Victor Group Holdings Limited

Appendix 4E

Preliminary Final Report

For the year ended 30 June 2014

VICTOR GROUP
Enterprise Management

APPENDIX 4E
PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014

Commentary on Full Year Results

The Directors of Victor Group Holdings Limited ('Victor' or "the Company") and its controlled entities ('the Group') hereby present the Company's first Appendix 4E – Preliminary Final Report. Through this report, the Board seeks to provide an update to its Shareholders and the market on the results achieved for the financial year ended 30 June 2014. It should be noted that the Group's financial reporting period is from July 2013 through 30 June 2014.

The Victor Group realized an after tax profit of $AUD4 million for the reporting financial year. The Company's cash and cash equivalents reserves remain strong at $AUD4.64 million.

About Victor Group Holdings Limited

Victor Group Holdings Limited is the parent company of Hong Kong Victor International Enterprise Co., Ltd (a company incorporated in Hong Kong) which in turn has a wholly-owned subsidiary (incorporated in the PRC). Together, these companies make up the Group. The Group is the owner and operator of a business advisory and enterprise management consulting business in the PRC.

The Group conducts live broadcasts, recorded broadcast, remote education and online question and answer forums as part of its offerings to clients. Such offerings can be provided at reduced costs and readily able to be accessed via a larger audience via the internet.

The Group believes that the design of its course is essential to its success. The Group defines itself by committing to enhancing the ability of Chinese organizational leadership and personal leadership skills with quality consulting services. Through emphasis on customized consulting services, the Group believes that its products are well-positioned to cater to small and medium entrepreneurs' demands.

APPENDIX 4E

PRELIMINARY FINAL REPORT

FOR THE YEAR ENDED 30 JUNE 2014

The following information is given to ASX under listing rule 4.3A.

1. Reporting period

Current Period	12 months ended 30 June 2014
Prior Period	12 months ended 30 June 2013

2. Results for announcement to the market

Consolidated Group	**Item**	**$A'000**
Revenue – excluding interest received	2.1	9,150
Profit after tax attributable to members	2.2	4,004
Net Profit attributable to members	2.3	4,004
Dividend	2.4	#
Final dividend per share	2.5	#

Overview

The principal activity of Victor Group Limited and controlled entities ('Consolidated Group' or 'Group') during the financial year was providing enterprise management consulting and strategic planning service.

The Group currently operates in one geographical segment, being the People's Republic of China.

This financial report includes the consolidated financial statements and notes to the financial statements of the Consolidated Group. Victor Group Limited was incorporated on 11 September 2013 and listed on the Australian Securities Exchange ('ASX') on 9 May 2014. The company is incorporated and domiciled in Australia.

Overview of results

For the year ended 30 June 2014 sales revenue and net profit after tax have increased by $9,150,028 and $4,003,949 respectively on the prior year.

The net assets of the consolidated group have increased by $7,780,766 from $1,446 at 30 June 2013 to $7,782,212 at 30 June 2014. This increase has largely resulted from the following factors:

- $4,003,949 profits after tax attributable to members;
- $3,912,000 raised following the listing on ASX;
- $136,183 decrease in foreign exchange loss reserve.

Significant Changes in the State of Affairs

There have been no other significant changes in the state of affairs of the parent entity during the financial year or prior year.

3. Consolidated Statement of Profit or Loss and Other Comprehensive Income – see accompanying preliminary financial statements

4. Consolidated Statement of Financial Position – see accompanying preliminary financial statements

5. Consolidated Statement of Cashflow – see accompanying preliminary financial statements

6. Dividends Paid or Recommended

No dividends have been declared and paid during the financial period.

7. Statement of movements in Retained Earnings – see accompanying statement of changes in equity

8. Net tangible assets per security

	30 June 2014
Number of securities	519,560,000
Net tangible assets per security in cents	1.5

9. Details of associates and joint venture entities

Hong Kong Victor International Enterprise Co., Ltd and its controlled entities (Kesheng Management Consulting (Shanghai) Co., Ltd), became wholly owned subsidiaries of Victor during the period.

10. Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position

Refer ***Commentary on Results*** which accompanies this announcement.

11. Foreign entities disclosures

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

12. Compliance Statement

The financial statements are in the process of being audited and are not likely to be subject to dispute or qualification.

Signed in accordance with a resolution of the Board of Directors of Victor Group Holdings Limited:

Bin Zhang – Chairman
Dated this 29th day of August 2014

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

	Note	June 2014	June 2013
		$	**$**
Operating Revenue	2	9,150,028	-
Cost of sales		(2,678,377)	-
Gross profit		6,471,651	-
Non-operating Revenue		46,391	-
Administrative expenses	3	(1,080,176)	-
Finance costs	3	(11,876)	-
Profit/ (Loss) before income tax		5,425,990	-
Income tax expense	4	(1,422,041)	-
Profit for the Year		**4,003,949**	**-**
Other Comprehensive Income for the Year, Net of Tax			
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income		(136,183)	-
Total Comprehensive Income for the Year Attributable to Members		**3,867,766**	**-**
Earnings per share (on profit attributable to ordinary equity holders)		**Cents**	**Cents**
Basic earnings per share (cents per share)	13	1.83	N/A
Diluted earnings per share (cents per share)	13	1.83	N/A

These financial statements should be read in conjunction with accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITON
AS AT 30 JUNE 2014

	Note	June 2014 $	June 2013 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	7,138,333	1,446
Trade and other receivables	7	1,369,660	-
Other assets	8	45,749	-
TOTAL CURRENT ASSETS		**8,553,742**	**1,446**
NON-CURRENT ASSETS			
Property, plant and equipment	9	234,779	-
Intangible assets	10	8,075	-
TOTAL NON-CURRENT ASSETS		**242,854**	**-**
TOTAL ASSETS		**8,796,596**	**1,446**
CURRENT LIABILITIES			
Trade and other payables	11	432,275	-
Income tax payable		582,109	-
TOTAL CURRENT LIABILITIES		**1,014,384**	**-**
TOTAL LIABILITIES		**1,014,384**	**-**
NET ASSETS		**7,782,212**	**1,446**
EQUITY			
Issued capital	12	3,914,446	1,446
Foreign exchange translation reserve	15	(136,183)	-
Retained earnings		4,003,949	-
TOTAL EQUITY		**7,782,212**	**1,446**

These financial statements should be read in conjunction with accompanying notes

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

	Share Capital Ordinary $	Retained Earnings $	Foreign Exchange Reserve $	Total $
Balance at 30 June 2013	**1,446**	**-**	**-**	**1,446**
Profit for the year	-	4,003,949	(136,183)	3,867,766
Shares issued during the year	3,913,000	-	-	3,913,000
Balance at 30 June 2014	**3,914,446**	**4,003,949**	**(136,183)**	**7,782,212**

These financial statements should be read in conjunction with accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOW
FOR YEAR ENDED 30 JUNE 2014

	Note	June 2014 $	June 2013 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		7,814,984	-
Payments to suppliers and employees		(3,112,791)	-
Interest received		17,475	-
Finance costs		(2,266)	-
Income tax paid		(839,932)	-
Total operating cash flow	**19**	**3,877,470**	**-**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(264,572)	-
Purchase of intangible assets		(8,789)	-
Total investing cash flow		**(273,361)**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES			
Australia company initial capital injection		1,000	-
IPO proceeds		3,912,000	-
Advances from related party payment		(670,526)	-
Repayment from related party Receipt		427,446	1,446
Total financing cash flow		**3,669,920**	**1,446**
Net increase in cash held		7,274,029	1,446
Cash at beginning of financial year		1,446	-
Effect of exchange rates on cash Holdings in foreign currencies		(137,142)	-
Cash at end of financial year	**6**	**7,138,333**	**1,446**

These financial statements should be read in conjunction with accompanying notes

NOTE 1: Statement of significant accounting policies

This financial report includes the consolidated financial statements and notes of Victor Group Holdings Limited and controlled entities ('Consolidated Group' or 'Group').

