FE Investments
Group Limited

ABN: 72 107 745 095

2018 Annual Report

and

Annual Financial Statements

For the year ended 31 March 2018

Contents

Corporate Directory

FE Investments Group Limited shares are listed for quotation on the Australian Securities Exchange (ASX) under the ticker code "FEI".

ABN:	72 107 745 095
Registered Office	Australia Level 32, 101 Miller Street, North Sydney NSW 2060 Phone: +61 2 9025 3567
Principal Place of Business	Australia Level 32, 101 Miller Street, North Sydney NSW 2060 Phone: +61 2 9025 3567 New Zealand Level 8, 92 Albert Street, Auckland 1010 New Zealand Phone: +64 9 359 9445
Share Register	Link Market Services Ltd Level 12, 680 George Street, Sydney NSW 2000 Phone: 1300 554 474 or +61 (02) 8280 7100

Directors	Maxwell James GREEN	Independent Chairman (appointed 31st July 2017)
	Thatt Kiong (TK) SHIM	Executive Director and Group CEO (appointed 6th June 2017)
	Melvin STEWART	Executive Director (appointed 6th June 2017)
	John SETON	Independent Director
	Tom McDONALD	Independent Director
	Cook HUANG	Non-Executive Director (appointed 10th October 2017)
	Ian BAILEY	Managing Director (Resigned 30th August 2017)
	Quentin OLDE	Independent Director (Resigned 31st August 2017)

Company Secretary	Eryn Kestel
Solicitor	Gilbert + Tobin L35, Tower Two, International Towers Sydney 200 Barangaroo Avenue, Barangaroo NSW 2000 Stace Hammond Level 17, 34 Shortland Street, Auckland 1010, New Zealand
Auditor	KPMG Australia Tower Three, International Towers Sydney, 300 Barangaroo Avenue, Sydney NSW 2000

Chairman's Report

This has been a pivotal year for the Company as it consummated the acquisition of New Zealand based FEI Investments Limited via an all scrip merger. This transformative transaction brought together two complementary businesses with the resultant opportunity to extract significant synergies and cost saving benefits.

FE Investments Limited, based in Auckland, has a long and successful track record of taking deposits from the public on the one hand, and as a lender and financier to both SME and property development sectors. The Company's prospects are exciting given the significant opportunites. It is uniquely placed to fund its lending activities directly from its own term deposit base rather than being reliant on external wholesale funding. Control over the rates of interest offered to its depositor base gives the Company great flexibility in meeting the demands of both customers and the market.

As a non-bank deposit taker the Company operates in a highly regulated environment which imposes financial discipline and a continuous focus on risk and compliance.

Since completion of the acquisition of FE Investments Limited in June 2017, the Company has taken significant steps to position itself for growth. These steps include investments in marketing initiatives, technology upgrades and the recruitment of high-performance staff.

The results for the financial year to 31st March 2018 were pleasing in that the Company achieved 25% growth in total assets and 75% increase in revenue for the financial year. This was a commendable result given the challenges posed post-merger.

There is much to be done to improve the business efficiency and profitability. Growth in order to achieve greater scale and geographical diversity beyond its New Zealand home market is essential if the Company is to take advantage of the opportunities that it has identified within its core business streams and increase profitability across all of its operations. There are also significant opportunities available to the Company in the "fintech" space, leveraging off its extensive depositor and customer bases and technology platform. I would encourage you to read the CEO's report and directors' report to get a greater insight into the measures that the Company intends to implement in the FY19 financial year.

The Company has exciting plans to grow its operations in Australia and will make announcements when these plans are ready for execution. These plans includes taking deposits directly from, and having lending operations in, Australia.

The Board is acutely aware of the need to attract the best executive talent to drive its growth plans. Board composition is also critical in crafting the Company's strategic direction and I will constantly monitor the Board composition to ensure that it has access to all of the necessary skill sets to meet the Company's needs.

It has been a significant and challenging year, one of dealing with legacy and transitional issues post-merger. On behalf of our Board, I would like to take this opportunity to express our gratitude to our employees, all of whom have worked tirelessly to make the FY18 the year that it was.

I look forward to a rewarding year ahead.

M. James Green
Chairman
Dated this 29th day of June 2018.

Chief Executive Officer's report

FE Investments Group Limited ("FEIG") has achieved key milestones in the financial year ended 31st March 2018.

In June 2017, FEIG completed the acquisition of FE Investments Limited, an established licenced deposit taking financial institution operating in New Zealand which has been in business since 2003.

Business consolidation of the deposit taking operations with FEIG's leasing business is complete with the group now poised to grow its total assets and achieve cost efficiencies as the business increases in size.

These assets primarily comprise Business loans made to the SME and property sectors as well as leasing contracts entered into by the company for the financing of business equipment and other services to the SME sector.

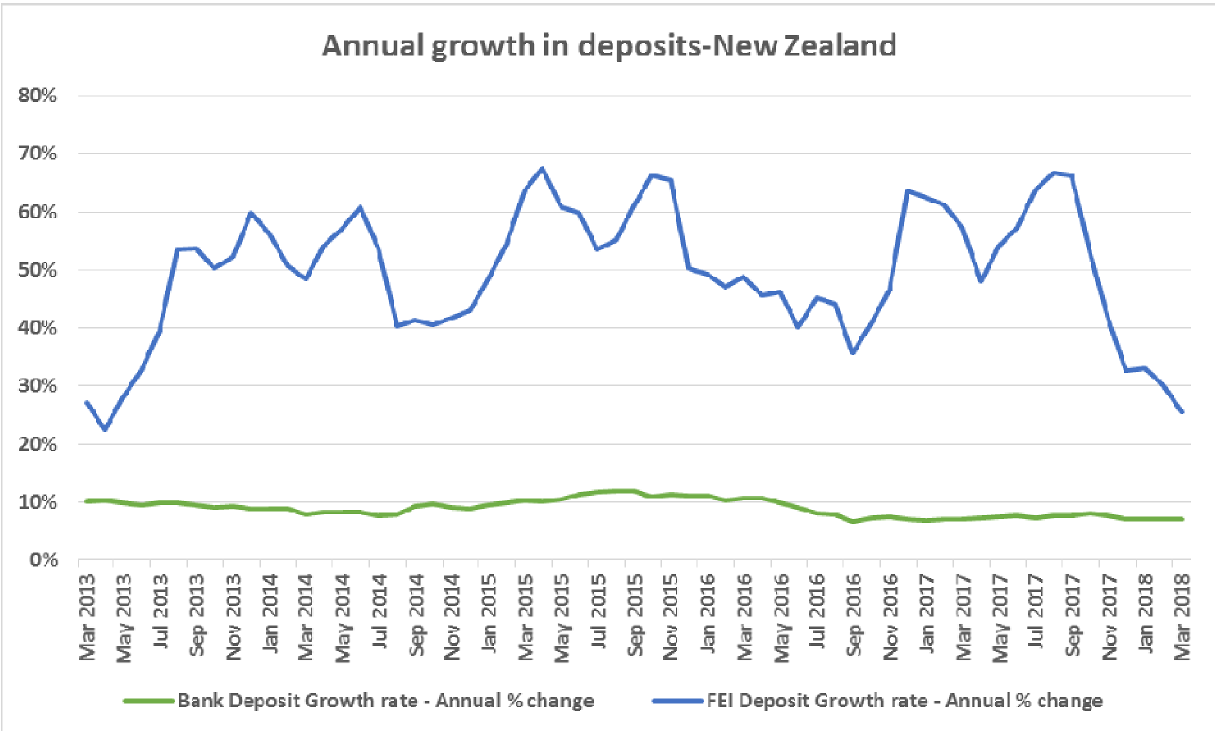
FEIG's total assets were at $68.98m as at 31st March 2018, which grew by 25% in the FY18 as compared to the preceding financial year. FEIG aims to achieve $130m of total assets within the next two years.

With the consolidation of the business operations in the FY18, FEIG's overhead cost structure was substantially higher than its historical norm. This was largely due to cost duplication which the management team will normalise during the FY19.

FEIG cost structure was also exacerbated by the inheritance of the listed parent company structure. Over time, the listed company overhead costs will normalise to a more sustainable level as the total assets grow over time.

FEIG's key strategic advantage is the deposit taking licence held by FEI which provides a lower cost of funding.

FEI was established in 2003 and has a proven track record in attracting deposits as shown in the chart below:-



Source: FE Investments Limited & Reserve Bank of New Zealand.

The above table shows that FE Investments deposit base has grown at an annual compounded rate of 8.55% since March 2013 as opposed to 7% for the New Zealand banking system.

Chief Executive Officer's report (Continued)

Thre business model is that of a banking model where we accept deposits and then lend the funds out via a technology platform. We believe that given FEIG's size and the fact that FEIG does not have a network of "brick and mortar" branches puts FEIG in an enviable position to create a more responsive and cost-effective model to service both borrowers and depositors and create value for shareholders.

To maximise its deposit taking strategic advantage, FEIG will increase its presence in the lending and leasing sectors by building up the capability of LEASETECH (our in-house leasing brand),Biz Cash and recruitment of high performance lending staff and making acquisitions where this make sense for shareholder value.

These initiatives will take time to germinate and for momentum to take hold. However, we believe these initiatives will benefit the Company in the medium term and we look forward to providing regular updates to our shareholders.

It has been a momentous year for our hardworking and dedicated staff who have worked deligently to achieve the milestones to date. These valued employees are our most important asset.

On behalf of our Board, I thank these valued employees for all the hard work and dedication in the FY18 .

TK Shim
Chief Executive Officer (CEO)
Dated this 29th day of June 2018.

Directors Report

The Directors present their report together with the consolidated financial statements of FE Investments Group Limited and its subsidiaries (collectively the "Group") for the year ended 31 March 2018 and the auditor's report thereon.

1 Directors

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Maxwell James Green - Chairman

Appointed as Chairman on 31 July 2017.

James has over 30 years experience in commerce and law, both in investment banking private legal practice. He has studied and worked in both London and Belgium.

James works across a wide variety of industry sectors including financial services, agriculture, transport, logistics and wholesale distribution, industrials, resources, manufacturing, private equity, digital media, technology, healthcare and bio tech.

James is the Managing Director of PrimaryMarkets Advisory based in Sydney. He is a past President of the NSW Division of the Australian Institute of Company Directors (AICD) and was a Director of the AICD, Century Australia Investments Ltd, Scott Corporation Ltd and Medical Channel.

Thatt Kiong Shim - Chief Executive Officer

Appointed as Chief Executive Officer on 6th June 2017.

TK Shim has in-depth experience in corporate advisory services and corporate finance to Small to Medium-sized Enterprises ("SME's").

TK specialises in innovative structured financing for companies in the general business sector including arranging bond and unit trust issues, putting in place trade finance, financing acquisitions, securitisation facilities and other cashflow lending products.

He was a banking law specialist with some of the major law firms in New Zealand and has also gained banking experience working with Westpac Banking Corporation.

TK graduated with a law degree and a BA (economics major) from University of Auckland.

Melvin Stewart - Executive director

Appointed as Executive Director on 6th of June 2017.

Mel Stewart has extensive experience in financing in the rural, residential, commercial and industrial sectors throughout Australasia and Oceania.

His involvement in the Rural Bank and Elders Finance Limited gives him a comprehensive understanding of issues relating to these areas of finance.

John Seton – Non-Executive Director

Appointed as a Non-Executive Director on 23 June 2016 .

Mr Seton is an Auckland based solicitor with extensive business experience across a broad range of sectors with both listed and private directorships and chairmanships, including ASX, NZX and TSX listed entities.

John has a LLB from Victoria University of Wellington, an LLM (Hons) from Auckland University and has been admitted to the New Zealand and Californian Bars and as a Solicitor of the Supreme Court of England and Wales.

John is also a Chartered Fellow of the New Zealand Institute of Directors and is experienced in corporate asset acquisitions and divestments, transaction negotiations, fund raising, and steering businesses through significant change and growth.

Directors Report (Continued)

Tom McDonald – Non-Executive Director

Appointed as a Non-Executive Director on 20 October 2016.

Mr McDonald is an experienced business executive with a career in financial management and strategic development of Australian and US listed companies and the commercialisation of global businesses.

Tom's background includes over 20 years' experience as CFO and other senior roles in ASX companies, and he was previously based in California for many years with US Biotech, Beckman Instruments Inc, in international growth and financial management.

Tom holds a Bachelor of Commerce degree from University of NSW and is a Post Graduate of University of Technology Sydney. He is a Fellow, CPA and an associate of both the Governance Institute Australia and the Australian Institute of Company Directors.

Cook Huang - Non-Executive Director

Appointed as a Non-Executive Director on 6th October 2017.

Cook owns a leading immigration consulting firm in New Zealand specialising in business migration category from China. Cook is also the founder and Managing Director of a food & beverage trading company in New Zealand which has unique access to Chinese market through exporting premium ice-cream and artesian water.

Cook graduated with master degree of business management and finance from Massey University in Auckland.

Ian Bailey - Non Executive Director (Resigned)

Mr Bailey was the founder and Managing Director of the WolfStrike group in New Zealand and has a wealth of experience developing small companies into much larger companies that create positive returns for shareholders.

Ian has had extensive experience in both the NZ and Australian markets, particularly in payments (EFTPOS), merchant Point of Sale (POS) technology, both hardware and software, and telecommunications sectors.

Ian resigned as Non Executive Director on 30th August 2017.

Quentin Olde – Non-Executive Director (Resigned)

Mr Olde is an experienced and respected restructuring and turnaround professional with over 20 years' experience as a Chartered Accountant and adviser to financiers, corporates and investors.

Mr Olde holds a Bachelor of Commerce degree from University of Western Australia.

Mr Olde resigned on 31st August 2017.

