	> 5 YEARS $	TOTAL $
Consolidated Entity						
Financial Assets						
Cash & cash equivalents (S&P A+ rating)	**9**	845,114	-	-	-	845,114
Trade & other receivables	**10**	1,315,213	-	-	-	1,315,213
		2,160,327	**-**	**-**	**-**	**2,160,327**
Consolidated Entity						
Financial Liabilities						
Trade, other payables & provisions	**16 & 18**	(2,657,440)	-	-	-	(2,657,440)
Interest bearing loans & borrowings	**17**	(109,556)	(252,203)	(349,563)	-	(711,322)
		(2,766,996)	**(252,203)**	**(349,563)**	**-**	**(3,368,762)**
Net maturity		**(606,669)**	**(252,203)**	**(349,563)**	**-**	**(1,208,435)**

Fair value

The methods for estimating fair value are outlined in the relevant notes to the financial statements.

Credit risk

Credit risk arises from the financial assets of the Group, which comprises cash and cash equivalents and trade and other receivables. The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount net of any allowances for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. Exposure at reporting date is addressed in each applicable note.

The Group trades only with recognised, creditworthy third parties and as such, collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant as a percentage of sales.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without specific approval from management.

The equivalent S&P rating of the financial assets represents that rating of the counterparty with whom the financial asset is held rather than the rating of the financial asset itself.

NOTE 4: REVENUE AND OTHER INCOME

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
Sale of goods & services	16,613,024	11,801,246
Interest	16,522	12,864
Other income	19,876	-
Total revenue	**16,649,422**	**11,814,110**

NOTE 5: EXPENSES

		CONSOLIDATED ENTITY	
		2014	2013
	NOTE	$	$
(a) Finance costs:			
External		19,758	17,923
Related parties		16,171	12,316
Total finance costs		**35,929**	**30,239**
(b) Depreciation, amortisation, and impairment:			
Depreciation			
On plant & equipment	13	208,435	241,421
On leased plant & equipment	13	33,745	64,695
Total depreciation		**242,180**	**306,116**
Impairment of intangible assets			
On development costs	14	84,906	-
On software	14	30,000	13,063
On goodwill	14	32,468	-
On customer relations	14	3,992,549	-
On trademarks and licenses	14	15,830	-
Total Impairment		**4,155,753**	**13,063**
Amortisation of intangible assets			
On capitalised development costs	14	233,341	-
On customer relations	14	755,579	707,354
Total Amortisation		**988,920**	**707,354**
Total depreciation, amortisation, and impairment		**5,443,364**	**1,026,533**
(c) Employee benefits expenses:			
Direct staff benefits		6,855,596	5,312,204
Defined contribution plans		211,945	125,766
Other staff related expenses		315,974	216,028
Total employee benefits expenses		**7,383,515**	**5,653,998**
(d) Expense on operating leases:			
Lease payments		651,131	497,180
Total expense on operating leases		**651,131**	**497,180**

NOTE 6: INCOME TAX EXPENSE

	CONSOLIDATED ENTITY 2014 $	2013 $
a) The components of income tax expense comprise:		
Current tax	629,568	(7,806)
Adjustments in respect of current income tax of previous years	134,033	(81,912)
Relating to origination and reversal of timing differences including brought forward tax losses	108,180	153,759
	871,781	**64,041**
b) Numerical reconciliation between aggregate tax expense recognised in Comprehensive Income and tax expense calculated per statutory income tax rate:		
Profit / (loss) from operations	(3,263,453)	(792,746)
Prima facie tax payable on loss from ordinary activities before income tax - Australia (30%), New Zealand (28%), India (31%), USA (30%)	(988,577)	(402,713)
Adjust: tax effects of permanent differences arising from:		
Legal fees	8,749	14,398
Entertainment	1,008	6,965
Fines and penalties	66	223
Impairment of intangibles	1,246,726	-
Amortisation of intangibles	253,294	365,970
ASX fees and annual report expenses	1,666	419
Unrealised forex gains and losses	(14,907)	27,950
Other	55,159	(179,726)
Adjustments in respect of current income tax of previous years	134,033	(81,912)
Impairment of investment	66,384	158,708
Relating to origination and reversal of timing differences including brought forward tax losses	108,180	153,759
Income Tax reported in the consolidated income statement	**871,781**	**64,041**
c) Recognised deferred tax assets and liabilities:		
Opening balance	240,949	405,928
Net Credited / (charged) to profit or loss	(108,180)	(164,979)
Closing balance	**132,769**	**240,949**
Gross Deferred Tax Asset	251,715	410,228
Gross Deferred Tax Liability	(118,946)	(169,279)
	132,769	**240,949**
Deferred Tax Asset		
Depreciation	-	-
Prepaid revenue	435,831	618,428
Employee provisions	461,556	438,542
Debt provisions	16,836	85,570
Foreign currency gains & losses	(4,412)	40,582
Amortisation of customer relationships	-	125,383
Brought forward loss	-	93,165
Total Temporary Differences	909,811	1,401,670
Deferred Tax Asset	**251,715**	**410,228**
Deferred Tax Liabilities		
Depreciation	(31,661)	(38)
Identifiable intangibles	(337,570)	(564,223)
Accrued expenses	-	-
Total Temporary Differences	(369,231)	(564,261)
Deferred Tax Liabilities	**(118,946)**	**(169,279)**

NOTE 6: INCOME TAX EXPENSE (CONT'D)

Tax consolidation

(i) Members of the tax consolidated group and the tax sharing arrangement

The Group's New Zealand based entities Medtech Ltd & MGL Capital Ltd have formed the only tax consolidated group within the business. The tax consolidated group is effective from 1 June 2008. MGL Capital Ltd is the head entity of this tax consolidated group. Under the New Zealand tax rules the members of the tax consolidated group assume income tax liabilities of the tax consolidated group should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

(ii) Tax effect accounting by members of the tax consolidated group

All entities within the Group continue to account for their own current and deferred tax amounts in relation to unused tax losses and timing differences. The current and deferred tax amounts are measured in a systematic manner that is consistent with the broad principles in AASB 112 Income Taxes.

NOTE 7: AUDITOR'S REMUNERATION

	CONSOLIDATED ENTITY	
	2014	**2013**
	$	**$**
Audit Services		
Auditor of the consolidated entity:		
Ernst & Young	142,601	139,829
Other auditors of subsidiaries:		
V. Narayanan & Co.	3,675	460
	146,276	**140,289**
Non-Audit Services		
Ernst & Young - Taxation & other services	41,299	68,601
Other auditors of subsidiaries:		
V. Narayanan & Co.	946	948
	42,245	**69,549**

NOTE 8: EARNINGS / (LOSS) PER SHARE

	CONSOLIDATED ENTITY	
	2014	**2013**
	$	**$**
Earnings / (losses) used in calculating earnings / (losses) per share:		
a) For basic earnings / (loss) per share:		
Net profit / (loss) from operations attributable to ordinary equity holders	(4,135,234)	(856,787)
Net losses used to calculate basic EPS	(4,135,234)	(856,787)
b) For diluted earnings / (loss) per share	(4.13) cents	(0.85) cents
There are no dilutive instruments, therefore diluted earnings / (loss) per share is the same as basic earnings / (loss) per share.		
	No. of Shares	**No. of Shares**
c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	100,248,061	100,248,061

NOTE 9: CASH AND CASH EQUIVALENTS

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
Cash at bank and in hand	994,411	270,785
Short-term bank deposits	790,585	574,359
	1,784,996	**845,144**

The effective interest rate on short-term deposits was 2.45% (2013: 2.75%) and these deposits have an average maturity of 90 days.