Victor Group Holdings Limited listed on the Australian Securities Exchange ("ASX") on 9 May 2014 and is a company limited by shares, incorporated and domiciled in Australia. The Company is a for-profit entity for the purpose of preparing the financial statements.

Basis of Preparation

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards ("IFRS"). Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied. All amounts are presented Australian dollar (AUD) which is the group's functional and presentational currency, unless otherwise noted.

Third statement of financial position

Two comparative periods are presented for the statement of financial position when the Company:

1) Applies an accounting policy retrospectively,
2) Make a retrospective restatement of items in its financial statements, or
3) Reclassifies items in the financial statements.

The management has determined that only one comparative period for the statement of financial position was required for the current reporting period.

Significant accounting polices

a) Principle of consolidation

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is expose to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

The controlled entity is listed in Note 20 to the financial statements. All controlled entities have a June financial year end.

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

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

b) Income Tax

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

Current tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realization and settlement of the respective asset and liability will occur.

c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property, plant and equipment are measured at cost less depreciation and impairment losses.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labor, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly, all other decreases are charged to the statement of profit or loss and other comprehensive income. Each year the difference between depreciation based on the re-comprehensive income and depreciation based on the asset's original cost is transferred from the revaluation surplus to retain earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalized lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the consolidated group 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:

Class of Fixed Asset	**Depreciation Rate**
Office equipment	20%
Motor vehicles	20%

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

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

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

d) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Company are classified as finance leases.

Finance leases are capitalized by recording an asset and a liability 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.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

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

e) Financial Instruments

Recognition and Initial Measurement

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

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

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

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

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

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

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

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

5) Financial Liabilities

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

6) Fair value

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

7) Impairment of financial assets

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

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

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

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognized directly in the financial assets reserve in other comprehensive income,

f) Impairment of Non-Financial Assets

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

Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for intangible assets with indefinite lives and intangible assets not yet available for use. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

h) Provisions

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

i) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

j) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any discounts allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognized and the amount ultimately received is interest revenue.

Revenue from the rendering of services is recognized when the course has been completed as this is when the stage of completion of the transaction can be reliably measured and cost incurred for the transaction can be measured reliably and is probable that economic benefits associated with the transaction will flow to the entity.

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

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

k) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

l) Goods and Services Tax (GST) and Value Added Tax (VAT)

Revenues, expenses and assets are recognized net of the amount of GST and VAT, except where the amount of GST or VAT incurred is not recoverable from the Tax Office. In these circumstances the GST or VAT is recognized as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST and VAT.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST and VAT component of investing and financing activities, which are disclosed as operating cash flows.

m) Earnings per share

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

Diluted earnings per share adjust the figures used to determine 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.

n) Comparative Figures

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

o) Critical Accounting Estimates and Judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised of the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key Estimates — Impairment

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

p) Intangibles assets

Trademarks are recognized at cost of acquisition. Trademarks have a finite life and are carried at cost less any accumulated amortization and any impairment losses. Trademarks are amortized over their useful life of 10 years.

q) Foreign Currency Transactions and Balances

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency").

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

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognized in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized directly in equity to the extent that the gain or loss is directly recognized in equity; otherwise the exchange difference is recognized in the statement of profit or loss and other comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of functional currency to presentation currency are transferred directly to foreign currency translation reserve in the balance sheet. These differences are recognized in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

r) New Standards not previously applied

The Consolidated Entity has adopted new and revised IFRS issued by the IASB during the current financial year. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available. There is no material financial impact from adopting the new Standards.

