Annual Report 2015

ABN 70 009 203 203
www.medtechglobal.com

Corporate Directory

Directors

Mr Vino Ramayah (CEO, Executive Chairman)

Mr Russell Clarke (Executive Director until 30th September 2014 and Non- Executive Director thereafter)

Mr Darryl Stuart (Non-Executive Director)

Mr Michael Gaylard (Non-Executive Director)

Mr Ross Tanner (Non-Executive Director until 28th February 2015 and Executive Director thereafter)

Company Secretary

Mr Michael Gaylard

Registered Office

Level 2
180 Albert Road
South Melbourne
VIC 3205
Australia

Telephone:	(03) 9690 8666
Facsimile:	(03) 9690 8010
Website:	www.medtechglobal.com

Share Registry

Advanced Share Registry
110 Stirling Highway
Nedlands
WA 6009
Australia

Telephone:	(08) 9389 8033
Facsimile:	(08) 9389 7871

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

HIGHLIGHTS

19.52 Million

Annual Revenue

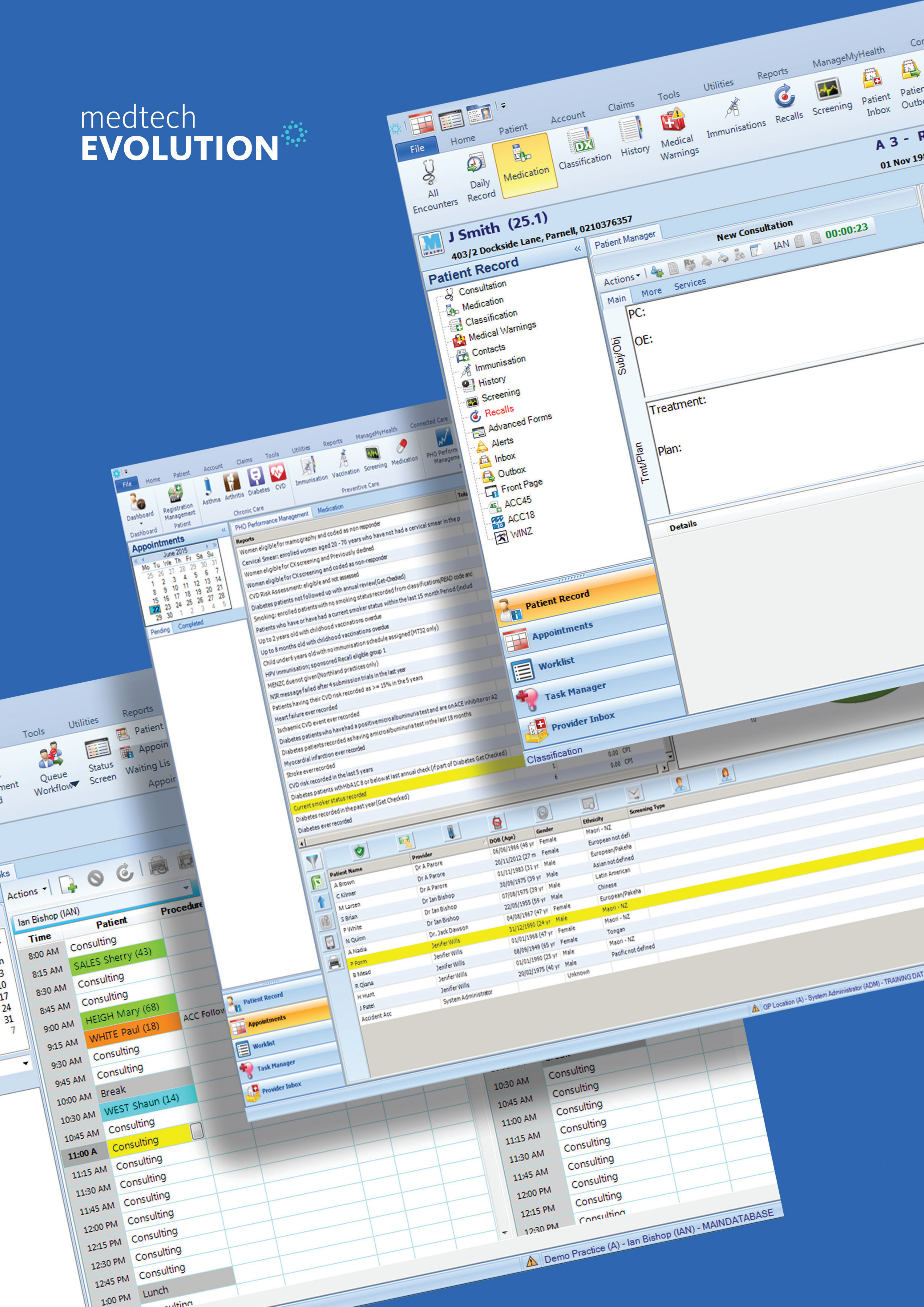
70%

Recurring Licensing Revenue

26.4%

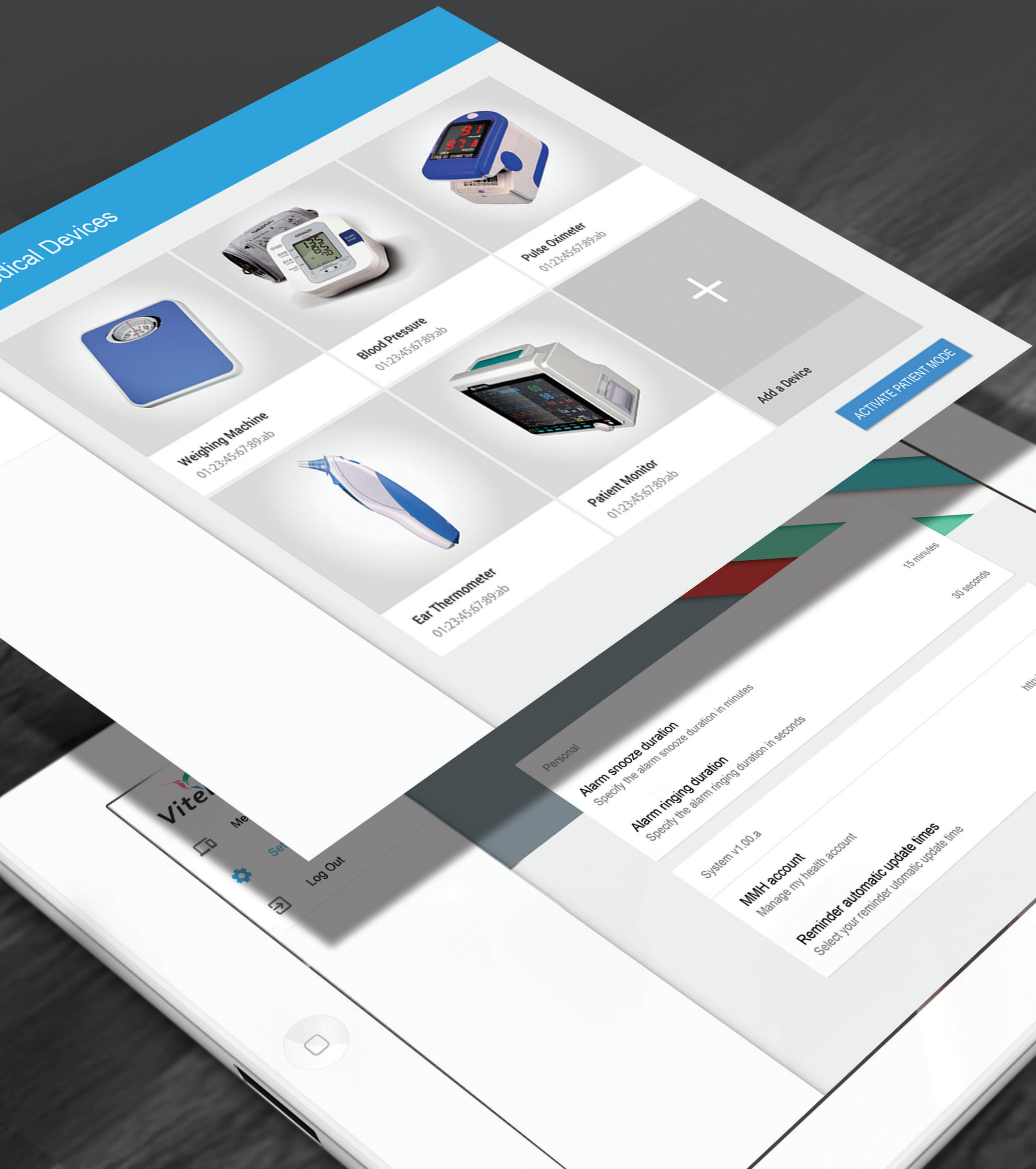
Revenue CAGR
(Compound Annual Growth Rate for 3 Years)

medtech
EVOLUTION



MANAGE MY HEALTH

VitelMed



dical Devices
Weighing Machine
01:23:45:67:89:ab
Blood Pressure
01:23:45:67:89:ab
Pulse Oximeter
01:23:45:67:89:ab
Add a Device
ACTIVATE PATIENT MODE
Patient Monitor
01:23:45:67:89:ab
Ear Thermometer
01:23:45:67:89:ab
Personal
Alarm snooze duration
Specify the alarm snooze duration in minutes
15 minutes
Alarm ringing duration
Specify the alarm ringing duration in seconds
30 seconds
System v1.00.a
MMH account
Manage my health account
Reminder automatic update times
Select your reminder utomatic update time
Log Out

medtech Patient Kiosk

Global Operations

Australia | India | New Zealand | USA

YEAR IN REVIEW

Review of Operations

Financial Position

Key elements of the result are:

- Revenue increased by 17%
- Profit/ (Loss) before Interest, Tax, depreciation, amortisation and impairment - EBITDA decreased by 30%
- Loss attributable to members decreased by 60%. This is mainly due to the reduction in charge for Impairment of Intangibles.

