Q Limited

ABN 13 083 160 909

Annual Report - 30 June 2014

Contents

Directors	Jeffrey K Beaumont - Chairman Frank Giugni Richard Ochojski
Company secretary	Brett Crowley
Notice of annual general meeting	The details of the annual general meeting of Q Limited are: Suite 904 37 Bligh Street Sydney NSW 2000 on Thursday 27 November 2014 at 10.00am
Registered office	Suite 904 37 Bligh Street Sydney NSW 2000 Telephone: +61 (2) 9233 3308 Facsimile: +61 (2) 9233 3307
Share register	Computershare Investor Services Pty Limited Yarra Falls 452 Johnston Street Abbotsford VIC 3067 Telephone: 1300 787 272 Facsimile: +61 (3) 9473 2500
Auditor	Deloitte Touche Tohmatsu 225 George Street Sydney NSW 2000
Stock exchange listing	Q Limited shares are listed on the Australian Securities Exchange (ASX code: QXQ)
Website	www.qlimited.com.au

On behalf of the Board of Directors ('Board') of Q Limited ('the Company'), I am pleased as Chairman to present the 2014 Annual Report for the Company and its consolidated entities ('the Group').

The Annual Report outlines in detail the fully-audited financial results for the financial year ended 30 June 2014, and provides extensive commentary on our operations, management, financial and accounting and remuneration policies, and post-period events, as well as information relating to other key areas required to keep shareholders informed.

The Board outlined in its 2013 Annual Report that the Company was well-advanced in executing its restructuring strategy and had completed the sale of its digital marketing operating units.

The Company did not conduct any trading operations again this financial year, but concentrated heavily on continuing efforts to locate, evaluate and pursue opportunities for a business acquisition[s] that required a wide search across various profitable and scalable sectors.

As the financial year neared a close, and after substantial consideration, the management team chose not to pursue the intended acquisitions of the two Queensland-based mining camp accommodation management businesses that the Company had previously announced it was pursuing. The Company had identified the mining services sector as an area which would benefit from an additional well-focused and specialist national operator, and a sector in which that focus would translate into benchmark trading performance. Emerging volatility and uncertainty being experienced at the resource extraction end of the sector, has created a challenging environment that put at risk management's on-going outlook for stability and growth prospects.

Significant administrative efforts were undertaken throughout the year to assess the historical nature and extent of individual asset and liabilities being recorded in the financial statements, as well as the need to maintain various subsidiaries. In time, all subsidiaries, including two based in New Zealand, will be de-registered.

The Company recently announced its plans to acquire the Crowd Mobile group of companies and has now embarked on a related fund-raising exercise. Shareholder agreement to these plans will accordingly change the nature and scale of the Group's operations, and allied to this, the Company will also be seeking shareholder support for a consolidation of its existing share capital and a share issue to raise funds.

As an initial step towards securing that acquisition, details of a Share Purchase Plan ('SPP') have recently been mailed to existing shareholders, encouraging them to increase their investment in the Company.

In addition to the SPP, existing shareholders can expect to receive a formal Notice of Meeting and a Prospectus in coming weeks outlining the proposed change in Company operations, the proposed changes to the Company's issued shares and its capital, as well as the proposed acquisition of the Crowd Mobile group of companies. These documents will also be supported by an Independent Experts Report, in readiness for being put to shareholders for consideration at a forthcoming general meeting scheduled for the end of October 2014.

The Board has in recent months kept existing shareholders and potential investors informed of its strategic plans and developments, a policy that will of course continue as the Company moves towards garnering shareholder support for these initiatives, raising the funds needed, and orchestrating its plans.

Crowd Mobile (www.crowdmobile.com) is a highly-profitable global mobile entertainment and micro job business that operates in Australia, NZ, UK, Ireland, Germany, Netherlands and Switzerland. It provides its services across SMS and Apps to a significant customer base through their mobile phone and tablet devices. It has a number of brands and an experienced management team focused heavily on further global growth.

The Board considers that its upcoming Crowd Mobile acquisition will set a strong foundation for future growth and increase rewards for our shareholders.

Jeffrey Beaumont
Chairman

30 September 2014

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Q Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2014.

Directors
The following persons were directors of Q Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Jeffrey K Beaumont - Chairman
Frank Giugni
Richard Ochojski

Principal activities
The principal activities were the finalisation of collection efforts relating to the variable component of the proceeds from the sale of the various business assets from 2012, as well as the continuing wider search for acquisition opportunities that would enable the company to re-commence active trading in a profitable business sector(s).

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the consolidated entity, after providing for income tax, amounted to $550,345 (30 June 2013: $1,645,363) and reflected the fact that the company did not actively trade in any operational area again this financial year.

The consolidated entity's sole activity, other than collecting the remaining pre-set retention payments due from the sale of its assets that occurred in 2012 and prior, and the resolution of a past insurance claim matter, was to actively seek out and evaluate new business opportunities.

The consolidated entity operated again this year with an employee base comprising the roles of company secretary, chief financial officer, and three non-executive directors. None of these roles were conducted on a full-time basis.

Apart from compliance-related costs such as listing and audit fees etc, costs levels across all expense categories were kept to a minimum and reflected the lack of operational trading.

Cash flow remained tight throughout the year, particularly due to the extensive ongoing and unexpected delays in advancing the two Queensland-based mining accommodation transactions that were planned to conclude early in the year, which have since been terminated due to vendor inabilities to meet conditions precedent obligations.

Uncertainty surrounding 'going concern' was again an issue to some degree, but the positive cash flow planned to be generated by the Crowd Mobile Group transaction announced in late August, will significantly contribute a far more positive outlook and fuel growth prospects, as well as improve the outcome of planned fund-raising initiatives.

Significant changes in the state of affairs
In June 2013, Q Limited signed a unit purchase agreement to acquire the units in Alpha Mining Accommodation Trust, which was involved in the provision of short-term mining accommodation in Queensland.

On 16 July 2013, Q Limited signed a share purchase agreement to acquire 80% of the issued shares in Pellam Rd Pty Limited, whose assets consisted of a lease over land in Miles, Queensland, on which a mining accommodation village was intended to be built.

During the course of the year, Q Limited worked towards completing the conditions precedent necessary to finalise both the above mining accommodation opportunities, along with planning a minimum capital raise of $2,000,000.

As noted above, these transactions have since been terminated.

On 20 February 2014, Q Limited entered into a second convertible note funding arrangement with Tandem Capital Pty Limited, a company associated with Q Limited's Chairman, whereby Tandem Capital Pty Limited will advance a maximum of $100,000 in instalments of $10,000 to Q Limited. The loan may be converted within 3-months of a shareholder meeting approving the conversion into whole ordinary fully-paid shares at a price of $0.0030 per share. Upon conversion, Q Limited will apply for the quotation of those shares on the ASX. Interest is only payable in the event that shareholder approval is not obtained to convert the advance into shares and only then payable at a rate of 10.0% per annum.

Several alternative opportunities in other trading sectors were also explored towards the end of the year, as a standby measure should the mining accommodation opportunities take longer than expected to be finalised.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

On 27 July 2014, Beconwood Securities Pty Limited and various associated entities disposed of a major shareholding in the company to Dominet Digital Corporation Pty Limited and its associated entities, who now control 19.99% of the company's voting power.

On 14 August 2014, the company executed a deed under a $100,000 convertible note agreement put in place on 24 February 2014 with Tandem Capital Pty Limited, a company associated with director Jeff Beaumont, to assign the convertible note agreement to Tiger Domains Pty Limited, a company associated with Dominet Digital Corporation Pty Limited. The company also executed a deed on 14 August 2014 to draw down $100,000 from Tiger Domains Pty Ltd under the provisions of this convertible note.

On 15 August 2014, a request by Tandem Capital Pty Limited to allow Tiger Domains Pty Limited to take over the $68,754 loan (plus interest) made by Tandem Capital Pty Limited to Q Limited under the convertible note funding arrangement which was put in place on 19 March 2013, was agreed to.

On 28 August 2014, Q Limited terminated the Alpha Mining Accommodation Trust and Pellam Road mining accommodation transactions on the basis that the conditions precedent in the agreements for both planned transactions were not able to be satisfied by the respective vendors.

On 29 August 2014, Q Limited also announced that it had entered into a binding terms sheet to acquire 100% of the shares in the companies that comprise the Crowd Mobile Group, a global mobile entertainment and micro job business operating in the 'SMS and App' market providing services on mobile telephones and tablets to users across Australia, New Zealand, United Kingdom, Ireland, Germany, The Netherlands and Switzerland. The acquisition is anticipated to be completed by December 2014 and the related costs will be funded by a Share Purchase Plan expected to raise up to $600,000.

On 29 August 2014, Q Limited announced an ASX-approved Share Purchase Plan ('SPP') inviting current eligible shareholders to consider purchasing up to $15,000 [minimum $1,000 subscription] in new fully-paid ordinary shares in the company in order to raise up to $600,000 to be used as working capital up to completion of the Crowd Mobile transaction. An offer price of $0.0050 has been set, based on the company's share price on 21 August 2014, being its last traded shares, and this offer price is free of any associated transaction costs. A comprehensive mail-out to shareholders occurred on 22 September 2014 and a meeting of shareholders in relation to this SPP is scheduled for 23 October 2014.

On 12 September 2014, Q Limited entered into a convertible note funding arrangement directly with Dominet Digital Corporation Pty Limited, whereby a maximum of $200,000 will be advanced in instalments of $20,000 to Q Limited, as necessary for any short-term working capital needs. Drawn funds are to be repaid within three months of the shareholder meeting that approves the Crowd Mobile transaction, but there is a provision for the loan to be converted at that same shareholder meeting into whole ordinary fully-paid shares at a price of $0.0050 per share. Upon conversion, Q Limited will apply for the quotation of those shares on the ASX. Interest is only payable in the event that shareholder approval is not obtained to convert the advance into shares and only then payable at a rate of 10.0% per annum.