2 Company Secretary

Ms Eryn Kestel was appointed as a Company Secretary on 8 March 2012

Ms Kestel acts as company secretary for a number of ASX listed companies. She holds a Bachelor of Business Degree majoring in Accounting and is a Certified Practicing Accountant.

3 Directors' meetings

Director Name	Board meetings		Audit Committee meetings		Remuneration Committee meetings	
	A	B	A	B	A	B
Maxwell James Green	9	9	1	1	1	1
John Seton	13	13	3	3	2	2
Tom McDonald	13	13	3	3	2	2
Cook Huang	5	5				
Ian Bailey	4	5				
Quentin Olde	4	4	2	2	0	0
Thatt Kiong Shim	10	10				
Melvin Stewart	8	8				

A – Number of meetings attended

B – Number of meetings held during the time the director held office during the year

Directors Report (Continued)

4 Principal Activities

FEIG wholly owned subsidiary, FE Investments Limited ("FEI") is a Non-Bank Deposit Taker ("NBDT") with a deposit taking licence issued by the Reserve Bank of New Zealand.

FEI accepts deposits from the New Zealand public and lends to the SME sector in New Zealand and Australia. FEI is a specialist lender to SME sector and provides financing facilities in the form of lease financing, term loans, working capital facilities, stock funding, trade finance and business micro-loans.

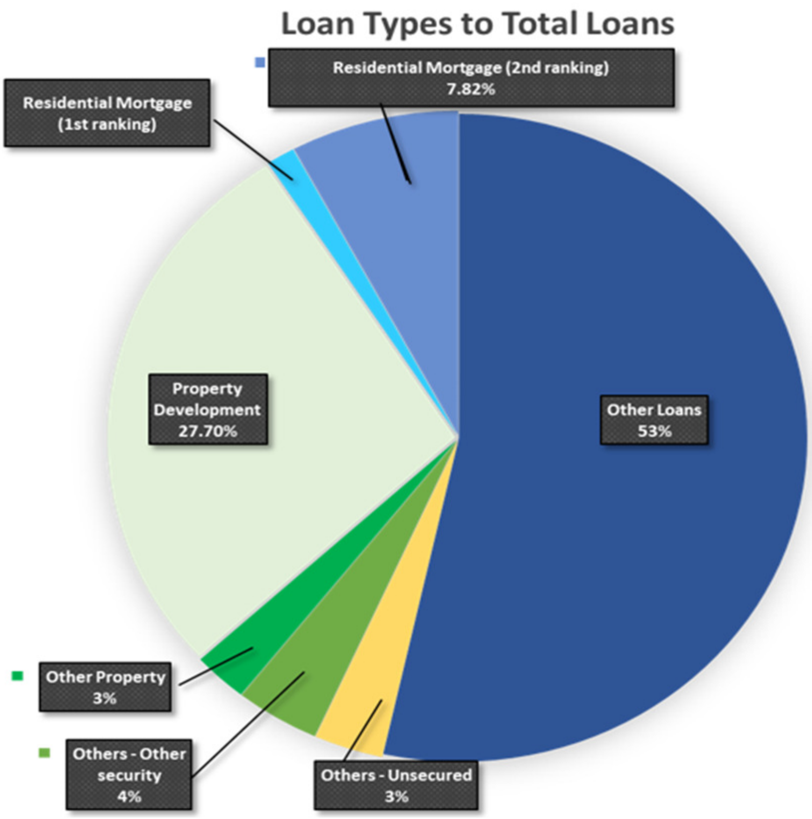
5 Financial Summary

The acquisition of FE Investments Limited ("FEI") by FE Investments Group Limited ("FEIG") was recognised as a reverse acquisition and the accounting acquirer is FEI. Accordingly, comparitives are for FEI.

Group Assets	**2018**	**2017**	**2016**	**2015**
Total Assets growth	25%	49%	60%	57%

As at 31st March 2018, FEI assets made up 98 % of the Group total assets. FEI assets are mainly finance receivables and cash reserves .

The table below shows the split between the different categories of loans made by FE Investments:-



Property developments accounted for 27.7% of FEI loan portfolio and the Company is seeking to reduce this loan category to 15% or under of its total loan portfolio by the second half of the 2019 financial year.

Group Revenue	**2018**	**2017**	**2016**	**2015**
Annual revenue growth	75%	48%	57%	44%

FEIG total assets grew by a compounding annual growth rate of 31% over the four financial years whereas its annual revenue growth rate was 42% for these financial years.

FE Investments' revenue made up 98% of the Group total revenue for the financial year ending 31st March 2018.

Directors Report (Continued)

The asset and revenue growth since 2013 has emanated from FEI New Zealand operations. Based on the current available market information, FE Investments is in a position to grow its total assets and revenue in the New Zealand market given the limited competition outside the traditional banking system.

The Company is seeking to also grow its presence in Australia over the next few years. To that end, our management team is on the look-out for the right acquisitions in Australia that can benefit from our deposit taking ability.

Capital Ratio

FE Investments is a financial institution which requires it to comply with various prudential and liquidity requirements stipulated by Reserve Bank of New Zealand and Trustee Executors Limited (supervisor).

One of the key prudential requirements is for FE Investments to maintain a risk adjusted capital ratio of 9% from 1st of April 2018 and rising to 9.5% from 1st of October 2018.

	2018	2017	2016	2015
Capital Adequacy ratio	8.5%	10.8%	9.7%	10.5%
Common Equity ratio	16%	19%	19%	17%

Capital Adequacy ratio and Common Equity ratios are non-IFRS measures. Capital Adequacy ratio is calculated as per New Zealand Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010

FEIG Cashflow

	2018 $000	2017 $000	2016 $000	2015 $000
Cashflows from operating activities	(1,806)	2,732	(6,253)	(5,358)
Cashflows from investing activities	176	(109)	(24)	(20)
Cashflows from financing activities	2,824	2,237	10,503	7,383

FE Investments' operating cashflow activities include accepting deposits and making loans as it is a financial institution.

In the 2018 Financial Year, FE Investments' operating cashflow was ($1,332k) which included increase in new loans made in its operating cashflow activities as it drew down on its substantial cash reserves on its balance sheet.

In the 2018 Financial Year, the Company's financing cashflow activities included funds raised as fresh capital to bolster FE Investments' capital ratio as it increased its lending activities.

Divisional Results	Lending $000 NZD	Leasing $000 NZD	Total $000 NZD
Total portfolio income	7,196	5,594	12,790
Interest expense	(2,985)	(357)	(3,342)
Cost of leasing products	-	(4,118)	(4,118)
Net portfolio income	**4,211**	**1,119**	**5,330**
Impairment losses on receivables	(1,842)	(76)	(1,918)
Goodwill impairment	-	(12,388)	(12,388)
Other expenses	(743)	(783)	(1,526)
Profit before income tax	**1,626**	**(12,128)**	**(10,502)**
Total Segment Assets at 31 March 2018	**40,046**	**12,056**	**52,102**

For details please refer to Note 4 of attached financial statements.

Total revenue for the Group for the 2018 Financial Year was $13.068m of which the lending division contributed 55% and the leasing division contributing 43% .

FE Investments has provided loan provisions of $2.348m during the financial year, with the bulk of provisions coming from the lending division.

For a break-down of the Group operating expenses, please refer to note 3(d) of attached financial statements.

Directors Report (Continued)

Earnings trend	**2018**	**2017**	**2016**	**2015**
ROE	-132%	19%	21%	18%

ROE calculation is not an AASB measure and was calculated as a % of the profit/(loss) before tax to the average equity balance held during the year.

The key factors for the negative ROE were:-

- Increase in corporate overhead costs resulting from having two distinct separate boards of Directors and cost structures arising from being an ASX listed corporation.
- Duplication of operating costs as a result of merging the two operations.
- Boosting the capabilities of our lending team and Leasetech by hiring new high-performance staff and capital expenditure to boost our market presence in the lending and leasing activities.

The Company has taken steps, since the merger, to normalise the operating cost structure and the benefits should start accruing to the Company from the 2019 Financial Year. In addition, the investment made in hiring staff and technology improvement is set to improve future revenue and ROE from the 2019 Financial Year.

6 Dividends

During the year ended 31 March 2018, the Group did not declare a dividend. No dividends were paid for the previous reporting period.

7 Events subsequent to reporting date

1. The Group provided capital of NZD500,000 in April 2018 and NZD 400,000 in May 2018 to its subsidiary, FE Investments Limited.

2. On 26th March 2018 a private placement was agreed with Sunbow Limited, a Hong Kong based entity, on the following commerical terms:
   - Private placement of 10 million fully paid ordinary shares at 17 cents per share
   - The first tranche was received in March 2018, and the remaining tranches were received after year end.
   - As of the date of this report all the tranches of shares have been allotted.

3. The Group has entered into a deed of settlement ("Deed") with the vendors ("Vendors") under the sale and purchase agreement dated 29 November 2016 ("SPA") pursuant to which FEIG acquired from the Vendors, all of the issued shares in FE Investments Limited ("FE") in consideration of the issue to the Vendors of fully paid ordinary shares in the capital of FEIG. The terms of the settlement were negotiated by the disinterested independent directors led by the Chairman, James Green.
   The Deed settles and discharges any and all claims the Vendors and related parties (as to one part), and FEIG and its current and former directors (as to the other part) have or at any time hereafter may have against each other under the SPA.
   The complete particulars of the settlement are confidential as they relate to the other parties however the obligations pertaining to FEIG can be summarised as follows.

   (a) FEIG shall apply the amount of $408,191.00 in full repayment of TK Shim's current indebtedness to FE and in part repayment of Mel Stewart's current indebtedness to FE.

   (b) Ian Bailey, TK Shim and Mel Stewart ("Guarantors") will continue to act as guarantors of the obligations of an FEIG subsidiary, Wolfstrike Rental Services Limited ("WRS"), to Dancingmoonlight Limited in connection with a loan of approximately $810,000 made available by Dancingmoonlight Limited to WRS. In consideration of the guarantees FEIG will indemnify the Guarantors and will also issue to Ian Bailey (subject to obtaining all relevant shareholder and other approvals) 500,000 18-month AUD0.20 options with respect to ordinary shares in the capital of FEIG.

Directors Report (Continued)

8 Likely developments

The Group will continue to pursue its policy of growing its revenue, and improving its net operating margins. This will require the Group to undertake measures to optimise cost efficiencies in its operations. Cost-effective marketing and branding initiatives will also be taken to position the Group to be a leading lender to the SME and lease finance sectors.

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

9 Enviromental regulation

The Company is not aware of any breaches to any environmental legislation.

10 Directors' interests

The relevant interest of each director in the shares and options over such instruments issued by the companies within the Group and other related bodies corporate, as notified by the directors to the ASX in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as per the remuneration report.

11 Indemnification and insurance of officers and auditors

The Company has agreed to indemnify the current Directors of the Company, the Company Secretary, and all executive officers of the Company, and of any related body corporate, against any liability that may arise in their capacity as an officer of the Company or any related corporation to the Company.

FE Investments Group Limited, being the ultimate parent company, paid premiums in respect of directors’ and officers’ liability insurance during the financial year. The contract of insurance does not include details of premiums paid in respect of individual officers of the Company and prohibits disclosure of the amount of the premium paid.

During the reporting period or since the end of the reporting period, the Company has not indemnified nor agreed to indemnify any auditor of the Company or any related entity against a liability that may arise in their capacity as an auditor.

12 Declaration of interests

Other than as disclosed in the financial statements, no Director of the Company has received or become entitled to receive a benefit other than remuneration by reason of a contract made by the Company or a related corporation with a Director or with a firm of which they are a member, or with a company in which they have a substantial financial interest.

13 Proceedings on behalf of the Group

No person has applied to the court under section 237 of the Corporations Act 2001 for leave of Court to bring proceedings on behalf of the Group, or intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Company for all or any part or those proceedings. The Company was not a party to any such proceedings during the year. No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

14 Rounding off

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191 relating to the “rounding off” of amounts in the Directors’ Report and the Annual Financial Statements. Some amounts in the Directors’ Report and the Annual Financial Statements have been rounded off in accordance with that Instrument to the nearest thousand dollar.

Directors Report (Continued)

15 Corporate governance statement

The ASX Corporate Governance Principles and Recommmendations (Third Edition) and the ASX listing Rules (ASX LR 4.10.3 permits entities to elect to publish their ASX Corporate Governance Statement and ASX Appendix 4G on its website.

Accordingly, the Group's 2018 ASX Corporate Governance Statement does not appear in this Annual report and can be located on the FEIG website at: http://www.feigroup.com.au/

16 Non-audit services

From time to time non-audit services are provided by the Group’s auditor, KPMG. The directors are satisfied that the provision of any non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001 (Cth). The nature and scope of each type of non-audit service provided means that auditor independence was not compromised. Refer to Note 3 for breakdown of auditor's remuneration.

TK Shim
Chief Executive Officer (CEO)
Dated this 29th day of June 2018.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of FE Investments Group Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of FE Investments Group Limited for the financial year ended 31 March 2018 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Malcolm Kafer
Partner

Sydney

29 June 2018

Remuneration report (Audited)

The directors of FE Investments Group are pleased to present the Remuneration Report ("the Report") for the Company and its subsidiaries ("the Company" or "the Group" or "FEIG") for the year ended 31 March 2018.

The acquisition of FE Investments Limited ("FEI") by FE Investments Group Limited ("FEIG") (previously known as Wolfstrike Rentals Group Limited) was recognised as a reverse acquisition and the consolidated financial statements have therefore been prepared as a continuation of the financial statements of the accounting acquirer, FEI. However, the remuneration report below covers information for the legal acquirer (FEIG) for comparative periods. It includes the report of the key management personnel of its subsidiary FEI from 6th June 2017 to 31 March 2018. This report has been prepared and audited within the requirements of the Corporations Act 2001 and presented in NZ dollars.