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

A$000's	2015	2014
Revenue	19,523	16,649
EBITDA	**1,510**	**2,143**
Depreciation	**(561)**	(242)
EBITA	**949**	**1,901**
Net Interest	(43)	(20)
Amortisation of intangibles	(2,674)	(988)
Impairment of intangibles	(72)	(4,156)
Income Tax Expense	(159)	(872)
Profit/(loss) for the year after tax	**(1,999)**	**(4,135)**
Attributable to non-controlling interests	224	(317)
Profit/(loss) attributable to members	**(1,775)**	**(4,452)**

Overview

Healthcare expenditure around the world remains a significant issue in all countries. With the changes in demographics, new technologies, customer expectation and tight budgets, governments are under pressure to reduce costs and increase efficiencies without comprising patient outcomes. These environments create both significant challenges as well as opportunities for us. Medtech once regarded as a single solution provider, has over the years, transformed itself to a comprehensive solution provider.

Key Achievements during this year:

1. Successful implementation of Medtech Evolution at one of the largest groups of GP practices in New Zealand with over 400 users.
2. One of the first healthcare IT companies in Australia and New Zealand to be certified for ISO/IEC 27001-13, the internationally recognised standard of best practice in Information Security Management Systems (ISMS).
3. Further grant of A$1.5 million covering an 18 months period awarded for validating the Health Market Validation Programme, a project for monitoring the health of patients with chronic heart failure. This is an initiative by the government of Victoria, Australia.
4. Launch of Smartcards for patients as part of the ManageMyHealth product suite at the AIIMES Institute in New Delhi, India. AIIMES is one of the leading trauma institutes in India.

Regional Segmentation

A$000's	2015	2014
Revenue		
New Zealand and Others	10,503	8,645
Australia	4,855	2,365
United States of America	4,165	5,639
Total	**19,523**	**16,649**
EBITDA		
New Zealand and Others	533	659
Australia	1,625	731
United States of America	(648)	1,065
Inter–Segment Elimination	-	(312)
Total	**1,510**	**2,143**

A. Australia

The further grant that we received for the Market Validation Programme was a confirmation that our technology stack is a robust solution for bridging the gap between primary and secondary healthcare by maintaining a continuum of care using universal technology. We will be launching an enhanced version of Medtech32 and ManageMyHealth. Our current customer base will be the initial focus of that roll-out.

B. New Zealand and Others

B.1 New Zealand

The last six months has seen the Evolution product being implemented in the NZ market. One of the first few practices to go live was the Nirvana Group, one of the largest groups of general practices in NZ. Feedback from customers has been very favourable and the interest in moving to this new application continues to grow.

Usage of the ManageMyHealth suite of products is also growing with the initiatives that we continued to be involved with. We renewed the contract with Ministry of Health for the Beating the Blues programme.

We have also established an office in Wellington. This will provide for better engagement with key personnel in the healthcare sector.

B.2 Others - India

We believe in the strategy that we have adopted in India and continue to see it as a significant and important market for our growth strategy. We remain optimistic for this market and persist with the strategy of digitisation of health records as a first step to gaining a relationship with the customer. We currently service over 15 hospitals in India which include some of the largest healthcare groups in the country.

C. United States of America

Our focus remains on establishing referenceability through our continuing pilot programs. We have amended the solution that we had initially provided with a more robust and integrated platform of our ManageMyHealth solution and the Vitelmed platform.

Outlook

We are well positioned in the markets we operate in and confident that we will achieve our objectives and continue to deliver positive growth and sustainability as a globally competitive company.

To achieve growth in New Zealand, our focus will continue to be the roll out of Evolution to our existing customers. We will also concentrate efforts on implementing our patient portal ManageMyHealth through the primary health care market. Concurrently we are looking to grow further into the Specialists and Allied markets.

In Australia, our focus will be on corporate health groups as well as Aboriginal health. We are gaining traction with our ManageMyHealth solution and see significant opportunities in this area. We are working to also increase our deployment of MD Analyse tool.

In the US, we see the potential of our Vitelmed solution gaining a strong foot-hold in the area of reducing hospital readmissions.

In India, we continue our journey in the area of digitisation of the medical records along with our telehealth solution as a panacea for the challenges of rural health.

Medtech Global Limited will continue to invest in new technological platforms that advance the healthcare system globally. The company will continue to develop its Evolution and ManageMyHealth products and to continue to develop its markets in New Zealand, Australia, India and the USA for all of the companies products.

Medtech will assess future opportunities to expand its computer software and operations in these countries. The company, when it needs to develop new software and test it before its release, notes that sometimes with commercialisation there is always a risk that software development timetables will be delayed which will have an adverse effect on future revenue should this occur.

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

Vino Ramayah

Executive Chairman

Melbourne, 24 June 2015

Directors' Report

The directors of Medtech Global Limited submit their Directors' Report accompanied by the financial report of Medtech Global Limited and its controlled entities for the financial year ended 31 March 2015. In order to comply with the provisions of the *Corporations Act 2001*, the directors report the following:

Directors

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

Mr Vino Ramayah

Executive Chairman, age 62

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

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Russell Clarke

Executive Director until 30th September 2014 and Non-Executive Director thereafter, **age 63**

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

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Darryl Stuart

Non-Executive Director, age 57

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

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Michael Gaylard

Non-Executive Director and Company Secretary, age 70

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

Other Current Directorships

None

Former Directorships in the last 3 years

None

Mr Ross Tanner

Non-Executive Director until 28th February 2015 and Executive Director thereafter**, age 65**

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

Other Current Directorships

None

Former Directorships in the last 3 years

None

Committee Membership

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

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

Audit Committee

Mr Russell Clarke

Mr Michael Gaylard

Remuneration Committee

Mr Vino Ramayah

Mr Russell Clarke

Mr Darryl Stuart

Mr Michael Gaylard

Mr Ross Tanner

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

Meetings of Directors

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

	Directors' Meetings	Audit Committee Meetings
Number of meetings held:	7	2
Number of meetings attended by:		
V Ramayah	7	
R Clarke	7	2
D Stuart	7	
R Tanner	6	
M Gaylard	7	2

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

Director's Interests

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

Director	Number of Fully Paid Ordinary Shares
V. Ramayah	70,809,262
R. Clarke	109,000
D. Stuart	750,000
M. Gaylard	120,000
Total	**71,788,262**

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

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

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

Mr M Gaylard has an interest of 120,000 shares held directly.

Principal Activities

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

Review of Operations

A review of the operations of the Group can be found on page 9 of this report.

This review of operations has not been audited.

Dividends

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

Significant Changes in State of Affairs

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

Profit/ Loss per Share

The loss per share was 1.99 cents (2014: Loss per share 4.13 cents). The weighted average number of shares on issue during the financial year used in the calculation of earnings / loss per share was 100,248,061 (2014: 100,248,061).

Subsequent Events

Ultrasis Interactive Healthcare PLC (Ultrasis) a customer is currently navigating through financial difficulty. Based on the information on their website, Ultrasis has filed a notice of intention to appoint Paul Flint and Brian Green, insolvency practitioners at KPMG LLP, as administrators to the Company. Acknowledging the potential risk, a provision for doubtful debt of $ 281,262 has been made as at 31 March, 2015.

Share Options

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

Indemnification and Insurance of Directors and Officers

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

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

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

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

(a) A wilful breach of duty.

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

The total amount of directors insurance contract premiums paid was $ 24,760.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Environmental Regulation

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

Remuneration Report

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

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

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

Remuneration Committee

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

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

Remuneration Philosophy

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

The Group embodies the following principles in its remuneration framework:

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

Remuneration Structure

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

Non-Executive Director Remuneration

Objective

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

Structure

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

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

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

Executive Remuneration

Objective

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

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

Structure

In determining the level and make-up of executive remuneration, the Remuneration Committee engages external consultants as required to provide independent advice.

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

Remuneration consists of the following key elements:

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

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

Fixed Remuneration

Objective

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

Structure

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

Variable Remuneration – short term incentive (STI)

Objective

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

Structure

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

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

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

The Remuneration Committee has considered the STI entitlements for the 2015 financial year.

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

Remuneration Mix

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

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

Name	Title	% Fixed	% Variable (At-Risk)
S Samaraweera	Head of Solution Sales	75%	25%
R Kumble	Chief Technical Officer	89%	11%
R Bose	Group Financial Controller	100%	-
M Smith	President – Consova Corporation	70%	30%
J Tarrant	Non-Executive Director – Medtech Global USA, LLC	-	-

Employment Contracts

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

Except for R Bose, D Stuart, M Gaylard, R Kumble, M Smith and J Tarrant, the CEO and other executives provide their services via corporate entities rather than being employed directly by the Group.

Details of Remuneration - 2015

2015	SHORT-TERM EMPLOYEE BENEFITS			POST-EMPLOYMENT BENEFITS		CASH-BASED BONUS
KEY MANAGEMENT PERSONNEL	CASH SALARY, FEES AND OTHER	CASH BONUS	NON CASH BENEFITS	SUPER-ANNUATION (d)	TOTAL	PERCENTAGE
	$	$	$	$	$	
Non-Executive Directors						
D Stuart	15,000	-	-	-	15,000	-
R Tanner (a)	48,151	-	-	-	48,151	-
R Clarke (b)	48,918	-	353	-	49,271	-
M Gaylard – Company Secretary	24,000	-	-	-	24,000	-
Sub-total Non-Executive Directors	**136,069**	**-**	**353**	**-**	**136,422**	**-**
Executive Directors						
V Ramayah (b)	416,688	-	15,565	12,501	444,754	-
R Clarke (b)	12,066	-	353	-	12,419	-
R Tanner (a)	6,173	-	-	-	6,173	-
Sub-total Executive Directors	**434,927**	**-**	**15,918**	**12,501**	**463,346**	**-**
Key Management Personnel						
S Samaraweera - Head of Solution Sales (c)	166,675	55,559	-	-	222,234	25.0%
R Kumble - Chief Technical Officer	160,000	-	-	15,106	175,106	-
R Bose – Group Financial Controller	138,896	-	707	4,167	143,770	-
M Smith - President, Consova Corporation	272,665		5,045	9,571	287,281	
J Tarrant - Non Executive Director, Medtech Global USA, LLC (e)	-	-	-	-	-	-
Sub-total Key Management Personnel	**738,236**	**55,559**	**5,752**	**28,844**	**828,391**	**-**
Total	**1,309,232**	**55,559**	**22,023**	**41,345**	**1,428,159**	**-**

a) Mr R Tanner was Non-Executive Director until 28th February 2015 and Executive Director thereafter. Payment to him is made via his incorporated entity Ross Tanner Consulting Ltd. Ross Tanner Consulting Ltd has an agreement with Medtech Limited to provide services for which a remuneration of $54,324 was paid during the year.

b) Mr V Ramayah (full year) and Mr R Clarke (during the period from April to September) provide their services to Medtech Global Limited by way of a management agreement between Medtech Global Limited and Cereus Holdings Limited. Mr R Clarke was Executive Director until 30th September 2014 and Non- Executive Director thereafter.

c) Payment to S Samaraweera is made via his incorporated entity CRM4Sight Ltd. CRM4Sight Ltd has an agreement with Medtech Limited to provide services for which a remuneration of $222,234 was paid during the year. Provision for payable to CRM4Sight Ltd as at year end is $174,250 (2014: $231,946)

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

e) J Tarrant ceased employment with Medtech in July 2014 and he reached an agreement with the company that no remuneration was due and payable to him for the 2015 year.