On 15 September 2014, the company addressed several director-related matters contained in the Crowd Mobile Term Sheet executed on 29 August 2014 by ratifying a decision taken on that day to formally request shareholder approval at the EGM scheduled to approve the transaction to allocate additional director fees of $40,000 to each of its current directors, to be payable in shares converted at $0.005 per share, to reflect the substantial amount of additional time required by them to complete the Crowd Mobile transaction. In addition, the directors will seek shareholder approval to convert 50% of their unpaid director fees of $60,000 each for the year to 30 June 2014 into shares in Q Limited at $0.005 per share.

On 18 September 2014, the ASX approved the company's request to release from escrow the 13,328,600 fully paid, but still unlisted, ordinary shares subscribed for by Tandem Capital Pty Limited on 19 March 2013, due to a change in current circumstances whereby Tandem is no longer the promoter of, or associated with, any transaction in which Q Limited is involved.

No other matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The Directors envisage that shareholders will vote in favour of the resolutions being put forward as part of the Crowd Mobile Group acquisition, and that the associated fundraising exercise will be successful.

Anticipated cash flows from the acquired business will place the company in a strong position to execute its growth plan.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Jeffrey R Beaumont
Title:	Chairman
Experience and expertise:	Jeffrey has substantial investment experience, including trading in foreign exchange, futures, warrants and options, as well as having acted as lead advisor on several mergers and acquisitions. He has broad business experience as an investment banker and as a principal investor in early-stage ventures that successfully graduated businesses from expansion to exit stages.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Remuneration and Audit Committee, Corporate Governance Committee and Due Dilligence Committee.
Interests in shares:	13,328,600 ordinary shares held indirectly through Tandem Capital Pty Ltd, a company in which Jeffrey is a director.
Interests in options:	None

Name:	Frank Giugni
Title:	Director and Chief Financial Officer
Qualifications:	B Bus, Grad Dip Mgt, FCPA
Experience and expertise:	Frank is an experienced finance professional with extensive profit-centre experience gained in several key accounting and management roles with major ASX and FTSE-listed companies. He specialises in restructuring and performance improvement, as well as mid-market merger and acquisition activities.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Remuneration and Audit Committee, and member of the Corporate Governance Committee and Due Dilligence Committee.
Interests in shares:	None
Interests in options:	None

Name:	Richard Ochojski
Title:	Non-Executive Director
Experience and expertise:	Richard is an experienced senior finance executive with substantial local and international banking and finance industry experience across wide-ranging business sectors, particularly service industries, and has an extensive corporate finance and lending background, specialising in cash flow lending. He holds, and has held, various public company board positions at director and chairman level.
Other current directorships:	Director of Reeltime Media Limited (ASX: RMA) (appointed on 9 April 2010)
Former directorships (last 3 years):	Non-Executive Director of Continuation Investments Limited (ASX: COT) (appointed on 31 October 2011 and resigned on 2 April 2013)
Special responsibilities:	Chairman of the Due Dilligence Committee and member of the Remuneration and Audit Committee and Corporate Governance Committee.
Interests in shares:	None
Interests in options:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

'Former directorships (in the last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

Company secretary
Brett Crowley (B Comm, Dip Law) was appointed company secretary on 7 February 2014. Brett is a practicing solicitor and is an experienced chairman, finance director and company secretary of ASX-listed companies. He currently practices as a solicitor and is a Senior Legal Member of the NSW Civil & Administrative Tribunal, as well as company secretary of Flat Glass Industries Limited (ASX: FGI). He was formerly a partner of Ernst & Young in Hong Kong and Australia, as well as KPMG in Hong Kong. The former company secretary, Samantha Beaumont, resigned on 7 February 2014 and had held the position since 20 March 2013.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2014, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
J Beaumont	14	14
F Giugni	14	14
R Ochojski	14	14

Held: represents the number of meetings held during the time the director held office.

The Acquisition and Finance Committee, the Corporate Governance Committee and the Remuneration Committee did not meet during the year but matters were discussed by the Full Board at a number of meetings during the financial year ended 30 June 2014. Since the change to the Board the Remuneration and Audit Committee, Corporate Governance Committee and Due Diligence Committee functions were undertaken by the Full Board.

Remuneration report (audited)
The remuneration report, which has been audited, outlines the director and executive remuneration arrangements for the consolidated entity and the company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The objective of the consolidated entity's and company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and conforms with the market best practice for delivery of reward. The Remuneration Committee on behalf of the Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- create an environment that motivates energy and passion to deliver superior performance

The Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity and company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity and company, and may from time to time use remuneration consultants.

Alignment to shareholders' interests:
- has economic profit as a core component of plan design
- focuses on sustained growth in shareholder wealth delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value and growth in share price
- attracts and retains high calibre executives

Alignment to program participants' interests:
- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards
- creates an environment that motivates energy and passion to deliver superior performance

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate.

Non-executive directors remuneration
Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Remuneration Committee. From time to time the Remuneration Committee may obtain advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market, see 'Use of remuneration consultants' below. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to determination of his own remuneration. Non-executive directors did not receive share options or other incentives in the current financial year. Fees are reviewed annually and include superannuation guarantee contributions. The non-executive directors do not receive any other benefits.

ASX listing rules require that the aggregate non-executive directors remuneration shall be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 19 November 2009, where the shareholders approved an aggregate remuneration of $350,000.

Executive remuneration
The consolidated entity and company aim to reward executives with a level and mix of remuneration based on their position and responsibility.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration consists of base salary, superannuation and non-monetary benefits. Executives can receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the targets of those executives in charge of meeting those targets. STI payments are discretionary.

The long-term incentives ('LTI') include both share-based payments and options. The Q Limited Share Plan ('the Plan') was established in 2011 as part of the company’s remuneration strategy. It is designed to align the interests of the company’s management and shareholders, and assist the company in the attraction, motivation and retention of executives. In particular, the Plan is designed to provide relevant executives with an incentive for future performance, with conditions vesting under the Plan, encouraging those executives to remain with the company and contribute to its future performance. It is intended that key employees and Executive Directors of the company will be eligible to participate in the Plan.

No share allocations under the Plan as part of the LTI have been made in the financial year ended 30 June 2014.

The company also operates an employee option plan called the Q Limited Incentive Option Scheme ('Scheme'). The Scheme is designed to provide long-term incentive for employees and directors of the company by aligning their interests more closely with those of the company's shareholders. It allows employees to participate in the company's future growth and give them incentive to increase profitability and returns to shareholders. Full-time employees, part-time employees, directors and contractors of the company are eligible to participate in the Scheme. No options have been issued under the Scheme since January 2008.

Consolidated entity performance and link to remuneration
Remuneration for key management personnel is not directly linked to performance of the consolidated entity.

Use of remuneration consultants
During the financial year ended 30 June 2014, the company did not engage remuneration consultants to review its existing remuneration policies and provide recommendations on how to improve both the short-term incentives ('STI') and long-term incentives ('LTI') programs.

Voting and comments made at the company's 2013 Annual General Meeting ('AGM')
At the last AGM 99.9% of the shareholders voted to adopt the remuneration report for the year ended 30 June 2013. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of the key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the directors of Q Limited and the following persons:
- Brett Crowley - Company Secretary (appointed on 7 February 2014)
- Samantha Beaumont - Chief Financial Officer and Company Secretary (resigned on 7 February 2014)

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2014	Cash salary and fees $	Bonus $	Other $	Super-annuation $	Other $	Equity-settled $	Total $
Non-Executive Directors:							
J Beaumont	60,000	-	-	5,550	-	-	65,550
F Giugni	60,000	-	12,000	5,550	-	-	77,550
R Ochojski	60,000	-	-	5,550	-	-	65,550
Other Key Management Personnel:							
B Crowley *	-	-	9,000	-	-	-	9,000
S Beaumont **	39,590	-	-	4,050	-	-	43,640
	219,590	-	21,000	20,700	-	-	261,290

* Key management personnel was appointed during the year and remuneration is for the period of appointment to 30 June 2014.
** Key management personnel resigned during the year and remuneration is for the period to date of resignation.

2013	Short-term benefits Cash salary and fees $	Bonus $	Other $	Post-employment benefits Super-annuation $	Long-term benefits Other $	Share-based payments Equity-settled $	Total $
Non-Executive Directors:							
J Beaumont *	15,000	-	-	1,350	-	-	16,350
F Giugni *	15,000	-	-	1,350	-	-	16,350
R Ochojski *	15,000	-	-	1,350	-	-	16,350
K Campbell **	25,000	-	-	2,250	-	-	27,250
E Kleiner **	95,981	-	-	8,638	-	-	104,619
A Koo **	7,500	-	-	675	-	-	8,175
Executive Directors:							
P Choiselat **	146,250	-	-	-	-	-	146,250
Other Key Management Personnel:							
S Beaumont *	40,113	-	-	3,610	-	-	43,723
	359,844	-	-	19,223	-	-	379,067

* Director or key management personnel appointed during the year and remuneration is for the period from appointment to 30 June 2013.
** Director or key management personnel resigned during the year and remuneration is for the period to date of resignation.

100% of the key management personnel remuneration is fixed and not linked to performance.

Service agreements
There are no contracts of employment for key management personnel and they have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2014.

Options
There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2014.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2014.

Additional disclosures relating to key management personnel
In accordance with Class Order 14/632, issued by the Australian Securities and Investments Commission, relating to 'Key management personnel equity instrument disclosures', the following disclosure relates only to equity instruments in the company or its subsidiaries.

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
J Beaumont *	13,328,600	-	-	-	13,328,600
	13,328,600	-	-	-	13,328,600

* Tandem Capital Pty Ltd holds 13,328,600 ordinary shares. Jeffrey Beaumont is a director of Tandem Capital Pty Ltd, and is a named beneficiary of a trust which holds shares in Tandem Capital Pty Ltd.

