Annual Report 2014

Richfield International Limited

(Listed on the Australian Securities Exchange)

ABN : 31 103 306 403

ANNUAL REPORT 2014 CONTENTS

COMPANY INFORMATION

DIRECTORS

Steven Pynt,	Non-Executive Chairman
Chak Chew Tan,	Managing Director
Jennifer Lim,	Executive Director
Andrew Phillips,	Non-Executive Director
Jwee Phuan Ng,	Non-Executive Director

COMPANY SECRETARY
Eryn Kestel

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Level 2, Spectrum
100 Railway Road
Subiaco, WA 6008
Tel: (08) 9367 8133
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AUDITOR
Moore Stephens
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Perth, WA 6000

SHARE REGISTRY
Advanced Share Registry Services
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AUSTRALIAN SECURITIES EXCHANGE LISTING
Australian Securities Exchange Limited
(Home Exchange: Perth, Western Australia)
ASX Code: RIS

AUSTRALIAN BUSINESS NUMBER
31 103 306 403

Dear Shareholder,

As Chairman of the Board of Richfield International Limited, it is my pleasure to report to you as a shareholder.

The principal activities of Richfield during the financial year were the provision of port and shipping services for ocean-going vessels engaged in the liner and tramper trade, sales and marketing of containerized shipping services and conventional break-bulk services, various port handling services, as well as regional handling of merchandise and commercial commodities for sea-shipment in the containerized, ro-ro and break-bulk shipping markets.

The shipping industry continues facing over-capacity as there are already too many existing ships, with more new ships coming into the industry each year. This has resulted in low freight rates with too many ships competing for limited cargos. In fact, the freight rates across major trade routes may not, in most cases, be able to cover their operating expenditures. This overcapacity looks set to persist into 2015 as the shipping lines are under pressure to fill their own slot-spaces, and are not inclined to change their current marketing/ sales strategies. The shipping lines are steadily making the transition to a recovery position, but the market has remained directionless and is expected to remain so unless measures are introduced to restore the supply and demand balance in the market.

The world economy, especially the Euro-Zone, is still facing uncertainties though the US economy is poised for a major recovery, Asian economies remain strong with China rapidly transforming into a consumer economy.

We take a prudent view that the shipping industry may improve and fare better with more sustainable freight rate and higher volume than in 2014 in light of prior years' consolidation, reduced players with new operational alliances, the strengthening recovery of the US economy and the fall in bunker oil prices.

Richfield has been able to secure its position in this tough environment, obtaining its fair share of cargo volume, and handling of port services and husbandry vessels. Our overall profitability and margins have been sustained this year despite continuously facing difficult market conditions. This achievement once again highlights our core competencies in productivity improvement, cost optimization, and industry expertise.

Richfield achieved a net profit of A$1,462K (2013: A$965K) for the year. This is A$497K higher than the prior year's and resulted from strategic actions in increasing revenue streams from the profitable port and shipping services division. In 2014, the strengthening US$ and S$ against A$ also boosted net profit as US$ receipts translated into higher S$ and hence higher A$ revenue and profit.

Richfield's net asset position as at 31 December, 2014 has increased to A$16.977 million (2013: A$15.090 million). Its cash and cash equivalent position has also increased to A$11.802 million (2013: A$11.402 million). This is attributed mainly to A$1.227 million in cash receipts from operational activities offset by A$917K cash spent on fixed asset and available-for-sale financial asset.

Richfield will continue to look for opportunities for suitable and appropriate mergers and acquisitions and/or partnerships of related, synergistic businesses, particularly in the flourishing regional emerging markets.

The Directors greatly appreciate and sincerely look forward to the continued support of all our shareholders.

Yours faithfully,

Steven Pynt
Chairman

Corporate Governance Statement

CORPORATE GOVERNANCE

The Board of Directors of Richfield International Limited are committed to maintaining the Company's corporate governance, transparency and accountability. A solid corporate governance framework is important for the long term performance and sustainability of the Company and to protect and enhance the interests of the shareholders.

The corporate governance framework plays an essential role in supporting the business of Richfield International Limited. It provides the structure through which the strategy and business objectives are set, performance is monitored, and the risks faced are managed. It includes a clear direction for decision making and accountability across Richfield's business and provides guidance on the standards of behaviour expected for the Company's people.

To ensure that the Board is well equipped to discharge its responsibilities, the Company has established guidelines and accountability as the basis for the administration of corporate governance.

CORPORATE GOVERNANCE DISCLOSURES

The Board and management are committed to corporate governance and to the extent that they are applicable to the Company have followed the Australian Securities Exchange Corporate Governance Council (**CGC**) published guidelines as well as its own corporate governance principles and recommendations.

In summary, Richfield International Limited departs from the CGC's recommendations in five (5) key areas:

- Recommendation 2.4
  Richfield International Limited does not have a separate Nomination Committee. The Company is of a size and a level of current activity that enables the full Board to be able to deal with the matters normally attended to by the Nomination Committee.

- Recommendation 2.5
  Richfield International Limited has not formally established a process for evaluating the performance of the board. The Managing and Executive Directors critically reviews the mix and skills set of the individual directors comprising the board in terms of performance requirements and suggests changes and amendments where required but there is currently no formally adopted process which evaluates performance on an annual basis.

- Recommendation 3.3
  Due to the current nature and scale of Richfield International Limited activities, the Company is yet to establish measurable objectives for achieving gender diversity to report against.

- Recommendation 4.2
  Richfield International Limited has not established an Audit and Risk Management Committee. The Company's financial activities are well controlled that the full Board are able to deal with the matters normally attended to by the Audit and Risk Management Committee.

- Recommendation 8.1
  Richfield International Limited does not have a separate Remuneration Committee. The Company is of a size and a level of current activity that enables the full Board to be able to attend to the matters normally attended to by the Remuneration Committee.

Corporate Governance Statement (continued)

The table below summarises Richfield International Limited's compliance with the CGC's recommendations.

Recommendation	Compliance Yes/No
Principle 1 – Lay solid foundations for management and oversight	
1.1 Companies should formalise the functions reserved to the Board and those delegated to senior executives and disclose those functions. **The Company's Corporate Governance Polices includes a Board Charter, which discloses the specific responsibilities of the Board.**	Yes
1.2 Companies should disclose the process for evaluating the performance of senior executives. **The Managing Director monitors the performance of the Executive Director and senior management and reports to the Board regarding performance levels.**	Yes
1.3 Companies should provide the information indicated in Guide to reporting on Principle 1. **The Company will provide details of any departures from Principle 1 in its Annual Report.**	Yes
Principle 2 – Structure the board to add value	
2.1 A majority of the Board should be independent directors. **The Richfield International Limited Board currently comprises of five (5) members of which three (3) are independent and the remaining two (2) Board members are the Managing Director and an Executive Director.**	Yes
2.2 The Chair should be an independent director **The Chair is an independent director.**	Yes
2.3 The roles of chair and chief executive officer should not be exercised by the same individual. **The roles of chair and chief executive officer are exercised by different individuals who ensure segregation of duties.**	Yes
2.4 The board should establish a nomination committee **Richfield International Limited is not of a size to justify having a Nomination Committee. Matters typically dealt with by such a Committee are dealt with by the full Board.**	**No**
2.5 Companies should disclose the process for evaluating the performance of the board, its committees and the individual Directors. **The Board has not adopted formal processes such as Director's Self-Assessment Annual Review which would enable an evaluation of Board performance.**	**No**
2.6 Companies should provide the information indicated in Guide to reporting on Principle 2. **The Company will provide details of any departures from Principle 2 in its Annual Report.**	Yes

Corporate Governance Statement (continued)

Recommendation	**Compliance Yes/No**
Principle 3 – Promote ethical and responsible decision-making	
3.1 Companies should establish a code of conduct and disclose the code or a summary of the code as to: 3.1.1 the practices necessary to maintain confidence in the Company's integrity; 3.1.2 the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and 3.1.3 the responsibility and accountability of individuals for reporting or investigating reports of unethical practices. **The Company's Corporate Governance Policies include a Directors and Executive officers' Code of Conduct Policy, which provides a framework for decisions and actions in relation to ethical conduct in employment.**	Yes
3.2 Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them. **The Company has adopted a Diversity Policy.**	Yes
3.3 Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them. **Due to the current nature and scale of Richfield International Limited's activities, the Board is yet to establish measurable objectives for achieving gender diversity to report against.**	**No**
3.4 Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board. **Richfield International Limited has:** • **fourteen (14) women employees in the organization which represents 54% of all employees in the whole organisation;** • **one (1) female in a senior executive position;** • **one (1) female on the Board; and** • **the current Company Secretary position is held by a female**	Yes
3.5 Companies should provide the information indicated in Guide to reporting on Principle 3. **The Company will provide details of any departures from Principle 3 in its Annual Report.**	Yes
Principle 4 – Safeguard integrity in financial reporting	
4.1 The Board should establish an audit committee. **Richfield International Limited has not established an Audit and Risk Management Committee. The Board considers that it is not of a sufficient size at the stage of its operations to require a separate Audit and Risk Management Committee.** **Until an Audit and Risk Management Committee is established; the functions, roles and responsibilities will be completed by the full Board.**	**No**
4.2 The audit committee should be structured so that it: ▪ Consists only of non-executive directors; ▪ Consists of a majority of independent directors; ▪ Is chaired by an independent chair, who is not the chair of the Board; and ▪ Has at least three (3) members **The Audit and Risk Management Committee when established will be structured to reflect the above requirements.**	**Not Applicable**

Corporate Governance Statement (continued)

Recommendation	Compliance Yes/No
4.3 The audit committee should have a formal operating charter. **An Audit and Risk Management Committee Charter will be established when deemed necessary and it will form part of the Company's Corporate Governance Policies.**	**Not Applicable**
4.4 Companies should provide the information indicated in Guide to reporting on Principle 4. **The Company will provide details of any departures from Principle 4 in its Annual Report.**	Yes
Principle 5 – Make timely and balanced disclosure	
5.1 Companies should establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance. **The Company has a Continuous Disclosure Policy which is designed to ensure compliance with the ASX Listing Rules requirements on disclosure and to ensure accountability at a Board level for compliance and factual presentation of the Company's financial position.**	Yes
5.2 Companies should provide the information indicated in Guide to reporting on Principle 5. **The Company will provide details of any departures from Principle 5 in its Annual Report.**	Yes
Principle 6 – Respect the rights of shareholders	
6.1 Companies should design and disclose a communications policy to promote effective communication with shareholders and encourage effective participation at general meetings, and disclose the policy or a summary of the policy. **The Company's Corporate Governance Policies includes a Shareholder Communications Policy which aims to ensure that the shareholders are informed of all material developments affecting the Company's state of affairs.**	Yes
6.2 Companies should provide the information indicated in Guide to reporting on Principle 6. **The Company will provide details of any departures from Principle 6 in its Annual Report.**	Yes
Principle 7 – Recognise and manage risk	
7.1 Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies. **The Company's Corporate Governance Policies includes a Risk Management Policy which aims to ensure that all material business risks are identified and mitigated. The Board identifies the Company's "risk profile" and is responsible for overseeing and approving risk management strategies and policies, internal compliance and internal controls.**	Yes
7.2 The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks. **The Board requires that the Managing Director designs and implements continuous risk management and internal control systems and provides reports at relevant times.**	Yes
7.3 The Board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound risk management and internal control and that the system is operating effectively in all material respects in relation to the financial reporting risks. **The Board seeks, at the appropriate times, the relevant assurances from the Managing Director and the Chief Financial Officer.**	Yes

Corporate Governance Statement (continued)

Recommendation	Compliance Yes/No
7.4 Companies should provide the information indicated in Guide to reporting on Principle 7. **The Company will provide details of any departures from Principle 7 in its Annual Report.**	Yes
Principle 8 – Remunerate fairly and responsibly	
8.1 The Board should establish a remuneration committee. **Richfield International Limited is not of a size to justify having a separate Remuneration Committee. Matters typically dealt with by such a Committee are dealt with by the full Board without the affected Director participating in the decision making process.**	**No**
8.2 The remuneration committee should be structured so that it: ▪ Consists of a majority of independent directors; ▪ Is chaired by an independent chair; and ▪ Has at least three (3) members ***The Remuneration Committee when established will be structured to reflect the above requirements.***	**Not Applicable**
8.3 Companies should clearly distinguish the structure of non executive director's remuneration from that of executive directors and senior executives. **The Board distinguishes the structure of non executive director's remuneration from that of executive directors and senior executives. The Company's Constitution provides that the remuneration of non executive directors will not be more than the aggregate fixed sum by a general meeting of shareholders.** **The Board is responsible for determining the remuneration of any director or senior executive, without the participation of the affected director.**	Yes
8.4 Companies should provide the information indicated in Guide to reporting on Principle 8. **The Company will provide details of any departures from Principle 8 in its Annual Report.**	Yes

Unless otherwise stated, Richfield International Limited's corporate governance practices were in place throughout the year ended 31 December 2014.