Please refer note 28 Related Party Disclosures for transactions with KMPs and their related parties.

Details of Remuneration – 2014

2014	SHORT-TERM EMPLOYEE BENEFITS		POST-EMPLOYMENT BENEFITS		CASH-BASED BONUS
KEY MANAGEMENT PERSONNEL	**SALARY, FEES AND OTHER**	**CASH BONUS**	**SUPER-ANNUATION**	**TOTAL**	**PERCENTAGE**
	$	**$**	**$**	**$**	
Non-Executive Directors					
D Stuart	15,000	-	-	15,000	-
R Tanner	36,718	-	-	36,718	-
M Gaylard – Company Secretary	12,000	-	-	12,000	-
Sub-total Non-Executive Directors	**63,718**	**-**	**-**	**63,718**	**-**
Executive Directors					
V Ramayah	384,255	-	11,528	395,783	-
R Clarke	81,383	-	-	81,383	-
Sub-total Executive Directors	**465,638**	**-**	**11,528**	**477,166**	**-**
Key Management Personnel					
S Samaraweera - Head of Solution Sales	102,468	8,539	-	111,007	7.7%
R Kumble - Chief Technical Officer	150,577	-	12,803	163,380	-
D Norton – Operations Manager – Resigned 20 December 2013	61,403	4,270	1,970	67,643	6.3%
R Bose – Group Financial Controller	128,578	-	3,857	132,435	-
Sub-total Key Management Personnel	**443,026**	**12,809**	**18,630**	**474,465**	**-**
Total	**972,382**	**12,809**	**30,158**	**1,015,349**	**-**

Group Performance

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

	YEAR ENDED 31 MARCH				
	2015	**2014**	**2013**	**2012**	**2011**
Total revenue	19,522,967	16,649,422	11,814,110	9,660,418	10,926,323
Profit / (loss) before income tax	(1,840,426)	(3,263,453)	(792,746)	10,089	699,276
Net profit / (loss) for the year	(1,999,778)	(4,135,234)	(856,787)	(107,184)	161,224
Net profit / loss attributable to owners of the parent	(1,775,644)	(4,452,222)	(816,710)	(99,933)	154,601
Total KMP remuneration	1,428,159	1,015,349	1,079,285	1,206,585	1,118,997
Profit / (loss) per share (cents per share)	(1.99)	(4.13)	(0.85)	(0.10)	0.16

Service Agreements

As noted earlier, certain Key Management Personnel have an interest in Consultancy Services Agreements with the Group. All contracts can be terminated by either party with one month's notice. The interests for the year ended 31 March 2015 are as follows:

a) Mr R Tanner via his company, Ross Tanner Consulting Ltd., has an agreement with Medtech Limited to provide services for which a remuneration of $54,324 was paid during the year.

b) The management agreement between Medtech Global Limited and Cereus Holdings Limited for the services of Mr V Ramayah and Mr R Clarke commenced 1 November 2006 and makes provision for a remuneration of $444,754 for V Ramayah and $61,690 for Mr R Clarke.

c) Mr S Samaraweera via his company, CRM4Sight Ltd, has an agreement with Medtech Limited to provide services for which a remuneration of $222,234 was paid during the year.

d) Ms R Bose is an employee of Medtech Limited and her remuneration is $143,770 per annum.

e) Mr R Kumble is an employee of Medtech Healthcare Pty Limited and his remuneration is $175,106 per annum.

f) Mr M Smith is an employee of Consova Corporation and his remuneration is $287,281 per annum.

Proceedings on behalf of the company

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

Non-audit services

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

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

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

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

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

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

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 March 2015, as required under Section 307 of the *Corporations Act 2001*, has been received and can be found on page 19 of this report.

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

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

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

In relation to our audit of the financial report of Medtech Global Limited for the financial year ended 31 March 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst + Young

Ernst & Young

Joanne Lonergan
Partner
24 June 2015

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Independent auditor's report to the member of Medtech Global Limited

Report on the financial report

We have audited the accompanying financial report of Medtech Global Limited, which comprises the consolidated statement of financial position as at 31 March 2015, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

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

Auditor's responsibility

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

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

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

Independence

In conducting our audit we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion:

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

   i. giving a true and fair view of the consolidated entity's financial position as at 31 March 2015 and of its performance for the year ended on that date; and

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

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

Report on the remuneration report

We have audited the Remuneration Report included in pages 14 to 18 of the directors' report for the year ended 31 March 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Medtech Global Limited for the year ended 31 March 2015, complies with section 300A of the *Corporations Act 2001*.

Ernst + Young

Ernst & Young

Joanne Lonergan
Partner
Melbourne
24 June 2015

Declaration by Directors

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

In the opinion of the directors:

1. The financial statements and notes of Medtech Global Limited for the financial year ended 31 March 2015 are in accordance with the *Corporations Act 2001*, including:

    a) giving a true and fair view of the Group's financial position as at 31 March 2015 and of its performance for the year ended on that date; and

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

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

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

This declaration has been made after receiving the declarations required to be made to the directors by the Chief Executive Officer and the Group Financial Controller in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 31 March 2015.

On behalf of the board

Vino Ramayah	**Michael Gaylard**
Executive Chairman	*Director*
Melbourne, 24 June 2015	*Melbourne, 24 June 2015*

FINANCIAL REPORT

Statement of Comprehensive Income

For the year ended 31 March 2015

		CONSOLIDATED ENTITY	
		2015	2014
	NOTE	$	$
Revenue	4	18,472,967	16,649,422
Income from government grant		1,050,000	-
Cost of sales		(1,001,855)	(890,891)
Finance costs	5a	(68,494)	(35,929)
Consulting and contractor payments		(3,672,434)	(2,692,732)
Depreciation	5b	(560,537)	(242,180)
Impairment of intangibles	5b	(72,325)	(4,155,753)
Amortisation of intangibles	5b	(2,673,761)	(988,920)
Impairment of receivables		(316,157)	37,313
Employee benefits expenses	5c	(7,874,116)	(7,383,515)
Management fee to related party	28	(1,183,392)	(808,819)
Travelling expenses		(441,701)	(412,633)
Occupancy costs		(742,959)	(539,105)
IT support expenses		(638,986)	(466,265)
Telecommunication costs		(457,888)	(377,009)
Accounting, legal and statutory costs		(743,300)	(584,022)
Printing, stationery and postage		(261,052)	(291,620)
Foreign currency gain / (loss)		(30,643)	400,117
Other expenses		(623,793)	(480,912)
Profit / (Loss) before income tax expense		**(1,840,426)**	**(3,263,453)**
Income tax (expense) / credit	6	(159,352)	(871,781)
Net Profit / (Loss) for the year		**(1,999,778)**	**(4,135,234)**
Other comprehensive income		-	-
Foreign currency translation gain / (loss)		**249,490**	**(156,588)**
Total comprehensive income / (loss) net of tax		**(1,750,288)**	**(4,291,822)**
Net profit / (loss) attributable to owners of the parent		**(1,775,644)**	**(4,452,222)**
Non-controlling interest		**(224,134)**	**316,988**
		(1,999,778)	**(4,135,234)**
Total comprehensive income / (loss) attributable to owners of the parent		**(1,526,154)**	**(4,608,810)**
Non-controlling interest		**(224,134)**	**316,988**
		(1,750,288)	**(4,291,822)**
Basic and diluted profit / (loss) per share (cents per share)	8	**(1.99)**	**(4.13)**

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

Statement of Financial Position

As at 31 March 2015

	NOTE	CONSOLIDATED ENTITY 2015 $	2014 $
CURRENT ASSETS			
Cash and cash equivalents	**9**	1,247,010	1,784,996
Trade and other receivables	**10**	2,599,619	2,354,892
Inventories	**11**	5,570	226,003
Income tax receivable		290,306	-
Other current assets	**15**	250,619	156,188
TOTAL CURRENT ASSETS		**4,393,124**	**4,522,079**
NON-CURRENT ASSETS			
Property, plant & equipment	**13**	1,187,497	623,010
Deferred tax asset	**6**	810,609	251,715
Intangible assets	**14**	5,436,442	7,774,065
TOTAL NON-CURRENT ASSETS		**7,434,548**	**8,648,790**
TOTAL ASSETS		**11,827,672**	**13,170,869**
CURRENT LIABILITIES			
Trade and other payables	**16**	3,013,518	3,272,815
Deferred revenue	**16d**	1,109,056	881,487
Interest bearing loans and borrowings	**17**	573,208	163,914
Provisions	**18**	458,138	531,778
Income tax payable		-	101,067
TOTAL CURRENT LIABILITIES		**5,153,920**	**4,951,061**
NON-CURRENT LIABILITIES			
Deferred tax liability	**6**	186,319	118,946
Interest bearing loans and borrowings	**17**	433,310	287,562
Other non-current liabilities		55,206	64,095
TOTAL NON-CURRENT LIABILITIES		**674,835**	**470,603**
TOTAL LIABILITIES		**5,828,755**	**5,421,664**
NET ASSETS		**5,998,917**	**7,749,205**
EQUITY			
Contributed equity	**19**	48,929,120	48,929,120
Accumulated losses		(43,222,884)	(41,447,240)
Foreign currency translation reserve		(537)	(250,027)
Equity attributable to the owners of the parent		**5,705,699**	**7,231,853**
Non-controlling interest	**20**	293,218	517,352
TOTAL EQUITY		**5,998,917**	**7,749,205**