For the purposes of this Report, Key Management Personnel ("KMP") are defined as persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group and include all Non-Executives who are listed in the table below.

Directors and key management personnel

MAXWELL JAMES GREEN	Independent Chairman (appointed on 31st July 2017)
Executives	
THATT KIONG SHIM	Executive Director and Group CEO (appointed on 6th June 2017)
MELVIN STEWART	Executive Director (appointed on 6th June 2017)
IAN BAILEY	Managing Director (resigned on 30th August 2017)
Non-Executive Directors	
JOHN SETON	Non-Executive Director (appointed on 23 June 2016)
TOM MCDONALD	Non-Executive Director (appointed on 20 October 2016)
COOK HUANG	Non-Executive Director (appointed on 6th October 2017)
QUENTIN OLDE	Non-Executive Director (resigned on 31 August 2017)
Other key management personnel (FEI)	
Non-Executive Directors	
ANDREW SCHNAUER	Non-Executive Director (appointed on 6th of June 2017)
MARCUS RITCHIE	Non-Executive Director (appointed on 6th of June 2017)
JACOB PLOEG	Non-Executive Director (appointed on 1st of July 2017)
PHILIP HARKNESS	General Manager (appointed on 15 October 2017)

The above were the key management personnel for the whole of the financial year unless otherwise stated.

Remuneration governance

The Board is ultimately responsible for determining remuneration of Non-Executive Directors and Executives.The Remuneration Committee makes recommendations to the Board in respect to remuneration of Non-Executive Directors and Executives.

In accordance with section 206K of Corporations Act 2001 the Board has a process for engaging remuneration consultants. When the Board commissions and receives information, advice and recommendations it is provided directly to the Board from remuneration consultants, ensuring remuneration recommendations are free of undue influence by management. During the financial year, no such advice has been sought or received by Company.

The Company's remuneration strategy is designed to attract, retain, motivate and reward employees by providing fair and reasonable rewards for achieving high performance and creating sustained value for shareholders.

KMP remuneration is connected to Company performance to encourage sustained performance. It is intended a formal short-term performance plan will be implemented within the next twelve months.

	Year ending 31 March 2018	9 months ending 31 March 2017	Year ending 30 June 2016
Profit/(loss) attributable to owners of the company	(14,637,201)	(2,101,670)	(12,578,453)
Basic loss per share(cents)	(12.80)	(0.25)	(5.49)
Dividends paid	-	-	-
Change in share price(%)	-44.00%	-12.50%	N/A

Note- Previous financial year figures were extracted from Wolfstrike Rentals Group Limited signed audited accounts.

Remuneration report (Continued)

Fixed Remuneration

Non-Executive Director ("NED") Remuneration

In determining the level and make-up of Non-Executive Director remuneration, the Board negotiates remuneration to reflect the market salary for a position of comparable responsibility and experience whilst considering the Company's stage of development.

The Board considered the quantum of remuneration payable to Non-Executive Directors and the remuneration details are disclosed in this report.

None of the Non-Executive Directors have entered into employment contracts with the Company.

Executive Remuneration

Executive Remuneration consists of base fees. Fixed remuneration reflects the complexity of the individual's role and their experience, knowledge and performance. Internal and external benchmarking is undertaken regularly and fixed remuneration and performance incentive levels are set with regard to the external market median, with scope for incremental increase for superior performance.

Fixed remuneration is reviewed annually, taking into account the performance of the individual and the Group. There are no guaranteed increases to fixed remuneration in any contracts of employment.

The table below shows the structure and level of current Executive remuneration as at year end.

	Annual amount
Executive Director(CEO)	
THATT KIONG SHIM	420,000
Executive Directors (FEI)	
MELVIN STEWART	420,000
General Manager (FEI)	
PHILIP HARKNESS	200,000

Note:

1. *THATT KIONG (TK) SHIM is Group CEO but is remunerated only from FEI.*
2. *MELVIN STEWART is executive director of the Group and is remunerated only from FEI.*
3. *PHILIP HARKNESS joined FEI as a General Manager in October 2017.*

Short term incentive ("STI") and Long term incentive ("LTI")

Given the Group's stage of development, the Board has not yet put in place either STI's or LTI's at the Group level, but has an STI for certain KMP's in FEI. The Board anticipates putting in place both an STI plan and LTI plan for all KMP's and certain other employees of the Group within the next twelve months from the current year end.

The table below represents the target remuneration mix for group executives in the current year. The short-term incentive is provided at target levels.

636,755 Shares were granted during the financial year. The Shares were issued to two (2) Non-Executive Directors in satisfaction of 2017-2018 Director Fees, following shareholder approval at the 31 August 2017 Annual General Meeting.

The Shares were issued in accordance with a commitment by the Company as detailed in the Replacement Prospectus issued on 29 December 2015, whereby the Board resolved to allow Directors to accept Shares in the Company in lieu of cash at their election. Both Mr Seton and Mr McDonald elected to receive their Director Fees for the 2017-2018 financial year in Shares.

The rationale for the issue of Shares in lieu of a cash payment is the conservation of Company cash, the alignment of Directors' remuneration with Company and Shareholders' objectives and provides the Directors with an incentive to enhance shareholder value.

No other Non-Executive Director elected to take their 2017-2018 Director Fees in Shares.

Executive Remuneration	**Fixed remuneration**	**Short-term incentive**	**Long-term incentive**
Executive Director(CEO)			
THATT KIONG SHIM	100%	NIL	NIL
Executive Directors			
MELVIN STEWART	100%	NIL	NIL
General Manager (FEI)			
PHILIP HARKNESS	89%	11%	NIL

Note: *Short term incentive for Philip Harkness is per his FEI employment contract where an annual bonus equivalent to $25,000 is payable upon achieving agreed incentive targets as agreed with the CEO. For the financial year 2018, the board is still determining the final amounts. Targets for financial year 2019 are being determined.*

Remuneration report (Continued)

Details of remuneration

		Short term - salary & Fees	Post employment benefits	Other long term benefits	Share based payments	Total	Performance related
Executive Remuneration							
Executive Director(CEO)							
THATT KIONG SHIM	**2018**	343,000	10,500	-	-	353,500	0%
	2017	-	-	-	-	-	0%
Executive Directors							
MELVIN STEWART	**2018**	343,000	10,500	-	-	353,500	0%
	2017	-	-	-	-	-	0%
IAN BAILEY	**2018**	116,667	-	-	-	116,667	0%
	2017	220,140	-	-	1,751,964	1,972,104	89%
General Manager (FEI)							
PHILIP HARKNESS	**2018**	92,671	3,019	1,924	-	97,614	0%
	2017	-	-	-	-	-	0%
Sub-total 2018		**895,338**	24,019	1,924	-	**921,281**	
Sub-total 2017		**220,140**	-	-	1,751,964	**1,972,104**	
Non-Executive Remuneration							
Chairman							
MAXWELL JAMES GREEN	**2018**	61,341	-	-	-	61,341	0%
	2017	-	-	-	-	-	0%
Independent directors							
JOHN SETON	**2018**	5,412	-	-	75,774	81,186	0%
	2017	35,393	-	-	23,887	59,280	0%
TOM MCDONALD	**2018**	-	-	-	64,949	64,949	0%
	2017	58,925	-	-	23,887	82,812	0%
COOK HUANG	**2018**	21,441	-	-	-	21,441	0%
	2017	-	-	-	-	-	0%
QUENTIN OLDE	**2018**	43,299	-	-	-	43,299	0%
	2017	31,854	-	-	23,887	55,741	0%
ANDREW SCHNAUER	**2018**	35,139	-	-	-	35,139	0%
	2017	-	-	-	-	-	0%
MARCUS RITCHIE	**2018**	9,800	-	-	-	9,800	0%
	2017	-	-	-	-	-	0%
JACOB PLOEG	**2018**	27,000	-	-	-	27,000	0%
	2017	-	-	-	-	-	0%
Sub-total 2018		**203,432**	-	-	**140,723**	**344,155**	
Sub-total 2017		**126,172**	-	-	**71,661**	**197,833**	
Grand total	**2018**	**1,098,770**	24,019	1,924	**140,723**	**1,265,436**	
	2017	**346,312**	-	-	**1,823,625**	**2,169,938**	

1. *Director's fees in regard to Mr. Seton are paid to his related company, Jura Trust Limited.*
2. *Director's fees in regard to Mr. Olde are paid to his related company, Milray Consulting Pty Ltd.*
3. *Director's fees in regard to Mr. Huang are paid to his related company, Everlast International Investments Group Ltd.*
4. *Mr. McDonald was appointed on 20 October 2016. Mr. McDonald was engaged as a financial consultant for a period prior to his appointment as a Director. Consulting fees and Directors fees to Mr. McDonald are paid to his related company, Cell Structures Pty Ltd.*
5. *Currently there are no termination benefits that are part of any remuneration packages.*

Remuneration report (continued)

Additional statutory disclosures relating to ordinary shares and options

This section provides additional disclosures required under the Corporations Act 2001.

a) The table below discloses movements in ordinary shareholdings of the Company's KMP's and their related parties.

Ordinary shares	Balance at 1 Apr 2017	Granted during the period	Other Changes	Balance at 31 Mar 2018
Directors - Non Executive				
FEIG				
MAXWELL JAMES GREEN	-	-	715,000	715,000
JOHN SETON	-	342,868	-	342,868
TOM MCDONALD	-	469,943	-	469,943
COOK HUANG	-	-	5,000,000	5,000,000
QUENTIN OLDE	625,000	-	-	625,000
	625,000	**812,811**	**5,715,000**	**7,152,811**
FEI				
ANDREW SCHNAUER	-	-	-	-
MARCUS RITCHIE	-	-	-	-
JACOB PLOEG	-	-	-	-
	-	-	-	-
Executives				
THATT KIONG SHIM	-	-	35,416,763	35,416,763
MELVIN STEWART	-	-	35,416,763	35,416,763
IAN BAILEY	2,100,000	-	10,000,000	12,100,000
	2,100,000	**-**	**80,833,525**	**82,933,525**

1. *Opening balances as at 1 April 2017 are restated and shares consolidated at a ratio of 30:1.*
2. *Shares granted during the period for Mr. McDonald and Mr.Seton are share based payments for Directors' fees as per the shareholder resolution.*

3. *Details about "Other Changes" disclosures above:*

(i) *An entity related to Maxwell Green acquired shares through an off market transfer from an unrelated party.*
(ii) *Cook Huang invested in the Group through a private placement in December 2017.*
(iii) *Thatt Kiong (TK) Shim and Melvin Stewart were issued shares as part of the acqusition.*

b) The table below discloses movements in Unlisted Options of KMP's during the period ended 31 March 2018

Options	Balance at 1 Apr 2017	Granted during the period	Other Changes	Vested/ Expired During Period	Balance at 31 Mar 2018
Directors - Non Executive					
FEIG					
MAXWELL JAMES GREEN	-	-	-	-	-
JOHN SETON	208,333	-	-	-	208,333
TOM MCDONALD	208,333	-	-	-	208,333
COOK HUANG	-	-	-	-	-
QUENTIN OLDE	520,833	-	-	(312,500)	208,333
	937,499	-	-	**(312,500)**	**624,999**

Notes:

1. *Opening balances as at 1 April 2017 are restated and consolidated based on 30:1.*
2. *312,500 options granted to Quentin Olde on 16/12/2016 expired during the financial year 2018 as exercise price was higher than the market price of shares. Thus, options were not exercised.*

Remuneration report (continued)

Options	Balance at 1 Apr 2017	Granted during the period	Other Changes	Vested/ Expired During Period	Balance at 31 Mar 2018
FEI					
ANDREW SCHNAUER	-	-	-	-	-
MARCUS RITCHIE	-	-	-	-	-
JACOB PLOEG	-	-	-	-	-
	-	-	-	-	-
Executives					
THATT KIONG SHIM	-	-	-	-	-
MELVIN STEWART	-	-	-	-	-
IAN BAILEY	-	-	-	-	-
	-	-	-	-	-

Options	No. of options granted during the period	Grant date	Fair value per option at grant date	Exercise price per option	Expiry date	No. of options vested during the period
JOHN SETON	-	16/12/2016	0.05	0.75	16/12/2018	-
TOM MCDONALD	-	16/12/2016	0.05	0.75	16/12/2018	-
QUENTIN OLDE	-	16/12/2016	0.05	0.75	16/12/2018	-

c) The table below discloses movements in other rights of KMP's during the period ended 31 March 2018

	Balance at 1 Apr 2017	Granted during the	Other Changes	Vested/ Expired	Balance at 31 Mar 2018
Executives					
IAN BAILEY	10,000,000	-	-	(10,000,000)	-
	10,000,000	-	-	**(10,000,000)**	-

Note:

1. *On the 6 June 2017, following the successful completion of the acquisition of FEI, the vendor earn-out shares that Ian Bailey was entitled to receive vested.*

Key management personnel transactions

Loans to key management personnel and their related parties

a) Details regarding loans outstanding at the end of the reporting period to key management personnel and their related parties, where the individual's aggregate loan balance exceeded $100,000 in the reporting period, are as follows:

	Balance at 6 June 2017	Balance at 31 Mar 2018	Interest paid	Highest balance in period
THATT KIONG SHIM	179,159	198,617	4,174	198,617
MELVIN STEWART	189,296	231,714	5,071	231,714

On 31 March 2018, advances to directors were $430,331 (including sundry receivables of $25,597). Interest of 5.77% was charged on these from 1st October 2017. These are repayable by 31 March 2019. This was reviewed and approved by FEI board of directors and the loan is now charged interest at 8% pa.

b) Details regarding the aggregate of all loans made, guaranteed or secured by any entity in the Group to key management personnel and their related parties, and the number of individuals in each group as at 31 March 2018, are as follows:

Remuneration report (continued)

	Opening balance	Closing balance	Interest paid	Number in group at 31 March
Total for key management personnel and their related parties	368,455	439,576	9,245	2

The interest rate is the of 5.77% used by the New Zealand IRD for the fringe benefit tax.