There is a corporate governance section on the Company's website which sets out the various policies, charters and codes of conduct which have been adopted to ensure compliance with the principles and recommendations referred to above.

A description of Richfield International Limited main corporate governance practices are set out below.

Principle 1 – Lay solid foundations for management and oversight

In accordance with ASX Principle 1, the roles and responsibility of the Richfield International Limited Board have been encapsulated in a **Board Charter**. This document sets out the roles and responsibility of the Board and the senior executives and shows that between the Board and senior executives they are quite clear and distinct.

The key responsibilities of the Board include:

Corporate Governance Statement (continued)

- Providing leadership and setting the strategic objectives of the entity;
- Appointing the chair;
- Appointing and when necessary replacing the CEO;
- Approving the appointment and when necessary replacement of other senior executives;
- Overseeing management's implementation of the entity's strategic objectives and its performance generally;
- Approving operating budgets and major capital expenditure;
- Overseeing the integrity of the entity's accounting and corporate reporting systems, including the external audit;
- Overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- Ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the board expects management to operate;
- Approving the Company's remuneration framework;
- Monitoring the effectiveness of the Company's governance practices; and
- Reporting to and advising the shareholders

Composition of the Board
The Richfield International Limited Board totals five (5) and is comprised of three (3) Non Executive Directors and two (2) Executive Directors.

The table below sets out the detail of the tenure of each director at the date of this Report.

Director	Role of Director	First Appointed	Non Executive	Independent
Chak Chew TAN	Managing Director	07 January 2003	No	No
Jennifer LIM	Executive Director	10 January 2003	No	No
Steven PYNT	Non Executive and Non-Executive Chairman	26 November 2004	Yes	Yes
Andrew PHILLIPS	Non Executive	21 July 2010	Yes	Yes
Jwee Phuan NG	Non Executive	17 February 2011	Yes	Yes

Details of the Board including their experience, expertise and qualifications are set out in the Directors' Report.

Principle 2 – Structure the Board to add value

The skills, expertise and experience relevant to each position of director in office at the date of the Annual Report are included in the Directors' Report.

The importance of director independence underpins Principle 2.

The perception of an independent director is that they are not aligned with the interests of management, a substantial shareholder and can and will bring an independent judgment to bear on issues before the board.

The existence of independent directors brings comfort to shareholders. Directors are considered to be independent when they are free of any interest, position, association or relationship that might influence or reasonably be perceived to influence in a material respect his or her capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the Company and Shareholder generally.

Corporate Governance Statement (continued)

An independent Director:

- Is a non-executive director, having not been employed in an executive capacity by the Company and there has not been a period of at least three (3) years between ceasing such employment and serving on the board;
- Has not within the last three (3) years been a partner, director or senior employee of provider of material professional services to the Company;

Has not within the last three (3) years, been in a material business **relationship** (a supplier or customer) with the Company;

- Is not a substantial shareholder of the Company or an officer of or otherwise associated with a substantial shareholder of the Company;
- Does not have a material contractual relationship with the Company other than as a director;
- Does not have close family ties with any person who falls within any of the categories described above; or
- Has not been a director of the Company for such a period that his or her independence may have been compromised

In this regard then, Mr. Tan (Managing Director) and Ms. Lim (Executive Director) are not considered to be independent directors as they are employed in an executive capacity.

Richfield International Limited has reviewed and considered the positions of each of the five (5) Directors in office at the date of this Annual Report and consider that three (3) of the five (5) Directors are independent - Messrs Pynt, Phillips and Ng are in accordance with the definition of independence above.

The Richfield board with the presence of the three (3) independent directors has the appropriate numbers who can challenge the executive directors and hold them to account and will also represent the best interests of the Company and the shareholders as a whole rather than specific interest groups.

Furthermore, the current composition of directors, including executive and non-executives is adequate to run the business of the Company and includes an appropriate mix of skills and expertise, relevant to Richfield International Limited's activities.

During the 2014 financial year all of the five (5) directors remained in office for the full twelve (12) months so no board vacancies existed but when a vacancy exists, through whatever cause, or where it is considered that the Board would benefit from the service of a new Director with particular skills, the Board as a whole will consider the candidates who have the appropriate expertise.

The Board then appoints the most suitable candidate who must stand for election at the next general meeting of shareholders.

Despite the absence of a Nomination Committee the process employed by the Board regarding board renewal is formal and rigorous.

Chair and Managing Director
The roles of the Chair and the Managing Director are not be exercised by the same individual.

The Chair of the board is responsible for:

- Leading the Board;

Corporate Governance Statement (continued)

- Facilitating the effective contribution of all directors and promoting constructive and respectful relations between directors and between the board and management;
- Ensuring that Board activities are organised, efficiently conducted; and
- Ensuring that the Directors are properly briefed for meetings.

The Managing Director has responsibility for the day to day activities and operations and is totally accountable to the Board for all authority delegated to those positions.

Having an independent chair contributes to a culture of openness and constructive challenge that allows for diversity of views to be considered by the Board.

The Chair must be appropriately qualified and have the required experience to discharge the responsibilities for leading, managing and delegating. In the absence of a Nomination Committee the Board from amongst themselves have nominated Mr Pynt as the Director that they believe can fulfill the role of Chair as he has the skill set, commercial practicality and experience to lead the Richfield Board in meeting.

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

Board Evaluation Process
In the absence of a Nomination Committee, the Managing Director and the Executive Director reviews the performance of individual Directors.

Performance evaluations of the Richfield International Limited directors did not take place during the 2014 financial year.

In relation to the term of office, the Constitution specifies that one third of all directors must retire from office annually and are eligible for re-election at the Company's Annual General Meeting.

Nomination Committee
The Board has not established a formal Nomination Committee.

The full Board attends to the matters normally attended to by a Nomination Committee. The Board acknowledges that when the size and nature of the Company warrants a Nomination Committee then the Committee will operate under a Charter approved by the Board.

The Board fulfils the following roles normally associated with the Nomination Committee:

- Board succession planning;
- The development and implementation of a process for evaluating the performance of the board, its committees and directors;
- The process for recruiting a new director, including evaluating the balance of skills, knowledge and experience independence and diversity on the board and in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment;
- The appointment and re-election of directors; and
- Ensuring there are plans in place to manage the succession of the Managing Director and other senior executives

As at the date of this Report there is no scheme to provide retirement benefits to non executive directors.

Details of the Company's remuneration philosophy and framework and the remuneration received by directors and executives are provided in the Directors' Report under the heading **Remuneration Report.**

Corporate Governance Statement (continued)

Principle 3 – Promote ethical and responsible decision-making

The Board acknowledges the commitment to not only complying with legal obligations but also to acting ethically and responsibly.

Richfield International Limited has developed a Code of Conduct which has the full backing of the Board and is to be followed by the directors, senior executives and employees including:

- Act in the best interests of the Company;
- Act honestly and with high standards of personal integrity;
- Complies with the laws and regulations that apply to the Company and its operations;
- Will not knowingly participate in any illegal or unethical activity;
- Will not enter into any arrangements or participate in any activity that would conflict with the Company's best interests or that would be likely to negatively affect the Company's reputation;
- Will not take advantage of the property or information of the Company or its customers for personal gain or to cause detriment to the entity or its customers; and
- Will not take advantage of their position or the opportunities arising therefrom for personal gain

This policy is regularly reviewed and updated as necessary.

Diversity Policy
Richfield International Limited is committed to workplace diversity and recognises the benefits arising from having a broader pool of quality employees, improving employee retention rates and tapping into all available talent. Diversity includes such areas as gender, age and background.

Richfield International Limited developed and approved a Diversity Policy in 2011 which has a focus of improving gender balance and working towards increasing the representation of women in management roles.

The Company's Diversity Policy aims to achieve:

- developing a culture which takes into account domestic responsibilities of employees;
- as part of the annual remuneration review, assessing the gender pay parity across the business and implementing action plans to address any areas of concern;
- maintaining a workplace culture that supports difference and that enables each staff member to fully contribute to the best of their ability;
- identifying what is getting in the way of diversity success and taking action to address the issues;
- improved employment and career development opportunities for women;
- an environment that encourages the development of necessary skills and experience for leadership roles; and
- a workplace that is free for all forms of discrimination and harassment

The proportion of women in Richfield International Limited is as follows:

	Women	Proportion
Employees	14	54%
Senior executive position	1	4%
Board of Directors	1	20%

A female currently occupies the position of Company Secretary.

The Company currently has 26 full time employees including the Managing and Executive Directors.

Corporate Governance Statement (continued)

Notification
ASX Principle 3 recommends that companies should disclose in each annual report measurable objectives for achieving gender diversity set by the Board in accordance with the Diversity Policy and progress towards achieving them.

As the measurable objectives should include appropriate and meaningful benchmarks that are able to be measured and monitored for effectiveness in addressing any gender imbalance issues in the Company the Board are yet to establish measurable objectives or achieving gender diversity to report against. The Board does not feel that there are any gender imbalance issues and so no measurable objectives will be established until the number of employees and level of activities of the Company have increased to sufficient levels to enable meaningful and achievable objectives to be developed in the context of gender imbalance.

Securities Trading
Richfield International Limited has adopted a **Securities Dealing Policy** which is derived largely from the Corporations Act 2001 requirements that applies to all directors, senior executives and employees. Under this Policy and the Corporations Act 2001, it is illegal for directors, senior executives and employees who have access to price sensitive information which has not been published or is generally not available to:

(a) apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of Richfield International Limited Securities;

(b) procure another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of Richfield International Limited Securities; or

(c) directly or indirectly communicate the Material Non-Public Information to another person when the Insider knows, or ought reasonably to know, that the other person would or would be likely to:

    (i) apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of Richfield International Limited Securities; or

    (ii) procure another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of Richfield International Limited Securities.

Corporate Reporting
In accordance with ASX Principle 7, the Managing Director and the Chair have made the following certifications to the Board:

- That the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial positions and operational results of Richfield International Limited; and
- The financial reports are founded in a sound system of internal control and risk management which implements the policies adopted by the Board and the Company's risk management and internal controls are operating efficiently in all material respects.

Principle 4 – Safeguard integrity in financial reporting

Audit Committee
Even though the Board recognises that the ultimate responsibility for the Company's financial statements rests with the full Board, the Board has decided not to establish an Audit Committee.

The responsibility for the establishment and maintenance of the internal control framework and ethical standards has been delegated to the Board. This situation will remain until the Company is of a size and undertaking the level of activity that warrants the appointment of an audit and compliance committee.

It is the Board's responsibility to ensure that an effective internal control framework exists within the Company to deal with the adequacy of the Company's reporting processes, for the appropriateness of the accounting judgements or choices exercised by management in preparing the Company's financial statements, the safeguarding of assets, the maintenance of proper accounting records, the adequacy of the external audit, the performance of the external auditor and the reliability of financial information.

Corporate Governance Statement (continued)

The Board acknowledges that when the size and nature of the Company warrants an Audit Committee, the Committee will operate under a Charter approved by the Board.

The responsibilities of the Audit Committee and in the absence of the Committee; the Board include the following:

- Oversee and appraise the independence, quality and extent of the total audit effort;
- Perform an independent overview of the financial information prepared by Company management for shareholders;
- Evaluate the adequacy and effectiveness of the Company's and the Company's risk management and financial controls, and other internal control systems and evaluate the operation thereof;
- Review and endorse the annual and half year attestation statements in accordance with regulatory requirements.
- Review and implement risk management and internal control structures appropriate to the needs of the Company;
- Monitor compliance issues applicable laws and regulations, particularly compliance with the Australian Securities Exchange Listing Rules;
- Review all public releases to the ASX of material consequence, prior to release to the market; and
- Review of Corporate Governance Practices.

External Auditors
The Company's policy is to appoint external Auditors who clearly demonstrates independence. The performance of the external Auditor is reviewed annually by the Audit Committee but in the case of the absence of such a Committee; then by the Board.

The Company Auditors have a policy of rotating the Audit Partner at least every five (5) years. The current Audit Partner is in his second year of the rotation policy.

The external auditors are Moore Stephens and their performance is reviewed by the Board in the absence of the Audit Committee.

Moore Stephens attests to their independence by providing a statement as to their independence; which has been included in the 2014 Annual Report for the year ended 31 December 2014.

Principle 5 – Make timely and balanced disclosure

Continuous Disclosure
In accordance with ASX Principle 5, Richfield International Limited has established a Disclosure Policy.

The Company is committed to:

- Ensuring that shareholders have the opportunity to access externally available information issued by the Company;
- Providing full and timely information to the market about the Company's activities; and
- Complying with the obligations contained in the ASX Listing Rules and the Corporations Act 2001 relating to continuous disclosure.

Corporate Governance Statement (continued)

Principle 6 – Respect the rights of shareholders

Shareholder Communication
In accordance with ASX Principle 6, Richfield International Limited has established a communications strategy policy.

The directors of Richfield International Limited recognises the importance of forthright communication and in order to prosper and achieve growth, it must (among other things) earn the trust of employees, customers, suppliers, communities and shareholders by being forthright in its communications and consistently delivering on its commitments.