Loans to key management personnel and their related parties
There were no loans to key management personnel and their related parties during the financial year to 30 June 2014.

Other transactions with key management personnel and their related parties
On 21 March 2013, Tandem Capital Pty Ltd, a director related entity, entered into a converting loan agreement for $68,794 with Q Limited. The loan may be converted within 3 months of a shareholder meeting approving the conversion, into whole ordinary fully paid shares at a price of $0.00234427 per share. Upon conversion, Q Limited will apply for the quotation of those shares on the ASX. Interest is only payable in the event that shareholder approval is not obtained to convert the advance into shares and only then payable at a rate of 10% per annum. The balance of the loan at 30 June 2014 was $68,794.

On 24 February 2014, Q Limited entered into a second convertible loan funding arrangement with Tandem Capital Pty Limited for $100,000 (to be drawn down in instalments of $10,000). The loan may be converted within 3 months of a shareholder meeting approving the conversion into whole ordinary fully-paid shares at a price of $0.0030 per share. Upon conversion, Q Limited will apply for the quotation of those shares on the ASX. Interest is only payable in the event that the shareholder approval is not obtained to convert the advance into shares and only then payable at a rate of 10.0% per annum. No draw down of the loan has been made at 30 June 2014.

This concludes the remuneration report, which has been audited.

Shares under option
There were no unissued ordinary shares of Q Limited under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of Q Limited issued on the exercise of options during the year ended 30 June 2014 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the consolidated entity for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company and consolidated entity against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the company and consolidated entity or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

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 purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former audit partners of Deloitte Touche Tohmatsu
There are no officers of the company who are former audit partners of Deloitte Touche Tohmatsu.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Auditor
Deloitte Touche Tohmatsu continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Jeffrey Beaumont
Chairman

30 September 2014
Sydney

Deloitte Touche Tohmatsu
A.B.N. 74 490 121 060

Grosvenor Place
225 George Street
Sydney NSW 2000
PO Box N250 Grosvenor Place
Sydney NSW 1220 Australia

Tel: +61 (0) 2 9322 7000
Fax: +61 (0) 2 9322 7001
www.deloitte.com.au

The Board of Directors
Q Limited
Suite 904
37 Bligh Street
Sydney NSW 2000

30 September 2014

Dear Board Members

Q Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Q Limited.

As lead audit partner for the audit of the financial statements of Q Limited for the year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Joshua Tanchel
Partner
Chartered Accountants

The Board of Directors ('Board') is responsible for the corporate governance practices of Q Limited ('company') and is committed to adhering to the Australian Securities Exchange (ASX) Corporate Governance Council ('Council') Corporate Governance Principles and Recommendations' ('CGPR').

This statement sets out the key elements of our corporate governance framework that has operated throughout the year.

The Board is of the opinion that subject to certain departures which were justified for adoption due to the particular circumstances of the company, our corporate governance framework is compliant with the ASX Council CGPR. Details of the extent to which the company has followed the ASX Council CGPR have been included at the end of this statement.

The company's corporate governance framework is kept under review and changes are made in response to changes in the company's business or applicable legislation and standards.

1. The company's board of directors

The company has established clear guidelines to distinguish between the roles of the Board and that of management.

In essence, the Board is responsible for the overall strategic planning and decision making of the company as a whole and answerable to the shareholders for the business performance of the company and its controlled entities. Management on the other hand is delegated with all the functions in relation to the day-to-day operations of the company and is accountable to the Board in this respect.

The Board of Directors is responsible for protecting the rights and interests of members and is accountable to them for the overall management of the company. The Board has the overall responsibility for the governance of the company, including:

- Setting strategies, directions and establishing goals for the company;
- The monitoring of performance against these goals and objectives;
- Oversight of the company including control and accountability systems;
- Ensuring there are adequate internal controls and ethical standards of behaviour;
- The review of the Chief Executive Officer ('CEO') and other key management personnel performance, conduct and reward;
- The monitoring of the major risks of the company's business and ensuring there are appropriate policies and procedures to satisfy its legal and ethical responsibilities;
- The approval and monitoring of financial and other reporting;
- Approving all mergers and acquisitions;
- Reviewing the annual progress and performance of the company in meeting the objectives of the company, including reporting the outcome of such reviews;
- Establishing and determining the powers and functions of the committees of the Board; and
- The review and approval of the major operational and capital expenditure plans established by the management team, and the monitoring of performance against those plans.

The content of a director's letter upon appointment will be reflective of the responsibilities as listed as Board responsibilities under Principle 1 of ASX Council CGPR.

2. Board structure

The company recognises the need to have a board of the appropriate composition, size and commitment with an appropriate range of expertise, skill, knowledge and vision to enable it to operate the company's business with excellence. At the date of the Annual Report, the Board had a majority of Non-Executive Directors.

The composition of the Board is determined by the company using the following principles:

- The Board should comprise at least three directors. This number may be increased where it is felt that additional expertise is required in specific areas.
- The Board comprises not less than half independent Non-Executive Directors.
- The Board comprises directors with a broad range of expertise both nationally and internationally.

Details of the 'Information on directors' and the 'Meetings of directors' are included in the Directors' report.

The Board's composition of three directors is considered an appropriate size for the company at its present stage of development and given the breadth of its membership, most issues can be decided at Board level without the need for separate committees such as a nomination committee. The full Board incorporates the responsibilities of the Nomination Committee. It has the responsibility for reviewing the composition of the Board and recommending new nominees for membership of the Board, should the need arise. The selection of directors must be approved by the majority of shareholders at the next AGM.

Each year the Board conducts an evaluation review of the directors. The evaluation is carried out by a review as a whole of a director's attendance at and involvement in Board meetings, their performance and other matters identified by the Board or other directors. Significant issues are dealt with immediately by the Board. Due to the Board's assessment of the effectiveness of these processes, the Board has not otherwise formalised measures of a director's performance.

The Board assesses the independence of directors as appropriate. In considering whether a director is independent, the Board has regard to the independence criteria in ASX Council CGPR Principle 2 and other facts, circumstances and information the Board considers relevant.

3. Committees of the board

To assist in the execution of its corporate governance responsibilities, the Board has established three committees, the Remuneration and Audit Committee, the Corporate Governance Committee and the Due Diligence Committee. Due to the current size of the company, the activities of these committees are undertaken by the Full Board.

Details and qualifications of the members of each committee are contained in the 'Information of directors' section and the number of meetings attended included in the 'meetings of directors' sections of the Directors' report.

3.1 Remuneration and audit committee

The Board has established a Remuneration and Audit that 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 and remuneration is appropriate.

Audit and risk

This includes the safeguarding of assets, the maintenance of proper accounting records, the monitoring of risks 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 the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the company to this committee. The committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial statements.

The committee is also responsible for directing and monitoring the internal audit function, nomination of the external auditor, monitoring the independence of the external auditor and reviewing the adequacy of the scope and quality of the annual statutory audit or review. The committee is expected to review the performance of the external auditors on an annual basis and meet regularly with them during the year.

Remuneration

The committee is also responsible for reviewing the remuneration of directors and other key management personnel, evaluating key management personnel and making recommendations to the Board on these matters. This role also includes responsibility for recommendations to the Board on share and option schemes, incentive performance packages, superannuation entitlements and fringe benefits policies.

Remuneration levels are competitively set to attract the most qualified and experienced directors and key management personnel. The committee is authorised to obtain independent advice on the appropriateness of remuneration packages.

Details of the amount of remuneration, and all monetary and non-monetary components, for each of the key management personnel during the year ended 30 June 2014 are contained in the 'Remuneration report' included in the Directors' report. Termination entitlements for key management personnel, if any, are also contained in the 'Remuneration report' included in the Directors' report.

Non-Executive directors are remunerated by way of fees and are not provided with retirement benefits.

The external auditors and the Chief Financial Officer ('CFO') are invited to committee meetings at the discretion of the committee.

3.2 Corporate governance committee

The Corporate Governance Committee is responsible for reviewing the corporate governance policies and procedures. The Corporate Governance Committee conducts or facilitates the conduct of formal annual reviews of the internal guidelines relating to corporate governance, Board operation and membership and committee structures. This process ensures not only that the functions of Board and management are clearly defined and understood but also that the company's Board procedures are continually reviewed and the highest standards of performance are maintained.

3.3 Due diligence committee
The Due Diligence Committee was established by the Board in during the current financial year and is responsible for guidance and overseeing acquisition activities including identifying targets, conduct of the due diligence process and all related financing issues including strategic investments, raising equity and debt.

4. Access to independent professional advice
The directors, the Board and the Board Committees are empowered to seek external professional advice, as considered necessary, at the company's expense, subject to prior consultation with the Chairman. If appropriate, any advice so received will be made available to all directors.

5. Access to information
Directors are entitled to obtain access to company employees, documents and information.

6. Risk management
The company is committed to high standards and sound corporate governance which includes the management of risk areas. As such the Board recognises a responsibility to continuously identify strategic and operational risks and believes that effective risk management practice is essential to long-term success.

Risk management matters are continuously under Board discussion. The Board acknowledges that it is responsible for the overall internal control framework but recognises that no cost effective internal control system will preclude all errors and irregularities.

The CEO (or equivalent) and CFO (or equivalent) annually provide a formal statement to the Board that in all material respects and to the best of their knowledge and belief:
- The company's financial reports present a true and fair view of the consolidated entity's financial condition and operational results and are in accordance with relevant accounting standards; and
- The company's risk management and internal control systems are sound, appropriate and operating efficiently and effectively.

7. Ethical standards
The directors acknowledge the need for and continued maintenance of the highest standards of corporate governance practices and ethical conduct by all Directors and employees of the company. All directors, executives and employees are expected to act with the utmost integrity and objectivity in their dealings with each other, competitors, suppliers, customers, and the community, aiming at all times to enhance the reputation and performance of the company.