Signed in accordance with a resolution of the directors.

M. James Green
Chairman
Dated this 29th day of June 2018.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	31-Mar-18	31-Mar-17
		$000	$000
		NZD	NZD
Total portfolio income	3(a)	13,068	7,475
Cost of leasing products		(4,118)	-
Interest expenses		(3,342)	(2,480)
Net portfolio income		**5,608**	**4,995**
Employment expenses	3(e)	(1,915)	(789)
Impairment expenses	3(f)	(14,306)	(222)
Depreciation and amortisation expenses	3(b)	(142)	(26)
Exchange rate loss		(6)	(57)
Operating and other expenses	3(d)	(3,298)	(2,201)
Transaction costs	3(c)	(236)	-
(Loss)/ profit before income tax for the year		**(14,294)**	**1,700**
Income tax benefit/ income tax (expenses)	5	(300)	(487)
(Loss)/ profit after income tax expense for the year		**(14,594)**	**1,213**
Other comprehensive Income			
Items that may be reclassified to profit or loss			
Foreign currency gains/(Loss) on translation of foreign operations		(43)	-
Total other comprehensive income for the year		**(43)**	**-**
Total comprehensive (loss)/ profit attributable to owners of the Group		**(14,637)**	**1,213**

	2018	2017
(Loss)/Profit per share attributable to the ordinary equity holders of the Group:	**cents**	**cents**
Basic (loss)/profit per share (Cents)	(12.80)	4.59
Diluted (loss)/profit per share (Cents)	(12.80)	4.59

The above consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	Notes	31-Mar-18 $000 NZD	31-Mar-17 $000 NZD
Assets			
Cash and cash equivalents	6	13,319	12,125
Finance receivables	8(a)(i)	40,046	41,940
Finance lease receivable	8(a)(ii)	12,056	-
Trade and other receivables	10	39	512
Deferred tax assets	5(c)	315	615
Plant & Equipment	7	94	114
Goodwill	11	607	-
Other intangible assets	12	2,260	-
Other assets		240	26
Total assets		**68,976**	**55,332**
Liabilities			
First ranking term deposits	8(b)	55,453	44,209
Trade and other payables	13	796	642
Interest bearing borrowings	8(b)	810	-
Provisions	14	55	11
Deferred tax liability	5(c)	607	-
Total liabilities		**57,721**	**44,862**
Net assets		**11,255**	**10,470**
Equity			
Ordinary share capital	15	25,786	11,033
Preference share capital	15	1,169	500
Reserves	16	(43)	-
Accumulated losses		(15,657)	(1,063)
Total equity		**11,255**	**10,470**

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

FE Investments Group Limited

Annual Report for the year ended 31 March 2018

Consolidated Statement of Changes in Equity

	Note	Share Capital $000 NZD	Accumulated losses $000 NZD	Foreign currency translation reserve $000 NZD	Sub-total $000 NZD	Preference share capital $000 NZD	Total equity $000 NZD
Balance at 1 April 2017		**11,033**	**(1,063)**	**-**	**9,970**	**500**	**10,470**
Total Comprehensive income/ (loss) for the period							
Loss for the period		-	(14,594)	-	**(14,594)**	-	**(14,594)**
Other comprehensive income		-	-	(43)	**(43)**	-	**(43)**
Total Comprehensive (loss)/ income for the period		**-**	**(14,594)**	**(43)**	**(14,637)**	**-**	**(14,637)**
Transactions with owners of the Group							
Issue of ordinary shares		1,805	-	-	1,805	-	1,805
Issue of shares related to business combinations	9	13,376	-	-	13,376	-	13,376
Shares reclassified during the period		(428)	-	-	(428)	-	(428)
Total transactions with owners of the Group		**14,753**	**-**	**-**	**14,753**	**-**	**14,753**
Redeemable preference share capital							
Shares reclassified during the period		-	-	-	-	428	428
Issue of preference share capital		-	-	-	-	241	241
Total redeemable preference share capital	15	**-**	**-**	**-**	**-**	**669**	**669**
Balance at 31 March 2018		**25,786**	**(15,657)**	**(43)**	**10,086**	**1,169**	**11,255**
Balance at 1 April 2016		**9,296**	**(2,276)**	**-**	**7,020**	-	**7,020**
Total Comprehensive income/ (loss) for the period							
Profit/ (loss) for the period		-	1,213	-	1,213	-	1,213
Other comprehensive income		-	-	-	-	-	-
Total Comprehensive income/ (loss) for the period		**-**	**1,213**	**-**	**1,213**	**-**	**1,213**
Transactions with owners of the Company							
Issue of ordinary shares		1,737	-	-	1,737	-	1,737
Total transactions with owners of the Company		**1,737**	**-**	**-**	**1,737**	**-**	**1,737**
Redeemable preference share capital							
Issue of preference share capital						500	500
Total redeemable preference share capital		**-**	**-**	**-**	**-**	**500**	500
Balance at 31 March 2017		**11,033**	**(1,063)**	**-**	**9,970**	**500**	**10,470**

Consolidated Statement of Cash Flows

CASH FLOWS	31-Mar-18	31-Mar-17
	$000	$000
	NZD	NZD
Interest and fee income received	2,552	5,630
Finance lease interest income received	1,025	-
Interest paid	(2,217)	(1,223)
Cash payments for leasing products	(4,190)	-
Cash payments to suppliers and employees	(4,711)	(2,840)
Movement in finance receivables	3,756	(12,263)
Movement in finance lease receivables	(8,091)	-
Net increase in first ranking term deposits	10,070	13,428
Net cash from/(used in) operating activities	**(1,806)**	**2,732**
Purchase of property and equipment	(122)	(109)
Acquisition of subsidiary, net of cash acquired	298	-
Net cash used in investing activities	**176**	**(109)**
Issue of ordinary shares	1,805	2,237
Issue of redeemable preference shares	241	-
Movement in Borrowings	(10)	-
Net movement in related party advances	788	-
Net cashflows from financing activities	**2,824**	**2,237**
Opening cash	**12,125**	**7,265**
Net Movement in cash held	**1,194**	**4,860**
Closing cash	**13,319**	**12,125**

RECONCILIATION TO PROFIT/(LOSS) AFTER TAX

Net profit/(loss) for the year after tax	**(14,637)**	**1,213**
Other non-cash items in profit or loss		
Receivables and loan impairment expenses	1,919	222
Goodwill impairment	12,387	
Interest receivable	(3,987)	(2,404)
Finance lease income	(4,827)	-
Interest payable	1,125	1,257
Fee and other income	(677)	559
Depreciation and amortisation	142	26
Exchange differences	49	57
Other non-cash movements	34	-
Net cash inflows from operating activities before changes in operating assets and liabilities	**6,165**	**(283)**
Change in operating assets & liabilities		
Movement in finance receivables	3,860	(12,012)
Movement in Finance lease receivables	(8,091)	-
Movement in other receivables	1,180	(30)
Movement in first ranking term deposits	10,070	13,428
Movement in payables	(559)	180
Movement in borrowings	10	-
Movement in net deferred tax assets	300	487
Movement in deferred income	(104)	(251)
Net cash inflows from operating activities	**(1,806)**	**2,732**

The above consolidated statement of cashflow should be read in conjunction with the accompanying notes.

Contents of the notes to the consolidated financial statements

1 Summary of Significant accounting policies

a. **Reporting entities**

The consolidated financial statements of FE Investments Group Limited, ("FEIG" or "the Group") for the period ended 31 March 2018 were authorised for issue by the Board of Directors on 29th June 2018. The Company is an Australian incorporated company and is limited by shares that are publicly traded on the Australian Securities Exchange ("ASX"). FEIG shares trade under the ticker code FEI. The nature of the operations and principal activities of the Group are described in the Directors' Report.

The consolidated financial statements for the Group are for the economic entity comprising FE Investments Group Limited and its subsidiaries. The Group consists of:

Entity	Country of incorporation	Ownership
FE Investments Group Limited	Australia	Legal parent company/ Legal acquirer
FE Investments Limited (FEI)	New Zealand	100% owned by FE Investments Group Limited *Accounting acquirer*
WolfStrike Rental Services Limited	New Zealand	100% owned by FE Investments Group Limited
WolfStrike Rental Services Pty Ltd	Australia	100% owned by FE Investments Group Limited
WolfStrike Distributors Limited	New Zealand	100% owned by FE Investments Group Limited
WolfStrike Distributors Pty Ltd	Australia	100% owned by FE Investments Group Limited

b. **Basis of Preparation**

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards `Board (AASB) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

These consolidated financial statements have been prepared on the basis of historical costs. All amounts are presented in New Zealand dollars, unless otherwise noted. The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with the legislative instrument, amounts in the consolidated interim financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

The accounting policies and methods of computation adopted in the preparation of the annual financial report are consistent with FE Investments Limited, being the accounting acquirer. These accounting policies are consistent with International Financial Reporting Standards.

c. **Reverse Acquisition**

The acquisition of FE Investments Limited ("FEI") by FE Investments Group Limited ("FEIG") (previously know as Wolfstrike Rentals Group Limited) was recognised as a reverse acquisition and the consolidated financial statements have therefore been prepared as a continuation of the financial statements of the accounting acquirer, FEI. Accordingly, consolidated comparative information is provided for the statement of financial position, statement of financial performance, cashflow statement, statement of changes in equity and related information for the year as at 31 March 2017 of FEI.

As a result:

i). The retained earnings of the Group represent the retained earnings of FEI from the date of its incorporation, plus the results of other combining entities from the date of acquisition.

ii). The consolidated statement of financial position comprises the existing consolidated net assets of FEI measured at their historical cost. The net assets are also measured at historical cost at the date of this report.

d. **Revenue recognition**

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The principal sources of revenue are interest, leasing and fee income.

The effective interest method calculates the amortised cost of a financial asset or financial liability and allocates income and expense, including interest and finance fees, over the term of the loan and as they are earned.

Finance lease interest income is recognised by applying discount rates implicit in the leases to lease balances receivable at the beginning of each payment period. Initial direct costs incurred in the origination of leases are included as part of receivables in the balance sheet and forms part of the effective interest rate calculation.

1 Summary of Significant accounting policies (continued)

e. **Foreign Currency Transactions and Balances**

Functional and presentation currency

The functional currency of each of the Group's entities is determined using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in New Zealand dollars, which is the accounting parent entity's functional currency.

Transactions and balances

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

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

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

Group companies

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

– assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;

– income and expenses are translated at average exchange rates for the period; and

– retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than New Zealand dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

f. **Cash and cash equivalents**

Cash and cash equivalents in the consolidated statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

g. **Trade and other receivables and provision for doubtful debt**

(i) *Trade and other receivables*

Trade receivables, which generally have 30-90 day terms, are recognised at fair value less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 90 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

(ii) *Provision for doubtful debts*

Losses on lease and loan receivables are recognised when they are incurred, which requires the Group to identify objective evidence that the receivable is impaired, and make best estimate of incurred losses inherent in the portfolio. The method for calculating the best estimate of incurred losses depends on the size, type and risk characteristics of the related financing receivable. For the majority of the receivables, the assessment is made collectively at a portfolio level, however individually significant receivables are assessed individually.

The estimate requires consideration of historical loss experience, adjusted for current conditions, and judgements about the probable effects of relevant observable data, including present economic conditions such as delinquency rates, financial health of specific customers and market sectors, and both the current and forecast employment rate. The underlying assumptions, estimates and assessments used to provide for losses are updated periodically to reflect the Group's view of current conditions, which can result in changes to assumptions. Changes in such estimates can significantly affect the provision for doubtful debts.

h. **Trade and other payables**

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

1 Summary of Significant accounting policies (continued)

i. **Interest-bearing loans and borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

j **Provisions**

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

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

k. **Employee Benefits**

Wages, salaries, annual leave and personal leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave are recognised in accrued liabilities and provisions in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating personal/sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Long Service Leave

Long Service Leave is not recognised in relation to employees of New Zealand subsidiaries, as it is not an employee benefit required to be provided for under New Zealand legislation.

As at 31 March 2018, there were no employees within the Group who qualified or were entitled to accrue Long Service Leave at this time.

l. **Share Based payment transactions**

Equity settled transactions

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

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 Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying the Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period; and
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

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

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 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.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group 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.

1 Summary of Significant accounting policies (continued)

m. **Income tax and other taxes**

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

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

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

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

n. **Tax consolidation legislation**

The Group has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the Group also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to wholly-owned tax consolidated entities.

o. **Other taxes**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) except:

1) When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
2) Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from or payable to the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from or payable to the taxation authority are classified as operating cash flows.

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

p. **Plant and equipment**

Property, plant and equipment is initially recognised at cost. When an item is disposed of, any gain or loss is recognised in profit or loss and is calculated as the difference between the net sale price and the carrying value of the item. At each reporting date, the carrying amounts of these assets are reviewed to determine whether there is any indication of impairment. If any such indication exists for an asset, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any) and the impairment loss is expensed immediately.