Refer note 25(a) for reconciliation of net profit after tax to net cash flow from operations.

NOTE 10: TRADE AND OTHER RECEIVABLES

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
Trade receivables	2,413,516	1,402,716
Allowance for impairment of receivables	(58,624)	(87,503)
	2,354,892	**1,315,213**

(a) Allowance for impairment loss

Trade receivables are non-interest bearing and are generally on 30-60 day terms. An allowance for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. The impairment written back in 2014 was $37,313 (2013: loss $54,941). These amounts have been included in the statement of comprehensive income (profit or loss).

Movements in the allowance for impairment loss were as follows:

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
At 1 April	87,503	56,885
Amounts written back / recovered	(37,313)	(24,323)
Charge for the year	8,434	54,941
At 31 March	**58,624**	**87,503**

At 31 March, the ageing analysis of trade receivables is as follows:

CONSOLIDATED ENTITY	TOTAL	1-30 DAYS	31-60 DAYS	61-90 DAYS	+91 DAYS
2014	2,354,892	2,074,358	123,746	37,338	119,450
2013	1,315,213	1,196,259	43,204	18,349	57,401

Other balances within trade and other receivables do not contain impaired assets and are not past due. It is expected that these other balances will be received when due.

At the reporting date, the directors have reviewed the carrying value of trade receivables to determine whether there is any indication that those assets have been impaired. No amount in 2014 has been written off against trade receivables (2013: $Nil).

NOTE 10: TRADE AND OTHER RECEIVABLES (CONT'D)

(b) Fair value and credit risk

Due to the short term nature of these receivables, their carrying value is assumed to approximate to their fair value.

The maximum exposure to credit risk is the carrying amount of receivables. Collateral is not held as security, nor is it the Group's policy to transfer (on-sell) receivables to special purpose entities.

(c) Foreign exchange and interest rate risk

Details regarding foreign exchange and interest rate risk exposure are disclosed in note 3.

NOTE 11: INVENTORIES

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
Work In Progress	147,616	167,749
Vitelmed equipment	78,387	96,598
	226,003	**264,347**

NOTE 12: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%) 2014	2013
Parent Entity			
Medtech Global Ltd	Australia		
Subsidiaries of Medtech Global Ltd			
AHTL Pty Ltd	Australia	100	100
Medtech Healthcare Pty Ltd	Australia	100	100
Medtech Limited	New Zealand	100	100
Manage My Health Pty Ltd	Australia	100	100
VitelMed Pty Limited	Australia	100	100
Compudoc Medical Pty Limited	Australia	100	100
DGS Artslet Pty Limited	Australia	100	100
MGL Capital Ltd	New Zealand	100	100
VitelMed Limited	New Zealand	100	100
Medtech Global Limited (NZ)	New Zealand	100	100
Medtech India Pvt Limited	India	100	100
Medtech Holdings USA, Inc.	USA	100	100
Medtech Global USA, LLC	USA	85	85
ConSova Corporation	USA	50.1	51.6

All companies have a financial year end of 31 March except ConSova Corporation, which has a financial year end of 31 December.

Medtech Holdings USA, Inc.'s controlling interest in ConSova Corporation decreased, as a result of the non-controlling interest in ConSova Corporation increasing to 49.9% from 48.4%, with Mr Don Warriner acquiring a 1.5% interest in the company from Medtech Holdings USA, Inc. in April 2013.

NOTE 13: PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
PLANT AND EQUIPMENT		
At cost	1,609,882	2,480,252
Accumulated depreciation	(1,024,385)	(2,055,818)
	585,497	**424,434**
LEASED PLANT AND EQUIPMENT		
At cost	276,497	421,452
Accumulated depreciation	(238,984)	(359,848)
	37,513	**61,604**
Balance at the end of year	**623,010**	**486,038**

(a) Movements in Carrying Amounts

Movements in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	PLANT & EQUIPMENT	LEASED PLANT & EQUIPMENT	TOTAL
	$	$	$
Consolidated Entity			
Year Ended 31 March 2013			
Balance at the beginning of year	425,468	121,360	546,828
Additions / (Disposals)	240,387	4,939	245,326
Depreciation expense	(241,421)	(64,695)	(306,116)
Carrying Amount 31 March 2013	**424,434**	**61,604**	**486,038**
Year Ended 31 March 2014			
Balance at the beginning of year	424,434	61,604	486,038
Additions / (Disposals)	369,498	9,654	379,152
Depreciation expense	(208,435)	(33,745)	(242,180)
Carrying Amount 31 March 2014	**585,497**	**37,513**	**623,010**

The leased assets are pledged as security. Refer to note 17d.

NOTE 14: INTANGIBLE ASSETS

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
Goodwill		
Cost	2,059,207	2,059,207
Accumulated amortisation and impairment losses	(1,946,370)	(1,857,391)
Net carrying value	**112,837**	**201,816**
Customer Relationships		
Cost	12,652,130	12,652,130
Accumulated amortisation and impairment losses	(8,510,010)	(3,761,882)
Net carrying value	**4,142,120**	**8,890,248**
Trademarks and Licenses		
Cost	6,502,365	6,480,825
Accumulated amortisation and impairment losses	(6,483,359)	(6,467,529)
Net carrying value	**19,006**	**13,296**
Software		
Cost	1,281,833	1,281,833
Accumulated amortisation and impairment losses	(1,281,833)	(1,251,833)
Net carrying value	**-**	**30,000**
Development costs		
Cost	6,100,614	5,948,155
Accumulated amortisation and impairment losses	(2,600,512)	(2,282,265)
Net carrying value	**3,500,102**	**3,665,890**
Total Intangible Assets	**7,774,065**	**12,801,250**

Reconciliation of the carrying amounts of intangible assets at the beginning / end of the financial year.

	OPENING BALANCE $	ADDITIONS $	AMORTISATION $	IMPAIRMENT $	CLOSING BALANCE $
Consolidated Entity					
Year ended 31 March 2014					
Goodwill	201,816	-	-	(88,979)*	112,837
Customer relationships	8,890,248	-	(755,579)	(3,992,549)	4,142,120
Software	30,000	-	-	(30,000)	-
Development costs	3,665,890	152,459	(233,341)	(84,906)	3,500,102
Trademarks & Licenses	13,296	21,540	-	(15,830)	19,006
	12,801,250	**173,999**	**(988,920)**	**(4,212,264)**	**7,774,065**

* This amount includes $56,511 of tax adjustment relating to goodwill.