The Board aims to ensure that the shareholders on behalf of whom they act are informed of all information necessary in order to make effective decisions about Richfield International Limited and to be kept informed of all major developments affecting the Company in a timely and effective manner. Richfield International Limited follows three main forms of information disclosure:

- Continuous disclosure - which is its core disclosure obligation and primary method of informing the market and shareholders;

- Periodic disclosure - in the form of full-year and half-year reporting; and

- Specific information disclosure - as and when required, of administrative and corporate details, usually in the form of ASX releases.

Further it is a Corporations Act requirement that the auditor of Richfield International Limited attends the Annual General Meeting. This provides shareholders with the opportunity to ask the auditor questions concerning the conduct of the audit and the preparation and content of the Auditor Report as contained in the 2014 Annual Report.

The Chair and the Company Secretary have been nominated as the people responsible for communication with the ASX. This involves complying with continuous disclosure requirements outlined in ASX Listing Rules, ensuring that disclosure with the ASX is co-coordinated and being responsible for administering and implementing this Policy.

Principle 7 – Recognise and manage risk

The Board understands that the recognition, identification and management of risk, including investment risk, is an essential part of creating long term shareholder value.

The Board is ultimately responsible for deciding the nature and extent of the risks it is prepared to take to meet its objectives. The underlying risk profile of the Company is very conservative.

The Board monitors the performance of the risk management and internal control systems and determines the extent to which it believes the risks are being managed and the adequacy and comprehensiveness of risk reporting from management.

The Company has designed and implemented a risk management and internal control system to manage the Company's material business risks and report to it on whether the risks are being effectively managed. The Company has reviewed its risk management procedures and considered the "Guide for small-mid market capitalised companies on Principle 7: Recognise and Manage Risk" released under the ASX Markets Supervision Education and Research Program.

The Company continues to review its existing risk management procedures, the material business risks affecting the Company and where necessary delegated further responsibilities for those material business risks to senior staff members.

The Board satisfies itself, on a regular basis, that risk management and internal control systems for the Company have been fully developed and implemented.

Corporate Governance Statement (continued)

The Board has identified specific risk management areas being strategic, operational and compliance and the risks faced by the Company are reviewed regularly.

The Managing Director and Chief Financial Officer provide written assurance to the Board on an annual basis that to the best of their knowledge and belief, the declarations provided by them in accordance with Section 295A of the Corporations Act are founded on a sound system of risk management and internal control and that the system is operating effectively in relation to financial reporting risks.

These assurances can only be reasonable rather than absolute due to factors such as the need for judgment and possible weaknesses in control procedures.

Any material changes in the Company's circumstances are released to the ASX and included on the Company's website.

Principle 8 – Remunerate fairly and responsibly

Due to the size and controlled level of business activity, the Company has not established a remuneration committee.

The Board considers the procedures, policies and key performance indicators used to measure the performance of key executives and directors. Any equity based executive remuneration may be made in accordance with thresholds approved by shareholders and developed over time.

Full discussion of the Company's remuneration philosophy and framework and remuneration received by directors and executives in the current financial year is contained in the Remuneration Report section of the Directors' Report. There is no scheme to provide retirement benefits to non-executive directors.

The Company does not allow its directors or senior management to enter in transactions in associated products which limits the risk of participating in unvested entitlements under any equity based remuneration schemes.

Directors' Report

The directors of Richfield International Limited (the "Company") submit herewith the financial report for the year ended 31 December 2014. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Directors

The directors of the Company at any time during or since the end of the financial year are:

Steven Pynt,	Non-Executive Chairman
Chak Chew Tan,	Managing Director
Jennifer Lim,	Executive Director
Andrew Phillips,	Non-Executive Director
Jwee Phuan Ng,	Non-Executive Director

Unless otherwise indicated, all directors held their position as a Director throughout the entire year and up to the date of this report.

The particulars of the current directors are as follows:

Steven Pynt, LLB, BBus, MBA, MTax – Non-Executive Chairman

After completing his law degree in 1980, Mr Pynt worked with a law firm for two and a half years before joining a major accounting firm where he worked as a tax consultant. Subsequently he established his own legal firm that later merged with a medium size Perth firm. After many years in practice as a commercial lawyer Mr Pynt was appointed in July 2010, Managing Director of Muzz Buzz Franchising Pty Ltd, which is Australia's largest specialist drive through coffee franchise.

Mr Pynt served as Chairman of the Commercial Tribunal from 2001 to 2004 after serving as its Deputy Chairman from 1994 through 2000. Mr Pynt also served as a Casual Member of the Racing Penalties Appeal Tribunal from 1997 to 2008. He was also engaged as a Casual seminar leader for Articled Law Clerks training program in Ethics & Advice & Negotiation from 1995 to 2005.

During the past 4 years, Mr Pynt has served as Non-Executive Chairman of ASX listed companies, South East Asia Resources Limited (resigned December 2013) and Global Health Limited, and as a Non-Executive Director of ASX listed Gondwana Resources Limited and Ephraim Resources Limited.

Chak Chew Tan – Managing Director

Mr C.C. Tan founded the Company's subsidiary, Richfield Marine Agencies (S) Pte Ltd since 1984, to handle ships owned by American companies and chartered by the Military Command of the United States of America that called in at Singapore. He has been RMA's Managing Director since its founding and developed the company into a business offering a full suite of support services to the shipping industry. He has in-depth experience in international shipping including liner and tramper trade, ship management and has built up an extensive network of worldwide connections within the international shipping markets, including USA, Europe, East Africa, South Africa, Indian subcontinent and the Far East. More recently he has established a number of support companies providing ship management, logistics and chartering services.

Mr C.C. Tan has been a Deputy Commissioner of Maritime Affairs for the Government of the Republic of Vanuatu since February 1999. He was also the Chairman for a School Advisory Committee having been appointed by the Ministry of Education in Singapore from April 1999 to July 2006.

During the past 4 years, Mr C.C. Tan has not served as a Director of any other listed public company.

Directors' Report (continued)

Jennifer Lim – Executive Director

Ms Jennifer Lim had extensive experience in the logistics and shipping industry when she joined RMA in 1992. She has more than 20 years experience in the commercial management of ship-owning. Ms Jennifer Lim is in charge of Richfield's containerized trade shipping business and controls the freight and marketing sales of all its international traffic. In addition she oversees the administration function of the Company, including collection of receivables from all overseas agents of the Company.

Ms Jennifer Lim is currently also a Director of the container shipping service operating subsidiary, Speeda Shipping Company (S) Pte Ltd.

During the past 4 years, Ms Jennifer Lim has not served as a Director of any other listed public company.

Andrew Phillips, BBS – Non-Executive Director

Mr Phillips has over 20 years international experience previously working in senior finance and commercial management positions within a number of public and multinational companies. Previously he was Group Financial Controller for Aristocrat Limited, a Director of Aristocrat (NZ) Limited, Executive Director for The Recovre Group (a former division of Allianz insurance) and CFO and Executive Director for Hoya Lens Australia.

Mr Andrew Phillips is currently serving as an Independent Director for two ASX listed companies, Longreach Oil Limited (ASX:LGO) and Southern Cross Exploration NL (ASX:SXX) and is also currently Company Secretary for MDS Financial Group Limited (ASX:MWS). He also has in the past served as Director for Connxion Ventures Limited and HLI Limited.

Mr Phillips, through his own company, also provides Nominee Director Services for a number Australian Proprietary registered companies on behalf of their foreign owned parent companies.

Jwee Phuan Frederick Eric Ng, B.Sc, MBA – Non-Executive Director

Mr Ng has been the Principal Consultant of Chadway Management Service Pte Ltd since 1982. He is responsible for providing operational management, planning and executing growth strategies, merger and acquisitions activities and corporate finance services to companies in Singapore and the region, including the PRC. He also advises on business growth and globalisation strategies, capital market and corporate governance issues and is an active capital market intermediary matching capital with business.

Mr Ng's vast experience and knowledge provides him with the credentials to sit on a number of Boards of public companies that are listed on the Singapore and Australian Exchanges. Mr Ng also has vast experience of chairing Board and Audit Committee meetings and being a member of various Remuneration and Nomination Committees.

Since 2009 Mr Ng has served as a Non-Executive Director of ASX listed GBM Gold Ltd and appointed its Non Executive Chairman on 1 Jan 2014. He is also currently the Executive Director of Ephraim Resources Ltd (ASX - "EPA") and has been the Lead Independent Director at SGX Mainboard listed Chasen Holdings Ltd since 2007.

Company Secretary

Ms Eryn Kestel

Ms Eryn Kestel was appointed Company Secretary on 14 January 2011. Ms Kestel holds a Bachelor of Business Degree, majoring in Accounting. She has been a Certified Practising Accountant for over 15 years and has over 20 years of corporate experience.

Ms Kestel is not an executive of the Company.

Consolidated Result

In 2014, the shipping industry continued facing a challenging market which has remained unchanged from the prior few years. Nevertheless, Richfield has been able to secure its position in this tough environment securing its fair share of cargo volume and handling of port services and husbandry vessels. Our overall profitability and margins has been sustained this year despite continuously facing difficult market conditions. The achievement once again highlights our core competencies in productivity improvement, cost optimization and industry expertise.

Statement of Financial Position and Cash Flow

Richfield achieved a net profit of A$1,462K (2013: A$965K) for the year. This is A$497K higher than the prior year's and resulted from strategic actions in increasing revenue streams from the profitable port and shipping services division. In 2014, the strengthening US$ and S$ against A$ also boosted net profit as US$ receipts translated into higher S$ and hence higher A$ revenue and profit.

Richfield's net asset position as at 31 December, 2014 has increased to A$16.977 million (2013: A$15.090 million). Its cash and cash equivalent position has also increased to A$11.802 million (2013: A$11.402 million). This is attributed mainly to A$1.227 million in cash receipts from operational activities offset by A$917K cash spent on fixed asset and available-for-sale financial asset.

Review of Operations and Principal Activities

The principal activities of Richfield during the financial year were the provision of port and shipping services for ocean-going vessels engaged in the liner and tramper trade, sales and marketing of containerized shipping services and conventional break-bulk services, various port handling services, as well as regional handling of merchandise and commercial commodities for sea-shipment in the containerized, ro-ro and break-bulk shipping markets.

The shipping industry continues facing over-capacity as there are already too many existing ships, with more new ships coming into the industry each year. This has resulted in low freight rates with too many ships competing for limited cargos. In fact, the freight rates across major trade routes may not, in most cases, be able to cover their operating expenditures. This overcapacity looks set to persist into 2015 as the shipping lines are under pressure to fill their own slot-spaces, and are not inclined to change their current marketing/ sales strategies. The shipping lines are steadily making the transition to a recovery position, but the market has remained directionless and is expected to remain so unless measures are introduced to restore the supply and demand balance in the market.

We take a prudent view that the shipping industry may improve and fare better with more sustainable freight rate and higher volume than in 2014 in light of prior years' consolidation, reduced players with new operational alliances, the strengthening recovery of the US economy and the fall in bunker oil prices.

Directors' Report (continued)

Subsequent Events

There have not been any further matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years.

Future Developments

The provision of port and shipping services for foreign-going vessels in both liner and tramper trade, various functions, handling and services to the containerized and break-bulk shipping will remain the core businesses of the Richfield Group in the foreseeable future.

The shipping industry is yet to recover fully with shipping freight rates still on the downward pressure with the challenging markets manifested risks to Richfield's revenues and business operations, and this trend is expected to persist through in 2015.

In recognizing these risks inherent in the industry conditions and mirroring market analysts' expectations in the short term run, the Company will be observing the market prospects in the short-to-mid-term horizon to seek the best time and opportunity to scale-up our containerized shipping operations.

In addition, we expand and focus on the less cost-intensive, more profitable port and shipping services segment to grow our operations further. Richfield has already extended its presence in the thriving markets of Vietnam and Indonesia, and will explore further in other key South East Asian economies. Richfield will continue this strategic thrust to consolidate and expand operations in these economies to optimize profitability.

Meanwhile, the Group will continue to identify, evaluate and pursue prospective profitable business ventures and investments on a merger and joint-venture to elevate the Group's earnings and shareholder value further.

The Directors greatly appreciate and look forward to the continued support of all our shareholders.

Dividends

The Directors recommend that no dividend be paid in respect of the current financial year and no dividends have been paid or declared since the commencement of the financial year.

Indemnification of Officers and Auditors

During the year the Company has in place a contract insuring the directors of the Company (as named above), the Company secretary, and all executive officers of the Company and its subsidiary companies against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The total premium paid amounted to $5,429.59 (2013: $5,404.06).

The Company has not otherwise, during or since the financial year end, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Auditors' Declaration

The lead auditors' independence under section 307C of the Corporations Act 2001 is set out on page 23 and forms part of the Directors' Report.

Directors' Report (continued)

Remuneration Report

This report details the nature and amount of remuneration for each director of Richfield International Ltd and for the executives receiving the highest remuneration.

Remuneration Policy

The remuneration policy of Richfield International has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the economic entity's financial results.