The company has adopted a Code of Conduct which sets standards of behaviour required of all employees including:
- to act properly and efficiently in pursuing the objectives of the company;
- to avoid situations which may give rise to a conflict of interest;
- to know and adhere to the company's policies;
- to maintain confidentiality in the affairs of the company and its customers;
- to be absolutely honest in all professional activities.

These standards are regularly communicated to staff and Directors and are accepted and agreed to by all.

Political contributions as a rule are not allowed by the company. Sponsorships undertaken by the company are aligned with the achievement of corporate objectives.

In accordance with the Constitution and the Corporations Act 2001, directors disclose to the Board any material contract in which they may have an interest. In compliance with section 195 of the Corporations Act 2001 any director with a material personal interest in a matter being considered by the Board will not be present when the matter is being considered and will not vote on the matter.

8. Diversity policy
The company recognises its talented and diverse workforce as a key competitive advantage and is committed to seeking out and retaining the finest human talent to ensure top business growth and performance. However, due to the current size of the company, the company has not established a formal diversity policy nor are there measurable objectives for achieving diversity.

The participation of women in the company and consolidated entity as at the date of the Annual Report was as follows:
- Women employees in the consolidated entity 0%
- Women in senior management positions 0%
- Women on the board 0%

9. Dealings in the company's securities

Under the company's Share Trading Policy, all directors and employees are subject to Corporations Act restrictions on dealing in securities in the company if they are in possession of price sensitive information.

In additions to these restrictions, directors and senior executives are not permitted to buy or sell company securities within the following periods:

- From 1 January to the commencement of the second trading day after the announcement of the company's half yearly results to the ASX; and
- From 1 July to the commencement of the second trading day after the announcement of the company's full year results to the ASX.

Each director has entered into an agreement with the company to advise the company when their interests in the securities of the company changes. Share dealings by directors are promptly notified to the ASX.

A copy of the Share Trading Policy is available on the company's website.

10. Continuous disclosure

Procedures and practices are in place to ensure compliance with the continuous disclosure requirements of the ASX Listing Rules. Continuous disclosure involves the timely announcement of information to keep the market informed of material events and developments as they occur.

Once the Board becomes aware of information concerning the company that would be likely to have a material effect on the price or value of the company's securities, the Board ensures that the information is released to the ASX.

The Company Secretary must ensure that information for release to the market is not released to any other person until the company has given the information to the ASX and has received an acknowledgement that the ASX has released the information to the market.

11. Communications to shareholders

The Board aims to ensure that shareholders are kept informed of all major developments affecting the company. Information is communicated to shareholders as follows:

- regular announcements are made to the ASX, including the half-year financial report and the year end audited annual report;
- continuous disclosure releases made to the ASX;
- the Board ensures the annual report includes relevant information about the operations of the company during the year, changes in the state of affairs and details of future developments;
- the Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification of the company's strategies and goals. All shareholders who are unable to attend these meetings are encouraged to communicate or ask questions by writing to the company; and
- the external auditor is requested to attend the Annual General Meetings to answer any questions concerning the audit and the contents of the Independent Audit Report.

The company's reports and ASX announcements will be available for viewing and downloading from the company's website at www.qlimited.com.au or at the ASX website: www.asx.com.au under the ASX code "QXQ".

12. Interests of stakeholders

The company acknowledges the obligation it has towards stakeholders such as shareholders, customers, employees, suppliers and the community it serves. To fulfil its obligations, the company strives to observe the laws, act in the best interests of shareholders, manage the company's assets properly, act in a highly professional way and promote a good corporate image among the industry.

13. Registry

Computershare Investor Services Pty Limited is the company's security register manager and is responsible for maintaining and holding all shareholder records electronically.

Compliance with the ASX Corporate Governance Principles and Recommendations
The extent to which the company has followed the ASX Council CGPR are as follows:

Principle	**Compliance**	**Corporate Governance Statement ('CGS') references / comments**
Principle 1: Lay solid foundations for management and oversight		
1.1 Establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.	Yes	1, 2
1.2 Disclose the process for evaluating the performance of senior executives.	Yes	3.1 Annual Report
1.3 Provide the information indicated in Guide to reporting in Principle 1.	Yes	Annual Report CGS
Principle 2: Structure the board to add value		
2.1 A majority of the Board should be independent directors.	Yes	Annual Report
2.2 The chair should be an independent director	No	Having regard to the number and expertise of members comprising the Board, the Board does not consider it appropriate to exclude the current Executive Chairman from the role.
2.3 The roles of chair and chief executive officer should not be exercised by the same individual	No	Having regard to the number and expertise of members comprising the Board, the Board does not consider it appropriate to exclude the current Executive Chairman from the role.
2.4 The Board should establish a nomination committee.	No	The functions to be performed by a nomination committee under the ASX CGPR are currently performed by the full Board. Having regard to the number of members currently comprising the Board, the Board does not consider it necessary to delegate these responsibilities to a sub-committee. These arrangements will be reviewed periodically by the Board to ensure that they continue to be appropriate to the company's circumstances.
2.5 Disclose the process for evaluating the performance of the Board, its committees and individual directors	Yes	2 Annual Report
2.6 Provide the information indicated in Guide to reporting on Principle 2.	Yes	Annual Report Website CGS

Principle	**Compliance**	**Corporate Governance Statement ('CGS') references / comments**
Principle 3: Promote ethical and responsible decision-making		
3.1 Establish a code of conduct and disclose the code or a summary of the code.	Yes	7
3.2 Establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity for the Board to assess annually both the objectives and progress in achieving them.	No	Due to the current size of the company the diversity policy has not been established nor has measurable objective for achieving gender diversity.
3.3 Disclose in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them.	Yes	8
3.4 Provide the information indicated in Guide to reporting on Principle 3.	Yes	Annual Report Website CGS
Principle 4: Safeguard integrity in financial reporting		
4.1 The Board should establish an audit committee.	Yes	3.1
4.2 Structure the audit committee so that it consists of: • Only non-executive directors. • A majority of independent directors. • An independent chairperson, who is not chairperson of the board. • At least three members	 No No No Yes	The Remuneration and Audit Committee currently comprises 2 Non-Executive Directors and the Non-Executive Chairman. Having regard to the number and expertise of members currently comprising the Board, the Board does not consider it appropriate to exclude the Executive Chairman. However, the non-executive member of the Remuneration and Audit Committee is provided with an opportunity to meet with the external auditors without the Executive Chairman and management. These arrangements will be reviewed periodically by the Board to ensure that they continue to be appropriate to the company's circumstances.
4.3 The audit committee should have a formal charter.	Yes	3.1
4.4 Provide the information indicated in Guide to reporting on Principle 4.	Yes	Annual Report Website CGS

Principle	**Compliance**	**Corporate Governance Statement ('CGS') references / comments**
Principle 5: Make timely and balanced disclosure		
5.1 Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.	Yes	9
5.2 Provide the information indicated in Guide to reporting on Principle 5.	Yes	Annual Report CGS
Principle 6: Respect the rights of shareholders		
6.1 Design and disclose a communications strategy for promoting effective communication with shareholders and encouraging participation at general meetings.	Yes	10, 11
6.2 Provide the information indicated in Guide to reporting on Principle 6.	Yes	Annual Report Website CGS
Principle 7: Recognise and manage risk		
7.1 Establish policies for the oversight and management and management of material business risks and disclose a summary of these policies.	Yes	6
7.2 Management to design and implement a risk management and internal control system to manage the company's material business risks. The Board to disclose that management has reported to the Board in writing that The company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.	Yes	6
7.3 The Board to disclose that the CEO (or equivalent) and the CFO (or equivalent) have provided to the board in writing that the declaration provided in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Yes	6
7.4 Provide the information indicated in Guide to reporting on Principle 7.	Yes	Annual Report CGS

Principle	**Compliance**	**Corporate Governance Statement ('CGS') references / comments**
Principle 8: Remunerate fairly and responsibly		
8.1 The Board should establish a remuneration committee.	Yes	3.1
8.2 The remuneration committee should be structured, so that it: consists of a majority of independent directors; is chaired by an independent director; and has at least three members.	Yes	3.1
8.3 Clearly distinguish the structure of non-executive directors' remuneration from that of executives.	Yes	Annual Report
8.4 Provide the information indicated in Guide to reporting on Principle 8.	Yes	Annual Report CGS

Q Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2014

	Note	Consolidated 2014 $	Consolidated 2013 $
Revenue from continuing operations	6	3	1,009
Other income	7	91,769	75,385
Expenses			
Occupancy		-	(19,344)
Administration and other related costs		(277,594)	(243,620)
Consultants fees		(3,243)	(146,250)
Employee benefits expense	8	(251,837)	(306,676)
Insurance		(9,972)	(13,074)
Travel and accommodation		(1,632)	(13,503)
Impairment of assets		(57,433)	(59,859)
Other expenses		(40,406)	(69,867)
Finance costs	8	-	(51,204)
Loss before income tax expense from continuing operations		(550,345)	(847,003)
Income tax expense	9	-	-
Loss after income tax expense from continuing operations		(550,345)	(847,003)
Loss after income tax expense from discontinued operations	10	-	(798,360)
Loss after income tax expense for the year attributable to the owners of Q Limited	18	(550,345)	(1,645,363)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(40,592)	241
Other comprehensive income for the year, net of tax		(40,592)	241
Total comprehensive income for the year attributable to the owners of Q Limited		(590,937)	(1,645,122)
Total comprehensive income for the year is attributable to:			
Continuing operations		(590,937)	(846,762)
Discontinuing operations		-	(798,360)
		(590,937)	(1,645,122)