NOTE 14: INTANGIBLE ASSETS (CONT'D)

	OPENING BALANCE $	ADDITIONS $	AMORTISATION $	IMPAIRMENT $	CLOSING BALANCE $
Year ended 31 March 2013					
Goodwill	32,556	169,260	-	-	201,816
Customer relationships	9,163,582	434,020	(707,354)	-	8,890,248
Software	30,000	-	-	-	30,000
Development costs	3,162,957	515,996	(13,063)	-	3,665,890
Trademarks & Licenses	13,296	-	-	-	13,296
	12,402,391	**1,119,276**	**(720,417)**	**-**	**12,801,250**

Intangible assets, other than Goodwill and certain software, have a finite life.

Customer relationships are continuing to be amortised over a 20 year period. The remaining amortisation period is 13 years. ConSova Corporation's customer relationships are being amortised over a three year period. Software balance of $30,000 has been fully impaired this year.

Where the asset is available for use, development costs are amortised over 2.5 years to 10 years and are charged as an amortisation expense to the statement of comprehensive income (profit or loss).

For further information on the accounting policy and treatment of goodwill / intangibles refer to note 1(o).

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
Intangible assets with indefinite useful lives:		
Goodwill	112,837	201,816
Software	-	30,000

Impairment Disclosures

Goodwill and other intangible assets such as software are subject to impairment, and are allocated to cash-generating units which are based on the Group's reporting segments.

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
Development Costs		
- Development Costs	3,500,102	3,665,890
Goodwill		
- Goodwill – ConSova (USA)	112,837	201,816
Total	**3,612,939**	**3,867,706**
Customer Relationships		
Customer relationships	4,142,120	8,890,248

Goodwill, customer relationships and other intangible assets

In respect of the customer relationship intangible asset, an impairment trigger was noted in that the value of net assets as at the reporting date was higher than the market capitalisation of the Group as at that date. Accordingly impairment testing was performed in respect of this balance using a discounted cash flow model. Based on the results, directors approved a one off impairment of intangible assets amounting to A$4.2M.

NOTE 14: INTANGIBLE ASSETS (CONT'D)

The recoverable amounts of the Australian and New Zealand cash generating units have been determined based on a value-in-use calculation using budget cash flow projections as at 31 March based on financial budgets approved by the board covering a one year period which is then extrapolated over a five year period. The growth assumptions with respect to price and volume increases over the five year projections and discount rates for each cash-generating unit are determined using historical performance, expectations of macro-economic factors and expectations of the Board of Directors.

A value-in-use model was created to determine value-in-use, which was based on management's most recent cash flow forecasts over five years, using a terminal growth rate of 3% which was based on management's long term expectations and a discount rate of 18% (2013: 17%) for New Zealand and 20% (2013: 20%) for Australia.

Sensitivity to changes in assumptions

As a result of the impairment in the current period, any changes to the assumptions of discount rate and / or growth rate will cause further impairment. A 1% increase / (decrease) in discount rate in Australia and New Zealand would result in a $347K / ($361K) movement in impairment expense. A 1% (increase) / decrease in growth rate would result in a ($1.3M) / $1.3M movement in impairment expense.

Goodwill is not subject to amortisation and is allocated to cash-generating units which are based on the Group's reporting segments for impairment testing. The cash-generating units are Australia and New Zealand. These allocations are determined on a geographical component as units are subject to risk and returns different to other economic environments, and on aggregated operating units determined by the similarity of the products sold.

NOTE 15: OTHER CURRENT ASSETS

	CONSOLIDATED ENTITY	
	2014	**2013**
	$	**$**
Prepayments & other debtors	48,284	25,050
Deferred expenditure	107,904	128,511
	156,188	**153,561**

NOTE 16: TRADE AND OTHER PAYABLES

	CONSOLIDATED ENTITY	
	2014	**2013**
	$	**$**
Unsecured liabilities:		
Trade payables	2,331,681	1,637,526
Other payables and accrued expenses	941,134	539,161
	3,272,815	**2,176,687**

(a) Fair Value

Due to the short term nature of these payables, their carrying value is assumed to be approximate to their fair value.

(b) Related party payables

Amounts payable to wholly-owned subsidiaries are non-interest bearing and have no fixed repayment terms.

(c) Interest rate, foreign exchange and liquidity risk

Information regarding interest rate, foreign exchange and liquidity risk exposure is set out in note 3.

NOTE 16: TRADE AND OTHER PAYABLES (CONT'D)

(d) Deferred Revenue

Deferred revenue represents revenue that has not yet been earned, but was invoiced to customers in accordance with contractual agreements.

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
CURRENT		
Deferred Revenue	881,487	874,811
NON-CURRENT		
Deferred Revenue	-	-
	881,487	**874,811**

NOTE 17: INTEREST BEARING LOANS AND BORROWINGS

		CONSOLIDATED ENTITY	
		2014	2013
	NOTE	$	$
CURRENT			
Lease liability	**21**	8,974	81,590
Borrowings		154,940	280,169
		163,914	**361,759**
NON-CURRENT			
Lease liability	**21**	-	7,173
Borrowings		287,562	342,390
		287,562	**349,563**
Total current and non-current interest bearing loans & borrowings		**451,476**	**711,322**

(a) Fair values

The carrying amount of the Group's current and non-current borrowings is approximate to their fair values.

(b) Interest rate, foreign exchange and liquidity risk

Details regarding interest rate, foreign exchange and liquidity risk is disclosed in note 3.

(c) Defaults and breaches

During the current and prior years, there were no defaults or breaches on any of the loans and borrowings.

(d) Securities

Lease liabilities are secured over the assets.

NOTE 18: PROVISIONS

	CONSOLIDATED ENTITY	
	2014	**2013**
	$	**$**
Employee entitlements	506,987	401,332
Bonuses	10,000	79,421
Lease incentive	14,791	-
	531,778	**480,753**

Employee Entitlements Liability

A liability has been recognised for employee entitlements relating to annual leave.

NOTE 19: CONTRIBUTED EQUITY

	CONSOLIDATED ENTITY	
	2014	**2013**
	$	**$**
Fully Paid Ordinary Shares:		
Movement in Ordinary Share Capital		
Opening balance 1 April	48,929,120	48,929,120
Shares issued	-	-
Closing balance 31 March	**48,929,120**	**48,929,120**

	No. of Shares	**No. of Shares**
Movement in Number of Shares		
Opening balance 1 April	100,248,061	100,248,061
Shares issued	-	-
Closing balance 31 March	**100,248,061**	**100,248,061**

(a) Terms and conditions of issued capital

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or party at a meeting of the company.

(b) Capital Management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management is constantly adjusting the capital structure to take advantage of favourable costs of capital and high returns on deposits. Due to changing market conditions, management may issue new shares or sell assets to reduce debt. No dividends were paid in the current or previous financial year.