The board of Richfield International believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the economic entity, as well as to create goal congruence between directors, executives and shareholders.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the economic entity is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the board after seeking professional advice from independent external consultants. Relevant executives receive a base salary (which is based on factors such as length of service and experience), superannuation, options and performance incentives. The board reviews executive packages annually by reference to the economic entity's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

All incentives must be linked to predetermined performance criteria. The board may, however, exercise its discretion in relation to approving incentives and options, and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest caliber of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are entitled to participate in the Richfield Share Option Scheme. This provides that the number of scheme shares to be offered at each date of grant to a participant shall be determined by the committee at its absolute discretion after taking into account the performance of the participant and such other general criteria as the committee may consider appropriate (subject to any limitations set forth in the ASX Listing Rules) being:

Managing Director	- up to 500,000 scheme shares each per year
Executive Director	- up to 300,000 scheme shares each per year
Non Executive Director	- up to 100,000 scheme shares each per year
General /Senior Managers	- up to 250,000 scheme shares each per year
Managers	- up to 100,000 scheme shares each per year
Executives	- up to 50,000 scheme shares each per year

All remuneration paid to directors and executives is valued at the cost to the company and expenses. Shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive.

No share options were issued during the year.

Directors' Report (continued)

Remuneration Report (continued)

Details of Remuneration for Year Ended 31 December 2014 as provided below.

Remuneration packages contain the following key elements:

a) Salary/fees;
b) Benefits – including the provision of motor vehicle and other expenses and superannuation (or its Singaporean equivalent: contributions to the Central Provident Fund (CPF)).

The following table discloses the remuneration of each director of the company for the period to 31 December 2014:

	Short-term Benefits		Post-employment Benefits	Long-term Benefits	Total
	Salaries/Fees	Benefits	Superannuation/CPF	LSL	
Name	**$**	**$**	**$**	**$**	**$**
Executive					
C.C. Tan	230,395	-	11,235	-	241,630
Jennifer Lim	105,679	21,005	12,223	-	138,907
Non-Executive					
Steven Pynt	18,000	-	-	-	18,000
Andrew Phillips	7,000	-	-	-	7,000
Jwee Phuan Ng	6,000	-	-	-	6,000
Total	**367,074**	**21,005**	**23,458**	**-**	**411,537**

The following table discloses the remuneration of each director of the company for the period to 31 December 2013:

	Short-term Benefits		Post-employment Benefits	Long-term Benefits	Total
	Salaries/Fees	Benefits	Superannuation/CPF	LSL	
Name	**$**	**$**	**$**	**$**	**$**
Executive					
C.C. Tan	196,919	-	11,235	-	210,533
Jennifer Lim	82,565	-	10,628	-	93,193
Non-Executive					
Steven Pynt	18,000	-	-	-	18,000
Andrew Phillips	6,000	-	-	-	6,000
Jwee Phuan Ng	6,000	-	-	-	6,000
Total	**313,078**	**-**	**20,648**	**-**	**333,726**

No other employees of the Company are considered to be key management personnel.

Directors' Shareholdings

The following table sets out each director's and or related body corporate's relevant interest in shares, or options in shares of the company or a related body corporate as at the date of this report.

Directors	Fully Paid Ordinary Share	Options
C.C. Tan	23,381,550	-
Jennifer Lim	881,550	-
Steven Pynt	20,000	-
Andrew Phillips	27,300	-

Directors' Report (continued)

Employment Contracts of Directors

Remuneration and other terms of employment for Non-Executive Directors are described above. The employment conditions of the executive directors are formalised in contracts of employment.

Executive Directors

C.C. Tan

- Date of commencement and termination of the employment contract – 18th December 2004, no set termination date.
- Remuneration – S$234,000 per annum.
- Termination of employment on grounds of gross misconduct.

Jennifer Lim

- Date of commencement and termination of the employment contract – 18th December 2004, no set termination date.
- Remuneration – S$114,000 per annum.
- Termination of employment on grounds of gross misconduct.

Meetings of Directors

The following table sets out the number of directors' meeting (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director. During the financial year, two board meetings were held.

	Board Meetings	
Director	**Held while director**	**Attended**
C.C. Tan	2	2
Jennifer Lim	2	2
Steven Pynt	2	2
Andrew Phillips	2	2
Jwee Phuan Ng	2	2

There was one (1) Circular Resolution held during the financial year.

Remuneration report considered at the most recent Annual General Meeting

In accordance with the Corporations Act, if at consecutive annual general meetings, 25% of the votes cast on the remuneration report resolution are voted against adoption of the remuneration report, the Company must put to its shareholder a Spill Resolution to consider spilling the current Board

At the 2012 and 2013 Annual General Meetings of Richfield International Limited, the votes cast against the remuneration reports considered at those meetings were less than 25%. Accordingly, Spill Resolutions were not required for these Annual General Meetings and there was no need for a Board spill.

Directors' Report (continued)

Parent entity financial statements

The Annual Report 2014 is presented according to the *Corporations Amendment (Corporate Reporting Reform) Act 2010* and the accompanying *Corporations Amendment Regulations 2010 (No. 6)*. The Act has removed the need to prepare the parent entity financial statements. However, as some parent entity disclosures are still required by way of note. Hence, a simplified parent statement of financial position and parent disclosures in relation to commitments amongst other parties are presented in note 26.

Environmental regulation

The consolidated entity's activities are not subject to any significant environmental regulations under either Commonwealth or State Legislation. However, the directors believe that the consolidated entity has adequate systems and procedures in place for the awareness and management of its environmental requirements, and are not aware of any breach of those requirements as they apply to the consolidated entity.

Proceedings on behalf of the company

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

Non Audit Services

During the year, there were no fees paid or payable for non-audit services provided by Moore Stephens.

Signed in accordance with a resolution of the directors made pursuant to s298(2) of the *Corporations Act 2001*.

On behalf of the Directors

Steven Pynt
Chairman

PERTH, WA
Dated: 09th March 2015

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**AUDITOR'S INDEPENDENCE DECLARATION UNDER
S307C OF THE *CORPORATIONS ACT 2001* TO
THE DIRECTORS OF RICHFIELD INTERNATIONAL LIMITED**

As lead auditor for the audit of Richfield International Limited and its controlled entities for the financial year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Richfield International Limited during the year

Neil Pace Moore Stephens

Neil Pace
Partner

Moore Stephens
Chartered Accountants

Signed at Perth this 09th day of March 2015.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

		Consolidated	
		31.12.14	**31.12.13**
	Note	**$**	**$**
Revenue from ordinary activities	2	3,126,934	3,663,141
Other income	2	9,078	15,289
Foreign exchange gains / (losses)		679,453	207,894
Freight and handling charges		(379,908)	(950,271)
Professional fees		(57,595)	(94,195)
Directors' salaries and fees		(398,092)	(333,726)
Depreciation and amortisation expense		(48,656)	(112,442)
Employee expense		(818,767)	(848,303)
Other expenses from ordinary activities		(539,488)	(518,465)
Profit/(Loss) From Ordinary Activities Before Income Tax Expense		1,572,959	1,028,922
Income tax expense relating to ordinary activities	6	(110,743)	(64,197)
Net Profit/(Loss) After Related Income Tax Expense		1,462,216	964,725
Other comprehensive income:			
Gains/(losses) on revaluation of available-for-sale financial assets		24,705	(6,743)
Exchange differences arising on translation of foreign operations		400,283	932,210
Other comprehensive income for the year, net of tax		424,988	925,467
Total comprehensive income/(loss) for the year		1,887,204	1,890,192
Profit/(Loss) attributable to:			
Equity holders of the parent		1,887,204	964,725
Total comprehensive income/(loss) attributable to:			
Equity holders of the parent		1,887,204	1,890,192
Basic Earnings Per Share (cents per share)	20	2.32	1.53
Diluted Earnings Per Share (cents per share)	20	2.32	1.53

The above Statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	Note	Consolidated 31.12.14 $	Consolidated 31.12.13 $
Current Assets			
Cash and cash equivalents	7	11,802,307	11,402,370
Receivables	8	333,004	700,078
Other	9	54,613	82,481
Total Current Assets		12,189,924	12,184,929
Non-Current Assets			
Available-for-sale financial assets	10	1,010,250	-
Property, plant & equipment	11	81,691	110,785
Intangibles	12	5,761,471	5,761,471
Total Non-Current Assets		6,853,412	5,872,256
Total Assets		19,043,336	18,057,185
Current Liabilities			
Payables	13	1,929,195	2,837,773
Interest-bearing liabilities	14	-	-
Income tax liabilities		122,946	111,562
Total Current Liabilities		2,052,141	2,949,335
Non-Current Liabilities			
Interest-bearing liabilities	14	-	-
Deferred tax liabilities		13,887	17,746
Total Non-Current Liabilities		13,887	17,746
Total Liabilities		2,066,028	2,967,081
Net Assets		16,977,308	15,090,104
Equity			
Issued Capital	16	10,693,287	10,693,287
Asset revaluation reserves		24,705	-
Foreign currency translation reserve		1,261,310	861,027
Retained earnings		4,998,006	3,535,790
Total Equity		16,977,308	15,090,104

The above Statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

	Share Capital $	Asset Revaluation Reserve $	Foreign Currency Translation Reserve $	Retained Earnings $	Total $
Consolidated					
Balance at 1 January 2013	10,693,287	6,743	(71,183)	2,571,065	13,199,912
Exchange adjustments	-	-	932,210	-	932,210
Revaluation reserve	-	(6,743)	-	-	(6,743)
Net profit/(loss) for the year	-	-	-	964,725	964,725
Balance at 31 December 2013	**10,693,287**	**-**	**861,027**	**3,535,790**	**15,090,104**
Balance at 1 January 2014	10,693,287	-	861,027	3,535,790	15,090,104
Exchange adjustments	-	-	400,283	-	400,283
Revaluation reserve	-	24,705	-	-	24,705
Net profit/(loss) for the year	-	-	-	1,462,216	1,462,216
Balance at 31 December 2014	**10,693,287**	**24,705**	**1,261,310**	**4,998,006**	**16,977,308**

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	Consolidated Inflows/(Outflows) 31.12.14 $	31.12.13 $
Cash Flows From Operating Activities			
Cash receipts from customers		16,452,480	21,873,619
Cash payments to suppliers, employees and related party		(15,185,548)	(20,103,574)
Interest received		68,171	33,750
Tax Paid		(108,734)	(56,983)
Net cash used in operating activities	19(b)	1,226,369	1,746,812
Cash Flows From Investing Activities			
Proceeds from disposal of physical non-current asset		-	-
Payment for property, plant and equipment		(10,114)	(4,747)
Purchase of available-for-sale investments		(906,710)	-
Net cash used in investing activities		(916,824)	(4,747)
Cash Flows From Financing Activities			
Proceeds from issue of shares less costs		-	-
Repayment of related party loans		-	-
Repayment of Borrowings		-	-
Loan from a controlled entity		-	-
Net cash provided by financing activities		-	-
Net increase/(decrease) in Cash Held		309,545	1,742,065
Cash At the Beginning of the Year		10,695,695	8,953,630
Effects of Changes in Exchange Rates on Cash and Cash Equivalents		13,492	-
Cash At the End of the Year	19(a)	11,018,732	10,695,695

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION

Financial Reporting Framework

Richfield International Limited (the "Company") is a company domiciled in Australia. The consolidated report of the Company for the period ended 31 December 2014 comprises the Company and its subsidiaries (together referred to as the "consolidated entity" or "Group").

The separate financial statements of the parent entity, Richfield International Limited, have not been presented within this financial report as permitted by amendments made to the Corporations Act 2001 effective as at 28 June 2010.

The consolidated financial report was authorized and issued by the directors on 09 March 2015.

(a) Statement of Compliance

This general purpose financial report for the reporting year ended 31 December 2014 has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions, Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

(b) Basis of Preparation

The financial report is presented in Australian dollars. The principal accounting policies adopted in the preparation of the financial report are set out below.

Historical Cost Convention

These financial statements have been prepared on an accruals basis and are based on historical costs modified where applicable, by the measurement at fair value of selected financial assets.

(c) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Richfield International Limited at the end of the reporting period. A controlled entity is any entity over which Richfield International Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 18 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been charged where necessary to ensure consistency with those adopted by the parent entity.

Where applicable, non-controlling interest, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION (continued)

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consideration of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

(i) the consideration transferred;
(ii) any non-controlling interest; and
(iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the consolidated statement of comprehensive income.

The value of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the aforementioned non-controlling interest. The Group can elect to measure the non-controlling interest in the acquiree either at fair value (*full goodwill method*) or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets (*proportionate interest method*). The Group determines which method to adopt for each acquisition.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION (continued)

Goodwill (continued)

Under the *full goodwill method*, the fair values of the non-controlling interests are determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interests is recognised in the consolidated financial statements.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, which represent the lowest level at which goodwill is monitored but where such level is not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

Changes in the ownership interests in a subsidiary are accounted for as equity transactions and do not affect the carrying values of goodwill.