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

Q Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2014

	Note	Consolidated 2014 $ Cents	2013 $ Cents
Earnings per share for loss from continuing operations attributable to the owners of Q Limited			
Basic earnings per share	31	(0.54)	(0.92)
Diluted earnings per share	31	(0.54)	(0.92)
Earnings per share for loss from discontinued operations attributable to the owners of Q Limited			
Basic earnings per share	31	-	(0.86)
Diluted earnings per share	31	-	(0.86)
Earnings per share for loss attributable to the owners of Q Limited			
Basic earnings per share	31	(0.54)	(1.78)
Diluted earnings per share	31	(0.54)	(1.78)

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

Q Limited
Statement of financial position
As at 30 June 2014

	Note	Consolidated 2014 $	2013 $
Assets			
Current assets			
Cash and cash equivalents	11	2,332	42,010
Trade and other receivables	12	3,741	249,650
Total current assets		6,073	291,660
Total assets		6,073	291,660
Liabilities			
Current liabilities			
Trade and other payables	13	1,069,453	764,103
Borrowings	14	68,754	68,754
Total current liabilities		1,138,207	832,857
Total liabilities		1,138,207	832,857
Net liabilities		(1,132,134)	(541,197)
Equity			
Issued capital	15	47,730,293	47,730,293
Treasury shares	16	(232,000)	(232,000)
Reserves	17	215,378	255,970
Accumulated losses	18	(48,845,805)	(48,295,460)
Total deficiency in equity		(1,132,134)	(541,197)

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

Q Limited
Statement of changes in equity
For the year ended 30 June 2014

Consolidated	**Issued capital $**	**Treasury shares $**	**Reserves $**	**Accumulated losses $**	**Total deficiency $**
Balance at 1 July 2012	47,699,047	(232,000)	255,729	(46,650,097)	1,072,679
Loss after income tax expense for the year	-	-	-	(1,645,363)	(1,645,363)
Other comprehensive income for the year, net of tax	-	-	241	-	241
Total comprehensive income for the year	-	-	241	(1,645,363)	(1,645,122)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 15)	31,246	-	-	-	31,246
Balance at 30 June 2013	47,730,293	(232,000)	255,970	(48,295,460)	(541,197)

Consolidated	**Issued capital $**	**Treasury shares $**	**Reserves $**	**Accumulated losses $**	**Total deficiency $**
Balance at 1 July 2013	47,730,293	(232,000)	255,970	(48,295,460)	(541,197)
Loss after income tax expense for the year	-	-	-	(550,345)	(550,345)
Other comprehensive income for the year, net of tax	-	-	(40,592)	-	(40,592)
Total comprehensive income for the year	-	-	(40,592)	(550,345)	(590,937)
Balance at 30 June 2014	47,730,293	(232,000)	215,378	(48,845,805)	(1,132,134)

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

	Note	Consolidated 2014 $	2013 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		189,494	122,534
Payments to suppliers and employees (inclusive of GST)		(229,175)	(1,198,249)
		(39,681)	(1,075,715)
Interest received		3	1,009
Interest and other finance costs paid		-	(2,903)
Net cash used in operating activities	30	(39,678)	(1,077,609)
Cash flows from investing activities			
Proceeds from sale of businesses		-	176,264
Net cash from investing activities		-	176,264
Cash flows from financing activities			
Proceeds from issue of shares	15	-	31,246
Loans from related parties		-	68,754
Net cash from financing activities		-	100,000
Net decrease in cash and cash equivalents		(39,678)	(801,345)
Cash and cash equivalents at the beginning of the financial year		42,010	843,355
Cash and cash equivalents at the end of the financial year	11	2,332	42,010

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

Note 1. General information

The financial statements cover Q Limited as a consolidated entity consisting of Q Limited and its subsidiaries. The financial statements are presented in Australian dollars, which is Q Limited's functional and presentation currency.

Q Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 904
37 Bligh Street
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2014. The directors have the power to amend and reissue the financial statements.

Note 2. Going concern

The financial statements have been prepared on the going concern basis which assumes the company and the consolidated entity will have sufficient cash to pay their debts as and when they become due and payable for a period of at least 12 months from the date of issuance of these financial statements.

During the year ended 30 June 2014, the consolidated entity incurred a net loss of $550,345 and had net cash outflows from operating activities of $39,678. As at 30 June 2014, the consolidated entity had net liabilities of $1,132,134 (including an amount of $417,801 due and payable to the Australian Taxation Office).

The consolidated entity has prepared an analysis of its cash requirements for the next 12 months which indicates that the consolidated entity only has sufficient cash resources to fund its ongoing operations until October 2014, until such time that a capital raising through a Share Purchase Plan is intended to be carried out, resulting in a cash inflow of at least $600,000. This analysis assumes the continued forbearance of creditors until such time and the continued deferral of amounts due and payable to the Australian Taxation Office.

Actions taken by the directors since 30 June 2014 to secure the continuation of the company and the consolidated entity as going concerns include the following:
- Signed a conditional terms sheet to acquire 100% of the share capital of the companies that comprise the Crowd Mobile Group to facilitate the backdoor listing of this Group, subject to both ASX approval and Q Limited shareholder approval, and the satisfaction of the key conditions precedent to the Crowd Mobile acquisition, including completion of satisfactory due diligence and a capital raising of not less than $1 million under an Initial Public Offering (IPO) prospectus;
- Announced a Share Purchase Plan inviting current eligible shareholders to consider purchasing up to $15,000 in new fully-paid ordinary shares in the company in order to raise up to $600,000 to be used as working capital up to completion of the above transaction;
- Drawing down on convertible loan facilities of $100,000 and $200,000 to fund short-term cash flow requirements; and
- Continuing to monitor the consolidated entity’s ongoing working capital requirements.

The ability of the company and the consolidated entity to continue as going concerns and to be able to pay their debts as and when they fall due is dependent upon:
- the continued forbearance of the consolidated entity’s creditors to defer payment of amounts currently due and payable, including amounts currently owed to the Australian Taxation Office particularly in respect of Q FRA Pty Limited, in respect of which a winding up order has been granted; and
- the ability to successfully complete the above noted capital raising through a Share Purchase Plan and the subsequent business acquisition of Crowd Mobile, in order to generate a sufficient level of profits and cash flows to meet the consolidated entity's ongoing working capital requirements.

Note 2. Going concern (continued)

The cash flow forecasts of the consolidated entity have assumed the continued forbearance of its creditors, and the continued deferral of amounts due and payable to the Australian Taxation Office up to such time as the proceeds from the capital raising through a Share Purchase Plan are expected to be received. At such point, the Directors believe that Q Limited shareholder approval will be obtained for the above business acquisition and that the business will thereafter generate sufficient cash flows to allow the consolidated entity to continue as a going concern. On this basis, the directors consider that it is appropriate to prepare the financial statements on the going concern basis.

However, in the event that the consolidated entity is not able to obtain the continued forbearance of its creditors, including the continued deferral of amounts due and payable to the Australian Taxation Office, and successfully complete the fundraising and business acquisition referred to above, there is significant uncertainty as to whether the company and the consolidated entity will continue as going concerns and be able to pay their debts as and when they fall due and, therefore, whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the company and the consolidated entity not continue as going concerns or be able to pay their debts as and when they fall due.

Note 3. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 10 Consolidated Financial Statements
The consolidated entity has applied AASB 10 from 1 July 2013, which has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights that give it the current ability to direct the activities that significantly affect the investee's returns. The consolidated entity not only has to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes. As all of the subsidiaries are 100% wholly-owned, there is no change on the assessment of control over the subsidiaries arising from the adoption of AASB 10.

AASB 12 Disclosure of Interests in Other Entities
The consolidated entity has applied AASB 12 from 1 July 2013. The standard contains the entire disclosure requirement associated with other entities, being subsidiaries, associates, joint arrangements (joint operations and joint ventures) and unconsolidated structured entities. The disclosure requirements have been significantly enhanced when compared to the disclosures previously located in AASB 127 'Consolidated and Separate Financial Statements', AASB 128 'Investments in Associates', AASB 131 'Interests in Joint Ventures' and Interpretation 112 'Consolidation - Special Purpose Entities'.

AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13
The consolidated entity has applied AASB 13 and its consequential amendments from 1 July 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

Note 3. Significant accounting policies (continued)

AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)
The consolidated entity has applied AASB 119 and its consequential amendments from 1 July 2013. The standard eliminates the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The standard also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken. The impact of discounting annual leave is not material to the financial statements.

AASB 127 Separate Financial Statements (Revised), AASB 128 Investments in Associates and Joint Ventures (Reissued) and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards
The consolidated entity has applied AASB 127, AASB 128 and AASB 2011-7 from 1 July 2013. AASB 127 and AASB 128 have been modified to remove specific guidance that is now contained in AASB 10, AASB 11 and AASB 12 and AASB 2011-7 makes numerous consequential changes to a range of Australian Accounting Standards and Interpretations. AASB 128 has also been amended to include the application of the equity method to investments in joint ventures.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement
The consolidated entity has applied AASB 2011-4 from 1 July 2013 and amends AASB 124 'Related Party Disclosures' by removing the disclosure requirements for individual key management personnel ('KMP'). The Corporations and Related Legislation Amendment Regulations 2013 and Corporations and Australian Securities and Investments Commission Amendment Regulation 2013 (No. 1) now specify the KMP disclosure requirements to be included within the annual directors’ report.

AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle
The consolidated entity has applied AASB 2012-5 from 1 January 2013. The amendments affect five Australian Accounting Standards as follows: Confirmation that repeat application of AASB 1 'First-time Adoption of Australian Accounting Standards' is permitted; Clarification of borrowing cost exemption in AASB 1; Clarification of the comparative information requirements when an entity provides an optional third column or is required to present a third statement of financial position in accordance with AASB 101 'Presentation of Financial Statements'; Clarification that servicing of equipment is covered by AASB 116 'Property, Plant and Equipment', if such equipment is used for more than one period; clarification that the tax effect of distributions to holders of equity instruments and equity transaction costs in AASB 132 'Financial Instruments: Presentation' should be accounted for in accordance with AASB 112 'Income Taxes'; and clarification of the financial reporting requirements in AASB 134 'Interim Financial Reporting' and the disclosure requirements of segment assets and liabilities.