NOTE 19: CONTRIBUTED EQUITY (CONT'D)

Management monitor capital adequacy through the gearing ratio (net debt / total capital). The maximum gearing ratio for the Group is in the range of 25 – 30% of total equity. The gearing ratios based on operations at 31 March 2014 and 2013 were as follows:

		CONSOLIDATED ENTITY	
		2014	2013
	NOTE	$	$
Total borrowings *	16 & 17	3,724,291	2,801,551
Less cash and cash equivalents	9	(1,784,996)	(845,144)
Net debt		1,939,295	1,956,407
Total equity		7,749,205	12,000,951
Total capital		**9,688,500**	**13,957,358**
Gearing ratio (Net debt/Total Capital)		20.01%	14.02%

* Includes interest bearing loans and borrowings and trade and other payables.

The Group is not subject to any externally imposed capital requirements.

(c) Nature and purpose of reserves

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record gains and losses of the net investments in foreign operations.

NOTE 20: NON-CONTROLLING INTERESTS

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
Contributed equity	240,441	207,616
Minority share of profit /(loss)	276,911	(47,328)
	517,352	**160,288**

Non-controlling interest represents 15% interest in Medtech Global USA, LLC held by Mr John Tarrant, and 48.4% and 1.5% interest in ConSova Corporation held by Mr Michael Smith and Mr Don Warriner respectively.

NOTE 21: CAPITAL AND LEASING COMMITMENTS

		CONSOLIDATED ENTITY	
		2014	2013
	NOTE	$	$
(a) Finance Lease Commitments Payable			
- not later than one year		8,974	86,791
- later than one year and not later than five years		-	7,233
Minimum lease payments		8,974	94,024
Less future finance charges		-	(5,261)
Net lease liability		**8,974**	**88,763**
Current lease liability	17	8,974	81,590
Non-current lease liability	17	-	7,173
		8,974	**88,763**

NOTE 21: CAPITAL AND LEASING COMMITMENTS (CONT'D)

	CONSOLIDATED ENTITY	
	2014	**2013**
	$	**$**
(b) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable		
- not later than one year	581,548	504,826
- later than one year and not later than five years	1,532,946	677,573
	2,114,494	**1,182,399**

(c) Capital Expenditure Commitments

There were no capital expenditure commitments in existence at balance date.

NOTE 22: DIVIDENDS

No dividends have been paid or declared since the beginning of the financial year (2013: $Nil).

NOTE 23: CONTINGENT LIABILITIES / ASSETS

There were no contingent liabilities or assets in existence at reporting date (2013: $Nil).

NOTE 24: SEGMENT REPORTING

(a) Description of segments

Geographical segments

The consolidated entity operates in three main geographical areas: Australia, New Zealand, and the United States of America. These segments operate primarily in software development and licensing of healthcare and e-Business Solutions.

The home country of the parent entity is also the main operating country.

YEAR ENDED 31 MAR 2014	AUSTRALIA $	NZ & OTHERS $	USA $	INTER-SEG ELIMINATIONS $	TOTAL $
Sales to external customers	2,371,837	8,651,054	5,590,133	-	16,613,024
Interest income	7,024	9,498	-	-	16,522
Other revenue	(13,960)	(14,566)	48,402	-	19,876
Total segment revenue	**2,364,901**	**8,645,986**	**5,638,535**	**-**	**16,649,422**
Segment EBITDA	**731,425**	**658,263**	**1,065,069**	**(311,951)**	**2,142,806**
Impairment and amortisation	(4,766,659)	(156,012)	(191,134)	-	(5,113,805)
Depreciation	(273,048)	-	-	-	(273,048)
Interest income	7,024	9,499	-	-	16,523
Interest expense	-	(5,703)	(30,226)	-	(35,929)
Income tax expense	(100,230)	(189,454)	(513,550)	(68,547)	(871,781)
Segment net profit / (loss) after tax	**(4,401,488)**	**316,593**	**330,159**	**(380,498)**	**(4,135,234)**
Segment Assets	**8,106,706**	**2,579,157**	**2,485,006**	**-**	**13,170,869**
Segment Liabilities	**(3,557,778)**	**254,337**	**(2,118,223)**	**-**	**(5,421,664)**

YEAR ENDED 31 MAR 2013	AUSTRALIA $	NZ & OTHERS $	USA $	INTER-SEG ELIMINATIONS $	TOTAL $
Sales to external customers	2,343,229	7,356,288	2,101,729	-	11,801,246
Interest income	4,225	8,639	-	-	12,864
Other revenue	-	-	-	-	-
Total segment revenue	**2,347,454**	**7,364,927**	**2,101,729**	**-**	**11,814,110**
Segment EBITDA	**19,163**	**231,692**	**(362,902)**	**363,209**	**251,162**
Depreciation and amortisation	(72,171)	(227,658)	(19,351)	(707,353)	(1,026,533)
Interest income	4,225	8,639	-	-	12,864
Interest expense	(573)	(13,478)	(16,188)	-	(30,239)
Income tax expense	(55,481)	(16,687)	(29,488)	37,615	(64,041)
Segment net profit / (loss) after tax	**(104,837)**	**(17,492)**	**(427,929)**	**(306,529)**	**(856,787)**
Segment Assets	**13,676,810**	**4,656,072**	**1,464,144**	**(3,383,066)**	**16,413,960**
Segment Liabilities	**(3,650,356)**	**(2,684,309)**	**(1,461,410)**	**3,383,066**	**(4,413,009)**

NOTE 24: SEGMENT REPORTING (CONT'D)

(b) Notes to and forming part of the segment information

(i) Accounting policies

Segment information is prepared in conformity with the accounting policies of the entity as disclosed in note 1 and Accounting Standard AASB 8 Operating Segments. EBITDA is the segment profit measure.

Segment revenues, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis.

Segment assets include all assets used by a segment and consist primarily of operating cash, receivables, inventories, property, plant and equipment and goodwill and other intangible assets, net of related provisions. While most of these assets can be directly attributable to individual segments, the carrying amounts of certain assets used jointly by segments are allocated based on reasonable estimates of usage.

Segment liabilities consist primarily of trade and other creditors, employee benefits and provision for service warranties. Segment assets and liabilities do not include income taxes.

(ii) Major Customers

The Group has a number of customers to which it provides products and services. No single external customer's transactions amount to 10% or more of revenue.

NOTE 25: CASH FLOW INFORMATION

(a) Reconciliation of Cash Flow from Operations with Result from ordinary activities after Income Tax:

	CONSOLIDATED ENTITY	
	2014	**2013**
	$	**$**
Net profit / (loss) from ordinary activities after income tax	(4,135,234)	(856,787)
Non-cash flows in ordinary activities:		
Impairment of intangibles	4,212,264	-
Amortisation of intangibles	988,920	720,418
Depreciation	242,180	306,116
Net Loss on disposal of property, plant and equipment	28,808	-
Changes in assets and liabilities, net of the effects of purchase / disposal of subsidiaries:		
Decrease / (Increase) in Deferred tax	108,181	(164,979)
Decrease / (Increase) in trade & other receivables	(1,039,678)	(151,460)
Decrease / (Increase) in other current assets	(2,628)	(147,796)
Decrease / (Increase) in inventories	38,344	(70,079)
Increase / (Decrease) in trade and other payables	1,144,712	595,131
Increase / (Decrease) in current tax liability	239,246	(160,620)
Increase / (Decrease) in provisions	51,025	(169,583)
Cash Flows from Operating Activities	**1,876,140**	**609,640**

(b) Non-cash Financing and Investing Activities

There was no non-cash financing and investing activities during the financial year.