Depreciation

Depreciation on property, plant and equipment is calculated at rates to allocate costs of each asset on a straight line basis over its useful life . For this purpose, the depreciation rates used are as follows:

Computer and software	33% - 48% SL
Office furniture and fixtures	7% - 12% SL
Office equipment	7% - 67% SL
Intangible assets	40% SL

q. **Leases**

Group as a lessor

The Group has classified its leases as finance leases for accounting purposes. Under a finance lease, substantially all the risks and benefits incidental to the ownership of the leased asset are transferred by the lessor to the lessees. The Group recognises at the beginning of the lease term an asset at an amount equal to the aggregate of the present value (discounted at the interest rate implicit in the lease) of the minimum lease payments and an estimate of the value of any unguaranteed residual value (as unearned income) expected to accrue to the benefit of the Group at the end of the lease term.

1 Summary of Significant accounting policies (continued)

Group as a lessee

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.

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit and loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the profit or loss on a straight-line basis over the lease term.

Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

For where the Group acts as a lessor, please refer to Note 8.

r. **Goodwill**

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

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquired business are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Each unit or group of units to which the goodwill is so allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and is not larger than an operating segment determined in accordance with AASB 8.

The Group performs its impairment testing as at 31 March each year using a value in use methodology to determine the recoverable amount of Goodwill.

Impairment losses recognised for goodwill are not subsequently reversed.

s **Intangible assets**

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value which is determined within the measurement period since the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in profit or loss in the year in which the expenditure is incurred. Externally acquired intangible assets are initially recognised at the fair value of the consideration paid for the purchase.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Estimated lives of intangible assets

Customer base	10 years
Lease tech brand	Indefinite

1 Summary of Significant accounting policies (continued)

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

Impairment of non-financial assets other than goodwill

Non-financial assets other than goodwill and indefinite life intangibles are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Group conducts an annual internal review as to whether an indicator of impairment exists at each reporting date. This includes a comparison of the market capitalisation in comparison to the Group's asset values. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

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

t Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

u Preference share capital

Preference shares were issued in accordance with the requirements of the Non-bank deposit takers regulations requirements of FEI. This preference shares are treated as capital for the purposes of capital ratio calculation. They have no voting rights or dividend rights and are redeemable at the sole discretion of the company (FEI). Priority is given on a winding up or other capital distribution, the Preference Shares shall be redeemed in preference to any distribution towards ordinary shares of the Company.

v Earnings per share

Basic earnings per share is calculated as net profit/(loss) attributable to members of the parent, divided by the weighted average number of shares on issue, adjusted for any bonus element.

Diluted earnings per share are calculated as net profit attributable to members of the parent, adjusted for:

1) Costs of servicing equity (other than dividends);
2) The after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
3) Other non-discretionary changes in revenue and expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

w Standards issued but not yet effective

The following are accounting standards anticipated to be effective January 1, 2018 or later:

i. AASB 9

In December 2014, the AASB issued the Australian Accounting Standard AASB 9 which will replace AASB 139 'Financial Instruments: Recognition and Measurement'. The standard covers three broad topics: Impairment, Classification and Measurement and Hedging. The Group is required to adopt the standard from 1 April 2018 where applicable.

The adoption of AASB 9 will have an impact on the Group's impairment methodology. The AASB 9 expected credit loss ("ECL") model is forward looking and replaces the existing incurred loss approach. The ECL impairment model represents expected credit losses based on unbiased forward-looking information.

1 Summary of Significant accounting policies (continued)

Impacts of AASB 9 on the Group

Impairment

The Group will not restate prior period comparative balances on adoption of the new standard. The adjustments will be recognised against opening 1 April 2018 retained earnings.

The Group's current estimate of the opening balance sheet adjustment, if applied on 1 April 2018 based on the economic conditions, forecast economic scenarios, management judgements and assumptions as at 1 April 2018, is an increase in impairment provisions in the range of $200,000 - $300,000 before tax. This would result in a corresponding decrease in shareholders' equity of an approximately similar amount.

The increase in impairment provisions under AASB 9 is mainly driven by the requirement to hold provisions equivalent to 12 months expected losses for all loans that are active past the weighted average number of days when provisions were provided since origination and the impact of forward looking factors on expected credit losses estimates. Under AASB 139, provisions are only held for incurred losses on the portfolio and forward-looking factors are not considered.
No reclassification of initial measurements are expected upon adoption of AASB 9.

Hedging
Adoption of AASB 9's hedge accounting requirement is not expected to have any impact on the Group as currently the group has not undertaken any hedging activities.

ii. AASB 15

AASB 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. Application of the standard is mandatory for annual periods beginning on or after 1 January 2018, the Group will be adopting this from 1 April 2018. Currently, no impact on the Group's consolidated financial statements is expected.

iii. AASB 16

AASB 16 Leases will replace AASB 117 Leases. AASB 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Application of the standard is mandatory for annual periods beginning on or after January 1, 2019, with early application permitted. It is not yet practical to reliably estimate the financial impact of the changes under AASB 16 on the Group.

2 Significant accounting judgements , estimates and assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgments, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

i. Recoverability of Finance Receivables & Finance Lease Receivables ("FLR")
The measurement of the recoverability of the Group's receivables requires judgement from management by taking into account past historical data, knowledge of the individual customer and timing of cashflows when recoverability is measured. In addition the security received in the form of guarantees from FEIG's originators is taken into account when assessing the recoverability of the receivables.

ii. Provision for doubtful debts
The Group estimates losses incurred on its loans and lease receivables in accordance with the policy set out in note (g)(ii).

iii. Net Present Value of receivables and Discount Rates Applied
In measuring the discounting of the receivables, management takes into account timing of cashflows, discounting rates for comparative businesses and other relevant information.

2 Significant accounting judgements , estimates and assumptions (continued)

iv. Assessment of impairment of goodwill and investments in subsidiaries

Under the accounting standards, the Group is required to perform an annual assessment as to whether there has been any impairment of its goodwill. In addition, the Group is required to perform an impairment assessment of other assets in the event it identifies an indicator of impairment. Details of the basis of performance of the assessment and the assumptions made are set out in notes.

v. Acquired intangible assets

Under the accounting standards, the assets and liabilities of businesses acquired through a business combination are to be measured at their acquisition date fair values. The Group applies judgements in selecting valuation techniques and setting valuation assumptions to determine the acquisition date fair values and to estimate the useful lives of these assets.

vi. Share based payments

When valuing share based payments management exercises judgement as per policy set out in Note (l).

vii. Taxation

Judgement is required in determining provisions held in respect of uncertain tax positions. The Group estimates its tax liabilities based on its understanding of the relevant tax law in each of the countries in which it operates and seeks independent advice where appropriate.

3 Profit for the period

The following revenue and expense items are relevant in explaining the financial performance for the year:

	Notes	31-Mar-18	31-Mar-17
		$000	$000
		NZD	NZD
a. **Total portfolio income**			
Gross interest and finance lease income		11,774	5,826
Other portfolio income		1,294	1,649
		13,068	**7,475**
b. **Depreciation and amortisation expenses**			
Depreciation of plant & equipment		39	26
Amortisation of intangible assets		103	-
		142	**26**
c. **Transaction costs**			
These were one off costs incurred as part of business acquisition			
Legal fees		225	-
Other costs		11	-
		236	**-**
d. **Operating expenses**			
Directors' remuneration		1,063	491
Marketing expenses		246	263
Professional and consulting fees		1,322	617
Other expenses		667	831
		3,298	**2,202**
e. **Employee benefits expense**			
Wages and salaries		1,915	789
		1,915	**789**
f. **Impairment**			
Receivables impairment expenses	8(a)(i)(ii)	1,919	222
Goodwill impairment loss	11(b)	12,387	-
		14,306	**222**
g. **Auditor's remuneration**			
Auditors of the company-KPMG		**$**	**$**
Audit and review of financial statements		174,051	82,000
Other regulatory audit services		12,000	12,000
Total auditor's remuneration		**186,051**	**94,000**

4 Segment information

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer(CEO) that are used to make strategic decisions. The CEO and the Board, use the statutory profit after adjustments for tax, depreciation and merger costs to assess the business.

98% of the Group's revenue is generated in New Zealand and likewise 98% of the Group's assets are held in New Zealand.

The segment information provided to the CEO for the reportable segments for the year ended 31 March 2018 as follows:

NZ Lending products	Interest and fee income earned from loans receivables.
NZ Leasing	Finance lease options for leasing of equipment and technology solutions to businesses.

	Lending $000 NZD	Leasing $000 NZD	Total $000 NZD
2018			
Total portfolio income	7,196	5,594	12,790
Interest expense	(2,985)	(357)	(3,342)
Cost of leasing products	-	(4,118)	(4,118)
Net portfolio income	4,211	1,119	5,330
Impairment losses	(1,842)	(76)	(1,918)
Goodwill impairment	-	(12,388)	(12,388)
Other expenses	(743)	(783)	(1,526)
Profit before income tax	1,626	(12,128)	(10,502)
Total Segment Assets at 31 March 2018	40,046	12,056	52,102
Total Segment Liabilities at 31 March 2018	32,339	10,546	42,886
2017			
Total portfolio income	7,397	-	7,397
Interest expense	(2,480)	-	(2,480)
Cost of leasing products	-	-	
Net portfolio income	4,917	-	4,917
Impairment losses	(222)	-	(222)
Other expenses	-	-	-
Profit before income tax	4,695	-	4,695
Total Segment Assets at 31 March 2017	41,940	-	41,940
Total Segment Liabilities at 31 March 2017	44,390	-	44,390

a. Reconciliations of information on reportable segments to IFRS measures

(i) **Revenues**

	31-Mar-18 $000 NZD	31-Mar-17 $000 NZD
Total revenue for reportable segments	12,790	7,397
Other revenue	278	78
Consolidated Revenue	**13,068**	**7,475**

(ii) **Profit before tax**

Total profit before tax for reportable segments	(10,502)	4,695
Unallocated amounts:		
Other corporate expenses	(3,792)	(2,995)
Consolidated profit before tax from continuing operations	**(14,294)**	**1,700**

The Group has central costs such as Directors Remuneration, Marketing, Professional & Consulting costs, Administrative expenses that have not been allocated to operating segments.

4 Segment information (Continued)

	31-Mar-18	31-Mar-17
	$000	$000
(iii) **Assets**	NZD	NZD
Total assets for reportable segments	52,102	41,940
Other unallocated amounts	16,874	13,392
Consolidated total assets	**68,976**	**55,332**
(iv) **Liabilities**		
Total liabilities for reportable segments	42,886	44,390
Other unallocated amounts	14,835	472
Consolidated total liabilities	**57,721**	**44,862**

5 Income tax expense

a. Income tax expense

	31-Mar-18	31-Mar-17
Current tax	15	-
Deferred tax expense	(315)	(487)
Total income tax expense	**(300)**	**(487)**

b. Numerical reconciliation of income tax expense to prima facie tax payable

	31-Mar-18	31-Mar-17
(Loss)/Profit before income tax expense	(14,294)	1,700
Tax using NZ statutory tax rate (28%)	4,002	(476)
Tax effect of:		
Impairment losses with no tax effect	(3,406)	-
Permanent differences	(8)	(11)
Current year losses for which no deferred tax asset is recognised	(348)	-
Derecognition of prior period losses	(612)	-
Effect of tax rates in foreign jurisdiction	72	-
Income tax expense	**(300)**	**(487)**

FEIG operates in both New Zealand (28% tax rate) and Australia (27.5% tax rate).

c. Deferred tax expense represent movements in deferred tax assets/liabilities

	31-Mar-18	31-Mar-17
Opening balance deferred tax asset	615	1,102
Increase in provisions	435	57
Tax losses recognised	(123)	-
Loss of deferred tax assets	(612)	(544)
Closing balance deferred tax asset	**315**	**615**
Deferred income tax liability related to business combination	**(607)**	**-**

d Carry forward tax losses

Australia

As at 31 March 2018, the Group had carryforward tax losses of $745,568 unrecognised which did not have an expiry date.

New Zealand

As at 31 March 2018, the Group had carryforward tax losses of $491,249 unrecognised which did not have an expiry date.

6 Cash and Cash equivalents

	31-Mar-18	31-Mar-17
Cash at bank and on hand	13,319	12,125

The above figures reconcile to cash at the end of the financial year, as shown in the statement of cashflows. Please refer to page 24.

7 Plant & Equipment

	31-Mar-18	31-Mar-17
	$000	$000
	NZD	NZD
Cost	323	328
Accumulated depreciation	(229)	(213)
Net book amount	**94**	**114**
Movement in Plant and equipment at net book amount		
Balance at the beginning of the year	114	31
Additions or fairvalue adjustments through business combinations	-	-
Additions	19	109
Depreciation	(39)	(26)
Balance at the end of the year	**94**	**114**

8 Financial instrument- Fair values and risk management

Fair value

Fair value reflects the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Quoted prices or rates are used to determine fair value where an active market exists. If the market for a financial instrument is not active, fair values are estimated using present value or other valuation techniques, using inputs based on market conditions prevailing on the measurement date.

Financial instruments measured at fair value are categorised under a three level hierarchy as outlined below:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following methods and assumptions are used to estimate the fair value of each class of financial asset and liability:

Finance lease receivables – The carrying value of finance lease receivables is calculated using the effective interest rate to discount future cash flows to net present value.

Other financial assets and liabilities - Other financial assets and liabilities consist of bank balances, receivables, and payables. The carrying value of all these financial assets and liabilities is the fair value.

Risk Management

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management team, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The main type of risks are: credit risk, liquidity risk, interest rate risk and market risk.

a. Finance receivables & Credit risk

(i) Finance receivables

Finance receivables are loans made by the Group to its borrowers. Finance receivables are initially recognised at fair value, including loan fees where applicable. They are subsequently carried at amortised cost, adjusted for an allowance for impairment where there is evidence that a loss has been incurred. Finance receivables are derecognised when they are repaid, or if the material risks and rewards relating to the receivables are transferred or assigned to another party. The Group's exposure to risk in relation to assigned receivables is limited to ongoing management commissions. The Group continues to recognise the receivables only to the extent of this continuing involvement.