(d) Property, Plant and Equipment

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

Plant and Equipment

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

(e) Depreciation of Property, Plant and Equipment

Assets are depreciated on a straight-line basis over their estimated useful lives, commencing from the time the asset is held ready for use.

The depreciation rates or useful lives used for each class of assets for the current and comparative periods are:

Class of Fixed Assets	**Depreciation Rate**
Office Equipment	33.33%
Furniture and Fittings	16.67%
Renovations	33.33%
Data Processing Equipment	33.33%
Motor Vehicles	16.67%

The residual value, if significant, is reassessed annually.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION (continued)

(f) Leased Assets

Leases under which the consolidated entity assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases.

Finance Leases

A lease asset and a lease liability equal to the present value of the minimum lease payments are recorded at the reception of the lease. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are expensed. Contingent rentals are expensed as incurred.

Operating Leases

Payments made under operating leases are expensed on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

Lease incentives are recognised as liabilities. Lease rental payments are allocated between rental expense and reduction of the liability, on a straight-line basis over the period of the lease.

(g) Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(h) Employee Benefits

Annual Leave

Liabilities for employee benefits for annual leave represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the consolidated entity expects to pay as at reporting date including related on-costs.

Fixed contributions are also paid into separate entities such as the Central Provident Fund ("CPF") in Singapore, and the Company will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. CPF contributions made by the Company are expensed in the financial year to which they relate.

Share-based Payment Transactions

If options were to be issued to employees and associated entities they would be issued under an Employee Share Option Scheme. The fair value of options granted would be recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options is measured using the Black Scholes model, taking into account the market related vesting conditions upon which the options were granted. The amount to be recognised as an expense will be adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving any threshold for vesting.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION (continued)

(i) Receivables

Trade Debtors and Other Receivables

Trade and other receivables are stated at their cost less impairment losses.

(j) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling costs.

(k) Interest Bearing Liabilities

Other Liabilities

Liabilities are recognised initially at fair value less attributable transaction costs. Interest expense is calculated using the effective interest method.

(l) Revenue Recognition

Goods Sold and Services Rendered

Revenue is measured at the fair value of the consideration received or receivable after taking into account only trade discounts and volume rebates allowed.

Revenue for the sale of goods is recognised in the Statement of Comprehensive Income when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from services rendered is recognised in the Statement of Comprehensive Income in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the costs incurred or to be incurred cannot be measured reliably, there is a risk of return of goods or there is continuing management involvement with the goods.

Interest income

Interest income is recognised as it is earned, using the effective interest method.

(m) Payables

Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount normally being paid within 30 days of recognition of the liability.

(n) Comparative Figures

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION (continued)

(o) Foreign Currency Translations and Balances

Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is Richfield International Limited's functional and presentation currency.

Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. 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 the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

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

Group Companies

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

--- assets and liabilities are translated at year-end exchange rates prevailing at 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 are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of comprehensive income in the period in which the operation is disposed.

(p) Income Tax

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

Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION (continued)

(p) Income Tax (continued)

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realization and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(q) Goods and Service Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(r) Investments

Investments are classified as being available for sale and are stated at fair value, with any resultant gain or loss recognised directly in equity, except for impairment losses. The fair value is their quoted bid price at the balance date.

(s) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits with financial institutions. For the purpose of the consolidated cash flow statement, cash and cash equivalents are presented net of cash or cash equivalents which are pledged to banks to secure credit facilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION (continued)

(t) Financial Instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Finance instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. *Fair value* is the price an entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

(i) the amount at which the financial asset or financial liability is measured at initial recognition;
(ii) less principal repayments;
(iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
(iv) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION (continued)

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determined payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

If during the period the Group sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets.)

(v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Derivative Instruments

Richfield International Limited and Controlled Entities designate certain derivatives as either;

(i) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or
(ii) hedges of highly probable forecast transactions (cash flow hedges).

At the inception of the transaction the relationship between hedging instruments and hedged items, as well as the Group's risk management objective and strategy for undertaking various hedge transactions is documented.

Assessments, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items, are also documented.

(i) *Fair value hedge*

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the statement of comprehensive income, together with any changes in the fair value of hedged assets or liabilities that are attributable to the hedged risk.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION (continued)

(ii) *Cash flow hedge*

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is deferred to a hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of comprehensive income.

Amounts accumulated in the hedge reserve in equity are transferred to the statement of comprehensive income in the periods when the hedged item will affect profit or loss.

Fair Value

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Financial Guarantees

Where material, financial guarantees are issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as financial liability at fair value on initial recognition.

The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

The fair value of financial guarantee contracts has been assessed using a probability-weighted discounted cash flow approach. The probability has been based on:

--- the likelihood of the guaranteed party defaulting in a year period;
--- the proportion of the exposure that is not expected to be recovered due to the guaranteed partly defaulting; and
--- the maximum loss exposed if the guaranteed party were to default.

De-recognition

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION (continued)

(u) Critical Accounting Estimates and Judgment

The carrying amount of certain assets and liabilities are often determined based on estimates and assumptions of future events. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of certain assets and liabilities within the reporting period are:

Impairment of Intangibles

The consolidated entity assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Goodwill with an indefinite useful life is impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units using value-in-use calculations which incorporate various key assumptions. The assumptions used in this estimation of the recoverable amount and the carrying amount of goodwill are set out in note 12.

Based on the impairment assessment performed as at 31 December 2014, no impairment to the consolidated entity's carrying value of goodwill was identified.

(v) New Accounting Standards for Application in Future Periods

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are discussed below:

– AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018, as further amended by Part E of AASB 2014-1).

  The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

  The key changes made to the Standard that may affect the Group on initial application include certain simplifications to the classification of financial assets, the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income.

  Although the directors anticipate that the adoption of AASB 9 may have an impact on the Group's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

– AASB 2014-1: *Amendments to Australian Accounting Standards*

  Part A of this Standard is applicable to annual reporting periods beginning on or after 1 July 2014 and makes the following significant amendments:

  - clarifies that contingent considerations arising in a business combination should be accounted for as items of equity or liability and not as provisions in accordance with AASB 137: *Provisions, Contingent Liabilities and Contingent Assets*;
  - requires additional disclosures when an entity aggregates its operating segments into one reportable segment in accordance with AASB 8: *Operating Segments*; and
  - includes an entity that provides key management personnel services (a "management entity") to a reporting entity (or a parent of the reporting entity) within the definition of a "related party" in AASB 124: Related Party Disclosures.

  This part also makes other editorial corrections to various Australian Accounting Standards; however, it is not have a significant impact on the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION (continued)

- Part B of this Standard is applicable to annual reporting periods beginning on or after 1 July 2014 and permits an entity to recognise the amount of contributions from employees or third parties in a defined benefit plan as a reduction in service cost for the period in which the related service is rendered, if the amount of contributions is independent of the number of years of service. This part is not expected to have a significant impact on the Group's financial statements.
- Part C of this Standard is applicable to annual reporting periods beginning on or after 1 July 2014 and deletes the reference to AASB 1031: Materiality in particular Australian Accounting Standards. This part is not expected to have a significant impact on the Group's financial statements.
- Part D of this Standard is applicable to annual reporting periods beginning on or after 1 January 2016 and makes amendments to AASB 1: *First-time Adoption of Australian Accounting Standards*, which arise from the issuance of AASB 14: *Regulatory Deferral Accounts* in June 2014. In line with management's assessment of AASB 14, this part is not expected to have a significant impact on the Group's financial statements.
- Part E of this Standard is applicable to annual reporting periods beginning on or after 1 January 2015 and defers the application date of AASB 9 (December 2010) to annual reporting periods beginning on or after 1 January 2018. This part also makes consequential amendments to hedge accounting disclosures set out in AASB 7: *Financial Instruments: Disclosures*, and to AASB 132: *Financial Instruments: Presentation* to permit irrevocable designation of "own use contracts" as measured at fair value through profit or loss if the designation eliminates or significantly reduces an accounting mismatch. Management believes that there will not be any significant impact on the Group's financial statements on adoption of this part of the Standard.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 2: PROFIT FOR THE PERIOD

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

	Consolidated 31.12.14 $	Consolidated 31.12.13 $
Operating Revenue		
Shipping service income	3,058,763	3,605,645
Other income	9,078	15,289
Interest income	68,171	57,496
Total Revenue	3,136,012	3,678,430
Expenses		
Freight and handling charges	379,908	950,271
Foreign currency exchange (gain)/loss	(679,453)	(207,894)
Professional fees	57,595	94,195
Directors' salaries and fees	398,092	333,726
Depreciation	48,656	112,442
Employee expenses	818,767	848,303
Other expenses ordinary activities	539,488	518,465
Total Expenses	1,563,053	2,649,508

Other income in the year 2014 relates to benefits derived from a prevailing government scheme for businesses.

Other income in the year 2013 relates to a gain in redemption of a financial asset and benefits derived from a prevailing government scheme for businesses.

NOTE 3: DIVIDENDS

The Directors recommend that no dividend be paid in respect of the current financial period and no dividends have been paid or declared since the commencement of the financial period.

NOTE 4: BUSINESS COMBINATIONS

There was no business acquisition during the financial period.

NOTE 5: OPERATING SEGMENTS

(a) Segment Reporting

The Group has applied AASB 8 Operating Segments from 1 January 2009. AASB 8 requires a "management approach" under which segment information is presented on the same basis that is used for internal reporting purposes. Operating segments are now reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors, who makes strategic decisions.

(b) Accounting Policies Adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 5: OPERATING SEGMENTS (continued)

(c) Inter-segment Transactions

An internally determined transfer price is set for all inter-entity sales. This price is re-set quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation for the Group's financial statements.

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

(d) Segment Assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

(e) Segment Liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

(f) Unallocated Items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- income and expenses of the parent entity;
- impairment of assets and other non-recurring items of revenue or expense;
- assets and liabilities of the parent entity;
- amounts owing to directors;
- intangible assets; and
- discontinuing operations.

(g) Comparative Information

The AASB 8: Operating Segments has been adopted since year 2009. Comparative information has been stated to conform to the requirements of the Standard.

(h) Description of Segments

The Economic entity operates predominantly in one industry, namely the shipping industry by providing shipping services through its wholly owned subsidiary *Richfield Marine Agencies (S) Pte Ltd*. These activities are predominantly in Singapore. Management has determined the operating segments based on the reporting reviewed by the Board of Directors that is used to make strategic decisions. The Board of Directors consider the business from the revenue perspective and determined the Group's subsidiaries, namely, *Richfield Marine Agencies (S) Pte Ltd* and *Speeda Shipping Co (S) Pte Ltd*, as the two operating segment units. The Board of Directors monitors these two operating segments' revenue separately. This is in line with existing practice in regards to the Group's internal reporting and information provided to the Board of Directors for strategic decision makings.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 5: OPERATING SEGMENTS (continued)

(i) Segment Information Provided to the Board of Directors

The Board of Directors assesses the performance of the operating segments based on their revenue results. Revenue is considered to be the result for the segment. Costs (operating expenses, depreciation, amortization, finance costs and income tax) are directly associated to operating segments. The total revenue result ties directly to revenue as reported in the consolidation. Segment assets represent those trade receivables directly attributable to the segment revenues.

The revenue from the external parties reported to the Board of Directors is measured in a manner consistent with that in the statement of comprehensive income.