(c) Credit Standby Arrangements with Banks

There were no credit standby arrangements with banks at balance date.

NOTE 26: INFORMATION RELATING TO MEDTECH GLOBAL LTD ("The Parent Entity")

	2014	2013
	$	$
Current Assets	103,221	30,360
Non-Current Assets	13,161,214	18,193,499
Total Assets	**13,264,435**	**18,223,859**
Current Liabilities	(3,815,925)	(3,391,737)
Non-Current Liabilities	-	-
Total Liabilities	**(3,815,925)**	**(3,391,737)**
Contributed Equity	48,929,120	48,929,120
Accumulated Losses	(39,480,610)	(34,096,998)
	9,448,510	**14,832,122**
Profit / (loss) of the parent entity	**(5,383,612)**	**(296,703)**
Total comprehensive income / (loss) of the parent entity	**(5,383,612)**	**(296,703)**

There are no contingent liabilities relating to the parent company nor have they committed to any guarantees.

NOTE 27: EVENTS SUBSEQUENT TO REPORTING DATE

There were no significant events subsequent to reporting date (2013: $Nil).

NOTE 28: RELATED PARTY DISCLOSURES

Parent entity

Cereus Holdings Ltd (incorporated in New Zealand) is the parent and the ultimate holding entity of the Group.

Subsidiaries

Interests in subsidiaries are disclosed in note 12.

Transactions with related parties

The following transactions also occurred with related parties:

	CONSOLIDATED ENTITY	
	2014	2013
	$	$
Management and administration services		
Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah	808,819	883,652
Cost on-charges to / (from)		
Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah	1,972	13,452
Software services & development		
Inlogic Technologies Pvt Ltd – a company associated with Mr. V. Ramayah	2,286,690	2,311,047
Consulting services		
CRM4Sight Ltd – a company controlled by Mr. S. Samaraweera	111,007	113,946
Darjack Pty Ltd – a company controlled by Mr. D. Stuart	-	573
Ross Tanner Consulting Ltd – a company controlled by Mr R. Tanner	24,718	15,673
Occupancy services		
Pinnacle Developments Ltd – a company controlled by Mr. V. Ramayah	245,534	273,600
Long-term borrowings		
Long-term loan from Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah	(840)	155,780
Interest on long-term loan from Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah	17,078	5,708

All related party transactions were concluded at arm's length, at normal commercial terms, and settled in cash.

NOTE 28: RELATED PARTY DISCLOSURES (CONT'D)

Outstanding balances

The following balances are receivable / (payable) at reporting date in relation to transactions with related parties:

	CONSOLIDATED ENTITY	
	2014	**2013**
	$	**$**
Management and administration services		
Cereus Holdings Ltd - a company controlled by Mr. V. Ramayah	(19,320)	(77,890)
Cost on-charges		
Cereus Holdings Ltd - a company controlled by Mr. V. Ramayah	19,935	15,099
Software services & development		
Inlogic Technologies Pvt Ltd - a company associated with Mr. V. Ramayah	(1,800,032)	(915,212)
Consulting services		
Darjack Pty Ltd – a company controlled by Mr. D. Stuart	-	8,250
Ross Tanner Consulting Ltd – a company controlled by Mr R Tanner	(2,222)	-
Long-term borrowings		
Long-term loan from Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah	(154,940)	(155,780)
Net receivable / (payable)	**(1,956,579)**	**(1,125,533)**

Transactions with Key Management Personnel (KMP)

Details relating to KMP, including remuneration paid, are included in the Directors' Report / Remuneration Report.

NOTE 29: DIRECTORS' AND EXECUTIVES' COMPENSATION

(a) Details of Key Management Personnel (KMP)

The following persons were KMP of Medtech Global Limited during the financial year:

Name	**Position held**
Mr Vino Ramayah	CEO, Executive Chairman
Mr Russell Clarke	Executive Director
Mr Darryl Stuart	Non-Executive Director
Mr Michael Gaylard	Non-Executive Director
Mr Ross Tanner	Non-Executive Director
Ms Reena Bose	Financial Controller
Mr Sanjeewa Samaraweera	Head of Solution Sales
Mr Rama Kumble	Chief Technical Officer
Mr Dylan Norton (Resigned 20 December 2013)	Operations Manager

(b) Compensation of Key Management Personnel

	SHORT-TERM EMPLOYEE BENEFITS	POST-EMPLOYMENT BENEFITS	LONG-TERM INCENTIVE PLANS	SHARE-BASED PAYMENT OPTIONS	TOTAL
2014	985,191	30,158	-	-	1,015,349
2013	1,053,383	25,902	-	-	1,079,285

(c) Equity Instruments

Options and rights granted as compensation

No options were granted to the KMP during the financial year.

Equity instruments issued on exercise of remuneration options

No options were exercised by the KMP during the financial year.

Shareholdings

The number of shares held by Parent Company Directors and Key Management Personnel:

DIRECTORS	BALANCE 31 MARCH 2012	OTHER NET CHANGE *	BALANCE 31 MARCH 2013	OTHER NET CHANGE *	BALANCE 31 MARCH 2014
Mr V Ramayah	69,650,653	1,158,609	70,809,262	-	70,809,262
Mr D Stuart	750,000	-	750,000	-	750,000
Mr R Clarke	109,000	-	109,000	-	109,000

* Other Net Change refers to shares purchased or sold during the financial year.

Mr V Ramayah has an interest of 70,809,262 shares in the company held by Cereus Holdings Ltd.

Mr D Stuart has an interest of 750,000 shares held directly.

Mr R Clarke has an interest of 10,000 ordinary shares held directly, 89,000 shares held by R G Clarke & Associates Ltd, and 10,000 shares held by The Russell Clarke Family Trust.

NOTE 30: BUSINESS COMBINATION

Year ended 31 March 2014

No company was acquired or disposed of during the year ended 31 March 2014.

Mr Don Warriner acquired a 1.5% interest in ConSova Corporation in April 2013 from Medtech Holdings USA, Inc., per the original Sale & Purchase Agreement for ConSova Corporation signed in 2012. This increases the total non-controlling interest in ConSova Corporation to 49.9% (2013: 48.4%) and reduces Medtech Global's interest to 50.1% (2013: 51.6%) as at 31 March 2014.