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

Statement of Changes in Equity

For the year ended 31 March 2015

	ORDINARY SHARE CAPITAL	ACCUMULATED LOSSES	FCTR[1]	OWNERS OF THE PARENT	NCI[2]	TOTAL EQUITY
Balance at 1 April 2013	**48,929,120**	**(36,995,018)**	**(93,439)**	**11,840,663**	**160,288**	**12,000,951**
Net Profit / (Loss) for the year	-	(4,452,222)	-	(4,452,222)	316,988	**(4,135,234)**
Other comprehensive income (FCTR)	-	-	(156,588)	(156,588)	-	**(156,588)**
Total comprehensive income	**-**	**(4,452,222)**	**(156,588)**	**(4,608,810)**	**316,988**	**(4,291,822)**
Non-Controlling Interest of Business Combination						
Minority share of pre-acquisition retained earnings	-	-	-	-	40,076	**40,076**
Balance at 31 March 2014	**48,929,120**	**(41,447,240)**	**(250,027)**	**7,231,853**	**517,352**	**7,749,205**
Net Profit / (Loss) for the year	-	(1,775,644)		(1,775,644)	(224,134)	**(1,999,778)**
Other comprehensive income (FCTR)	-	-	249,490	249,490	-	**249,490**
Total comprehensive income	**-**	**(1,775,644)**	**249,490**	**(1,526,154)**	**(224,134)**	**(1,750,288)**
Balance at 31 March 2015	**48,929,120**	**(43,222,884)**	**(537)**	**5,705,699**	**293,218**	**5,998,917**

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

[1] Foreign Currency Translation Reserve

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

Statement of Cash Flows

For the year ended 31 March 2015

	NOTE	CONSOLIDATED ENTITY 2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		18,980,989	18,887,034
Receipt of government grant		1,050,000	-
Payments to suppliers and employees		(19,202,721)	(16,640,638)
Interest received		19,104	17,879
Finance costs		(51,555)	(33,470)
Income tax paid		(236,433)	(354,665)
Net operating cash flows	**25(a)**	**559,384**	**1,876,140**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		(1,031,839)	(316,209)
Purchase of intangible assets		(523,522)	(198,526)
Disposal of property, plant & equipment		-	4,460
Net investing cash flows		**(1,555,361)**	**(510,275)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		1,309,732	267,446
Repayments of borrowings		(706,337)	(492,266)
Other		-	1,866
Payments for acquisition of business		(145,404)	(161,331)
Dividends paid		-	(41,728)
Net financing cash flows		**457,991**	**(426,013)**
Net increase/(decrease) in cash held		(537,986)	939,852
Cash at the beginning of the financial year		1,784,996	845,144
Cash and cash equivalents at the end of the financial year	**9**	**1,247,010**	**1,784,996**

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

Notes to the Financial Statements for the year ended 31 March 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Corporate Information

The consolidated financial report of Medtech Global Limited for the year ended 31 March 2015 was authorised for issue in accordance with a resolution of the directors on 24 June 2015.

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

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

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

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

Basis of Preparation

This financial report includes results of the consolidated entity consisting of Medtech Global Limited and its controlled entities (the "Group"). The financial report is presented in Australian dollars and all values are rounded to the nearest dollar value unless otherwise stated.

Compliance with IFRS

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

Historical cost basis

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

Going Concern

Management recognise the trading loss for the period of $ 1,999,778. It is noted this was after depreciation, amortisation and impairment of intangibles recognised of $ 3,306,623. Management also recognise a current asset deficiency of $ 760,796 at 31 March 2015. This deficit is due to deferred revenue of 1,109,056 which does not result in a cash outflow. The board of directors believe that it is appropriate to continue to adopt the going concern assumption for the completion of these financial statements based on the recognition of positive operating cash flows for the year ending 31 March 2015, five year cash flow forecasts and the availability of an overdraft and loan facility with the bank (refer note 17(e) for the details of unused facilities.

Critical accounting estimates

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

Accounting Policies

a) Basis of consolidation

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

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

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

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

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

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

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

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

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

b) Segment reporting

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

c) Foreign currency transactions and balances

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

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

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

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

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

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

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

d) Revenue

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

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

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

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

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

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

e) Government grants

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

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

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

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

f) Income tax

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

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

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

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

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

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

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

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

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

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

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

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

g) Hire purchase and leased assets

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

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

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

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

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

h) Business combinations

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

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

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

i) Impairment of intangible assets other than goodwill

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

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

j) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

k) Trade and other receivables

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

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

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

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

l) Inventories

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

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

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

m) Investments in controlled entities

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

n) Property, plant and equipment

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

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

Depreciation

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

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

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

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

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

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

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

De-recognition

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

o) Goodwill and intangibles

Goodwill

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

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

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

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

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

Impairment losses recognised for goodwill are not subsequently reversed.

Intangibles

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

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

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

Licences

Licences are initially brought to account at cost of acquisition and are amortised over the period in which their benefits are expected to be realised. The balances are reviewed annually and any balance representing future benefits for which realisation is no longer probable, are written off. Licences are amortised on a straight-line basis over the period of its useful life of 3 years. Amortisation commences from the time of the first binding contract to sell the product is signed.

Research and development

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

Capitalised development costs recorded as intangible assets are amortised from the point at which the asset is ready for use on a straight-line basis over its useful life of 3 years.

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

Customer relationships

Customer relationships have finite useful lives and are amortised over a 3 year period and this expense is taken to the statement of comprehensive income (profit or loss).

ConSova Corporation's customer relationships have finite useful lives and are amortised over a 3 year period and this expense is taken to the statement of comprehensive income (profit or loss). If the asset is impaired, a reassessment of the useful life will occur

Software and development costs

Software predominantly represents cost of development of Medtech Evolution and is amortised over 3 years from the time the software becomes commercially available.

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

p) Trade and other payables

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

q) Interest bearing loans and borrowings

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

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

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

r) Deferred Revenue

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

s) Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Wages, salaries, and sick leave

Liabilities for wages and salaries, including non-monetary benefits, and accumulating sick leave which are expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Long service leave and annual leave

The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

t) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the entity reacquires its own equity instruments, for example, as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the statement of comprehensive income (profit or loss) and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

u) Dividends

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

v) Earnings per share

Basic Loss / Earnings per share

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

Diluted loss / Earnings per share

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

w) Goods and Services Tax (GST)

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

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to the taxation authority is presented as an operating cash flow.

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

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

x) Comparative figures

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

y) New accounting standards and interpretations

The accounting policies adopted in the preparation of the Group's annual consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2014, except for the adoption of new standards and interpretation noted below:

Reference	Title	Summary	Application date of standard	Application date for Group
AASB 1053	Application of Tiers of Australian Accounting Standards	This standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements: a. Tier 1: Australian Accounting Standards b. Tier 2: Australian Accounting Standards - Reduced Disclosure Requirements Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements. The following entities apply Tier 1 requirements in preparing general purpose financial statements: a. For-profit entities in the private sector that have public accountability (as defined in this standard) b. The Australian Government and State, Territory and Local governments The following entities apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements: a. For-profit private sector entities that do not have public accountability b. All not-for-profit private sector entities c. Public sector entities other than the Australian Government and State, Territory and Local governments. Consequential amendments to other standards to implement the regime were introduced by AASB 2010-2, 2011-2, 2011-6, 2011-11, 2012-1, 2012-7 and 2012-11. Note: an entity whose financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements shall make an explicit and unreserved statement of such compliance in its 'statement of compliance' note and therefore will not need to present AASB 1053 in the 'change of accounting policy' note. This explanation has been retained for completeness and comparability purposes. Refer to Endeavour (RDR) Proprietary Limited Financial report 30 June 2013 for further information.	1 July 2013	1 April 2014
AASB 2011-4	Amendments to Australian Accounting Standards to *Remove Individual Key Management Personnel Disclosure Requirements* [AASB 124]	This amendment deletes from AASB 124 individual key management personnel disclosure requirements for disclosing entities that are not companies. It also removes the individual KMP disclosure requirements for all disclosing entities in relation to equity holdings, loans and other related party transactions.	1 July 2013	1 April 2014
AASB 2012-3	Amendments to Australian Accounting Standards - *Offsetting Financial Assets and Financial Liabilities*	AASB 2012-3 adds application guidance to AASB 132 *Financial Instruments: Presentation* to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1 January 2014	1 April 2014
AASB 1031	Materiality	The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework (issued December 2013) that contain guidance on	1 January 2014	1 April 2014

		materiality. AASB 1031 will be withdrawn when references to AASB 1031 in all Standards and Interpretations have been removed. AASB 2014-1 Part C issued in June 2014 makes amendments to eight Australian Accounting Standards to delete their references to AASB 1031. The amendments are effective from 1 July 2014.		
AASB 2013-9	Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments	The Standard contains three main parts and makes amendments to a number Standards and Interpretations. Part A of AASB 2013-9 makes consequential amendments arising from the issuance of AASB CF 2013-1. Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards. Part C makes amendments to a number of Australian Accounting Standards, including incorporating Chapter 6 Hedge Accounting into AASB 9 Financial Instruments.	31 December 2013 1 January 2014 1 January 2015	1 April 2014 1 April 2014 1 April 2015

Adoption of these standards did not have any material effect on the financial position or performance of the Group.