AASB 2012-10 Amendments to Australian Accounting Standards - Transition Guidance and Other Amendments
The consolidated entity has applied AASB 2012-10 amendments from 1 July 2013, which amends AASB 10 and related standards for the transition guidance relevant to the initial application of those standards. The amendments clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention and the going concern assumption as detailed in note 2.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity'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 4.

Note 3. Significant accounting policies (continued)

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 27.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Q Limited ('company' or 'parent entity') as at 30 June 2014 and the results of all subsidiaries and special purpose entities for the year then ended. Q Limited, its subsidiaries and special purpose entities together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed 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.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Q Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Note 3. Significant accounting policies (continued)

Rendering of services
Rendering of services revenue from a contract to provide services is recognised by reference to the stage of completion of the contracts.

Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be reliably estimated, revenue is only recognised to the extent of the recoverable costs incurred to date.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or 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 nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Discontinued operations
A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

Note 3. Significant accounting policies (continued)

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities 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.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 60 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets
The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for loans and receivables carried at amortised cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. If there is a reversal of impairment, the reversal cannot exceed the amortised cost that would have been recognised had the impairment not been made and is reversed to profit or loss.

Leases
The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires 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.

Note 3. Significant accounting policies (continued)

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated entity will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred, including:

- interest on short-term and long-term borrowings

Employee benefits

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

Note 3. Significant accounting policies (continued)

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital
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.

Business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Note 3. Significant accounting policies (continued)

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Q Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted 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.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2014. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

Note 3. Significant accounting policies (continued)

AASB 9 Financial Instruments and its consequential amendments
This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2018 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The consolidated entity will adopt this standard and the amendments from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities
The amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement. The adoption of the amendments from 1 July 2014 will not have a material impact on the consolidated entity.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets
These amendments are applicable to annual reporting periods beginning on or after 1 January 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed. The adoption of these amendments from 1 July 2014 may increase the disclosures by the consolidated entity.

AASB 2013-4 Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting
These amendments are applicable to annual reporting periods beginning on or after 1 January 2014 and amends AASB 139 'Financial Instruments: Recognition and Measurement' to permit continuation of hedge accounting in circumstances where a derivative (designated as hedging instrument) is novated from one counter party to a central counterparty as a consequence of laws or regulations. The adoption of these amendments from 1 July 2014 will not have a material impact on the consolidated entity.

AASB 2014-1 Amendments to Australian Accounting Standards
These amendments are in several parts. Part A makes various amendments to Australian Accounting Standards arising from the issuance of IASB’s ‘Annual Improvements to IFRSs 2010-2012 Cycle’ and ‘Annual Improvements to IFRSs 2011-2013 Cycle’. Part B makes amendments to AASB 119 ‘Employee in relation to the requirements for contributions from employees or third parties that are linked to service which arise from the issuance of IASB’s ‘Defined Benefit Plans – Employee Contributions (Amendments to IAS 19)’. Part C makes amendments to particular Australian Accounting Standards to delete their references to AASB 1031 ‘Materiality’. Part D makes consequential amendments arising from the issuance of AASB 14 ‘Regulatory Deferral Accounts’. Part E makes consequential amendments to numerous other Standards as a consequence of the introduction of hedge accounting requirements into AASB 9 ‘Financial Instruments’ in December 2013. Amendments Part A to D are applicable to annual reporting periods beginning on or after 1 July 2014 or as specified in each Part. Amendments Part E are applicable to annual reporting periods beginning on or after 1 January 2015 or as specified in Part E.

Note 3. Significant accounting policies (continued)

Annual Improvements to IFRSs 2010-2012 Cycle
These amendments affect several Accounting Standards as follows: Amends the definition of 'vesting conditions' and 'market condition' and adds definitions for 'performance condition' and 'service condition' in AASB 2 'Share-based Payment'; Amends AASB 3 'Business Combinations' to clarify that contingent consideration that is classified as an asset or liability shall be measured at fair value at each reporting date; Amends AASB 8 'Operating Segments' to require entities to disclose the judgements made by management in applying the aggregation criteria; Clarifies that AASB 8 only requires a reconciliation of the total reportable segments assets to the entity's assets, if the segment assets are reported regularly; Clarifies that the issuance of AASB 13 'Fair Value Measurement' and the amending of AASB 139 'Financial Instruments: Recognition and Measurement' and AASB 9 'Financial Instruments' did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amount, if the effect of discounting is immaterial; Clarifies that in AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets', when an asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount (i.e. proportional restatement of accumulated amortisation); and Amends AASB 124 'Related Party Disclosures' to clarify that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a 'related party' of the reporting entity. The adoption of these amendments will not have a material impact on the consolidated entity.

Annual Improvements to IFRSs 2011-2013 Cycle
These amendments affect four Accounting Standards as follows: Clarifies the 'meaning of effective IFRSs' in AASB 1 'First-time Adoption of Australian Accounting Standards'; Clarifies that AASB 3 'Business Combination' excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself; Clarifies that the scope of the portfolio exemption in AASB 13 'Fair Value Measurement' includes all contracts accounted for within the scope of AASB 139 'Financial Instruments: Recognition and Measurement' or AASB 9 'Financial Instruments', regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132 'Financial Instruments: Presentation'; and Clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in AASB 3 'Business Combinations' and investment property as defined in AASB 140 'Investment Property' requires the separate application of both standards independently of each other. The adoption of these amendments will not have a material impact on the consolidated entity.

IFRS 15 Revenue from Contracts with Customers
This standard is expected to be applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The consolidated entity will adopt this standard and the amendments from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

Note 3. Significant accounting policies (continued)

AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations
These amendments are applicable to annual reporting periods beginning on or after 1 January 2016. AASB 2014-3 amends AASB 11 'Joint Arrangements' to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require that the acquirer of an interest in a joint operation (in which the activity constitutes a business, as defined in AASB 3 'Business Combinations') apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11. It also requires the acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations. The adoption of these amendments from 1 July 2016 is not currently expected to impact the consolidated entity.

AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation
These amendments are applicable to annual reporting periods beginning on or after 1 January 2016. AASB 2014-4 amends AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets' to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. It clarifies that the use of revenue-based methods to calculate the depreciation of an asset are not appropriate and that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances. The adoption of these amendments from 1 July 2016 is not currently expected to impact the consolidated entity.

Note 4. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 5. Operating segments

Identification of reportable operating segments
The consolidated entity is organised into one operating segment based on the information received by the Chief Operating Decision Maker ('CODM') which is the Board of directors.

Major customers
During the year ended 30 June 2014 there were no major customers who generated more than 10% of the consolidated entity's revenue (2013: none).

Note 6. Revenue

	Consolidated 2014 $	Consolidated 2013 $
From continuing operations		
Interest	3	1,009

Note 7. Other income

	Consolidated 2014 $	Consolidated 2013 $
Other income	91,769	75,385

Note 8. Expenses

	Consolidated 2014 $	Consolidated 2013 $
Loss before income tax from continuing operations includes the following specific expenses:		
Finance costs		
Interest and finance charges paid/payable	-	51,204
Rental expense relating to operating leases		
Minimum lease payments	-	19,311
Employee benefits expense		
Defined contribution superannuation expense	24,454	9,227
Employee benefits	227,387	297,449
Total employee benefits expense	251,841	306,676

Note 9. Income tax expense

	Consolidated 2014 $	Consolidated 2013 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense from continuing operations	(550,345)	(847,003)
Loss before income tax expense from discontinued operations	-	(798,360)
	(550,345)	(1,645,363)
Tax at the statutory tax rate of 30%	(165,104)	(493,609)
Current year tax losses and temporary differences not recognised	165,104	493,609
Income tax expense	-	-

Note 10. Discontinued operations

Description
During the year ended 30 June 2012, Q Limited sold its Market United Perth operations to The Brand Agency, a division of STW Communication Group Ltd (ASX: SGN) and a significant part of its marketing business to subsidiaries of Beyond International Ltd.

Financial performance information

	Consolidated 2014 $	Consolidated 2013 $
Impairment of receivables from sale of business	-	(798,360)
Income tax expense	-	-
Loss on disposal after income tax expense	-	(798,360)
Loss after income tax expense from discontinued operations	-	(798,360)

Note 11. Current assets - cash and cash equivalents

	Consolidated 2014 $	Consolidated 2013 $
Cash at bank	2,332	42,010

Note 12. Current assets - trade and other receivables

	Consolidated 2014 $	Consolidated 2013 $
Trade receivables	-	28,553
Other receivables	-	55,595
Deferred consideration from sale of businesses	-	138,393
Goods and services tax receivable	3,741	27,109
	3,741	249,650

Impairment of receivables
The consolidated entity has recognised a loss of $57,433 (30 June 2013: $59,859) in profit or loss in respect of impairment of receivables for the year ended 30 June 2014.

In the prior year, the consolidated entity impaired a deferred consideration receivable by $798,360 related to the sale of its Market United Perth operations on the basis that the conditions necessary to recover that amount were not met. This impairment amount in the comparative year was recognised against discontinued operations.

Movements in the provision for impairment of receivables are as follows:

	Consolidated 2014 $	Consolidated 2013 $
Opening balance	-	490,939
Amounts written off	-	(490,939)
Closing balance	-	-

Note 12. Current assets - trade and other receivables (continued)

Past due but not impaired
Customers with balances past due but without provision for impairment of receivables amount to $nil as at 30 June 2014 ($12,342 as at 30 June 2013).