Year ended 31 March 2013

On 1 August 2012, Medtech Global Limited's fully owned United States subsidiary Medtech Holdings USA, Inc. ("Medtech Holdings"), acquired a 51.6% interest in ConSova Corporation, a limited liability company incorporated in Denver, USA for US$651,462. The company paid US$220,200 in cash on 1 August 2012 and the balance is payable in 42 equal monthly instalments of US$11,214. The monthly instalment includes interest at 5% per annum on the outstanding balance. As at reporting date, AU$365,254 is owed to a former owner for the shares in ConSova Corporation that were acquired by Medtech Holdings. The remaining 48.4% interest is held by Mr Michael Smith.

The fair value of identifiable assets and liabilities of ConSova Corporation as at the date of acquisition were:

		Fair Value
	US$	**AU$**
CURRENT ASSETS		
Cash and cash equivalents	212,107	210,792
Trade and other receivables	288,734	286,944
Other current assets	188,555	187,387
TOTAL CURRENT ASSETS	**689,396**	**685,123**
NON-CURRENT ASSETS		
Property, plant & equipment	64,868	64,466
TOTAL NON-CURRENT ASSETS	**64,868**	**64,466**
TOTAL ASSETS	**754,264**	**749,589**
CURRENT LIABILITIES		
Trade and other payables	164,907	163,885
Short-term borrowings	100,000	99,380
Short-term provisions	73,201	72,747
TOTAL CURRENT LIABILITIES	**338,108**	**336,012**
NON-CURRENT LIABILITIES		
Deferred tax liability	170,323	169,267
TOTAL NON-CURRENT LIABILITIES	**170,323**	**169,267**
TOTAL LIABILITIES	**508,431**	**505,279**
NET ASSETS	**245,833**	**244,310**
Net Tangible Assets		
Share of Non-Controlling Interest Net Assets	(201,420)	(200,171)
Identifiable intangibles - customer relations	436,726	434,018
Goodwill arising on acquisition	170,323	169,267
Consideration Payable	**651,462**	**647,424**
Direct costs relating to the acquisition		
Professional fees	23,584	23,438
Cash paid on acquisition date	220,200	218,835
Cash payable over next 42 months	407,678	405,151
Consideration payable	**651,462**	**647,424**
Cost of finance over 42 months	39,731	39,485

None of the trade receivables above have been impaired and it is expected that the full contractual amounts can be collected.

The deferred tax liability represents the taxable temporary difference arising from the customer relations asset that has arisen through the business combination.

The goodwill above relates to synergies from an assembled workforce.

Corporate Governance Statement

Medtech Global Limited remains committed to corporate governance practices that are compatible with the company's age and size and which ensure an appropriate degree of accountability and transparency to shareholders and other stakeholders.

ASX Listing rule 4.10.3 requires that Medtech Global Limited disclose the extent to which it has followed the recommendations of the ASX Corporate Governance Council's ('ASX CGC') *Corporate Governance Principles and Recommendations* (2nd Edition) during the 2014 year.

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

The Medtech Global board retains responsibility for the following areas:

a) setting and monitoring of objectives, goals and strategic direction for management with a view to maximising shareholder wealth,

b) approving an annual budget and monitoring financial performance,

c) ensuring adequate internal controls exist and are appropriately monitored for compliance,

d) ensuring significant business risks are identified and appropriately managed,

e) approving acquisitions,

f) ensuring compliance with statutory requirements,

g) selecting and appointing new directors, and

h) maintaining the highest business standards and ethical behaviour.

The board has delegated authority within the following areas to the Chief Executive Officer:

a) monitoring, and reporting to the Board of Directors, the performance of the business and its constituent units and managers,

b) ensuring that the business processes in relation to risk management and assurance are met, and

c) approving minor capital expenditure (excluding acquisitions).

The principles adopted for performance evaluation of key executives is outlined in the remuneration section of the Directors' Report.

In summary the board evaluates the performance of the Chief Executive Officer and other senior executives on an annual basis. When considering performance, the board has regard for such things as:

a) the responsibilities of the executive,

b) the approved annual budgets,

c) any communicated key performance indicators, and

d) qualitative as well as quantitative measures.

In relation to the directors, the process for evaluating performance is more informal but nonetheless effective.

Directors and key executives have ongoing access to continuing education to enhance their skills and knowledge and the board has access to independent professional advice at the company's expense. In addition, all directors have access to the Company Secretary who is responsible to the board, through the Chairman, on all governance matters.

PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report are included in the Directors' Report. Directors of Medtech Global Limited are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of their unfettered and independent judgement.

In the context of director independence, "materiality" is considered from both the Group and individual director perspective. The determination of materiality requires consideration of both quantitative and qualitative elements. An item is presumed to be quantitatively immaterial if it is equal to or less than 5% of the appropriate base amount. It is presumed to be material (unless there is qualitative evidence to the contrary) if it is equal to or greater than 10% of the appropriate base amount.

Qualitative factors considered include whether a relationship is strategically important, the competitive landscape, the nature of the relationship and the contractual or other arrangements governing it and other factors that point to the actual ability of the director in question to shape the direction of the Group's loyalty.

In accordance with the definition of independence above and the materiality thresholds set, the following directors of Medtech Global Limited are considered to be independent:

NAME	POSITION
Ross Tanner	Non–Executive Director
Darryl Stuart	Non–Executive Director
Michael Gaylard	Non–Executive Director

There are procedures in place, agreed by the board, to enable directors in furtherance of their duties to seek independent professional advice at the Group's expense.

The term in office held by each director in office at the date of this report is as follows:

NAME	TERM IN OFFICE
Vino Ramayah – Chairman and CEO	7.75 years
Russell Clarke – Executive Director	7.75 years
Darryl Stuart – Non-Executive Director	6 years
Ross Tanner - Non-Executive Director	2.50 years
Michael Gaylard – Non-Executive Director	3 years

Performance

The performance of the board and key executives is reviewed regularly against both measurable and qualitative indicators. During the reporting period, performance evaluations were conducted that involved an assessment of each board member's and key executive's performance against specific and measurable qualitative and quantitative performance criteria.

The performance criteria against which directors and executives are assessed are aligned with the financial and non-financial objectives of Medtech Global Limited. Directors whose performance is consistently unsatisfactory may be asked to retire.

Due to its limited size and lack of complexity, the board has adopted the position that the responsibility of a nomination committee should be fulfilled by the full board.

PRINCIPLE 3 – PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING

The Group recognises its corporate regulatory responsibilities, and has developed and maintained the necessary systems and operational procedures and protocols to ensure it satisfies these obligations.

Medtech Global Limited is continuing the process of developing a Corporate Governance Charter which amongst other things includes the general principles of the company's and Group's Codes of Conduct. The board believes that a key driver of corporate governance is to communicate the key policies to management and staff and to monitor and embed them throughout all functions. These codes of conduct are monitored and reviewed on an ongoing basis by the board and cover:

a) Employee share trading policies

b) Appropriate levels of disclosure and liaison with shareholders

c) Relationships with customers and suppliers

d) Employment practices of the company and Group

e) Community relations

In addition to the above, all directors and senior management strive to ensure that the company and Group:

a) Complies with laws and regulations, and

b) Ethical and environmental responsibilities

Diversity Policy

On 30 August 2012, the Medtech Global board approved a Gender Diversity Policy to enable adherence to the ASX Corporate Governance Principles and recommendations which requires that the Group's Annual Report includes:

a) the measureable objectives for achieving gender diversity, set by the board in accordance with the group's Gender Diversity Policy, and the progress towards achieving them; and

b) the proportion of female employees in the whole organisation, women in senior executive positions and women on the board.