The amounts provided to the Board of Directors with respect to total receivables are measured in a manner consistent with financial statements. These receivables are allocated based on the operations of the segment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 5: OPERATING SEGMENTS (continued)

(i) Segment Information provided to the Board of Directors (continued)

	Speeda Shipping Co (S) Pte Ltd	Richfield Marine Agencies (S) Pte Ltd	Total
	$	$	$
12 months ended 31.12.14			
Revenue			
External Sales	-	3,058,763	3,058,763
Inter-segment sales	-	-	-
Interest	11,822	45,565	57,387
Total segment revenue	11,822	3,104,328	3,116,150
Reconciliation of segment revenue to group revenue:			
Inter-segment elimination	-	-	-
Total group revenue	11,822	3,104,328	3,116,150
Segment net profit/(loss) before tax	(43,267)	1,714,492	1,671,225
Reconciliation of segment result to group net profit/(loss) before tax:			
Amounts not included in segment result:			
● Parent's interest income			10,784
● Parent's other costs			(109,050)
Profit before tax from continuing operations			1,572,959

	Speeda Shipping Co (S) Pte Ltd	Richfield Marine Agencies (S) Pte Ltd	Total
	$	$	$
12 months ended 31.12.13			
Revenue			
External Sales	579,141	3,026,504	3,605,645
Inter-segment sales	-	6,962	6,962
Interest	15,528	28,171	43,699
Total segment revenue	594,669	3,061,637	3,656,306
Reconciliation of segment revenue to group revenue:			
Inter-segment elimination	-	(6,962)	(6,962)
Total group revenue	594,669	3,054,675	3,649,344
Segment net profit/(loss) before tax	(88,212)	1,213,226	1,125,014
Reconciliation of segment result to group net profit/(loss) before tax:			
Amounts not included in segment result:			
● Parent's interest income			13,797
● Parent's other costs			(109,889)
Profit before tax from continuing operations			1,028,922

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 5: OPERATING SEGMENTS (continued)

(ii) Segment Assets

31 December 2014	Speeda Shipping Co (S) Pte Ltd	Richfield Marine Agencies (S) Pte Ltd	Total
	$	$	$
Segment Assets	100,049	14,010,500	14,110,549
Segment asset increases for the period:			
- capital expenditure	-	-	-
Reconciliation of segment assets to group assets			
- Inter-segment eliminations	-	(1,360,538)	(1,360,538)
- Unallocated assets:			
- Elimination of inter-company debts			(576,069)
- Parent's current assets			1,107,923
- Intangibles			5,761,471
Total group assets			19,043,336

31 December 2013	Speeda Shipping Co (S) Pte Ltd	Richfield Marine Agencies (S) Pte Ltd	Total
	$	$	
Segment Assets	149,326	12,729,563	12,878,889
Segment asset increases for the period:			
- capital expenditure	-	-	-
Reconciliation of segment assets to group assets			
- Inter-segment eliminations	-	(1,257,478)	(1,257,478)
- Unallocated assets:			
- Elimination of inter-company debts			(522,235)
- Parent's current assets			1,196,538
- Intangibles			5,761,471
Total group assets			18,057,185

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 5: OPERATING SEGMENTS (continued)

(iii) Segment Liabilities

31 December 2014	**Speeda Shipping Co (S) Pte Ltd**	**Richfield Marine Agencies (S) Pte Ltd**	**Total**
	$	**$**	**$**
Segment Liabilities	1,366,187	2,015,199	3,381,386
Reconciliation of segment liabilities to group liabilities			
- Inter-segment eliminations	(1,360,538)	-	(1,360,538)
- Unallocated liabilities			
- Trade payables- 3rd party			45,180
- Other accruals			-
Total group liabilities			2,066,028

31 December 2013	**Speeda Shipping Co (S) Pte Ltd**	**Richfield Marine Agencies (S) Pte Ltd**	**Total**
	$	**$**	
Segment Liabilities	1,320,903	2,859,255	4,180,158
Reconciliation of segment liabilities to group liabilities			
- Inter-segment eliminations	(1,257,477)	-	(1,257,477)
- Unallocated liabilities			
- Amount owing to Directors			31,000
- Other accruals			13,400
Total group liabilities			2,967,081

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 5: OPERATING SEGMENTS (continued)

(iv) Revenue by Geographical Region

	31.12.2014	31.12.2013
	$	$
Revenue attributable to external customers, based on location of external customer:		
Singapore	3,058,763	3,340,248
China	-	44,494
Other countries	-	220,903
Total revenue	3,058,763	3,605,645

(v) Assets by Geographical Region

	31.12.2014	31.12.2013
	$	$
The location of segment assets by geographical location of the assets:		
Singapore	12,173,942	11,099,176
Australia - unallocated segment	6,869,394	6,958,009
	19,043,336	18,057,185

(vi) Major Customers

The Group has a number of customers to whom it provides shipping services. The Group services a single external customer in Richfield Marine Agencies (S) Pte Ltd segment who accounts for 34.95% of external revenue (2013: 27.55%).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 6: INCOME TAX

Current Tax	Consolidated 31.12.14 $	31.12.13 $
a) Income Tax Expense		
Current Tax	116,872	104,495
Under(over) provided in earlier years	(1,756)	(31,883)
	115,116	72,612
Deferred income tax expense included in income tax expense comprises:		
Movement in temporary differences	(4,373)	(6,379)
Under/(over) provision in prior years	-	(2,036)
	(4,373)	(8,415)
Total income tax expense	110,743	64,197
b) Numerical reconciliation of income tax expense to prima facie tax payable		
Operating profit (loss) before tax	1,572,959	1,028,922
Income tax (expense)/benefit calculated at 30%** and 17%* (2012:17%)	254,628	162,426
Tax exempt income	(133,601)	(63,081)
Non-deductible expenses	10,099	11,730
Current tax under (over) provided in earlier years	(1,756)	(31,883)
Deferred tax under (over) provided in prior years	-	(2,036)
Under (over) provision of prior year's income tax	-	-
Group relief utilized	-	-
Others	(48,107)	(41,786)
Deferred tax assets not brought to account as assets	29,480	28,827
	110,743	64,197

* - Singapore corporate tax rate
**- Australian corporate tax rate

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

Deferred tax assets not taken into account

The Company's potential future income tax benefit calculated at 30% arising from tax losses and timing differences of $98,265 (2013: $96,091) has not been recognized as a deferred tax asset because recovery of tax losses and timing differences are not probable at this juncture. This benefit for tax losses will only be obtained if:

a) assessable income is derived of a nature and of amount sufficient to enable the benefit from the deductions to be realised;
b) conditions for deductibility imposed by the law are complied with; and
c) no changes in tax legislation adversely affect the realisation of the benefit from the deductions.

NOTE 7: CASH AND CASH EQUIVALENTS

	Consolidated	
	31.12.14 $	31.12.13 $
Cash at bank and on hand	10,369,891	9,811,214
Short term and bank deposit	1,432,416	1,591,156
***Included in the Cash and Cash Equivalents figures are Audit adjustments to reflect a revaluation on exchange rates	**11,802,307**	11,402,370

For the purposes of the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following:

Cash and bank balances (as above)	11,802,307	11,402,370
Bank fixed deposits pledged to bank	783,575)	(706,675)
	11,018,732	10,695,695

NOTE 8: CURRENT RECEIVABLES

Trade Receivables:		
- related party	-	-
- third parties	333,004	700,078
Other Receivables:		
- Amount owing by related parties (non-trade) (i)	-	-
	333,004	700,078

(i) This amount is unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 8: CURRENT RECEIVABLES (continued)

Trade Debtor Aging Analysis

The following provides an aging analysis of trade debtors which are past due and impairments which have been raised:

	Total	Amount Impaired	Amount Not Impaired
2014	**$**	**$**	**$**
Consolidated Entity			
Not past due	333,004	-	333,004
Past due 30 days	-	-	-
Past due 60 days	-	-	-
Past due 90 days	-	-	-
Past due 90+ days	-	-	-
	333,004	**-**	**333,004**
2013			
Consolidated Entity			
Not past due	700,078	-	700,078
Past due 30 days	-	-	-
Past due 60 days	-	-	-
Past due 90 days	-	-	-
Past due 90+ days	-	-	-
	700,078	**-**	**700,078**

NOTE 9: OTHER CURRENT ASSETS

	Consolidated	
	31.12.14 $	31.12.13 $
Supplies inventory	-	8,924
Accrued receivable	-	-
Prepayments	-	16,689
Deposits	49,855	51,818
Income tax recoverable	-	-
GST recoverable	4,758	5,050
	54,613	82,481

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 10: AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Consolidated	
	31.12.14 $	31.12.13 $
Listed debt securities	1,010,250	-
Unquoted equity investment	-	-
	1,010,250	-

Listed debt securities are principally denominated in United States dollar and comprise the following:		
Bonds with fixed interest of 5.125% and maturity date of 16 May 2024	502,508	-
Bonds with fixed interest of 4.250% and maturity date of 09 Jun 2024	248,892	-
Bonds with fixed interest of 4.700% and maturity date of 08 Sep 2021	258,850	-
	1,010,250	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 11: PROPERTY, PLANT AND EQUIPMENT

	Office Equipment $	Furniture & Fittings $	Renovations $	EDP Equipment $	Motor Vehicles $	Total $
Consolidated						
At Cost -						
Balance at 01.01.2014	10,255	143,225	28,882	192,342	253,606	628,310
Adjustment to balance at 01.01.2014	429	5,995	1,208	8,052	10,617	26,301
Add: Additions	0	0	0	17,451	0	17,451
Less: Disposals	0	0	0	(2,210)	0	(2,210)
Balance at 31.12.2014	10,684	149,220	30,090	215,635	264,223	669,852
Less: Accumulated depreciation						
Balance at 01.01.2014	(10,255)	(84,270)	(28,882)	(140,512)	(253,606)	(517,525)
Adjustment to balance at 01.01.2014	(429)	(3,528)	(1,208)	(5,882)	(10,617)	(21,664)
Add: Additions	0	(19,484)	0	(29,172)	0	(48,656)
Less: Disposals	0	0	0	2,100	0	2,100
Foreign exchange movements	0	(1,011)	0	(1,405)	0	(2,416)
Balance at 31.12.2014	(10,684)	(108,293)	(30,090)	(174,871)	(264,223)	(588,161)
Net Book Value at 31.12.2014	**0**	**40,927**	**0**	**40,764**	**0**	**81,691**
At Cost -						
Balance at 01.01.2013	14,142	128,940	27,446	177,682	224,764	572,974
Adjustment to balance at 01.01.2013	1,815	16,546	3,522	22,800	28,842	73,525
Add: Additions	0	0	0	3,456	0	3,456
Less: Disposals	(5,702)	(2,261)	(2,086)	(11,596)	0	(21,645)
Balance at 31.12.2013	10,255	143,225	28,882	192,342	253,606	628,310
Less: Accumulated depreciation						
Balance at 01.01.2013	(14,142)	(59,255)	(18,913)	(110,575)	(168,573)	(371,458)
Adjustment to balance at 01.01.2013	(1,815)	(7,603)	(2,427)	(14,189)	(21,632)	(47,666)
Add: Additions	0	(18,427)	(9,018)	(25,612)	(59,386)	(112,443)
Less: Disposals	5,341	2,118	1,954	10,861	0	20,274
Foreign exchange movements	361	(1,103)	(478)	(997)	(4,015)	(6,232)
Balance at 31.12.2013	(10,255)	(84,270)	(28,882)	(140,512)	(253,606)	(517,525)
Net Book Value at 31.12.2013	**0**	**58,955**	**0**	**51,830**	**0**	**110,785**

Aggregate depreciation allocated during the year is recognised as an expense and disclosed in Note 2 to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 12: INTANGIBLES

	Consolidated 31.12.14 $	Consolidated 31.12.13 $
Intangibles		
Consideration paid for investment in subsidiary	9,245,220	9,245,220
Net assets acquired in *Richfield Marine Agencies (S) Pte Ltd* (incorporated in Singapore)	(3,483,749)	(3,483,749)
Goodwill	5,761,471	5,761,471

Goodwill Impairment Test

Goodwill is stated at cost less any accumulated impairment losses and is subjected to annual impairment test.

Goodwill is allocated to the Company's cash generating units "CGUs" which are based on the Group's reporting segments. The Company tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The global shipping sector is still adversely affected by the effects of the global uncertainties mainly created by the ongoing European debt crisis and the slow recovery of US economy in the form of reduced revenues and profitability. As these uncertainties continued to have detrimental impacts on Richfield Group's operations, the Company determined that a triggering event had occurred and performed a goodwill impairment test at balance date.

In accordance with Australian Accounting Standard AASB 136, "Impairment of Assets", the Company performed its goodwill impairment test by comparing the recoverable amount of each CGU with its carrying amount. The recoverable amount of a CGU was determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a five year period including a terminal value.

Assumptions Applied in Value-In-Use Conditions

(i) Revenue Growth Rates

In making the assessment for the consolidated entity's CGUs, a growth rate based on internal forecasts was applied to operating cash flows over the 5 year assessment period in the following manner:

Year	RMA	Speeda
2015:	Nil	Nil
2016:	3% p.a.	<No budgeted cash flows>
2017:	3% p.a.	<No budgeted cash flows>
2018:	3% p.a.	<No budgeted cash flows>
2019:	3% p.a.	<No budgeted cash flows>

There is no cash flow budget for Speeda from 2014 onwards as management has decided for this business unit of the group to lay dormant from Jun'13 until market conditions improve for containerized shipping.

The Directors consider the above growth rates to be ultra-conservative as there is an expectation of a rebound in the global shipping sector over the next five years. The yearly increments were based on the yearly average growth rate over 5 years (from 2015 to 2019).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 12: INTANGIBLES (continued)

Commentary regarding actual full year performance compared to internal forecast as at 31 Dec 2014

The actual full year performance for both RMA and Speeda are consistent with the internal forecast.

The actual total revenue for both RMA and Speeda is $3,071K compared to forecast of $3,086K. Of which $3,059 (forecast: $3,082K) from RMA and $12K (forecast: $5K) from Speeda.

The actual total cost of services for both RMA and Speeda is $380K (forecast: $308K). Of which $380K (forecast: $308K) for RMA and $75 (forecast: $0) for Speeda.

The actual gross margin for RMA is $2,733K (89.37%) and for Speeda is $12K (99.36%) as compared to forecast of $2,774K (90.00%) and $4K (90.02%) respectively.

The actual overall gross margin for both RMA and Speeda is 89.8% as compared to forecast of 90.0%.

The actual results are consistent with the internal forecast of performance.

Hence, based on actual results for 2014, the Directors are confident the budgeted cash flow for 2015 to 2019, which were projected to grow at an annual growth rate of 3% for RMA, is reasonable and achievable.