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 March 2015 reporting period. The Group's assessment of the impact of these new standards and interpretations is that they have no material impact for financial reporting purposes apart from AASB 15 where the impact is still being assessed. These are detailed in the table below:

Reference	**Title**	**Summary**	**Application date of standard**	**Application date for Group**
AASB 9	*Financial Instruments*	AASB 9 (December 2014) is a new Principal standard which replaces AASB 139. This new Principal version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early application. The own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised. The Standard also requires to recognise full lifetime expected losses on a more timely basis. Amendments to AASB 9 (December 2009 & 2010 editions) (AASB 2013-9) issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures. AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below. a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity	1 January 2018	1 April 2018

Reference	Title	Summary	Application date of standard	Application date for Group
		instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. c. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. d. Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: ► The change attributable to changes in credit risk are presented in other comprehensive income (OCI) ► The remaining change is presented in profit or loss AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss. Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7, AASB 2010-10 and AASB 2014-1 – Part E. AASB 2014-7 incorporates the consequential amendments arising from the issuance of AASB 9 in Dec 2014. AASB 2014-8 limits the application of the existing versions of AASB 9 (AASB 9 (December 2009) and AASB 9 (December 2010)) from 1 February 2015 and applies to annual reporting periods beginning on after 1 January 2015.		
AASB 2014-1 Part A - Annual Improvements 2010–2012 Cycle	Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2010– 2012 Cycle	AASB 2014-1 Part A: This standard sets out amendments to Australian Accounting Standards arising from the issuance by the International Accounting Standards Board (IASB) of International Financial Reporting Standards (IFRSs) *Annual Improvements to IFRSs 2010–2012 Cycle* and *Annual Improvements to IFRSs 2011–2013 Cycle*. Annual Improvements to IFRSs 2010–2012 Cycle addresses the following items: ► AASB 2 - Clarifies the definition of 'vesting conditions' and 'market condition' and introduces the definition of 'performance condition' and 'service condition'. ► AASB 3 - Clarifies the classification requirements for contingent consideration in a business combination by removing all references to AASB 137. ► AASB 8 - Requires entities to disclose factors used to identify the entity's reportable segments when operating segments have been aggregated. An entity is also required to provide a reconciliation of total reportable segments' asset to the entity's total assets. ► AASB 116 & AASB 138 - Clarifies that the determination of accumulated depreciation does not depend on the selection of the valuation technique and that it is calculated as the difference between the gross and net carrying amounts. ► AASB 124 - Defines a management entity providing	1 July 2014	1 April 2015

Reference	Title	Summary	Application date of standard	Application date for Group
		KMP services as a related party of the reporting entity. The amendments added an exemption from the detailed disclosure requirements in paragraph 17 of AASB 124 for KMP services provided by a management entity. Payments made to a management entity in respect of KMP services should be separately disclosed.		
AASB 2014-1 Part A - Annual Improvements 2011–2013 Cycle	Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2011– 2013 Cycle	Annual Improvements to IFRSs 2011–2013 Cycle addresses the following items: ► AASB13 - Clarifies that the portfolio exception in paragraph 52 of AASB 13 applies to all contracts within the scope of AASB 139 or AASB 9, regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132. ► AASB 140 - Clarifies that judgment is needed to determine whether an acquisition of investment property is solely the acquisition of an investment property or whether it is the acquisition of a group of assets or a business combination in the scope of AASB 3 that includes an investment property. That judgment is based on guidance in AASB 3.	1 July 2014	1 April 2015
AASB 2014-4	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	AASB 116 and AASB 138 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.	1 January 2016	1 April 2016
AASB 15	Revenue from Contracts with Customers	In May 2014, the IASB issued IFRS 15 *Revenue from Contracts with Customers*, which replaces IAS 11 *Construction Contracts*, IAS 18 *Revenue* and related Interpretations (IFRIC *13 Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate,* IFRIC 18 *Transfers of Assets from Customers* and SIC-31 *Revenue— Barter Transactions Involving Advertising Services*). The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps: a. Step 1: Identify the contract(s) with a customer b. Step 2: Identify the performance obligations in the contract c. Step 3: Determine the transaction price d. Step 4: Allocate the transaction price to the performance obligations in the contract e. Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation Early application of this standard is permitted. AASB 2014-5 incorporates the consequential amendments to a number Australian Accounting Standards (including	1 January 2017	1 April 2017 The Group is currently evaluating the impact of the new standard.

Reference	Title	Summary	Application date of standard	Application date for Group
		Interpretations) arising from the issuance of AASB 15.		
AASB 2015-1	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle	The subjects of the principal amendments to the Standards are set out below: AASB 7 Financial Instruments: Disclosures: ► Servicing contracts - clarifies how an entity should apply the guidance in paragraph 42C of AASB 7 to a servicing contract to decide whether a servicing contract is 'continuing involvement' for the purposes of applying the disclosure requirements in paragraphs 42E–42H of AASB 7. ► Applicability of the amendments to AASB 7 to condensed interim financial statements - clarify that the additional disclosure required by the amendments to AASB 7 Disclosure–Offsetting Financial Assets and Financial Liabilities is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim financial statements that are prepared in accordance with AASB 134 Interim Financial Reporting when its inclusion would be required by the requirements of AASB 134. AASB 119 Employee Benefits: ► Discount rate: regional market issue - clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Further it clarifies that the depth of the market for high quality corporate bonds should be assessed at the currency level. AASB 134 Interim Financial Reporting: ► Disclosure of information 'elsewhere in the interim financial report' -amends AASB 134 to clarify the meaning of disclosure of information 'elsewhere in the interim financial report' and to require the inclusion of a cross-reference from the interim financial statements to the location of this information.	1 January 2016	1 April 2016
AASB 2015-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.	1 January 2016	1 April 2016
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality	The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.	1 July 2015	1 April 2016

The Group has not elected to early adopt any new or amended Standards or Interpretations that are issued but not yet effective, as described above.

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

(a) Estimated impairment of goodwill / intangibles

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

(b) Development costs of Evolution 2.0

The majority of development costs included as intangible assets in the statement of financial position relates to Evolution 2.0. Evolution 2.0 has successfully completed beta testing phase and has been released to market. The Group has started amortising Evolution 2.0 over 3 years from 1st April 2014. This period of 3 years is determined by management based on its past experience and market conditions for companies in the software industry.

(c) Development costs of internally developed software at Consova

Development costs capitalised during the year represents development costs of internally developed software at Consova. This software will help to reduce operating costs through operational efficiency, reduction of processing time and have a potential to increase revenue. The group follows the policy of amortising these intangibles over 3 years from the date when they were put to use. This period of 3 years is determined by management based on its past experience and market conditions for companies in the software industry.

(d) Estimation of useful lives of intangible assets

The determination of useful lives of finite life intangible assets is based upon the period over which the finite life intangible asset is expected to generate cash flows. Given the current trend, impairment charge recorded in FY14 and dynamics of the market and technology environment, the Board believed that the estimate of useful life used for the amortisation needed to be changed. As a result, the amortisation period for customer relationships and software development costs changed to 3 years during the current year.

The main factors that were considered included the following:

1. The speed at which new technologies and new products enter the market place means that each of our customers has a plethora of possible solutions that they can consider. Furthermore the introduction of Evolution into our major market in New Zealand may be perceived as a threat as the transition might prompt our customers to consider other competitive alternatives.

2. There is a trend of restructure amongst our traditional customers into larger groups. If this trend continues then there will be redefinition of the type of customers we will have to cater to and acquire. Health Management organizations are now being formed in New Zealand / Australia where there is group procurement.

3. Customers are now more discerning and engaged and employ a large variety of tools to ensure that they are making better choices. Convenience, choice, access, and affordability have become the new mantra. This trend has the potential to fundamentally alter how we interact with our customers to deliver care and manage health while keeping costs down.

4. Providers and consumers are increasingly adopting mobile health technologies.

5. Social, mobile, analytics, and cloud technologies are creating new business models.

It was after considering the above factors as well as comparable companies amortisation rates within the industry that the change was made.

(e) Revenue recognition on software development and installation contracts

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

(f) Income taxes

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

NOTE 3: FINANCIAL RISK MANAGEMENT

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

The Group does not have any derivative instruments.

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

Interest rate risk

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

	CONSOLIDATED ENTITY	
	2015	**2014**
	$	**$**
Financial Assets		
Interest bearing deposits	901,269	790,586
Net Exposure	**901,269**	**790,586**

The above does not include borrowings amounting to $ 1,006,518 (2014: $ 451,476).

The Group's policy is to manage its finance costs using a mix of fixed and variable rate debt. The Group's policy is to maintain a minimum of between 40-50% of its borrowings at fixed rates which are carried at amortised cost and it is acknowledged that fair value exposure is a by-product of the Group's attempt to manage its cash flow volatility arising from interest rate changes. Given the economic environment, the Group has 100% (2014: 100%) of its borrowings at fixed rates.

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

	EFFECT ON PROFIT BEFORE TAX: INCREASE / (DECREASE)		EFFECT ON EQUITY: INCREASE / (DECREASE)	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Consolidated entity				
+0.75% (75 basis points)	877	758	614	531
-0.10% (10 basis points)	(12)	(10)	(8)	(7)

Interest rate risk sensitivity analysis

The above table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate cash and borrowings). The same assumptions have been used for the years ended 2015 and 2014.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group has significant operations in New Zealand and the United States and the Group's statement of financial position can be affected by movements in the NZD/AUD and USD/AUD exchange rates.

The Group has minimal transactional currency exposures. The transactions represent periodic maintenance and support charges. Such exposure arises from sales or purchases by an operating entity in currencies other than the functional currency. As at 31 March 2015, the Group's exposure to foreign currency trade receivables that is not designated in cash flow hedges amounted to:

NOTE 3: FINANCIAL RISK MANAGEMENT (CONT'D)

Canadian Dollars:	AUD 5,226	(2014: AUD 5,256)
United States Dollars:	AUD 12,861	(2014: AUD 12,222)
Euros:	AUD 56,580	(2014: AUD 8,856)

At 31 March 2015, the Group had no significant committed foreign currency purchases.

Currency risk sensitivity analysis

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

	EFFECT ON PROFIT BEFORE TAX: INCREASE / (DECREASE)		OTHER COMPREHENSIVE INCOME: INCREASE / (DECREASE)	
	2015	**2014**	**2015**	**2014**
	$	**$**	**$**	**$**
Consolidated Entity				
+2% AUD to USD (2014:+2%)	(252)	(240)	-	-
-2% AUD to USD (2014:-2%)	262	249	-	-
+2% AUD to Euro (2014:+2%)	(1,109)	(103)	-	-
-2% AUD to Euro (2014:-2%)	1,155	107	-	-
+2% AUD to CAD (2014:+2%)	(103)	(174)	-	-
-2% AUD to CAD (2014:-2%)	107	181	-	-
+2% AUD to NZD (2014:+2%)	-	-	-	-
-2% AUD to NZD (2014:-2%)	-	-	-	-

Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and its subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due. The Group manages liquidity risk by forecasting and monitoring cash flows on a continuing basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and intercompany loans.

The Group's policy is that no more than 60% of borrowings should mature in any 12 month period. At 31 March 2015, 57% (2014: 37%) of the Group's debt will mature in less than one year.