The approved Gender Diversity Policy provides for the board to take diversity of background into account (in addition to leadership experience, skillsets, industry knowledge, and experience in a range of specified fields) to supplement the skills matrix of the board. Specifically, to promote the objective of gender diversity, the Gender Diversity Policy requires that:

a) the short-list of potential candidates for any new board appointment must include a least one female candidate; and

b) if a female candidate is not selected, the board must be satisfied that there are objective reasons to support its decision.

The Gender Diversity Policy also extends to executive management[3] appointments. The CEO must have reference to the policy when presenting executive management appointment recommendations to the board.

To ensure a continued focus on greater gender diversity in management role appointments, the Gender Diversity Policy requires the Medtech Global Group to:

a) design initiatives to identify, support and develop talented women with leadership capability, and monitor the effectiveness of such initiatives,

b) address impediments to gender diversity in the workplace and monitor the effectiveness of any processes implemented, and

c) identify new ways to entrench diversity as a cultural priority across the Group.

Measurable Objectives

The Gender Diversity Policy provides for the board to set measurable objectives with a view to progressing towards a balanced representation of women at board, executive management and senior management[4] levels and for performance against these objectives to be reviewed annually. For the year ended 31 March 2014, the board set the following measurable objectives for achieving gender diversity:

[3] Executive management are management reporting to the CEO
[4] Senior management are departmental managers reporting to executive management

Objective	Measurement
Identify talented women in the workforce with leadership capability and develop specific strategies to develop skills and experience of these women to prepare them for senior/executive management roles.	Increase the percentage of women in senior/executive management roles as vacancies arise, subject to identification of candidates and appropriate skills.
Implement an internal mentoring programme to encourage and increase opportunities for female employees to have access to senior and executive management roles.	Increase the number of women in the Group workforce applying for vacant management positions at all levels.
The board to develop a succession plan with an aim of increasing the representation of women on the board.	Increase the percentage of women on the board, subject to identification of candidates with appropriate skills.

As at 31 March 2014 the workforce gender profile was as follows:

- 47% of the total workforce was women (2013: 47%)
- 44% of women make up the senior management team (2013: 80%)
- 22% of women make up the executive management team (2013: 30%)
- 0% of women have been appointed to the board (2013: 0%)

No new director appointments were made during the year. For the upcoming financial year the following objectives and measures have been put into place:

Objective	Measurement	Review Date
Identify talented women in the workforce with leadership capability and develop specific strategies to develop skills and experience of these women to prepare them for senior/executive management roles.	Increase the percentage of women in senior/executive management roles as vacancies arise, subject to identification of candidates and appropriate skills.	31 March 15
Implement an internal mentoring programme to encourage and increase opportunities for female employees to have access to senior and executive management roles.	Increase the number of women in the group workforce applying for vacant management positions at all levels.	31 March 15
The board to develop a succession plan with an aim of increasing the representation of women on the board.	Increase the percentage of women on the board, subject to identification of candidates with appropriate skills.	31 March 15

Trading Policy

The purpose of this policy is to prevent insider trading by company/Group officers, key management personnel, and employees when they have inside information. Expressions used in this policy are defined by the Listing Rules.

1. Trading prohibition for all directors, company secretary, key management personnel and employees with price sensitive information

Directors, company secretary, key management personnel, and employees who are in the possession of unpublished, price sensitive information in relation to securities in the company must not, until such price sensitive information is released to the public or it ceases to be price sensitive information:

a) trade in any securities of the company at any time;

b) must not advise, procure or encourage another person to buy or sell securities in the company at any time; and

c) pass on information to any other person, if they know or ought reasonably to know that the person may use the information to buy or sell (or procure another person to buy or sell) securities in the company.

Breach of these insider trading prohibitions may be severe and could expose the person responsible to criminal and civil liability. Compliance with insider trading law is an individual's responsibility and breach will be considered by Medtech Global as serious misconduct which may lead to disciplinary action and/or dismissal.

2. Trading prohibition for all directors, company secretary, key management personnel and employees during closed periods

Directors, company secretary, key management personnel and employees must not buy or sell securities in the company during any closed period, which is:

a) The period between the end of the Group's financial year and the preliminary announcement of the full year financial results; and

b) The period between the end of the Group's financial half year and the publication of the Group's half year financial results.

3. Trading in securities of the company not subject to the Group's securities trading policy

Trading in securities of the company is not subject to the Group's securities trading policy in the following circumstances:

a) Undertaking or elections to take up entitlements under a rights issue or other offer;

b) The take up of entitlements under a rights issue or other offer;

c) Allowing entitlements to lapse under a rights issue or other offer;

d) The sale of sufficient entitlements nil-paid to take up the balance of the entitlements under a rights issue;

e) Undertakings to accept or the acceptance of a takeover offer;

f) Trading where the beneficial interest in the relevant MDG security does not change;

g) Transactions conducted with a spouse, civil partner, child or step-child;

h) Transfers of MDG securities already held by means of a matched sale and purchase into a saving scheme or into a pension scheme in which the director, company secretary, key management personnel or employee is a participant or beneficiary;

i) an investment by a director, company secretary, key management personnel or employee in a scheme or arrangement where the assets of the scheme (other than a scheme investing only in MDG securities) or arrangement are invested at the discretion of a third party; and

j) bona fide gifts to a director, company secretary, key management personnel or employee by a third party.

4. Exceptional circumstances when certain trading in securities of the company may be permitted during a closed or prohibited period with prior written clearance.

A director, company secretary, key management personnel or employee, who is not in possession of any unpublished, price-sensitive information in relation to the securities of the company may be given clearance to sell (but not buy) securities, during a closed or prohibited period if he or she is in severe financial difficulty or there are other exceptional circumstances.

A person may be in severe financial difficulty if he or she has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant MDG securities. A liability of such a person to pay tax would not normally constitute severe financial difficulty unless the person has no other means of satisfying the liability. A circumstance will be considered exceptional if the person in question is required by a court order to transfer or sell the MDG securities or there is some other overriding legal requirement for him or her to do so.

Requests to consider the sale of the company's securities during a prohibited period must be in writing, addressed to the director designated by the board for this purpose and delivered by hand, mail, facsimile or email. The clearance request must be accompanied with details of the severe financial difficulty or exceptional circumstance as MDG may be required to notify the ASX accordingly. The determination of whether the person in question is in severe financial difficulty or whether there are other exceptional circumstances can only be made by the director designated by the board for this purpose.

The written clearance to sell the company's securities will require the trade to be completed within a specified two week period. The written clearance must be in writing and delivered by hand, mail, facsimile or email.