The ageing of the past due but not impaired receivables are as follows:

	Consolidated	
	2014	2013
	$	$
1 to 3 months overdue	-	12,342

Note 13. Current liabilities - trade and other payables

	Consolidated	
	2014	2013
	$	$
Trade payables	115,420	121,185
Goods and services tax payable	45,386	-
ATO and Inland Revenue payable	502,333	379,953
Other payables and accrued expenses	406,314	262,965
	1,069,453	764,103

Refer to note 20 for further information on financial instruments.

Note 14. Current liabilities - borrowings

	Consolidated	
	2014	2013
	$	$
Loan - Tandem Capital	68,754	68,754

Refer to note 20 for further information on financial instruments.

On 21 March 2013, Tandem Capital Pty Ltd, a director related entity, entered into a converting loan agreement for $68,794 with Q Limited. The loan may be converted within 3 months of a shareholder meeting approving the conversion, into whole ordinary fully paid shares at a price of $0.00234427 per share. Upon conversion, Q Limited will apply for the quotation of those shares on the ASX. Interest is only payable in the event that shareholder approval is not obtained to convert the advance into shares and only then payable at a rate of 10% per annum.

On 24 February 2014, Q Limited entered into a second convertible loan funding arrangement with Tandem Capital Pty Limited for $100,000 (to be drawn down in instalments of $10,000). The loan may be converted within 3 months of a shareholder meeting approving the conversion into whole ordinary fully-paid shares at a price of $0.0030 per share. Upon conversion, Q Limited will apply for the quotation of those shares on the ASX. Interest is only payable in the event that the shareholder approval is not obtained to convert the advance into shares and only then payable at a rate of 10.0% per annum. No draw down of the loan has been made at 30 June 2014.

Note 15. Equity - issued capital

	Consolidated			
	2014 Shares	2013 Shares	2014 $	2013 $
Ordinary shares - fully paid	102,185,934	102,185,934	47,730,293	47,730,293

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2012	88,857,334		47,699,047
Issue of shares	22 March 2013	13,328,600	$0.00	31,246
Balance	30 June 2013	102,185,934		47,730,293
Balance	30 June 2014	102,185,934		47,730,293

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment. The consolidated entity is actively pursuing additional investment opportunities in the short term.

The capital risk management policy remains unchanged from the 30 June 2013 Annual Report.

Note 16. Equity - treasury shares

	Consolidated	
	2014 $	2013 $
Treasury shares	(232,000)	(232,000)

8,000,000 treasury shares held by Q Share Plan Pty Limited, a wholly-owned subsidiary of the company. These shares have been excluded from the calculation of earnings per share and diluted earnings per share.

Note 17. Equity - reserves

	Consolidated 2014 $	Consolidated 2013 $
Foreign currency reserve	(40,351)	241
Share-based payments reserve	255,729	255,729
	215,378	255,970

Foreign currency reserve
The reserve is used to recognise exchange differences arising from translation of the financial statements of foreign operations to Australian dollars.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency $	Share-based payments $	Total $
Balance at 1 July 2012	-	255,729	255,729
Foreign currency translation	241	-	241
Balance at 30 June 2013	241	255,729	255,970
Foreign currency translation	(40,592)	-	(40,592)
Balance at 30 June 2014	(40,351)	255,729	215,378

Note 18. Equity - accumulated losses

	Consolidated 2014 $	Consolidated 2013 $
Accumulated losses at the beginning of the financial year	(48,295,460)	(46,650,097)
Loss after income tax expense for the year	(550,345)	(1,645,363)
Accumulated losses at the end of the financial year	(48,845,805)	(48,295,460)

Note 19. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 20. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes.

Note 20. Financial instruments (continued)

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk
The consolidated entity is not exposed to any significant foreign currency risk.

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
The consolidated entity is not exposed to any significant interest rate risk.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2014	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-%	115,420	-	-	-	115,420
Other payables	-%	451,700	-	-	-	451,700
Interest-bearing - variable						
Other loans	-%	68,754	-	-	-	68,754
Total non-derivatives		635,874	-	-	-	635,874

Note 20. Financial instruments (continued)

Consolidated - 2013	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-%	121,185	-	-	-	121,185
Other payables	-%	262,965	-	-	-	262,965
Interest-bearing - variable						
Other loans	-%	68,754	-	-	-	68,754
Total non-derivatives		452,904	-	-	-	452,904

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 21. Fair value measurement

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities (borrowings) is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities. The carrying amount of these borrowings is assumed to approximate their fair value due to their short-term nature.

Note 22. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2014 $	Consolidated 2013 $
Short-term employee benefits	240,590	359,844
Post-employment benefits	20,700	19,223
	261,290	379,067

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the company:

	Consolidated 2014 $	Consolidated 2013 $
Audit services - Deloitte Touche Tohmatsu		
Audit or review of the financial statements	40,000	43,000

Note 24. Contingent liabilities

The consolidated entity has no contingent liabilities at 30 June 2014 and 30 June 2013.

Note 25. Commitments

The consolidated entity has no commitments at 30 June 2014 and 30 June 2013.

Note 26. Related party transactions

Parent entity
Q Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 28.

Key management personnel
Disclosures relating to key management personnel are set out in note 22 and the remuneration report in the directors' report.

Transactions with related parties
On 24 February 2014, Q Limited entered into a second convertible loan funding arrangement with Tandem Capital Pty Limited for $100,000 (to be drawn down in instalments of $10,000). The loan may be converted within 3 months of a shareholder meeting approving the conversion into whole ordinary fully-paid shares at a price of $0.0030 per share. Upon conversion, Q Limited will apply for the quotation of those shares on the ASX. Interest is only payable in the event that the shareholder approval is not obtained to convert the advance into shares and only then payable at a rate of 10.0% per annum. No draw down of the loan has been made at 30 June 2014. Jeffrey Beaumont is a director of Tandem Capital Pty Ltd, and is a named beneficiary of a trust which holds shares in Tandem Capital Pty Ltd.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2014	**2013**
	$	**$**
Current borrowings:		
Loan from Tandem Capital Pty Ltd, a director related entity in which Jeffrey Beaumont is a director	68,794	68,794

Terms and conditions
Refer to Note 14 for the terms and conditions relate to this borrowing.

Note 27. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2014 $	Parent 2013 $
Loss after income tax	(483,382)	(1,579,597)
Total comprehensive income	(483,382)	(1,579,597)

Statement of financial position

	Parent 2014 $	Parent 2013 $
Total current assets	6,048	277,006
Total assets	6,048	277,006
Total current liabilities	7,932,521	7,720,097
Total liabilities	7,932,521	7,720,097
Equity		
Issued capital	47,730,293	47,730,293
Share-based payments reserve	255,729	255,729
Accumulated losses	(55,912,495)	(55,429,113)
Total deficiency in equity	(7,926,473)	(7,443,091)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2014 and 30 June 2013.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2014 and 30 June 2013.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment at as 30 June 2014 and 30 June 2013.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 3, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 28. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 3:

Name	Principal place of business / Country of incorporation	Ownership interest 2014 %	Ownership interest 2013 %
Q TDI Pty Ltd	Australia	100.00%	100.00%
Q FRA Pty Ltd *	Australia	100.00%	100.00%
Q FMG Pty Ltd	Australia	100.00%	100.00%
Q MKT Pty Ltd	Australia	100.00%	100.00%
Q Share Plan Pty Limited	Australia	100.00%	100.00%
Q NZ Limited	New Zealand	100.00%	100.00%
Q NZ Holdings Limited	New Zealand	100.00%	100.00%
Axis Media Communications Pty. Ltd. **	Australia	-%	100.00%
Q Assets Pty Ltd **	Australia	-%	100.00%
Q CBD Pty Ltd **	Australia	-%	100.00%
Q GA Survey Pty Ltd **	Australia	-%	100.00%
List Marketing Australasia Pty. Ltd. **	Australia	-%	100.00%
Mosaic Traffic Pty. Ltd. **	Australia	-%	100.00%

* Placed into external administration on 15 April 2014
** Company deregistered on 8 January 2014

Note 29. Events after the reporting period

On 27 July 2014, Beconwood Securities Pty Limited and various associated entities disposed of a major shareholding in the company to Dominet Digital Corporation Pty Limited and its associated entities, who now control 19.99% of the company's voting power.

On 14 August 2014, the company executed a deed under a $100,000 convertible note agreement put in place on 24 February 2014 with Tandem Capital Pty Limited, a company associated with director Jeff Beaumont, to assign the convertible note agreement to Tiger Domains Pty Limited, a company associated with Dominet Digital Corporation Pty Limited. The company also executed a deed on 14 August 2014 to draw down $100,000 from Tiger Domains Pty Ltd under the provisions of this convertible note.

On 15 August 2014, a request by Tandem Capital Pty Limited to allow Tiger Domains Pty Limited to take over the $68,754 loan (plus interest) made by Tandem Capital Pty Limited to Q Limited under the convertible note funding arrangement which was put in place on 19 March 2013, was agreed to.

On 28 August 2014, Q Limited terminated the Alpha Mining Accommodation Trust and Pellam Road mining accommodation transactions on the basis that the conditions precedent in the agreements for both planned transactions were not able to be satisfied by the respective vendors.

On 29 August 2014, Q Limited also announced that it had entered into a binding terms sheet to acquire 100% of the shares in the companies that comprise the Crowd Mobile Group, a global mobile entertainment and micro job business operating in the 'SMS and App' market providing services on mobile telephones and tablets to users across Australia, New Zealand, United Kingdom, Ireland, Germany, The Netherlands and Switzerland. The acquisition is anticipated to be completed by December 2014 and the related costs will be funded by a Share Purchase Plan expected to raise up to $600,000.