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

The remaining contractual maturity of the Group's / consolidated entity's financial liabilities (interest bearing loans and borrowings, trade, other payables and provisions) are:

	CONSOLIDATED ENTITY	
	2015	**2014**
	$	**$**
6 months or less	3,886,932	3,888,583
+6-12 months	157,932	79,924
+1-5 years	433,310	287,562
Over 5 years	-	-
	4,478,174	**4,256,069**

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

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

NOTE 3: FINANCIAL RISK MANAGEMENT (CONT'D)

YEAR ENDED 31 MAR 2015	NOTE	≤ 6 MONTHS $	6-12 MONTHS $	1-5 YEARS $	> 5 YEARS $	TOTAL $
Consolidated Entity						
Financial Assets						
Cash & cash equivalents	9	1,247,010				1,247,010
Trade & other receivables	10	2,599,619				2,599,619
		3,846,629	**-**	**-**	**-**	**3,846,629**
Consolidated Entity						
Financial Liabilities						
Trade, other payables & provisions	16 & 18	(3,471,656)				(3,471,656)
Interest bearing loans & borrowings	17	(415,276)	(157,932)	(433,310)	-	(1,006,518)
		(3,886,932)	**(157,932)**	**(433,310)**	**-**	**(4,478,174)**
Net maturity		**(40,303)**	**(157,932)**	**(433,310)**	**-**	**(631,545)**

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

Fair value

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

Credit risk

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

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

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

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

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

NOTE 4: REVENUE

	CONSOLIDATED ENTITY 2015 $	2014 $
Sale of goods & services	17,606,632	16,613,024
Interest income	25,060	16,522
Other income*	841,275	19,876
Total revenue	**18,472,967**	**16,649,422**

* includes R&D tax credit of $ 824,515 (2014: Nil)

NOTE 5: EXPENSES

	NOTE	CONSOLIDATED ENTITY 2015 $	2014 $
(a) Finance costs:			
External		57,669	19,758
Related parties		10,825	16,171
Total finance costs		**68,494**	**35,929**
(b) Depreciation, amortisation, and impairment:			
Depreciation			
On plant & equipment	13	542,615	208,435
On leased plant & equipment	13	17,922	33,745
Total depreciation		**560,537**	**242,180**
Impairment of intangible assets			
On development costs	14	-	84,906
On software	14	72,325	30,000
On goodwill	14	-	32,468
On customer relations	14	-	3,992,549
On trademarks and licenses	14	-	15,830
Total Impairment		**72,325**	**4,155,753**
Amortisation of intangible assets			
On capitalised development costs	14	1,204,559	233,341
On customer relations	14	1,461,080	755,579
On trademarks and licenses	14	8,122	-
Total Amortisation		**2,673,761**	**988,920**
Total depreciation, amortisation, and impairment		**3,306,623**	**5,443,364***

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

	CONSOLIDATED ENTITY 2015 $	2014 $
(c) Employee benefits expenses:		
Direct staff benefits	7,295,537	6,855,596
Defined contribution plans	212,113	211,945
Other staff related expenses	366,466	315,974
Total employee benefits expenses	**7,874,116**	**7,383,515**
(d) Expense on operating leases:		
Lease payments	861,986	651,131
Total expense on operating leases	**861,986**	**651,131**

NOTE 6: INCOME TAX EXPENSE

	CONSOLIDATED ENTITY 2015 $	2014 $
a) The components of income tax expense comprise:		
Current tax	336,550	629,568
Adjustments in respect of current income tax of previous years	288,723	134,033
Relating to origination and reversal of timing differences including brought forward tax losses	(465,921)	108,180
	159,352	**871,781**
b) Numerical reconciliation between aggregate tax expense recognised in Comprehensive Income and tax expense calculated per statutory income tax rate:		
Profit / (loss) from operations	(1,840,426)	(3,263,453)
Prima facie tax payable @ 30% on loss from ordinary activities before income tax	(552,128)	(988,577)
Adjust: tax effects of permanent differences arising from:		
Legal fees	24,076	8,749
Entertainment	-	1,008
Fines and penalties	137	66
Impairment of intangibles	21,698	1,246,726
Amortisation of intangibles	438,324	253,294
ASX fees and annual report expenses	7,574	1,666
Unrealised forex gains and losses	(59,332)	(14,907)
R&D tax credit	64,225	-
Effect of different tax rate in foreign jurisdiction - New Zealand (28%), India (31%), USA (39%)	(53,422)	-
Adjustments in respect of current income tax of previous years	288,723	134,033
Impairment of investment	-	66,384
Other	(20,523)	163,339
Income Tax reported in the consolidated income statement	**159,352**	**871,781**
c) Recognised deferred tax assets and liabilities:		
Opening balance	132,769	240,949
Net Credited / (charged) to profit or loss	465,921	(108,180)
Impact of exchange rate fluctuation	25,600	-
Closing balance	**624,290**	**132,769**
Gross Deferred Tax Asset	810,609	251,715
Gross Deferred Tax Liability	(186,319)	(118,946)
	624,290	**132,769**
Deferred Tax Asset		
Depreciation	233,340	-
Prepaid revenue	798,120	435,831
Employee provisions	187,112	461,556
Debt provisions	367,782	16,836
Foreign currency gains & losses	(35,591)	(4,412)
Brought forward loss	964,979	-
Total Temporary Differences	2,515,742	909,811
Deferred Tax Asset	**810,609**	**251,715**
Deferred Tax Liabilities		
Depreciation	(465,237)	(31,661)
Identifiable intangibles	(48,224)	(337,570)
Total Temporary Differences	(513,461)	(369,231)
Deferred Tax Liabilities	**(186,319)**	**(118,946)**

NOTE 6: INCOME TAX EXPENSE (CONT'D)

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The assessment of the probability of future taxable profit in which deferred tax assets can be utilised is based on the latest approved budget forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. With ConSova these losses can be used against tax previously paid. The tax rules in the various jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Tax consolidation

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

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

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

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

NOTE 7: AUDITOR'S REMUNERATION

	CONSOLIDATED ENTITY	
	2015	2014
	$	$
Audit Services		
Auditor of the consolidated entity:		
Ernst & Young	149,809	142,601
Other auditors of subsidiaries:		
V. Narayanan & Co.	844	3,675
Haynie & Company	14,346	13,022
	164,999	**159,298**
Non-Audit Services		
Ernst & Young - Taxation & other services	61,092	41,299
Other auditors of subsidiaries:		
V. Narayanan & Co.	202	946
Haynie & Company	1,951	1,771
	63,245	**44,016**

NOTE 8: EARNINGS / (LOSS) PER SHARE

	CONSOLIDATED ENTITY	
	2015	2014
	$	$
Earnings / (losses) used in calculating earnings / (losses) per share:		
For basic earnings / (loss) per share:		
Net profit / (loss) from operations attributable to ordinary equity holders	(1,999,778)	(4,135,234)
Net losses used to calculate basic EPS	(1,999,778)	(4,135,234)
Basic earnings / (loss) per share	(1.99) cents	(4.13) cents

There are no dilutive instruments, therefore diluted earnings / (loss) per share is the same as basic earnings / (loss) per share.

	No. of Shares	No. of Shares
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	100,248,061	100,248,061

NOTE 9: CASH AND CASH EQUIVALENTS

	CONSOLIDATED ENTITY	
	2015	2014
	$	$
Cash at bank and in hand	345,741	994,411
Short-term bank deposits	901,269	790,585
	1,247,010	**1,784,996**

The effective interest rate on short-term deposits was 2.95 % (2014: 2.45%) and these deposits have an average maturity of 90 days.

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

NOTE 10: TRADE AND OTHER RECEIVABLES

	CONSOLIDATED ENTITY	
	2015	2014
	$	$
Trade receivables	2,967,401	2,413,516
Allowance for impairment of receivables	(367,782)	(58,624)
	2,599,619	**2,354,892**

(a) Allowance for impairment loss

Trade receivables are non-interest bearing and are generally on 30-60 day terms. An allowance for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. The impairment loss recorded in 2015 is $ 316,157 (2014: impairment written back $37,313). These amounts have been included in the statement of comprehensive income (profit or loss).

Movements in the allowance for impairment loss were as follows:

	CONSOLIDATED ENTITY	
	2015	2014
	$	$
At 1 April	58,624	87,503
Amounts written back / recovered	-	(37,313)
Charge for the year (refer note 27)	316,157	-
Impact of exchange rate fluctuation	(6,999)	8,434
At 31 March	**367,782**	**58,624**

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

CONSOLIDATED ENTITY	TOTAL	1-30 DAYS	31-60 DAYS	61-90 DAYS	+91 DAYS
2015	2,599,619	2,125,736	190,974	89,605	193,304
2014	2,354,892	2,074,358	123,746	37,338	119,450

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

At the reporting date, the directors have reviewed the carrying value of trade receivables to determine whether there is any indication that those assets have been impaired.

(b) Fair value and credit risk

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

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

(c) Foreign exchange and interest rate risk

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

NOTE 11: INVENTORIES

	CONSOLIDATED ENTITY	
	2015	2014
	$	$
Work In Progress	-	147,616
Vitelmed equipment and Kiosk	5,570	78,387
	5,570	**226,003**

NOTE 12: CONTROLLED ENTITIES

	Country of	Percentage Owned (%)	
	Incorporation	2015	2014
Parent Entity			
Medtech Global Ltd	Australia		
Subsidiaries of Medtech Global Ltd			
AHTL Pty Ltd	Australia	100	100
Medtech Healthcare Pty Ltd	Australia	100	100
Medtech Limited	New Zealand	100	100
Manage My Health Pty Ltd	Australia	100	100
VitelMed Pty Limited	Australia	100	100
Compudoc Medical Pty Limited	Australia	100	100
DGS Artslet Pty Limited	Australia	100	100
MGL Capital Ltd	New Zealand	100	100
VitelMed Limited	New Zealand	100	100
Medtech Global Limited (NZ)	New Zealand	100	100
Medtech India Pvt Limited	India	100	100
Medtech Holdings USA, Inc.	USA	100	100
Medtech Global USA, LLC	USA	85	85
ConSova Corporation	USA	50.1	50.1

All companies have a financial year end of 31 March except ConSova Corporation, which has a financial year end of 31 December. During the year, there was no change to the percentage shareholding in any company.