PRINCIPLE 4 – SAFEGUARD INTEGRITY OF FINANCIAL REPORTING

Audit committee

The board has established an Audit Committee which operates under a charter approved by the board. It is the board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The board has delegated responsibility for establishing and maintaining a framework of internal control and ethical standards to the Audit Committee.

The committee also provides the board with additional assurance regarding the reliability of financial information for inclusion in the financial reports.

The members of the Audit Committee during the year were:

NAME	POSITION
Russell Clarke	Executive Director
Michael Gaylard	Non-Executive Director

Due to the limited size, lack of complexity and relatively small number of directors the board has adopted the position that the Audit Committee comprising one non-executive director, the Company Secretary (non-executive), and one executive director is acceptable for the Group's present needs.

For details on the number of meetings of the Audit Committee held during the year and the attendees at those meetings, refer to the Directors' Report.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

The Chairman and Chief Executive Officer, Financial Controller and the Company Secretary ensure compliance with the continuous disclosure requirements of the ASX Listing Rules and, in particular, Listing Rule 3.1, however the Group does not currently have a formal written policy in place and relies on the extensive experience of the board and senior management to ensure ongoing compliance.

PRINCIPLE 6 – RESPECT THE RIGHTS OF SHAREHOLDERS

Medtech Global Limited's objective is to promote effective communication with its shareholders at all times.

Medtech Global Limited is committed to:

- Ensuring that shareholders and the financial markets are provided with full and timely information about Medtech Global Limited's activities in a balanced and understandable way.

- Complying with continuous disclosure obligations contained in the ASX listing rules and the *Corporations Act 2001* in Australia.

- Communicating effectively with its shareholders and making it easier for shareholders to communicate with Medtech Global Limited.

To promote effective communication with shareholders and encourage effective participation at general meetings, information is communicated to shareholders:

- Through the release of information to the market via the ASX.

- Through the distribution of the annual report and notices of annual general meeting.

- Through shareholder meetings and investor relations presentations.

- Through letters and other forms of communications directly to shareholders.

- By posting relevant information on Medtech Global Limited's website: www.medtechglobal.com.

The Group's website at www.medtechglobal.com has a dedicated investor relations section for the purpose of publishing all important company/Group information and relevant announcements made to the market.

The external auditor is required to attend the annual general meeting and is available to answer any shareholder questions about the conduct of the audit and preparation of the audit report.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

The full board of the Group have ultimate responsibility for risk oversight and management. The Chief Executive and senior management have the responsibility to design and implement the risk management and internal control systems to manage the Group's material business risks and report to the board on whether those risks are being managed effectively.

In respect of financial reporting risks, the board has established an Audit Committee to assist it in the effective identification and management of the Group's financial reporting risks.

Goals

a) To encourage a culture based on principles that foster continuous improvement and the minimisation of the impact of material business risks within the company and Group

b) To ensure policies are established and adopted for the oversight and management of material business risks and disclose a summary of these policies in accordance with Recommendation 7.1 of the *Corporate Governance Principles and Recommendations* (2nd Ed) of the ASX Corporate Governance Council

Duties and Responsibilities

The board has the following duties and responsibilities:

a) Oversee and approve the risk management, internal compliance and control policies of the company and Group

b) Oversee the design and implementation of the risk management policy (including reporting and internal audit systems) in conjunction with existing business processes and systems, to manage the company's and Group's material business risks

c) Ensure the company and Group has identified and, at least six monthly, updates the profile of each of the company's and Group's material business risks

d) Monitor any anticipated changes to the company's and Group's material business risks

e) Monitor and review, at least annually, the effectiveness of the implementation of the Risk Management Policy

f) Review and approve key policies, as required in each business division of the company and Group, relating to the implementation of the Risk Management Policy

Retain Advisers

The board may at any time retain, at the expense of the company/Group, such advisers, consultants or experts, as the board considers appropriate to assist in meeting its responsibilities.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

Due to the limited size and lack of complexity of the Group, the board does not consider that a separate Remuneration Committee is required and thus does not fully comply with this recommendation.

The board reviews the remuneration packages and policies applicable to the Chief Executive Officer, executives, and senior officers on an annual basis. The board may also obtain independent advice on the appropriateness of remuneration packages.

The level of remuneration for each director and specified executive is detailed in the Directors' Report and notes to the financial statements. The principles, details of remuneration and terms of contracts are also outlined in the remuneration report section of the Directors' Report.

In summary, the board aims to structure total remuneration to take into account:

a) both the short and long term growth and success of the Group, and

b) remuneration that is competitive with the market place, and

c) Remuneration that is demonstrably linked to the Group's overall performance.

Non-executive directors are remunerated by way of fees only, they do not receive any additional retirement benefits, nor do they currently participate in any other incentive arrangement/s such as a share option plan.

Shareholder Information

The issued capital of the company as at 31 March 2014 is 100,248,061 ordinary shares. There are no outstanding options.

Distribution of Shareholdings as at 31 March 2014

NUMBER OF SHARES	NUMBER OF SHAREHOLDERS
1-1,000	1,028
1,001-5,000	378
5,001-10,000	114
10,001-100,000	129
100,001 or above	35
Total Shareholders *	1,684
Percentage of total shares on issue held by top 20 largest shareholders	**91.7%**
Percentage of shareholders holding less than a marketable parcel	**85.6%**

* All shares have equal voting rights

Top 20 Shareholders as at 31 March 2014

SHAREHOLDER	NUMBER	PERCENTAGE
Cereus Holdings Limited	70,809,262	70.6%
Custodial Services Limited	5,084,827	5.1%
Mr Ravindan Govindan	3,339,085	3.3%
Mr Deepak Mamtani	3,000,000	3.0%
Healthcare Ventures Pty Ltd	1,315,656	1.3%
Mrs Susanne May Burke	1,254,014	1.3%
Copabella Pty Ltd	857,000	0.9%
Khoo Siew Ngoh	776,250	0.8%
Darryl Stuart & Louise Stuart	750,000	0.7%
Leandro Pacheco	660,000	0.7%
Dr Hamish Arthur Jamieson & Dr Simon Paul Nicholas & Mr Arthur Warren Jamieson	542,768	0.5%
Pushpa Bose	480,500	0.5%
Mr James Huggett	459,818	0.5%
Mr Kevin Noel Reynolds	404,563	0.4%
Mr Ianaki Semerdziev	400,000	0.4%
Daly SF Pty Ltd	369,309	0.4%
HSBC Custody Nominees (Australia) Limited	358,691	0.4%
Mr Durgapratapsinh Sisodia	291,572	0.3%
DBS Vickers Securities (Singapore) Pte Ltd	270,230	0.3%
Mr Simon Trevisan	266,000	0.3%
Total Shares On Issue Held By 20 Largest Shareholders	**91,689,545**	**91.7%**

Substantial Shareholders as at 31 March 2014

Cereus Holdings Limited	70,809,262	70.6%
Custodial Services Limited	5,084,827	5.1%

Restricted Securities

There are no securities of the company on issue that are restricted.