NOTE 2: Revenue

	Consolidated Group	
	June 2014	**June 2013**
	$	$
Operating activities		
Provision of training and consulting services	9,150,028	-
Total Revenue	9,150,028	-

NOTE 3: General and administrative expenses

	Consolidated Group	
	June 2014	**June 2013**
	$	$
General and administrative expenses:		
Salary expenses	332,813	-
Consulting expense	168,569	-
Travelling expense	24,918	-
Rental expense paid to related party	42,576	-
Depreciation and amortization expense	31,446	-
Other operating expenses	479,834	-
Finance costs:		
Bank charges	2,266	-
Foreign exchange loss	9,610	-
Total General and administrative expenses	1,092,052	-

NOTE 4: Income tax expense

	Consolidated Group	
	June 2014	**June 2013**
	$	$
The components of tax expense comprise:		
Current tax	1,422,041	-
Deferred tax	-	-
Current tax expense	1,422,041	-
Reconciliation of tax expense		
Profit before income tax	5,425,990	-
Prima facie tax payable on profit before income tax at rate of 30%	1,627,797	-
Adjustments of entities not taxed at 30%	(271,299)	-
Tax effect on non-deductible expenses	65,543	-
Total Revenue	1,422,041	-

The Company is subject to the tax law of Australia and its operating subsidiaries are separately subject to income law of Hong Kong and People's Republic of China (PRC).

NOTE 5: Auditors' remuneration

	Consolidated Group	
	June 2014	**June 2013**
	$	$
Remuneration of the auditor of the parent entity for:		
-Auditing or reviewing the financial report	100,000	
-Investigating accounts report	45,000	
-tax report	5,000	-
Total auditors' remuneration	150,000	-

NOTE 6: Cash and cash equivalents

	Consolidated Group	
	June 2014	**June 2013**
	$	$
Cash on hand	5	1,446
Cash at bank	4,638,328	-
Short term deposits	2,500,000	-
Total Cash and cash equivalents	7,138,333	1,446

NOTE 7: Trade and other receivables

	Consolidated Group	
	June 2014	**June 2013**
	$	$
Current		
Trade receivables	1,363,960	-
Related party receivables	5,700	-
Total current trade and other receivables	1,369,660	-

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements. The group does not hold any collateral as security over any receivable balance, nor does it hold any restrictions of title.

The average credit period on the provision of services is 7 days, no interest is charged on the trade receivables.

The age of trade receivables past due but not impaired is as follows:

	Consolidated Group	
	June 2014	**June 2013**
	$	$
Current	1,363,960	-
31-60 days	-	-

61-90 days	-	-
>90 days	-	-
Total trade receivables	1,363,960	-

NOTE 8: Other Assets

	Consolidated Group	
	June 2014	June 2013
	$	$
Current		
Prepayment for training costs and venue hire	45,749	-
Total other assets	45,749	-

NOTE 9: Property, Plant and Equipment

	Consolidated Group	
	June 2014	June 2013
	$	$
Office equipment		
At cost	58,483	-
Accumulated depreciation	(7,572)	-
Total office equipment	50,911	-
Motor vehicles		
At cost	206,089	-
Accumulated depreciation	(22,221)	-
Total motor vehicles	183,868	-

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year is as follows:

		Consolidated Group	
	Office equipment	Motor vehicles	Consolidated Total
	$	$	$
Balance at 1 July 2013	**-**	**-**	**-**
Addition	58,483	206,089	264,572
Depreciation charges	(7,572)	(22,221)	(29,783)
Balance at 30 June 2014	**50,911**	**183,868**	**234,779**

NOTE 10: Intangible assets

	Consolidated Group	
	June 2014	June 2013
	$	$
Trademarks	8,789	-
Accumulated Amortization	(714)	-
Total intangible assets	8,075	-

Trademarks have a finite useful life and are carried at cost less accumulated amortization and impairment losses; amortization is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives, which have been determined to be 10 years.