8 Financial instrument- Fair values and risk management(continued)

a. Finance receivables & Credit risk (Continued)

(i) Finance receivables

Interest income is recognised in profit or loss using the effective interest rate method, that includes all yield-related fees and commissions.

The identification and estimation of impairment allowances is a key estimate made in preparing these financial statements. Impaired finance receivables are loans where there is evidence that the Group may not recover all the interest, fees and principal owing. Restructured finance receivables are where the terms have been amended to terms that would not have been available for new facilities with comparable risks. 90 day past due finance receivables are receivables which are not impaired or restructured, but where the counterparty has not operated within the key terms for at least 90 days.

(ii) Finance lease receivables

Finance lease receivables relate to the contracted revenues relating to leases issued by the Group to its customers and originators. The finance lease receivable balance is measured using the future contracted revenue and is then discounted and impairment tested. Future interest revenue is also excluded from the finance lease receivables.

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.

Under a finance lease, substantially all the risks and benefits incidental to the ownership of the leased asset are transferred by the lessor to the lessees. The Group recognises at the beginning of the lease term an asset at an amount equal to the aggregate of the present value (discounted at the interest rate implicit in the lease) of the minimum lease payments and an estimate of the value of any unguaranteed residual value (as unearned income) expected to accrue to the benefit of the Group at the end of the lease term.

For impaired lease receivables, the Group has a right to recover the leased asset and for impaired loan receivables the Group, in certain instances, has access to collateral. Given the large number of small dollar accounts comprising the portfolio it is not practical to assess the value of the collateral. For the majority of its receivables, the Group does not identify any individual lease receivables as significant, and accordingly for those receivables, no unimpaired past due loans are identified and the allowance for losses is calculated on a collective basis. As at the balance date, there were no single exposures that were considered to be individually significant or impaired.

	Finance lease receivables		**Finance receivables**	
	31-Mar-18	**31-Mar-17**	**31-Mar-18**	**31-Mar-17**
	$000	**$000**	**$000**	**$000**
	NZD	**NZD**	**NZD**	**NZD**
Secured/ unsecured and not past due nor impaired receivables		-	40,016	41,370
Gross investment in finance leases, receivables				
Less than 1 year	5,492	-	-	-
Between to 1 to 5 years	8,456	-	-	-
	13,948	-	-	-
90 day past due receivables	59	-	-	-
Unearned finance lease income	(1,878)	-	-	-
	12,129	-	-	-
Less collective provisions	(73)	-	(261)	(64)
	12,056	-	39,755	41,306
Individually impaired receivables	-	-	291	634
	12,056	**-**	**40,046**	**41,940**
Net investment in finance lease receivable:				
Less than one year	5,244	-	-	-
Between one and five years	6,885	-	-	-
	12,129	**-**	**-**	**-**

8 Financial instrument- Fair values and risk management(continued)

a. Finance receivables & Credit risk (continued)

	Finance lease receivables		Finance receivables	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
	$000	$000	$000	$000
	NZD	NZD	NZD	NZD
Individually impaired receivables				
GROSS IMPAIRED FINANCE RECEIVABLES				
Opening balance of gross receivables	-	-	792	66
Additions	-	-	1,303	792
Recoveries	-	-	(370)	(66)
Closing balance of gross impaired receivables	-	-	1,725	792
ALLOWANCE FOR IMPAIRMENT				
Opening balance of individually impairment allowance	-	-	(158)	(33)
Impairment charge	-	-	(1,346)	(158)
Write-offs	-	-	70	33
Closing balance of individually impairment allowance	-	-	(1,434)	(158)
NET INDIVIDUALLY IMPAIRED FINANCE RECEIVABLES	-	-	291	634
Provision for collectively impaired receivables				
Opening provision for collectively impaired receivables	-	-	(64)	-
Impairment movement	(73)	-	(197)	(64)
Closing provision for collectively impaired receivables	(73)	-	(261)	(64)
Debt written-off	(3)	-	-	-
TOTAL IMPAIRMENT CHARGE	(76)	-	(1,843)	(222)

At 31 March 2018 the Group had one loan with a zero percent interest rate which is measured at fair value. The fair value adjustment will be unwound over the life of the loan as capitalised interest. The net value at balance date was $370,940 (2017: $344,825) with a remaining fair value adjustment of $269,597 (2017: $313,712). Capitalised interest during the period of $26,115 (2017: $35,043).

The Group has loan exposures totalling $6.8 million to Mr Martin Kells and associated entities. Mr Kells is an experienced developer who acts on behalf of the Group as bare trustee of an entity involved in the realisation of property security on unrelated loan exposures.

Credit risk

The Group manages its exposure to credit risk by undertaking a comprehensive analysis of all projects, limiting its exposure to individual counterparty groups, performing credit checks, obtaining appropriate collateral, regular credit reviews, and proactive management of defaults or concerns with borrowers.

The Group's maximum exposure to credit risk is the amount shown in the balance sheet, without any allowance for security held. The Group holds security over assets financed. For many receivables, the Group also holds other forms of collateral, such as general security agreements over the borrowing Group or guarantor, and personal guarantees from directors or associated companies. It is not practical to estimate the fair value of these various forms of collateral.

AASB 9 contains a new classification and measurement approach for financial assets. The group will allocate each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement and the Group expects to use these grades for the purposes of identifying credit risk under AASB 9. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors may vary depending on the nature of the exposure and the type of borrower.

Each exposure will be allocated to a credit risk grade at initial recognition based on available information about the borrower. Exposures will be subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade.

8 Financial instrument- Fair values and risk management(continued)

Credit risk (Continued)

Neither past due nor impaired receivables		**31-Mar-18**
Grade 1 to 3	Strong	7,632
Grade 4 to 7	Good	21,849
Grade 7 to 10	Satisfactory	10,535
		40,016
Individually impaired receivables		291
		40,307

Concentrations of credit risk	**31-Mar-18**	**31-Mar-17**
Lending type	**%**	**%**
Property Development	28	23
SME	63	62
Others	9	15
Geographic concentration of lending & leasing	**%**	**%**
Auckland	84	93
Central North Island	10	2
South Island	3	-
Australia	3	5
Counterparty concentrations[1] (as a % of equity)	**Number of counterparties**	
10-19%	3	4
20-29%	2	2
30-39%	3	1
40-49%	2	-
>50%	1	2

Finance receivables include parcels of rental contracts for equipment and subscription services provided by third party originators. Each rental or subscription contract has been assigned absolutely, and is below 10% of equity. In the table above, each parcel is recorded as a separate finance receivable. Some concentration of credit risk exists because the third party originators act as collection agencies for the Group for the monthly rental or subscription payments.

b. Funding and liquidity risk

The Group funds its activitities through a combination of first ranking term deposits and equity.

(i) Funding

First Ranking Term deposits

First ranking term deposits are secured by registered first ranking security interest over all the assets and undertakings of the Company (FEI) under the terms of the Trust Deed dated 28th November 2016 ("the Trust Deed"), subject to certain permitted charges not to exceed 2% of total tangible assets. Term deposits are initially recorded at fair value and subsequently carried at amortised cost. No depositor held more than 5% of the term deposits as at 31 March 2018.

Capital management

The Group’s policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Consistent with others in the industry, the Group monitors capital on the basis of its gearing ratio. In order to maintain or adjust its capital structure, the Group considers the issue of new capital, return of capital to shareholders and dividend policy as well as its plans for acquisition and disposal of assets.

8 Financial instrument- Fair values and risk management(continued)

b. Funding and liquidity risk (Continued)

Regulatory matters relating to FE Investments Limited (FEI) - a subsidiary which has 98% of the Group's assets

1. In the course of finalising FEI's financial statements for the year end 31 March 2018, FEI made various adjustments to revalue downwards its finance lease portfolio. In addition to FEI's collective provisioning policy, FEI has increased loan provisions for individually impaired loans and allocated a more conservative level of specific provisioning for such loans. These adjustments caused a number of breaches of ratios imposed under the Non-Bank Deposit Takers Act 2013 (and related regulation) and the Trust Deed, as described below:

(a) From 1 April 2018, an amendment to FEI's Trust Deed increased its minimum capital adequacy ratio from 8% of 9%, while the adjustments and specific loan provisioning lowered the capital ratio, causing FEI to be in breach of its new capital ratio. As at the date of approving these financial statements the ratio was at 9.01% (unaudited). We note that measure excludes the possible impact of the the adoption of an AASB 9 provision, which would negatively impact the ratio by approximately 0.2%.

(b) Additionally, the Non-Bank Deposit Takers Act 2013 (and related regulations) and FEI's Trust Deed restrict the Company's related party exposures as a percentage of capital to 15%. The adjustments noted above decreased FEI's capital, thereby increasing the percentage of exposures to Related Parties. FEI breached the related party exposure limit as at 31 March 2018 (15.8%). As at the date of approving these financial statements the ratio was 14.51% (unaudited).

We note that measure excludes the possible impact of the the adoption of an AASB 9 provision (disclosed in note 6(a)), which would negatively impact the ratio by approximately 0.4%.

On 25 May 2018 FEI notified the Supervisor, Trustee Executors Limited, of the compliance breaches and implemented a remediation plan.

The remediation measures brought the capital ratio above 9% as a result of a $400,000 capital injection, and a reduction in FEI's related party exposure to under the limit as a result of a $100,000 repayment. The remediation measure took effect 31st May 2018.

On the basis of the discussions and correspondence with the Supervisor, the Directors are confident that FEI will retain its Non-Bank Deposit Taker licence and remain a going concern.

2. Pursuant to FEI's Trust Deed, no one single party exposure to any one or related borrowers is to exceed 10% of FEI's total assets ("Limit").

   As at 31st May 2018, one of the loans to a borrower was at 10.8% of FEI's total assets which exceeded the Limit by a margin of 0.8%. This is one of FEI's property development loans within its loan portfolio. On 31 May 2018 FEI notified the Supervisor of the compliance breach and implemented a remediation plan. The breach on the Limit was remedied in June 2018 with the outstanding loan falling under the Limit by the end of June 2018.

   There was another property development to loan a different borrower which was in breach of the Limit. However, FEI was granted a consent by the Supervisor to exceed the related group of debtors exposure limit under clause 4.2(c) of the Trust Deed with regard to the financing receivables related to this borrower until 31 March 2018 (see above at 'Other limitations, restrictions and prohibitions'). The loans were sold down on 26 March 2018 which means that all related exposure to that borrower are no longer above the limit of 10% and the breach was resolved for the period ending 31 March 2018 as required by the Supervisor's consent.

3. During the 2017 financial year the RBNZ reviewed the loan classification of a few loans which the company had reclassified based on its interpretation of loan classification for deriving its capital ratio. The company's loan reclassification methodology was reviewed and vetted by its external advisers at the time of reclassification. In June 2018 the RBNZ issued a letter stating no further action would be taken with regard to this matter.

8 Financial instrument- Fair values and risk management (continued)

b. Funding and liquidity risk (continued)

(ii) Liquidity risk

The Group seeks to broadly match the duration of its lending to its funding activities to ensure that there is sufficient liquidity to make payments as they fall due. The Group also regularly monitors its short-term and long-term cashflows.

The Group's policy is to hold adequate cash reserves and liquid assets, together with projected finance receivables repayments, to cover projected deposit redemption and operating expenses on a three month rolling basis.

The Group's contractual and expected liquidity positions are set out below. The Directors expect the timing of some finance receivables will differ from their contractual maturities, and that a portion of term deposit investors will roll-over their investments. Those expectations are illustrated in the expected liquidity position.

A deposit reinvestment rate of 40% (2017: 40%) has been assumed in the expected liquidity analysis, which is lower than the actual average reinvestment rate experienced last year of 55% (2017: 68%).

	On demand $000 NZD	0-6 months $000 NZD	6-12 months $000 NZD	1-2 years $000 NZD	> 2 years $000 NZD	Gross nominal inflow/ (outflow) $000 NZD	Carrying amount $000 NZD
Contractual liquidity at 31/3/18							
Cash and cash equivalents	13,319	-	-	-	-	13,319	13,319
Finance receivables	-	11,109	16,616	16,649	7,101	51,475	40,046
Finance lease receivables	-	2,918	2,644	4,311	3,918	13,791	12,056
First ranking term deposits	-	(22,968)	(17,566)	(16,376)	(1,871)	(58,781)	(55,453)
Other liabilities	-	(1,606)	-	-	-	(1,606)	(1,606)
Total	13,319	(10,547)	1,694	4,584	9,148	18,198	8,362
Contractual liquidity at 31/3/17							
Cash and cash equivalents	12,125	-	-	-	-	12,125	12,125
Finance receivables	-	11,709	11,097	17,738	10,146	50,690	41,940
First ranking term deposits	-	(14,560)	(16,952)	(10,590)	(2,107)	(44,209)	(44,209)
Other liabilities	-	(653)	-	-	-	(653)	(653)
Total	12,125	(3,504)	(5,855)	7,148	8,039	17,953	9,203
Expected liquidity at 31/3/18							
Cash and cash equivalents	13,319	-	-	-	-	13,319	13,319
Finance receivables	-	13,240	8,910	21,451	6,991	50,592	40,046
Finance lease receivables	-	2,918	2,644	4,311	3,918	13,791	12,056
First ranking term deposits	-	(13,781)	(10,540)	(9,826)	(24,634)	(58,781)	(55,453)
Other liabilities	-	(849)	(871)	-	-	(1,720)	(1,606)
Total	13,319	1,528	142	15,936	(13,725)	17,201	8,362
Expected liquidity at 31/3/17							
Cash and cash equivalents	12,125	-	-	-	-	12,125	12,125
Finance receivables		10,813	10,928	18,927	10,146	50,814	41,940
First ranking term deposits	-	(8,736)	(10,171)	(6,354)	(18,948)	(44,209)	(44,209)
Other liabilities	-	(653)	-	-	-	(653)	(653)
Total	12,125	1,424	757	12,573	(8,802)	18,077	9,203

The differences between the liquidity profile based on contracted maturity dates and that derived from expected maturity dates arise from the Group's review of its loan portfolio and making adjustments to the liquidity profile, taking into account the relevant factors which may affect the timing of repayments of loans including, but not limited to the borrowers' ability to sell and settle assets to repay their loans to the Group, completion dates of projects and availability of alternative sources of funding to refinance the Group's loans.