(ii) Discount Rate

The 5 year cash flow projections were discounted at a pre-tax rate of 15% which took into consideration the following:-

- As the consolidated entity's underlying CGUs reside in Singapore, a risk free rate of 1.625% being the coupon rate of a 5 year Singapore Government Bond has been adopted;
- Risk premium rate of about 13% to reflect both the long term Australian equity market and company specific risk premiums.

(iii) Terminal Value

As noted below, a theoretical year 5 terminal value in respect of the CGUs was then determined to equate the discounted cash flow to the current carrying value of goodwill. The theoretical terminal value was then considered in term of reasonableness.

Cash Generating Units	Goodwill as at 31 December 2014 $'000s	Theoretical terminal value required to attain breakeven $'000s	Net cash inflow forecast (EBIT) at end of Year 5 $'000s
RMA	5,761	512	1,522
Speeda	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 12: INTANGIBLES (continued)

Under AASB 136 "Impairment of Assets", the terminal value is an estimate of net cash flows to be received for the disposal of an asset at the end of its useful life and shall be the amount that an entity expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties.

In order to attain a breakeven position for its goodwill balance, the theoretical terminal value required is approximately at $0.512 million. This represents an earnings multiple of around 0.34 times the net cash inflow (EBIT) forecast of RMA for the end of Year 5 of $1.522 million. And if Speeda is included, the earnings multiple would be around 0.34 times.

Even under such conservative estimates, there is no shortfall/impairment of goodwill; the breakeven position is immediately achievable upon the disposal of the business. It would be useful to note that the Directors believe that similar businesses would typically be valued at an earnings multiple of somewhere between 3 to 5 times.

Impairment Conclusion

Based on the above value-in-use calculations and after factoring in a theoretical terminal value, no impairment has been recognised.

Sensitivity To Changes In Assumptions

Richfield Marine Agencies (RMA) Cash Generating Unit

(i) Revenue Growth Assumption Revised Downwards

If the revenues used in the value-in-use calculation for this CGU had decreased by 10% in Year 1 and then remained constant with no further growth applied for Year 2 to 5, the RMA's 5 year forecast net present value would reduce to $3.561 million. To attain breakeven position, the theoretical terminal value at the end of Year 5 would have to be $2.200 million. Based on the revised net cash inflow for Year 5 of $0.877 million, this would imply an earnings multiple of 2.51 times.

No impairment of goodwill arises as the earnings multiple remains under 5 times.

Cash Generating Units	Revised Revenue Growth Rate	Goodwill as at 31 Dec 2014	Revised Net Present Value	Revised Theoretical Terminal Value required to attain breakeven	Revised net cash inflow forecast (EBIT) for Year 5	Revised earnings Multiple
	%	$'000s	$'000s	$'000s	$'000s	
RMA	Yr 1: -10% Yr 2-5: nil	5,761	3,561	2,200	877	2.51

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 12: INTANGIBLES (continued)

(ii) Discount Rate Assumption Revised Upwards

It the estimated pre-tax discount rate for this CGU had been 1% higher than management's estimates (i.e. 16% instead of 15%), the RMA's 5 year forecast net present value would reduce to $5.167 million. To attain breakeven position, the theoretical terminal value at the end of Year 5 would have to be $0.594 million. Based on the revised net cash inflow for Year 5 of $1.522 million, this would imply an earnings multiple of 0.39 times.

No impairment of goodwill arises as the earnings multiple remains under 5 times.

Cash Generating Units	**Revised Discount Rate %**	**Goodwill as at 31 Dec 2014 $'000s**	**Revised Net Present Value $'000s**	**Revised Theoretical Terminal Value required to attain breakeven $'000s**	**Revised net cash inflow forecast (EBIT) for Year 5 $'000s**	**Revised earnings Multiple**
RMA	16	5,761	5,167	594	1,522	0.39

NOTE 13: CURRENT PAYABLES

	Consolidated	
	31.12.14 $	**31.12.13 $**
Trade Payables:		
- third parties	1,792,862	2,493,989
Other Payables:		
Amount owing to related parties (non-trade) (i)	-	-
Amount owing to subsidiary (non-trade) (ii)	-	-
Amount owing to directors (iii)	-	199,434
Other accruals for operating expenses	136,333	144,350
	1,929,195	2,837,773

(i) This amount is unsecured, interest free and repayable on demand.
(ii) This amount is interest free and has no fixed term of repayment.
(iii) This amount is unsecured, interest free and repayable on demand.

NOTE 14: INTEREST-BEARING LIABILITIES

As at 31 December 2014, the Consolidated Entity had no interest bearing liabilities (2013: NIL).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 15: COMMITMENTS

(a) Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follow:

	Consolidated	
	31.12.14 **$**	**31.12.13** **$**
Fixed assets	-	-

(b) Operating lease commitments

The Group leases office premises from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights. The future minimum lease payables under non-cancelable operating leases contracted for at the end of the reporting period but not recognised as liabilities are as follows:

	Consolidated	
	31.12.14 **$**	**31.12.13** **$**
Not later than 1 year	194,999	187,164
Later than 1 year but not later than 5 years	194,999	374,328
Later than 5 years	-	-
	389,998	561,492

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 16: CONTRIBUTED EQUITY

	Consolidated			
	31.12.14		31.12.13	
	No.	$	No.	$
Fully Paid Ordinary Share Capital:				
Balance at beginning of year	62,896,810	10,693,287	62,896,810	10,693,287
Add: Issued during the year	-	-	-	-
Add: Conversion of options to shares	-	-	-	-
Total shares on issue at end of year	62,896,810	10,693,287	62,896,810	10,693,287
Less: Share issue expenses	-	-	-	-
Balance at end of year	62,896,810	10,693,287	62,896,810	10,693,287

Fully Paid Ordinary Share Capital

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

During the year ended 31 December 2014, the Company did not issue any shares or options.

Share Options

During the year, no options were issued or converted to shares (2013: NIL).

Capital Management

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

The Group monitors the adequacy of capital by analysing short to medium term cash flow forecasts for each of its operating segments.

Appropriate capital levels are maintained to ensure that all approved expenditures are adequately funded. This funding is derived from an appropriate combination of existing working capital and equity. As noted below, the Group's gearing ratio is nil as it has no debt.

The gearing ratio is calculated as net debt divided by total capital. Net debt is defined as interest bearing liabilities less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

	2014	2013
Gearing ratio	nil	nil

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 17: FINANCIAL RISK MANAGEMENT

Overview

The Company and its subsidiaries ("Company") have exposure to the following risks from their use of financial instruments:

a) market risk
b) liquidity risk
c) credit risk
d) fair value

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board is also responsible for developing and monitoring risk management policies.

The Company's principal financial instruments comprise cash, short-term deposits, loans to and from subsidiaries and listed debt investment securities. The main purpose of these non-derivative financial instruments is to provide working capital for the Company's operations.

The Company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations and through the negotiation of trading terms with customers and suppliers.

It is, and has been throughout the period under review, the Company's policy that no speculative trading in derivative instruments shall be undertaken.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 17: FINANCIAL RISK MANAGEMENT (continued)

The main risks arising from the Company's financial instruments are market risk (which includes interest rate risk and foreign currency risk), liquidity risk and credit risk. The Board reviews and agrees on policies for managing each of these risks and they are summarized below:

a) Market Risk

Interest Rate Risk

The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

31.12.14	**Average Interest Rate %**	**Variable Interest Rate $**	**Non-Interest Bearing $**	**Total $**
Financial Assets				
Cash and cash equivalents	2.35%	10,360,387	9,504	10,369,891
Deposits	1.11%	1,432,416	-	1,432,416
Receivables	-	-	333,004	333,004
Available for sale financial assets	3.31%	1,010,250	-	1,010,250
		12,803,053	342,508	13,145,561
Financial Liabilities				
Accounts Payable	-	-	1,929,195	1,929,195
Interest Bearing Liabilities	-	-	-	-
Other Financial Liabilities	-	-	-	-
		-	1,929,195	1,929,195
31.12.13				
Financial Assets				
Cash and cash equivalents	1.02%	1,336,969	9,005,519	10,342,488
Deposits	0.41%	1,059,882	-	1,059,882
Receivables	23.00%	-	700,078	700,078
Available for sale financial assets	6.50%	-	-	-
		2,396,851	9,705,597	12,102,448
Financial Liabilities				
Accounts Payable	-	-	2,837,773	2,837,773
Interest Bearing Liabilities	-	-	-	-
Other Financial Liabilities	-	-	-	-
		-	2,837,773	2,837,773

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 17: FINANCIAL RISK MANAGEMENT (continued)

Interest Rate Risk – Sensitivity Analysis

The following sensitivity analysis is based on the interest rate risk exposures in existence at the balance sheet date. The 0.5% sensitivity is based on reasonably possible changes, over a financial year, using an observed range of historical Australian short term deposit rate movements over three years.

In the year to 31 December 2014, if interest rates had moved, as illustrated in the table below, with all other variables held constant, the post tax result relating to financial assets and liabilities of the Company would have been affected as follows:

	Consolidated	
	2014	2013
	$	$
Judgments of reasonably possible movements:		
Post tax profit - higher/(lower)		
+0.5% per annum	54,073	10,932
-0.5% per annum	(54,073)	(10,932)
Equity - higher/(lower)		
+0.5% per annum	54,073	10,932
-0.5% per annum	(54,073)	(10,932)

There would have been no impact on equity (reserves) from movements in interest rates relating to financial assets and liabilities of the Company.

The Board of Directors' objective is to earn the highest rate of interest on deposits with minimum risk. The policy therefore is to place deposits with recognised banks which offer the highest variable rates.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 17: FINANCIAL RISK MANAGEMENT (continued)

Foreign Currency Risk

As a consequence of the Company's subsidiaries in Singapore and the currency of the net investment in the subsidiaries being denominated in Singapore dollars (SGD), the Company's Statement of Financial Position can be affected significantly by movements in the SGD/AUD exchange rates. The Company does not hedge this exposure. The Company may hedge against future foreign currency risk when considered appropriate.

The Company receives and makes payment for shipping related services in USD. Conversion at spot rates to SGD is used on receipt and payment of funds. The Company manages USD accounts and therefore there is a natural hedge for all imported and exported USD transactions.

	Consolidated	
	2014	2013
	$	$
Financial Assets		
Cash and cash equivalents		
Singapore Dollar	198,808	170,616
United States Dollar	10,251,012	9,546,827
Chinese Yuan Renminbi	-	-
	10,449,820	9,717,443
Trade and other receivables		
Singapore Dollar	52,532	73,260
United States Dollar	333,004	700,078
	385,536	773,338
Other financial assets		
Singapore Dollar	-	-
Chinese Yuan Renminbi	-	-
	-	-
Available-for-sale assets		
United States Dollar	757,061	-
	757,061	-
Total financial assets exposure	**11,592,417**	**10,490,781**
Financial Liabilities		
Payable		
Singapore Dollar	909,296	1,470,009
United States Dollar	838,385	1,323,363
Total financial liabilities exposure	**1,747,681**	**2,793,372**
Net exposure	**9,844,736**	**7,697,409**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 17: FINANCIAL RISK MANAGEMENT (continued)

Foreign Currency Risk (continued)

The following sensitivity analysis is based on the foreign currency risk exposure in existence at the balance sheet date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in foreign exchange movements during the year.

In the year to 31 December 2014, if the Australian Dollar had moved, as illustrated in the table below, with all other variables held constant, the results after tax relating to financial assets would have been affected as shown below.

	Consolidated	
	2014	2013
	$	$
Probability of possible movements after tax:		
Change in profit		
+10% per annum	(991,226)	(705,545)
-10% per annum	644,494	512,554
Change in equity		
+10% per annum	(991,226)	(705,545)
-10% per annum	644,494	512,554

b) Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of its cash and funding alternatives.

The Company manages liquidity risk by maintaining adequate banking and borrowing facilities through the monitoring of future rolling cash flow forecasts of its operations, which reflect management's expectations of the settlement of financial assets and liabilities.

The following table discloses maturity analysis of financial assets and liabilities based on management expectations:

	<=6 months	**6-12 months**	**1-5 years**	**Total**
Consolidated	**$**	**$**	**$**	**$**
Financial Assets				
Cash and cash equivalents	11,018,732	783,575	-	11,802,307
Trade and other receivables	333,004	-	-	333,004
Other financial assets	-	-	-	-
Available-for-sale assets	1,010,250	-	-	1,010,250
	12,361,986	783,575	-	13,145,561
Financial Liabilities				
Payables	1,929,195	-	-	1,929,195
Net exposure	**10,432,791**	**783,575**	**-**	**11,216,366**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 17: FINANCIAL RISK MANAGEMENT (continued)

c) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Credit risk arises from the financial assets of the Company, which comprise cash and cash equivalents, trade and other receivables and other financial assets. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Company's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained. Exposure at balance date is addressed in each applicable note.

The Company does not hold any credit derivatives to offset its credit exposure.