NOTE 11: Trade and other payables

	Consolidated Group	
	June 2014	June 2013
	$	$
Current		
Trade payables	114,943	-
Accrued expenses-wages	26,616	-
Related party payable-Achieva Capital	136,877	-
Related party payable-Simon Zhang	58,318	-
Other tax payable	95,521	-
Total trade and other payables	432,275	-

NOTE 12: Issued Capital

	Number of Shares issued	$
Ordinary shares		
Shares on issue at 11 September 2013 (Incorporation)	1,000	1,000
Shares issued to shareholder in HKV at 13 December 2013	499,999,000	1,446
Shares issued following capital raising	19,560,000	3,912,000
Total issued capital	519,560,000	3,914,446

NOTE 13: Earnings per share

Basic earnings per share are calculated by dividing net profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	Consolidated Group	
	June 2014	June 2013
	$	$
Net profit attributable to ordinary equity holders of the parent	4,003,949	-
Weighted average number of ordinary shares for basic earnings per share	218,561,297	-
Adjustments for calculation for diluted earnings per share	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	-	-
Basic earnings per share	1.83cents	N/A
Diluted earnings per share	1.83cents	N/A

NOTE 14: Capital Management

Management controls the capital of the group in order to maintain a good debt to equity ratio, and ensure that the company can fund its operations and continue as a going concern.

The group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

Pursuant to the current People's Republic of China Company Law, the Company is required to transfer between 5% to 20% of its profit after taxation to a statutory reserve until the surplus reserve balance reaches minimal 50% of the registered capital. For the purposes of calculating the transfer to this reserve, the profit after taxation shall be the amount determined under the People's Republic of China accounting standards. The transfer to this reserve must be made before the distribution of dividends to the shareholders.

Management effectively manages the group's capital by assessing the group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

NOTE 15: Reserves

	Consolidated Group	
	June 2014	June 2013
	$	$
Foreign translation reserve	(136,183)	-
	(136,183)	

Foreign translation reserve

The foreign currency translation reserve represents exchange differences arising from translation of the parent entity's functional currency (AUD) into presentation currencies of the group (HKD&RMB).

NOTE 16: Commitments

Operating Commitments

Non-cancellable to operating leases contracted for but not capitalized in the financial statements.

	Consolidated Group	
	June 2014	**June 2013**
	$	$
Payable-minimum lease payments		
Not later than 12 months	41,280	-
Between 12 months and five years	123,840	-
	165,120	-

A lease agreement has been signed with related party, Shanghai Victor Enterprise Management for the rental of office premises; current period office rental expense is RMB240, 000 (AUD41, 280) per annum.

The consolidated group has also entered into a lease agreement with related party, Shanghai Victor Enterprise Management for venue hire for training and consulting sessions held at a rate of RMB20,000(AUD3,440) per training session. The total lease payable is dependent upon the number if sessions held.

NOTE 17: Contingent Assets and Contingent Liabilities

The consolidated group has no contingent liabilities or contingent assets at 30 June 2014.

NOTE 18: Segment reporting

The Board has considered the requirements of AASB8 operating segments and the internal reports that are reviewed by the chief operation decision maker in allocating resources and have concluded at this that there are no separately identifiable segments

NOTE 19: Cash Flow Information

Reconciliation of Net Profit after Tax to Net Cash Flow from Operations

	Consolidated Group	
	June 2014	**June 2013**
	$	$
Profit after income tax	4,003,949	-
Depreciation/amortization	31,446	-
Payment made by related party (Achieva) on behalf the company	405,036	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade receivables	(1,363,960)	-
(Increase)/decrease in prepayments	(41,819)	-
(Increase)/decrease in other receivables	(9,630)	-
Increase/ (decrease) in trade and other payables	270,319	-
Increase/ (decrease) in income taxes payable	582,109	-
Cash flows from operations	**3,877,470**	**-**

NOTE 20: Controlled entities

Controlled entities consolidated	country of Incorporation	percentage owned (%) [1]	
Subsidiary of Victor Group Holdings Limited		**June 2014**	**June 2013**
Hong Kong Victor International Enterprise Management Co., Limited [2]	Hong Kong	100%	N/A
Kesheng Management Consulting (Shanghai) Co., Ltd	China	100%	N/A

(1) Percentage of voting power is in proportion to ownership

(2) Hong Kong Victor International Enterprise Management Co., Limited is the intermediate parent entity of Kesheng Management Consulting (Shanghai) Co., Ltd.