The Group fixes rates on term deposits, finance receivables and finance leases and therefore has no short-term exposure to movements in interest rates. The above contractual liquidity profile therefore also provides information on the interest rate repricing profile.

8 Financial instrument- Fair values and risk management(continued)

c. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rate, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rate risk

Interest rate risk is the risk that market interest rates will change and impact on the Group's financial results by affecting the margin between the interest earning assets and interest bearing liabilities. The Group monitors market interest rates on a regular basis and reviews interest rate exposure. Interest rate risk is mitigated by management's constant monitoring of the interest rate maturity profiles of finance borrowings and finance receivables.

The interest rates on assets and liabilities of the Group are fixed for the duration of the initial contract and are not subject to repricing. Interest rate risk is unhedged. The Group sets the interest rates on loans considering the exposure value, available security, term and the associated risk. The interest rates on First Ranking Term Deposits are set based on market conditions, risk factors and liquidity requirements. Short term interest rate changes are not expected to have a significant impact on profit but changes over the medium to longer term could affect profit.

The Group has carried out sensitivity analysis of the impact of interest rate changes. The analysis is prepared on the average receivables balances during the period and represents management assessment of the possible change in interest rate for the period. Profit for the year would increase/decrease by $22,178 (2017: $17,153) if interest rates had been 1% higher/lower (lower/higher in 2017) and all other variables were held constant. Profit for the period would increase/decrease by 0.40% (2017: 0.34%) if interest rates had been 1% pa higher/lower (lower/higher in 2017) and all other variables were held constant.

(ii) Currency risk

Foreign exchange risk results from an impact on the Group's profit after tax and equity from movements in foreign exchange rates. Changes in value would occur in respect of translating the Group's investment in overseas operations into New Zealand dollars at reporting date (translation risk). There is limited exposure to FX movments as the majority of the business is in NZD.

The foreign exchange gain or loss on translation of the investment in foreign subsidiaries to New Zealand dollars at the end of the reporting period is recognised in other comprehensive income and accumulated in the foreign currency translation reserve, in shareholders' equity.

As at 31 March 2018, the Group had no foreign currency hedge arrangements in place. Foreign currency risk is managed by the fact that the Group's functional and presentation currencies are both in New Zealand dollars and majority of the business is based out of New Zealand. The Group's exposure to changes in foreign exchange are not material.

9 Business Combination

On 6 June 2017, the Group acquired 100% of the issued capital of FE Investments Limited (FEI). FEI is a Non-Bank Deposit Taker with its deposit licence issued by Reserve Bank of New Zealand which permits FEI to offer and accept deposits from the New Zealand public, which allows the Group to expand its business across New Zealand and Australia. FEI's financing products include leasing of equipment and technology service to the businesses, term loans, working capital facilities, trade finance, stock financing and discounting facilities to the SME sector.

FEI's existing shareholders acquired 52.87% of the issued capital of FE Investments Group Limited and obtained control of the Group through reverse acquisition for accounting purposes.

The purchase was satisfied by FEI acquiring 1,975,917,526 shares (Consolidated based on 30:1) on issue by FEIG as at 6 June 2017 at an issue price of $0.0072 each. The issue price was based on the volume weighted average price during April - June 2017, shares were not very liquid during this period.

9 Business Combination (Continued)

Revenue and profit and loss of the acquiree are as follows:

	From Acquisition date to 31 Mar 2018 $000 NZD	Estimated from beginning of the financial year $000 NZD
Revenue	631	758
Cost of goods sold	-	-
Gross profit	**631**	**758**
Expenses	(1,881)	(2,258)
Foreign currency	(43)	(52)
Net profit/loss	(1,293)	(1,552)

Details of the purchase consideration, net assets acquired and goodwill are as follows:

Purchase consideration	**Final fair value $000 NZD**
Value of consideration	13,376
Less:	
Acquisition date identifiable assets	
Cash and cash equivalents	298
Fairvalue of Finance lease receivables	10,055
Trade and other receivables	300
Other loans	407
Inventories	-
Other assets	191
Plant and equipment	81
Intangible assets	2,210
Total assets	**13,542**
Acquisition date identifiable liabilities	
Trade and other payables	748
Interest bearing borrowings	10,917
Other loans	820
Provisions	68
Deferred tax liability	607
Total liabilities	**13,160**
Identifiable assets acquired and liabilities assumed	**382**
Goodwill	**12,994**

Refer to Note 11b for disclosure of variances from half year accounts.

Value of consideration transferred

Total of 73,884,974 shares were issued to FEI shareholders as purchase consideration. 55,000,000 shares were issued on 6 June 2017 as scrip consideration and remaining 18,884,974 shares were as contingent consideration.

As per the Sale & Purchase agreement, FEI vendors were entitled to contingent consideration if they met the following conditions:

(i) the Earn-Out Shares, if the 2017 Actual net profit before tax, bad debt an depreciation (NPBTBD) is greater than or equal to 90% of the FY17 NPBTBD Projections; or

(ii) if the 2017 Actual NPBTBD is less than 90% of the FY17 NPBTBD Projections, the portion of the Earn-Out Shares calculated as follows:

The above conditions were met and all contigent consideration shares were issued by December 2017.

The fair value of the finance lease receivables is its carrying value. The gross contractual value of these receivables on acquisation day was $11,409k. As at acquisition date, all contractual cashflows were expected to be collected.

10 Trade & other receivables

	31-Mar-18	31-Mar-17
	$000	$000
	NZD	NZD
Trade & other receivables	39	512
	39	**512**

11 Goodwill

a. Carrying value

Cost	12,994	-
Net book amount	**12,994**	**-**
MOVEMENT IN GOODWILL AT NET BOOK AMOUNT		
Balance at the beginning of the year	-	-
Additions or fair value adjustments through business combinations	12,994	-
Balance at the end of the year	**12,994**	**-**

b. Impairment testing for cash generating units containing Goodwill

For the purpose of impairment testing , goodwill is allocated to the Group's operating business units, which represent the lowest level within the Group at which goodwill is monitored for internal management purposes

Goodwill allocated to CGU (Leasing Division)	12,994	-
Impairment loss	(12,387)	-
Total goodwill	**607**	**-**

As indicated in the Half Year announcement, the Group undertook an independent view of the fair value assessment of the transaction. Based on the recommendation received, it was decided to write down the goodwill as part of the year end process.
The carrying amount of goodwill of each CGU is tested for impairment at each statutory reporting date and whenever there is indicator that the asset may be impaired. If an asset is impaired, it is written down to its recoverable amount. The recoverable amount is based on a value in use calculation using cash flow projections based on the Board approved 2019 financial year budget. Cash flows beyond FY2020 budget period have been extrapolated using long term terminal growth rates of 2.50%, which does not exceed the long term average for the sectors and economies in which the CGUs operate.

The recoverable amount of the leasing division (CGU) was calculated using a value-in-use model. The recoverable amount is AUD 4.24m.

The CGU also has Customer Base and Leasetech Brand as parts of it carrying value as indicated in Note 12

Key assumptions used in determining value in use for 31 March 2018 are:

Forecast cashflows - Forecast cashflows attributed to Customer Relationships beyond the FY2021 budget period have been extrapolated using long term growth rates of 2.5%.

Forecast EBIT - The EBIT Margin from FY2021 onwards assumes a minimum margin of 6.5%, based on an estimate of long term profitability.

Long term growth rate -The above long-term growth rate for the CGU does not exceed the long-term average growth rate for the sector/industry in which the CGU operates.

Cost of Equity Capital - The discount rate applied to the cash flows for the CGU is based on the risk free rate for ten year Government Bonds (per the Reserve Bank of Australia), adjusted for a risk premium to reflect the increased risk of investing in equities and the risk of the specific group operating company. In making this adjustment, inputs required are the equity markets risk premium (that is the required increased return required over and above a risk free rate by an investor who is investing in the market as a whole) and the risk adjustment, beta, applied to reflect the risk of the specific group operating company relative to the market as a whole, giving rise to the CGU specific Cost of Equity Capital.

WACC - WACC has been calculated solely with reference to the Cost of Equity. The discount rate used for impairment testing is 10.9%.

11 Goodwill (Continued)

Sensitivity to changes in key assumptions

The carrying amount of the Leasing CGU exceeded its recoverable amount resulting in an impairment charge of $12,387k. The Leasing CGU's impairment assessment incorporates key assumptions used in determining the value in use. Any adverse change in a key assumption will result in a further reduction in the recoverable amount resulting in an increase in impairment loss. The following sensitivity changes would result in an increase in the impairment loss and a reduction in recoverable amount, assuming all other assumptions are held constant as follows:

(i) An increase of 50 basis points in the discount rate, would result in an increase in the impairment loss and a reduction in recoverable amount by $281k

(ii) A decrease of 50 basis points in the terminal growth rate to 2.0% would result in the impairment loss and a reduction in recoverable amount by $111k

(iii) A 10% reduction in forecasted EBIT with no change in funding cost across all projection years, including the terminal year, would result in an increase in the impairment loss and a reduction in recoverable amount by $1,122k.

12 Other intangible assets

	31-Mar-18	31-Mar-17
	$000	$000
	NZD	NZD
Cost		
Balance as at 1 April 2017	-	-
Acquisitions		
Customer base	410	-
LeaseTech Brand	1780	-
Other intangibles	173	-
	2,363	-
Accumulated amortisation and impairment		
Balance as at 1 April 2017	-	-
Amortisation for the year	(103)	-
Impairment loss	-	-
	2,260	**-**

13 Trade & other payables

	31-Mar-18	31-Mar-17
Trade payables	752	494
Deferred income	44	148
	796	**642**

14 Provisions

	31-Mar-18	31-Mar-17
Annual leave	55	11
Total provisions	**55**	**11**

15 Contributed equity - shares

	Ordinary shares		Preference Shares	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
	000's	000's	000's	000's
Balance at beginning of the period	27,093	25,797	500	-
Shares issued during the period	148,048	1,296	241	500
Shares reclassed/ reissued	(428)	-	428	-
Shares repurchased	(26,665)	-	-	-
Shares at the end of the period	**148,048**	**27,093**	**1,169**	**500**

a) A share consolidation of 30:1 was carried out on 22 June 2017. The above shares are post consolidation.

b) Preference shares as described in Note 1(u) are only held in FEI and are not part of the FEIG listed shares.

c) A total of 866,873 unlisted options were on issue as at 31 March 2018.

d) The Group and FEI had signed a Sale and Purchase Agreement (SPA) for the purchase of FEI In November 2016 based on number of shares issued by FEI as of that date. In March 2017, FEI issued additional equity shares worth $428k. As these shares were not part of the SPA, they were converted from equity shares to preference shares in May 2017.

16 Reserves and retained earnings

	31-Mar-18	31-Mar-17
	$000	$000
Reserves	NZD	NZD
Foreign currency translation reserve	(43)	-
MOVEMENTS:		
Foreign currency translation reserve		
Balance as at beginning	-	-
Other comprehensive income	(43)	-
	(43)	**-**

Foreign currency translation reserve

Foreign currency translation of the foreign controlled entities is taken to the foreign currency translation reserves as described in note 1(e).

Retained earnings		
Balance as at beginning	(1,063)	(2,276)
Net profit for the year	(14,594)	1,213
Dividends	-	-
	(15,657)	**(1,063)**

17 Dividends

During the year ended 31 March 2018, the Group did not declare a dividend. No dividends were paid for the previous reporting period.

18 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/ loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.
Diluted earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year adjusted for the effects of dilutive options not yet converted to shares.

The following reflects the income and share data used in the total operations basic earnings per share computations:

	2018	2017
	cents	cents
Earnings per share		
Total basic earnings per share attributable to the ordinary equity holders of the Company	(12.80)	4.59
Total diluted earnings per share attributable to the ordinary equity holders of the Company	(12.80)	4.59

Reconciliation of earnings used in calculating earnings per share	**$000 NZD**	**$000 NZD**
Profit/(Loss) attributable to the ordinary equity shareholders of the Group used in calculating:		
Basic earnings per share	(14,637)	1,213
Diluted earnings per share	(14,637)	1,213

Weighted average number of ordinary shares	**Number (000)**	**Number (000)**
Weighted average number of ordinary shares used in calculation of basic earnings per share	114,346	26,441
Add: potential ordinary shares considered dilutive	-	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	114,346	26,441

19 Leases

See accounting policy in Note 1(q)

A. Leases as lessee

The Group leases a property in Auckland under a lease with a term of 5 years (less than 1 year remaining) with an option for a further renewal for 5 years. The group also leases office printers for a term of 4 years.

i. Future minimum lease payments

As at 31 March 2018 the future minimum lease payments were as follows:

	31-Mar-18	31-Mar-17
	$000	$000
	NZD	NZD
Within 1 year	54	95
After 1 year but not more than 5 years	9	50
More than 5 years	12	4
	75	**149**

B. Leases as lessor

The group leases out equipment and technology solutions to businesses. Refer to note8(a)(ii) for further details

20 Commitments and Contingent liabilities

There are no contingent liabilities as the date of this report.