On 29 August 2014, Q Limited announced an ASX-approved Share Purchase Plan ('SPP') inviting current eligible shareholders to consider purchasing up to $15,000 [minimum $1,000 subscription] in new fully-paid ordinary shares in the company in order to raise up to $600,000 to be used as working capital up to completion of the Crowd Mobile transaction. An offer price of $0.0050 has been set, based on the company's share price on 21 August 2014, being its last traded shares, and this offer price is free of any associated transaction costs. A comprehensive mail-out to shareholders occurred on 22 September 2014 and a meeting of shareholders in relation to this SPP is scheduled for 23 October 2014.

Note 29. Events after the reporting period (continued)

On 12 September 2014, Q Limited entered into a convertible note funding arrangement directly with Dominet Digital Corporation Pty Limited, whereby a maximum of $200,000 will be advanced in instalments of $20,000 to Q Limited, as necessary for any short-term working capital needs. Drawn funds are to be repaid within three months of the shareholder meeting that approves the Crowd Mobile transaction, but there is a provision for the loan to be converted at that same shareholder meeting into whole ordinary fully-paid shares at a price of $0.0050 per share. Upon conversion, Q Limited will apply for the quotation of those shares on the ASX. Interest is only payable in the event that shareholder approval is not obtained to convert the advance into shares and only then payable at a rate of 10.0% per annum.

On 15 September 2014, the company addressed several director-related matters contained in the Crowd Mobile Term Sheet executed on 29 August 2014 by ratifying a decision taken on that day to formally request shareholder approval at the EGM scheduled to approve the transaction to allocate additional director fees of $40,000 to each of its current directors, to be payable in shares converted at $0.005 per share, to reflect the substantial amount of additional time required by them to complete the Crowd Mobile transaction. In addition, the directors will seek shareholder approval to convert 50% of their unpaid director fees of $60,000 each for the year to 30 June 2014 into shares in Q Limited at $0.005 per share.

On 18 September 2014, the ASX approved the company’s request to release from escrow the 13,328,600 fully paid, but still unlisted, ordinary shares subscribed for by Tandem Capital Pty Limited on 19 March 2013, due to a change in current circumstances whereby Tandem is no longer the promoter of, or associated with, any transaction in which Q Limited is involved.

No other matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 30. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2014 $	2013 $
Loss after income tax expense for the year	(550,345)	(1,645,363)
Adjustments for:		
Foreign exchange differences	(40,592)	241
Impairment of assets	57,433	858,219
Interest expense - non-cash	-	48,301
Change in operating assets and liabilities:		
Decrease in trade and other receivables	188,476	184,748
Increase/(decrease) in trade and other payables	305,350	(499,462)
Decrease in employee benefits	-	(24,293)
Net cash used in operating activities	(39,678)	(1,077,609)

Note 31. Earnings per share

	Consolidated 2014 $	Consolidated 2013 $
Earnings per share for loss from continuing operations		
Loss after income tax attributable to the owners of Q Limited	(550,345)	(847,003)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	102,185,934	92,545,522
Weighted average number of ordinary shares used in calculating diluted earnings per share	102,185,934	92,545,522
	Cents	**Cents**
Basic earnings per share	(0.54)	(0.92)
Diluted earnings per share	(0.54)	(0.92)

	Consolidated 2014 $	Consolidated 2013 $
Earnings per share for loss from discontinued operations		
Loss after income tax attributable to the owners of Q Limited	-	(798,360)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	102,185,934	92,545,522
Weighted average number of ordinary shares used in calculating diluted earnings per share	102,185,934	92,545,522
	Cents	**Cents**
Basic earnings per share	-	(0.86)
Diluted earnings per share	-	(0.86)

	Consolidated 2014 $	Consolidated 2013 $
Earnings per share for loss		
Loss after income tax attributable to the owners of Q Limited	(550,345)	(1,645,363)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	102,185,934	92,545,522
Weighted average number of ordinary shares used in calculating diluted earnings per share	102,185,934	92,545,522
	Cents	**Cents**
Basic earnings per share	(0.54)	(1.78)
Diluted earnings per share	(0.54)	(1.78)

Note 32. Share-based payments

Q Limited Share Plan
The Q Limited Share Plan ('the Plan') was established in 2011 as part of the consolidated entity's remuneration strategy. It was designed to align the interests of the consolidated entity's management and shareholders, and assist the consolidated entity in the attraction, motivation and retention of executives. In particular, the Plan was designed to provide relevant executives with an incentive for future performance, with conditions vesting under the Plan, encouraging those executives to remain with the consolidated entity and contribute to its future performance.

Under the consolidated entity's remuneration arrangements, selected employees were eligible to receive, at the consolidated entity's discretion, an annual bonus subject to the individual, divisional and corporate-wide performance. The number of shares will have regard to the bonus amount and the company’s share price at the time. The ability for an employee to get the shares was subject to continuing employment with the company for up to 3 years.

No share allocations under the Plan as part of the LTI have been made in the financial years ended 30 June 2014 and 30 June 2013.

Q Limited Incentive Option Scheme
The consolidated entity operates an employee option plan called the Q Limited Incentive Option Scheme ('the Scheme'). The Scheme is designed to provide a long-term incentive for employees and directors of the company. It allows them to participate in the company's future growth and give them an incentive to increased profitability and returns to shareholders. Full-time employees, part-time employees, directors and contractors of the company are eligible to participate in the Scheme. Notwithstanding their eligibility to participate, the directors have elected not to do so and instead submit recommendations for the grant of options for shareholder approval. The entitlement of eligible participants under the Scheme is at the absolute discretion of the directors.

The exercise price of each option offered pursuant to the Scheme is at the discretion of the directors.

The total number of options, which may be issued under the Scheme, may not exceed 5% of the total number of issued shares of the company as at the time of the proposed offer or issue. The options hold no voting or dividend rights, and are not transferable.

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

2014

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
31/01/2008	30/03/2014	$5.03	31,500	-	-	(31,500)	-
			31,500	-	-	(31,500)	-

2013

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
25/09/2006	30/09/2012	$3.12	16,250	-	-	(16,250)	-
31/01/2008	30/03/2013	$4.67	31,500	-	-	(31,500)	-
31/01/2008	30/03/2014	$5.03	31,500	-	-	-	31,500
			79,250	-	-	(47,750)	31,500

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 3 to the financial statements;

- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Jeffrey Beaumont
Chairman

30 September 2014
Sydney

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Grosvenor Place
225 George Street
Sydney NSW 2000
PO Box N250 Grosvenor Place
Sydney NSW 1220 Australia

Tel: +61 2 9322 7000
Fax: +61 2 9322 7001
www.deloitte.com.au

Independent Auditor's Report to the members of Q Limited

Report on the Financial Report

We have audited the accompanying financial report of Q Limited, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, 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 as set out on pages 22 to 52.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 3, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the consolidated 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 whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the company's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Q Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Deloitte.

Opinion

In our opinion:

(a) the financial report of Q 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 30 June 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 consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 3.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 2 in the financial report which indicates that the consolidated entity incurred a net loss of $550,345 during the year ended 30 June 2014, had net cash outflows from operating activities of $39,678 and, as at 30 June 2014, the consolidated entity has an excess of current liabilities over current assets of $1,132,134. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the ability of the company and the consolidated entity to continue as going concerns and be able to pay their debts as and when they fall due and therefore, the company and the consolidated entity may be unable to realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 11 of the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with 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 Q Limited for the year ended 30 June 2014, complies with section 300A of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Joshua Tanchel
Partner
Chartered Accountants
Sydney, 30 September 2014

The shareholder information set out below was applicable as at 16 September 2014.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares
1 to 1,000	836
1,001 to 5,000	202
5,001 to 10,000	61
10,001 to 100,000	139
100,001 and over	78
	1,316
Holding less than a marketable parcel	1,223

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
DOMINET DIGITAL CORPORATION PTY LTD (CAROSA FAMILY A/C)	20,437,186	20.00
TANDEM CAPITAL PTY LTD	13,328,600	13.04
Q SHARE PLAN LTD	8,000,000	7.83
VIBE CAPITAL PTY LTD	2,959,990	2.90
LOCOPE PTY LTD	2,864,500	2.80
MR KENNETH WILLIAM BREESE + MRS JENNIFER RUTH BREESE (BPD EXECUTIVE S/F A/C)	2,638,226	2.58
DIGITAL GAMING SERVICES LIMITED	2,280,134	2.23
MRS LILIANA TEOFILOVA	2,060,000	2.02
ABSOFT GROUP PTY LTD	2,045,243	2.00
MS THERESE DALY	2,000,000	1.96
THREE CROWNS INVESTMENTS PTY LTD	2,000,000	1.96
REPYSA HOLDINGS INC	1,792,040	1.75
MR ATHANASIOS PANTAZOPOULOS (LINGO STAFF SUPER FUND A/C)	1,589,389	1.56
MR SEAN MICHAEL NUNAN	1,536,668	1.50
ADDINGUP PTY LIMITED (ADDINGUP S/F A/C)	1,500,000	1.47
CUSTODIAL SERVICES LIMITED (BENEFICIARIES HOLDING A/C)	1,500,000	1.47
BECONWOOD SUPERANNUATION PTY LTD (NO 6 A/C)	1,439,876	1.41
BECONWOOD SUPERANNUATION PTY LTD (NO 7 A/C)	1,412,460	1.38
MR NICOLA LUCANO	1,399,013	1.37
AMBWS PTY LTD (AES SUPERANNUATION FUND A/C)	1,216,912	1.19
	74,000,237	72.42

Unquoted equity securities
There are no unquoted equity securities.

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
DOMINET DIGITAL CORPORATION PTY LTD (CAROSA FAMILY A/C)	20,437,186	20.00
TANDEM CAPITAL PTY LTD	13,328,600	13.04
Q SHARE PLAN LTD	8,000,000	7.83
BECONWOOD SECURITIES PTY LTD	7,084,997	6.93