NOTE 13: PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED ENTITY	
	2015	2014
	$	$
PLANT AND EQUIPMENT		
At cost	2,831,372	1,609,882
Accumulated depreciation	(1,662,926)	(1,024,385)
	1,168,446	**585,497**
LEASED PLANT AND EQUIPMENT		
At cost	280,070	276,497
Accumulated depreciation	(261,019)	(238,984)
	19,051	**37,513**
Balance at the end of year	**1,187,497**	**623,010**

(a) Movements in Carrying Amounts

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

	PLANT & EQUIPMENT	LEASED PLANT & EQUIPMENT	TOTAL
	$	$	$
Consolidated Entity			
Year Ended 31 March 2014			
Balance at the beginning of year	424,434	61,604	486,038
Additions / (Disposals)	369,498	9,654	379,152
Depreciation expense	(208,435)	(33,745)	(242,180)
Carrying Amount 31 March 2014	**585,497**	**37,513**	**623,010**
Year Ended 31 March 2015			
Balance at the beginning of year	585,497	37,513	623,010
Additions / (Disposals)	1,112,807	-	1,112,807
Depreciation expense	(542,615)	(17,922)	(560,537)
Impact of exchange rate fluctuation	12,757	(540)	12,217
Carrying Amount 31 March 2015	**1,168,446**	**19,051**	**1,187,497**

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

NOTE 14: INTANGIBLE ASSETS

	CONSOLIDATED ENTITY 2015 $	2014 $
Goodwill		
Cost	2,059,207	2,059,207
Accumulated amortisation and impairment losses	(2,018,695)	(1,946,370)
Net carrying value	**40,512**	**112,837**
Customer Relationships		
Cost	12,652,130	12,652,130
Accumulated amortisation and impairment losses	(9,971,090)	(8,510,010)
Net carrying value	**2,681,040**	**4,142,120**
Development costs		
Cost	6,512,116	6,100,614
Accumulated amortisation and impairment losses	(3,805,071)	(2,600,512)
Impact of exchange rate fluctuation	(5,039)	-
Net carrying value	**2,702,006**	**3,500,102**
Trademarks and Licenses		
Cost	6,502,365	6,502,365
Accumulated amortisation and impairment losses	(6,491,481)	(6,483,359)
Impact of exchange rate fluctuation	2,000	-
Net carrying value	**12,884**	**19,006**
Total Intangible Assets	**5,436,442**	**7,774,065**

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

	OPENING BALANCE $	ADDITIONS $	AMORTISATION $	IMPAIRMENT $	FCTR* $	CLOSING BALANCE $
Year ended 31 March 2015						
Goodwill	112,837	-	-	(72,325)	-	40,512
Customer relationships	4,142,120	-	(1,461,080)	-	-	2,681,040
Development costs	3,500,102	411,502	(1,204,559)	-	(5,039)	2,702,006
Trademarks & Licenses	19,006	-	(8,122)	-	2,000	12,884
	7,774,065	**411,502**	**(2,673,761)**	**(72,325)**	**(3,039)**	**5,436,442**

* Impact of exchange rate fluctuation

NOTE 14: INTANGIBLE ASSETS (CONT'D)

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

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

(a) Intangible assets, other than Goodwill and certain software, have a finite life. Refer note 2

(b) Customer relationships are continuing to be amortised over a 3 year period. The remaining amortisation period is 2 years except for Consova which has a remaining period of 4 months.

(c) Where the asset is available for use, development costs are amortised over 3 years and are charged as an amortisation expense to the statement of comprehensive income (profit or loss).

(d) For further information on the accounting policy and treatment of goodwill / intangibles refer to note 1(o) and note 2.

	CONSOLIDATED ENTITY	
	2015	**2014**
	$	**$**
Intangible assets with indefinite useful lives:		
Goodwill	40,512	112,837

Impairment Disclosures

Intangible assets are subject to impairment. Goodwill, customer relationships and development costs are allocated to cash-generating units.

	CASH GENERATING UNITS - 2015			CONSOLIDATED ENTITY	
	Australia	**New Zealand**	**U.S.A**	**2015**	**2014**
	$	**$**	**$**	**$**	**$**
Goodwill	21,704	-	18,808	40,512	112,837
Customer relationships	594,703	2,038,113	48,224	2,681,040	4,142,120
Development costs	657,125	1,676,276	368,605	2,702,006	3,500,102
Trademarks & Licenses	-	-	12,884	12,884	19,006
Total	**1,273,532**	**3,714,389**	**448,521**	**5,436,442**	**7,774,065**

Goodwill, customer relationships and other intangible assets

Impairment testing was performed in respect of intangible assets using a discounted cash flow model. Based on such testing, impairment of goodwill amounting to $ 72,325 was recorded in the books (2014: $ 88,979). No impairment was triggered for any other intangible assets (2014: Directors had approved a one off impairment of intangible assets amounting to $4.2M).

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

NOTE 14: INTANGIBLE ASSETS (CONT'D)

A value-in-use model was created to determine value-in-use, which was based on management's most recent cash flow forecasts over five years, using a terminal growth rate of 3% which was based on management's long term expectations and a discount rate of 16% (2014: 18%) for New Zealand and 15% (2014: 20%) for Australia. The discount rate considered is the weighted average cost of capital based on the expected debt equity ratio. The risk free rates used in the calculation of weighted average cost of capital were lower by 0.82% and 0.98% respectively for New Zealand and Australia. An inflation premium of 3% was added to the weighted average cost of capital in the previous year for unknown variables while this year, the same hasn't been factored in the discounted cash flow calculation. The impact of this change has been assessed through a sensitivity analysis as explained below.

Sensitivity to changes in assumptions

Considering the headroom available in the US and New Zealand, any reasonably possible change to the assumptions of discount rate and / or growth rate will not cause impairment.

In Australia an assumption in the model is that total revenue will increase by 27% from 2015 to 2016. If total revenue increase achieved is only 70% of this amount, this will result in impairment.

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

NOTE 15: OTHER CURRENT ASSETS

	CONSOLIDATED ENTITY	
	2015	**2014**
	$	**$**
Prepayments & other debtors	63,292	48,284
Grant receivable	60,000	-
Deferred expenditure	127,327	107,904
	250,619	**156,188**

NOTE 16: TRADE AND OTHER PAYABLES

	CONSOLIDATED ENTITY	
	2015	**2014**
	$	**$**
Unsecured liabilities:		
Trade payables	1,882,130	2,331,681
Other payables and accrued expenses	1,131,388	941,134
	3,013,518	**3,272,815**

(a) Fair Value

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

(b) Related party payables

Amounts payable to related parties are non-interest bearing and have no fixed repayment terms. (Refer Note 28 for amounts payable to related parties at reporting date)

(c) Interest rate, foreign exchange and liquidity risk

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

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

(d) Deferred Revenue

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

	CONSOLIDATED ENTITY	
	2015	**2014**
	$	**$**
CURRENT		
Deferred Revenue	1,109,056	881,487
NON-CURRENT		
Deferred Revenue	-	-
	1,109,056	**881,487**

NOTE 17: INTEREST BEARING LOANS AND BORROWINGS

		CONSOLIDATED ENTITY	
		2015	**2014**
	NOTE	**$**	**$**
CURRENT			
Lease liability	**21**	-	8,974
Borrowings		573,208	154,940
		573,208	**163,914**
NON-CURRENT			
Lease liability	**21**	-	-
Borrowings		433,310	287,562
		433,310	**287,562**
Total current and non-current interest bearing loans & borrowings		**1,006,518**	**451,476**

(a) Fair values

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

(b) Interest rate, foreign exchange and liquidity risk

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

(c) Defaults and breaches

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

(d) Securities

Lease liabilities were secured over the assets.

(e) The Unused facilities:

The unused facilities include overdraft facility of $ 489,000 from BNZ, customised loan facility of $ 979,000 from BNZ and line of credit of $ 390,000 from Great Western Bank, USA. Interest rate would depend on rates applicable at the time of drawdown.

NOTE 18: PROVISIONS

	CONSOLIDATED ENTITY	
	2015	2014
	$	$
Employee entitlements	377,840	506,987
Bonuses	-	10,000
Lease incentive	18,402	14,791
Other accruals	61,896	-
	458,138	**531,778**

Employee Entitlements Liability

A liability has been recognised for employee entitlements relating to annual leave and long service leave entitlement. Employee entitlements include provision for long service leave entitlement of $ 12,913 (2014: Nil).

NOTE 19: CONTRIBUTED EQUITY

	CONSOLIDATED ENTITY	
	2015	2014
	$	$
Fully Paid Ordinary Shares:		
Movement in Ordinary Share Capital		
Opening balance 1 April	48,929,120	48,929,120
Shares issued	-	-
Closing balance 31 March	**48,929,120**	**48,929,120**

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

(a) Terms and conditions of issued capital

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

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

(b) Capital Management

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

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

NOTE 19: CONTRIBUTED EQUITY (CONT'D)

Management monitor capital adequacy through the gearing ratio (net debt / total capital). The maximum gearing ratio for the Group is in the range of 20%-35%. The gearing ratios based on operations at 31 March 2015 and 2014 were as follows:

		CONSOLIDATED ENTITY	
		2015	**2014**
	NOTE	**$**	**$**
Total borrowings *	**16 & 17**	4,020,036	3,724,291
Less cash and cash equivalents	**9**	(1,247,010)	(1,784,996)
Net debt		2,773,026	1,939,295
Total equity		5,998,918	7,749,205
Total capital		**8,771,944**	**9,688,500**
Gearing ratio (Net debt/Total Capital)		31.61%	20.01%

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

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

(c) Nature and purpose of reserves

Foreign currency translation reserve

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

NOTE 20: NON-CONTROLLING INTERESTS

	CONSOLIDATED ENTITY	
	2015	**2014**
	$	**$**
Contributed equity	517,352	240,441
Minority share of profit /(loss)	(224,134)	276,911
	293,218	**517,352**

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

NOTE 21: CAPITAL AND LEASING COMMITMENTS

		CONSOLIDATED ENTITY	
		2015	**2014**
	NOTE	**$**	**$**
(a) Finance Lease Commitments Payable			
- Within one year		-	8,974
- After one year but not more than five years		-	-
- More than 5 years		-	-
Minimum lease payments		-	8,974
Less future finance charges		-	-
Net lease liability		**-**	**8,974**
Current lease liability	**17**	-	8,974
Non-current lease liability	**17**	-	-
		-	**8,974**

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

	CONSOLIDATED ENTITY	
	2015	2014
	$	$
(b) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable		
- Within one year	796,511	581,548
- After one year but not more than five years	1,679,268	1,532,946
- More than 5 years	-	-
	2,475,779	**2,114,494**

(c) Capital Expenditure Commitments

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

NOTE 22: DIVIDENDS

No dividends have been paid or declared since the beginning of the financial year (2014: Consova Corporation paid dividend of $ 41,728).