The Company trades only with creditworthy third parties and has adopted a policy of dealing with creditworthy counterparts. Comprehensive credit checks are part of evaluating third parties.

Receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Company's maximum exposure to credit risk.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 17: FINANCIAL RISK MANAGEMENT (continued)

d) Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1	Level 2	Level 3	Total
Consolidated – Year 2014	$	$	$	$
Assets				
Financial assets, available-for-sale				
--- Debt securities	1,010,250	-	-	-
Total assets	1,010,250	-	-	-
Consolidated – Year 2013				
Assets				
Financial assets, available-for-sale				
--- Debt securities	-	-	-	-
Total assets	-	-	-	-

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at the end of the reporting period, excluding transaction costs.

There were no assets or liabilities measured at fair value in Level 3 fair value measurements in the period. There were no transfers between Level 1 and Level 2 during the financial year ended 31 December 2014.

NOTE 18: CONTROLLED ENTITIES

Name of Entity	Principal Activity	Country of Incorporation	Ownership Interest %
Parent Entity			
Richfield International Limited	Investment	Australia	
Controlled Entities			
Richfield Marine Agencies (S) Pte Ltd	Shipping services	Singapore	100
Speeda Shipping Company (S) Pte Ltd	Container traffic operator	Singapore	100

Richfield Marine Agencies (S) Pte Ltd is a wholly owned subsidiary of *Richfield International Ltd*. Speeda Shipping Company (S) Pte Ltd is a wholly owned subsidiary of *Richfield Marine Agencies (S) Pte Ltd*.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 19: NOTES TO CASH FLOW STATEMENT

		Consolidated	
		31.12.14	31.12.13
		$	$
a)	Reconciliation of Cash		
	For the purposes of the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following:		
	Cash and bank balances	11,802,307	11,402,370
	Bank fixed deposits pledged to bank	(783,575)	(706,675)
		11,018,732	10,695,695
b)	Reconciliation of Operating Profit/ (Loss) After Income Tax to Net Cash Flows From Operating Activities		
	Operating profit/(loss) after income tax	1,462,216	964,725
	Non Cash Activities:		
	Exchange Rate Adjustments	221,608	1,039,421
	Depreciation and amortization of non-current assets	48,656	112,442
	Changes in net assets and liabilities, net of effects from acquisition and disposal of businesses:		
	(Increase)/decrease in assets:		
	Current receivables	367,074	403,166
	Other current assets	27,868	173,306
	Current trade payables	(908,578)	(965,990)
	Income tax payable	11,384	19,742
	Deferred Taxes Payable	(3,859)	0
	Net cash from operating activities	1,226,369	1,746,812

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 20: EARNINGS PER SHARE

	Consolidated Cents per share	
	31.12.14 $	31.12.13 $
Reconciliation of earnings used in the calculation of earnings per share		
Profit/(loss) for the year	1,462,216	964,725
Earnings/(loss) used in the calculation of basic earnings per share	1,462.216	964,725
Reconciliation of weighted average numbers of ordinary shares used in the calculation of earnings per share		
	31.12.14 Number	31.12.13 Number
Weighted average number of ordinary shares	62,896,810	62,896,810
Weighted average number of options outstanding	-	-
Weighted average number of shares used in the calculation of dilutive earnings per share	62,896,810	62,896,810

Classification of securities

The following items have been classified as securities. Potential ordinary shares are included in determination of dilutive EPS: options outstanding, conversion, call, subscription or issues after 31 December 2010.

NOTE 21: RELATED PARTY DISCLOSURES

(a) Equity interests in related parties

Equity interests in Controlled Entities

Details of the percentage of ordinary shares held in controlled entities are disclosed in Note 18 to the financial statements.

(b) Directors' Remuneration

Details of directors' remuneration and retirement benefits are disclosed in Note 22.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 21: RELATED PARTY DISCLOSURES (continued)

(c) Directors' Equity Holdings

	Company	
	31.12.14 $	31.12.13 $
Ordinary Shares		
Issued to directors and their director-related entities by Richfield International Ltd:		
During the financial year	-	-
Subsequent to year end	-	-
Held as at the date of this report by directors and their director-related entities in:		
Richfield International Ltd	24,304,400	24,304,400
Options		
Issued to directors and their director-related entities by Richfield International Ltd:		
During the financial year	-	-
Subsequent to year end	-	-
Held as at the date of this report by directors and their director-related entities in:		
Richfield International Ltd	-	-

(d) Transactions Within the Wholly-Owned Group

All transactions that occurred during the financial period between entities in the wholly-owned group were eliminated on consolidation.

(e) Transactions With Other Related Parties

As detailed in Note 13, there are no amounts payable to the Directors. These amounts are unsecured, interest-free and repayable on demand.

(f) Controlling Entities

The parent entity in the economic entity is Richfield International Limited.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 22: DIRECTORS' AND EXECUTIVES' REMUNERATION

The Directors of Richfield International Ltd during the year:

- Steven Pynt (Non-Executive Chairman)
- Chak Chew Tan (Managing Director)
- Jennifer Lim (Executive Director)
- Andrew Phillips (Non-Executive Director)
- Jwee Phuan Ng (Non-Executive Director)

The following table discloses the remuneration of each director and other key management personnel of the company for the year ended 31 December 2014:

	Short-term Benefits		Post-employment Benefits	Long-term Benefits	Total
	Salaries/Fees	Benefits	Superannuation/CPF	LSL	
Name	**$**	**$**	**$**	**$**	**$**
Executive					
C.C. Tan	230,395	-	11,235	-	241,630
Jennifer Lim	105,679	21,005	12,223	-	138,907
Non-Executive					
Steven Pynt	18,000	-	-	-	18,000
Andrew Phillips	7,000	-	-	-	7,000
Jwee Phuan Ng	6,000	-	-	-	6,000
Total	**367,074**	**21,005**	**23,458**	**-**	**411,537**

31 December 2013

	Short-term Benefits		Post-employment Benefits	Long-term Benefits	Total
	Salaries/Fees	Benefits	Superannuation/CPF	LSL	
Name	**$**	**$**	**$**	**$**	**$**
Executive					
C.C. Tan	200,513	-	10,020	-	210,533
Jennifer Lim	82,565	-	10,628	-	93,193
Non-Executive					
Steven Pynt	18,000	-	-	-	18,000
Andrew Phillips	6,000	-	-	-	6,000
Jwee Phuan Ng	6,000	-	-	-	6,000
Total	**313,078**	**-**	**20,648**	**-**	**333,726**

	Consolidated 31.12.14 $	Consolidated 31.12.13 $
The aggregate of income paid or payable, or otherwise made available, in respect of the financial year, to all directors and executives of the company, directly or indirectly, by the company or by any related party	411,537	333,726
The aggregate of income paid or payable, or otherwise made available, in respect of the financial year, to all directors and executives of each entity in the economic entity, directly or indirectly, by the entities in which they are directors or by any related party	411,537	333,726

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 23: AUDITORS' REMUNERATION

	Consolidated	
	31.12.14	31.12.13
	$	$
Remuneration of the auditor of the parent entity for:		
(i) auditing or reviewing the financial report		
- Auditor	19,100	18,550
- Under provision for prior years	-	-
(ii) other services	-	-
	19,100	**18,550**
Remuneration of other auditors of subsidiaries for:		
(i) auditing or reviewing the financial report of subsidiaries	9,339	10,409
(ii) other services	-	-
	9,339	**10,409**

NOTE 24: SUBSEQUENT EVENTS

There have not been any other matters or circumstances that have arisen since the end of the period that have significantly affected, or may significantly affects, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

NOTE 25: CONTINGENT LIABILITIES

Subsidiary of Richfield International Limited has provided bank guarantees in the amount of $517,420 to its supplier. There are no other contingent liabilities as at 31 December 2014.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 26: PARENT ENTITY FINANCIAL INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards.

(a) Summary Financial Information

	Company	
STATEMENT OF FINANCIAL POSITION	**31.12.14 $**	**31.12.13 $**
Current assets	1,107,923	1,196,538
Total assets	10,353,143	10,441,758
Current liabilities	576,286	566,635
Total liabilities	576,286	566,635
Equity		
Issue capital	10,693,287	10,693,287
Accumulated losses	(916,430)	(818,164)
	9,776,857	9,875,123
STATEMENT OF COMPREHENSIVE INCOME		
Profit/(loss) for the year	(98,266)	(96,091)
Total comprehensive income/(loss)	(98,266)	(96,091)

(b) Contractual Commitments

As at 31 December 2014, the parent entity has no contractual commitments for the acquisition of property, plant or equipment.

(c) Guarantees and Contingent Liabilities

As at 31 December 2014, the parent entity has no guarantees or contingent liabilities.

NOTE 27: RESERVES

(a) Foreign Currency Translation Reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(b) Asset Revaluation Reserve

This reserve is used to record the increases and decreases in the fair value of available-for-sale investments.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes, as set out pages 24 to 70 are in accordance with the *Corporations Act 2001* and:

    a. comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and

    b. give a true and fair view of the financial position as at 31 December 2014 and of the performance for the year ended on that date of the company and consolidated group;

2. the Managing Director and acting Chief Finance Officer have each declared that:

    a. the financial records of the company for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001*;

    b. the financial statements and notes for the financial year comply with Accounting Standards; and

    c. the financial statements and notes for the financial year give a true and fair view;

3. in the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors

Steven Pynt
Chairman

PERTH, WA
Dated: 09th March 2015

MOORE STEPHENS
ACCOUNTANTS & ADVISORS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RICHFIELD INTERNATIONAL LIMITED AND ITS CONTROLLED ENTITIES

Report on the Financial Report

We have audited the accompanying financial report of Richfield International Limited (the company) which comprises the consolidated statement of financial position as at 31 December 2014, the 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 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

Independence

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

MOORE STEPHENS
ACCOUNTANTS & ADVISORS

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Auditor's Opinion

In our opinion:

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

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

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

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

Report on the Remuneration Report

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

Auditor's Opinion
In our opinion the remuneration report of Richfield International Limited for the year ended 31 December 2014 complies with s 300A of the *Corporations Act 2001*.

Neil Pace

Moore Stephens

Neil Pace
Partner

Moore Stephens
Chartered Accountants

Signed at Perth this 09th day of March 2015.

Additional Stock Exchange Information

Additional information required by Australian Stock Exchange Limited and not shown elsewhere in this report as follows.

The information is made up to 23 February 2015.

1. Substantial Shareholder

The names of the substantial shareholders listed in the company's register are:

Shareholder	Shares	%
Chak Chew Tan	23,113,050	36.75
Grand Orient Capital Co Ltd	11,500,000	18.28
Sinotrans Investment Co Ltd	11,000,000	17.49
Ozitools (Australia) Pty Ltd	6,339,083	10.08

2. Distribution of Shareholders

Range of Holding	Shareholders	Number of Ordinary Shares	%
1 – 1,000	691	109,191	0.174
1,001 – 5,000	90	231,670	0.368
5,001 – 10,000	117	1,137,018	1.808
10,001 – 100,000	125	4,179,185	6.645
100,001 – and over	24	57,239,746	91.006
	1,047	62,896,810	100.000

Based on the closing price of $0.115 as at 23 February 2015 published by the Australian Securities Exchange, the number of shareholders with less than a marketable parcel is 757, holding in total 231,827 shares.

3. Voting Rights - Shares

All ordinary shares issued by Richfield International Ltd carry one vote per share without restriction.

4. Restricted Securities

Shares

Number of Shares free of escrow	62,896,810
Number of Shares subject to escrow	-
	62,896,810

Additional Stock Exchange Information (continued)

5. Twenty Largest Shareholders

The names of the twenty largest shareholders of the company's ordinary shares are:

Name	Number of ordinary fully paid shares	% held of issued ordinary capital
1. Chak Chew Tan	23,113,050	36.74
2. Grand Orient Capital Co Ltd	11,500,000	18.28
3. Sinotrans Investment Co Ltd	11,000,000	17.49
4. Ozitools (Australia) Pty Limited	6,339,083	10.08
5. Pek San Lam	758,954	1.21
6. Poh Choo Lim	613,050	0.97
7. Mdm Soi Koon Tan	492,833	0.78
8. MOYE PC Investments Pty Ltd <PCM Superannuation Fund A/c>	380,191	0.60
9. Guo Jin Bai	299,287	0.48
10. Miss Yen Yen Tan	286,500	0.46
11. Mr Tan Chak Chew	268,500	0.43
12. Mdm Lim Poh Choo	268,500	0.43
13. Eastern Investment Limited	268,500	0.43
14. Hai Gang Sun	250,000	0.40
15. South East Asia Resources Limited	186,480	0.30
16. Mr Mathew Shane Hamilton	170,000	0.27
17. DMG & Partners Securities Pte Ltd <Clients A/c>	162,625	0.26
18. Mr Gordon James McMillan	150,000	0.24
19. GA & AM Leaver Investments Pty Ltd <GA & AM Leaver S/Fund A/c>	147,665	0.23
20. Mr Matthew Charles Peek	135,850	0.22
	56,791,068	90.30