21 Key management personnel disclosures

a. Directors

The following persons were Directors of FE Investments Group Limited during the financial year:

Maxwell James Green	Chairman
Thatt Kiong (TK) Shim	Executive Director and Group CEO
Melvin Stewart	Executive Director
John Seton	Non-Executive Director
Tom McDonald	Non-Executive Director
Cook Huang	Non-Executive Director
Ian Bailey	Resigned 30 August 2017
Quentin Olde	Resigned 31 August 2017

b. Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Group during the financial year:

Philip Harkness	General Manager (FEI)

c. Key management personnel compensation	31-Mar-18	31-Mar-17
	$000	$000
	NZD	NZD
Short-term employee benefits	1,099	346
Long-term employee benefits	2	
Post-employment benefits	24	-
Share- based payments	141	1,824
Total	**1,266**	**2,170**

Please note the above is based on legal acquirer's key management personnel. Further remuneration disclosures are provided in the remuneration report.

22 Related party transactions

a) Parent entity

The parent entity of the Group is FE Investments.

b) Subsidiaries and associate

Interests in Group entities are set out in note 1(a)

c) Transactions with related parties

i. Loans to directors and associated entities

A short term loan of $430,331 including unsecured receivables of $25,597 from directors and associated entities (2017: $336,452) were advanced to the directors, payable by March 2019. An interest rate of 8% per annum is charged. The interest rate is well above the interest rate of 5.77% used by the New Zealand IRD for the fringe benefit tax.This was reviewed and approved by FEI board of directors.

ii. Services from related party entities

Consulting fees of $123,994 were paid to directors' related entities.

23 Parent entity disclosures

As at, and throughout, the financial year ended 31 March 2018 the parent entity of the Group was FE Investments.

	31-Mar-18	31-Mar-17
	$000	$000
Result of parent entity	NZD	NZD
Profit for the period	(1,444)	1,213
Other comprehensive income	-	-
Total comprehensive income for the period	**(1,444)**	**1,213**
Financial position of parent entity at year end		
Current assets	40,273	30,283
Noncurrent assets	26,742	25,049
Total assets	**67,015**	**55,332**
Current liabilities	39,224	32,165
Noncurrent liabilities	16,925	12,697
Total liabilities	**56,149**	**44,862**
Total equity of the parent entity comprising of:		
Share capital	13,373	11,533
Retained earnings	(2,507)	(1,063)
Total equity	**10,866**	**10,470**

24 Events occuring after the reporting period

1. FEIG provided capital of NZD500,000 in April 2018 and NZD 400,000 in May 2018 to its subsidiary, FE Investments Limited.

2. On 26th March 2018 a private placement was agreed with Sunbow Limited, a Hong Kong based entity, on the following commerical terms:

- Private placement of 10 million fully paid ordinary shares at AUD 17 cents per share
- The first tranche was received in March 2018, and the remaining tranches were received after year end.
- As of the date of this report all tranches of shares have been allotted.

3. The Group entered into a deed of settlement (“Deed”) with the vendors (“Vendors”) under the sale and purchase agreement dated 29 November 2016 (“SPA”) pursuant to which FEIG acquired from the Vendors, all of the issued shares in FE Investments Limited (“FE”) in consideration of the issue to the Vendors of fully paid ordinary shares in the capital of FEIG. The terms of the settlement were negotiated by the disinterested independent directors led by the Chairman, James Green.

24 Events occuring after the reporting period (Continued)

The Deed settles and discharges any and all claims the Vendors and related parties (as to one part), and FEIG and its current and former directors (as to the other part) have or at any time hereafter may have against each other under the SPA.

The complete particulars of the settlement are confidential as they relate to the other parties however the obligations pertaining to FEIG can be summarised as follows.

a. FEIG shall apply the amount of $408,191.00 in full repayment of TK Shim's current indebtedness to FE and in part repayment of Mel Stewart's current indebtedness to FEI.

b. Ian Bailey, TK Shim and Mel Stewart ("Guarantors") will continue to act as guarantors of the obligations of an FEIG subsidiary, Wolfstrike Rental Services Limited ("WRS"), to Dancingmoonlight Limited in connection with a loan of approximately $810,000 made available by Dancingmoonlight Limited to WRS. In consideration of the guarantees FEIG will indemnify the Guarantors and will also issue to Ian Bailey (subject to obtaining all relevant shareholder and other approvals) 500,000 18-month AUD0.20 options with respect to ordinary shares in the capital of FEIG.

Directors' declaration

In accordance with a resolution of the directors of FE Investments Group Limited, the directors of the Group declare that:

1. In the opinion of the directors:
    a. The financial statements and notes of FE Investments Group Limited and consolidated entities for the financial year ended 31 March 2018 are in accordance with the Corporations Act 2001, including:
        i. Giving a true and fair view of its financial position as at 31 March 2018 and of its performance;
        ii. Complying with Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001 (Cth);

    b. The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1(b);

    c. In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors by the Chief Executive Officer in accordance with section 295A of the Corporations Act 2001 (Cth) for the financial year ended 31 March 2018.

On behalf of the board

TK Shim
Chief Executive Officer (CEO)
Dated this 29th day of June 2018.

Independent Auditor's Report

To the shareholders of FE Investments Group Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of FE Investments Group Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the ***Group***'s financial position as at 31 March 2018 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated Statement of financial position as at 31 March 2018
- Consolidated Statement of profit or loss and other comprehensive income, Consolidated Statement of changes in equity, and Consolidated Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Accounting for the reverse acquisition transaction;
- Testing of goodwill and intangible assets for impairment; and
- Provision for credit impairment of finance receivables.

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for the reverse acquisition transaction

Refer to Note 9 to the Financial Report

The key audit matter	How the matter was addressed in our audit
Accounting for the reverse acquisition transaction of FE Investments Limited by FE Investments Group Limited (previously known as Wolfstrike Rentals Group Limited) (transaction) is a key audit matter due to: • The significant impact of the transaction on the financial statements; and • The level of audit effort to evaluate the significant judgements made by the Group and their application of the accounting standard requirements in determining their accounting treatment. Areas of significant judgement for the Group and considered by us include: • Determining the acquirer in the transaction; • Assessment of the transaction and classification as a reverse acquisition; and • Determining the fair value of identifiable net assets acquired by assessing key assumptions such as the cash flow forecast growth rates and discount rates. We focused on assessing the Group's documentation of these against our interpretation of the criteria in the accounting standards, which are complex.	Our procedures included: • We inspected the acquisition agreement and other associated transaction documents to develop an understanding of the terms and conditions of the transaction; • Evaluating the Group's identification of the acquirer in the transaction and the Group's determination of the transaction and classification as a reverse acquisition. Together with our accounting specialists, we assessed the balance of features, including those which may indicate a business combination, against our interpretation of the criteria in the accounting standards and our knowledge of such transactions; • Challenging key assumptions, specifically the cash flow forecast growth rates and discount rates in determining the fair value of intangible assets, used by the Group in determining the fair value of identifiable net assets acquired. • We checked the consistency of the forecast growth rates to the Group's stated plan and strategy, past performance of the Group, and our experience regarding the feasibility of these in the industry environment in which they operate.

	• Together with our valuation specialists, we analysed the Group's discount rate against publicly available data of a group of comparable entities; and • Assessing the presentation and disclosures in the Financial Report against the requirements of the accounting standards.

Testing of goodwill and intangible assets for impairment	
Refer to Note 11 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
The Group's annual testing of goodwill and intangible assets for impairment is a key audit matter due to: • The size of the goodwill balance recorded on the reverse acquisition transaction; and • The level of audit effort to evaluate the Group's model to assess impairment and the inputs to the model. In addition to the above, the Group recorded an impairment charge of $12,387,000 against goodwill, increasing the sensitivity of the model to changes in key assumptions. We focussed on the significant assumptions the Group and their expert applied in their value in use model, including: • Forecast cash flows and growth rates – the Group's models are sensitive to changes in these assumptions; and • The discount rate applied to the cash flows – it is complicated in nature and varies according to the conditions and environment the specific Cash Generating Unit is subject to from time to time.	Working with our valuation specialists, our procedures included: • We considered the appropriateness of the value in use method applied by the Group and its expert to perform the annual test of goodwill for impairment against the requirements of the accounting standards. • We assessed the integrity of the value in use model used, including the accuracy of the underlying calculation formulas. • We considered the Group's determination of their CGU's based on our understanding of the Group's business including the impact of the acquisition of FE Investments Limited, and how cash flows are generated, against the requirements of the accounting standards. • We compared the forecast cash flows contained in the value in use model to Board approved forecasts and challenged management's growth rates. • We evaluated the discount rate utilised by the Group by independently developing an acceptable range of discount rates based on market data for comparable entities, adjusted by risk specific factors for the Group.

	• We considered the sensitivity of the value in use model by varying key judgements and estimates including the discount rate, forecast cash flows and terminal year growth rate. • We assessed the disclosures in the financial report using our understanding of the issue obtained from our testing and against the requirements of the accounting standards.

Provision for credit impairment of finance receivables	
Refer to Note 8 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
The provision for credit impairment of finance receivables is a key audit matter as: • the Group has significant credit risk exposure to a large number of counterparties across a wide range of industries; • the value of finance receivables on the balance sheet is significant; and • there is a high degree of judgement required by the Group in estimating individual and collective credit impairment provisions against these finance receivables. This was a key audit matter due to the high proportion of audit effort we applied to gather evidence on the completeness of the provision for credit impairment.	Our procedures included: **Individual provisions estimated** • We performed credit assessments of a sample of finance receivables assessed as higher risk. We focused on finance receivables with larger exposures, history of repayments in arrears, and/or those which were partially impaired by the Group. This involved examining the repayment history of the lessees against obligations as per the terms and conditions of the finance lease agreement, and assessing expected recoveries, primarily from collateral held. **Provisions estimated across finance receivables (collective provisions)** • We assessed the reasonableness of the historical default rates used in the Group's financial model to calculate the collective provision for credit impairment of finance receivables. To do this, we performed a retrospective review of the historical default rates against actual losses and compared the rate to comparable entities in published reports of industry commentators. We compared the outcomes of our testing on the individual provisions and the collective provisions to the provision recorded by the Group.

Emphasis of Matter

We draw your attention to Note 8 to the financial statements which sets out FE Investments Limited's, a subsidiary of the Group, non-compliance with certain requirements of its trust deed that relate to its related party exposure limit, concentration of debtors limit and its minimum capital requirements. The note also sets out the actions being taken by FE Investments Limited to address those matters.

Our opinion is not modified in respect of this matter.

Other Information

Other Information is financial and non-financial information in FE Investments Group Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error
- assessing the Group's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of FE Investments Group Limited for the year ended 31 March 2018, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

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 responsibilities

We have audited the Remuneration Report included in the Directors' report for the year ended 31 March 2018.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Malcolm Kafer

Partner

Sydney

29 June 2018

Shareholder Information

Additional information required by ASX and not shown elsewhere in this report is as follows. This information is current as at 26th June 2018.

Distribution of equity securities

There are 775 holders of 85,850,053 fully paid ordinary shares listed on the ASX. These shares carry one vote per share and carry the rights to dividends.

	Number of Holders	Ordinary shares	% of Issued Capital
1 – 1,000	365	28,339	0.03
1,001 – 5,000	198	612,819	0.71
5,001 – 10,000	66	500,881	0.58
10,001 – 100,000	90	2,987,016	3.48
100,001 - over	56	81,700,998	95.19
Total Shareholding	**775**	**85,830,053**	**100.00**
Holding less than a marketable parcel of shares		596,158	0.69

Substantial holders

Name	Shares Held	% of Issued Capital
CITICORP NOMINEES PTY LIMITED	10,009,120	11.66
HIPPO TRUSTEE LIMITED	10,000,000	11.65
DM CAPITAL MANAGEMENT PTY LTD	7,789,467	9.08
COOK HUANG & LIUJIA ZHOU	5,000,000	5.83
FIRST EASTERN HOLDINGS LIMITED	4,128,000	4.81
ROMULUS GROUP LIMITED	4,128,000	4.81

Top Twenty Shareholders

Name	Shares Held	% of Issued Capital
CITICORP NOMINEES PTY LIMITED	10,009,120	11.66
HIPPO TRUSTEE LIMITED	10,000,000	11.65
DM CAPITAL MANAGEMENT PTY LTD	7,789,467	9.08
COOK HUANG & LIUJIA ZHOU	5,000,000	5.83
FIRST EASTERN HOLDINGS LIMITED	4,128,000	4.81
ROMULUS GROUP LIMITED	4,128,000	4.81
CUSTODIAL SERVICES LIMITED	4,027,836	4.69
JOHN PHILPOTT	3,344,131	3.90
RUSSELL MALONEY	3,310,797	3.86
KINGBIRD LTD	2,790,967	3.25
ECOMETRIX PTY LTD	2,083,333	2.43
YNWA NOMINEES PTY LTD	1,666,666	1.94
VENICE TRUSTEE LTD	1,500,000	1.75
LITTLE LITHGOW PTY LTD	1,466,666	1.71
ARTEMIS SUPERANNUATION LTD	1,333,333	1.55
ALPINE TERN LTD	1,333,333	1.55
PARKIRI LIMITED	1,174,129	1.37
SUPERMAX PTY LTD	1,041,666	1.21
ALTONA SUPER PTY LTD	970,835	1.13
DRESSLER SMITH SUPER PTY LTD	970,835	1.13
ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD	779,382	0.91
ROSLYNDALE NOMINEES PTY LTD	748,333	0.87
MR MAXWELL JAMES GREEN & MRS RUTH LOUISE GREEN	715,000	0.83
	70,311,829	**81.92**