NOTE 23: CONTINGENT LIABILITIES / ASSETS

There were no contingent liabilities or assets in existence at reporting date (2014: $Nil).

NOTE 24: SEGMENT REPORTING

(a) Description of segments

Industrial Segments

The economic entity operated primarily in the software development and licensing sector.

Geographical segments

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

YEAR ENDED 31 MAR 2015	AUSTRALIA	NZ & OTHERS	USA	INTER-SEG ELIMINATIONS	TOTAL
	$	$	$	$	$
Sales to external customers	2,971,645	10,485,852	4,149,135	-	17,606,632
Revenue from government grant	1,050,000	-	-	-	1,050,000
Interest income	8,378	16,682	-	-	25,060
Other revenue	824,515	519	16,241	-	841,275
Total segment revenue	**4,854,538**	**10,503,053**	**4,165,376**	**-**	**19,522,967**
Segment EBITDA	**1,624,530**	**533,362**	**(648,261)**	**-**	**1,509,631**
Impairment and amortisation	(2,496,396)	-	(249,690)	-	(2,746,086)
Depreciation	(29,473)	(413,805)	(117,259)	-	(560,537)
Interest income	8,378	16,682	-	-	25,060
Interest expense	-	(52,170)	(16,324)	-	(68,494)
Income tax expense	(373,007)	(38,704)	179,540	72,819	(159,352)
Segment net profit / (loss) after tax	**(1,265,968)**	**45,365**	**(851,994)**	**72,819**	**(1,999,778)**
Segment Assets	**6,825,154**	**4,669,239**	**2,174,116**	**(1,840,837)**	**11,827,672**
Segment Liabilities	**(2,029,529)**	**(2,694,312)**	**(2,945,751)**	**1,840,837**	**(5,828,755)**

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

NOTE 24: SEGMENT REPORTING (CONT'D)

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

(i) Accounting policies

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

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

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

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

(ii) Major Customers

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

NOTE 25: CASH FLOW INFORMATION

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

	CONSOLIDATED ENTITY	
	2015	**2014**
	$	**$**
Net profit / (loss) from ordinary activities after income tax	(1,999,778)	(4,135,234)
Non-cash flows in ordinary activities:		
Impairment of intangibles	72,325	4,212,264
Amortisation of intangibles	2,673,761	988,920
Depreciation	560,537	242,180
Net Loss on disposal of property, plant and equipment	-	28,808
Changes in assets and liabilities, net of the effects of purchase / disposal of subsidiaries:		
Decrease / (Increase) in deferred tax	(491,521)	108,181
Decrease / (Increase) in trade & other receivables	(244,727)	(1,039,678)
Decrease / (Increase) in other current assets	(94,431)	(2,628)
Decrease / (Increase) in inventories	220,433	38,344
Increase / (Decrease) in trade and other payables	327,798	1,144,712
Increase / (Decrease) in current tax liability	(391,373)	239,246
Increase / (Decrease) in provisions	(73,640)	51,025
Cash Flows from Operating Activities	**559,384**	**1,876,140**

(b) Non-cash Financing and Investing Activities
There was no non-cash financing and investing activities during the financial year.

(c) Credit Standby Arrangements with Banks
There were no credit standby arrangements with banks at balance date.

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

	2015	2014
	$	$
Current Assets	104,990	103,221
Non-Current Assets	16,957,384	13,161,214
Total Assets	**17,062,374**	**13,264,435**
Current Liabilities	(3,371,238)	(3,815,925)
Non-Current Liabilities	-	-
Total Liabilities	**(3,371,238)**	**(3,3815,925)**
Contributed Equity	48,929,120	48,929,120
Accumulated Losses	(35,237,984)	(39,480,610)
	13,691,136	**9,448,510**
Profit / (loss) of the parent entity	**4,242,626**	**(5,383,612)**
Total comprehensive income / (loss) of the parent entity	**4,242,626**	**(5,383,612)**

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

NOTE 27: EVENTS SUBSEQUENT TO REPORTING DATE

Ultrasis Interactive Healthcare PLC (Ultrasis) a customer is currently navigating through financial difficulty. Based on the information on their website, Ultrasis has filed a notice of intention to appoint Paul Flint and Brian Green, insolvency practitioners at KPMG LLP, as administrators to the Company. Gross amount receivable of $542,671 has been set off by amount payable and subsequent collection of $ 261,409. Acknowledging the potential risk, a provision for doubtful debt for the balance amount of $ 281,262 has been made as at 31 March, 2015. (2014: $Nil).

NOTE 28: RELATED PARTY DISCLOSURES

Parent entity

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

Subsidiaries

Interests in subsidiaries are disclosed in note 12.

Transactions with related parties

The following transactions also occurred with related parties:

	CONSOLIDATED ENTITY	
	2015	2014
	$	$
Management and administration services		
Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah (a)	1,183,392	808,819
Cost on-charges to / (from)		
Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah	(1,644)	1,972
Software services & development		
Inlogic Technologies Pvt Ltd – a company associated with Mr. V. Ramayah (b)	2,508,469	2,286,690
Consulting services		
CRM4Sight Ltd – a company controlled by Mr. S. Samaraweera (c)	222,234	111,007
Ross Tanner Consulting Ltd – a company controlled by Mr. R. Tanner (d)	43,212	24,718
Occupancy services		
Pinnacle Developments Ltd – a company controlled by Mr. V. Ramayah (e)	277,191	245,534
Long-term borrowings		
Long-term loan from Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah	-	(840)
Interest on long-term loan from Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah (f)	3,095	17,078

NOTE 28: RELATED PARTY DISCLOSURES (CONT'D)

(a) Fees for management and administrative services provided (including cost of personnel and proportion of overheads) are charged on a cost plus 10% mark-up basis based on time spent in providing these services. Refer remuneration table on page 16 for the details of executive remuneration component included above.

(b) Software services provided are billed on the basis of hourly rates. Payment terms are within six months from the date of invoice and settled in cash. These hourly rates are in line with the quotations for similar services received from two unrelated third parties.

(c) Refer to Remuneration Report, Service agreements para c on page 18.

(d) Refer to Remuneration Report, Service agreements para a on page 18.

(e) Expenses for occupancy services are in line with per square meter rate paid by other third party unrelated tenants occupying the space in the same building.

(f) Loan transactions are unsecured and repayable at call. Interest charged was 10% on reducing balance.

Transactions with Key Management Personnel (KMP)

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

Outstanding balances

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

	CONSOLIDATED ENTITY	
	2015	**2014**
	$	**$**
Management and administration services		
Cereus Holdings Ltd - a company controlled by Mr. V. Ramayah	-	(19,320)
Cost on-charges		
Cereus Holdings Ltd - a company controlled by Mr. V. Ramayah	(2,447)	19,935
Software services & development		
Inlogic Technologies Pvt Ltd - a company associated with Mr. V. Ramayah	(1,384,265)	(1,800,032)
Consulting services		
Ross Tanner Consulting Ltd – a company controlled by Mr. R. Tanner	(6,034)	(2,222)
Long-term borrowings		
Long-term loan from Cereus Holdings Ltd – a company controlled by Mr. V. Ramayah	-	(154,940)
Net receivable / (payable)	**(1,392,746)**	**(1,956,579)**

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2015, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2014: $Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 29: DIRECTORS' AND EXECUTIVES' COMPENSATION

(a) Compensation of Key Management Personnel

	SHORT-TERM EMPLOYEE BENEFITS	POST-EMPLOYMENT BENEFITS	LONG-TERM INCENTIVE PLANS	SHARE-BASED PAYMENT OPTIONS	TOTAL
2015	1,386,814	41,345	-	-	1,428,159
2014	985,191	30,158	-	-	1,015,349

(b) Equity Instruments

Options and rights granted as compensation

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

Equity instruments issued on exercise of remuneration options

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

Shareholdings

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

DIRECTORS	BALANCE 31 MARCH 2013	OTHER NET CHANGE *	BALANCE 31 MARCH 2014	OTHER NET CHANGE *	BALANCE 31 MARCH 2015
Mr V Ramayah	70,809,262	-	70,809,262	-	70,809,262
Mr D Stuart	750,000	-	750,000	-	750,000
Mr R Clarke	109,000	-	109,000	-	109,000
Mr M Gaylard	-	-	-	120,000	120,000

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

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

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

Mr M Gaylard has an interest of 120,000 shares held directly.

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

OTHER INFORMATION

Corporate Governance Statement

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

ASX Listing rule 4.10.3 requires that Medtech Global Limited disclose the extent to which it has followed the recommendations of the ASX Corporate Governance Council's ('ASX CGC') *Corporate Governance Principles and Recommendations* (2nd Edition) during the 2015 year.

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

The Medtech Global board retains responsibility for the following areas:

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

b) approving an annual budget and monitoring financial performance,

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

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

e) approving acquisitions,

f) ensuring compliance with statutory requirements,

g) selecting and appointing new directors, and

h) maintaining the highest business standards and ethical behaviour.

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

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

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

c) approving minor capital expenditure (excluding acquisitions).

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

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

a) the responsibilities of the executive,

b) the approved annual budgets,

c) any communicated key performance indicators, and

d) qualitative as well as quantitative measures.

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

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

PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

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

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

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

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

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

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

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

NAME	TERM IN OFFICE
Vino Ramayah – Chairman and CEO	8.5 years
Russell Clarke–Non-Executive Director	8.5 years
Darryl Stuart – Non-Executive Director	5.5 years
Ross Tanner - Non-Executive Director	3.5 years
Michael Gaylard – Non-Executive Director	4 years

Performance

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

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

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

PRINCIPLE 3 – PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING

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

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

a) Employee share trading policies

b) Appropriate levels of disclosure and liaison with shareholders

c) Relationships with customers and suppliers

d) Employment practices of the company and Group

e) Community relations

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

a) Complies with laws and regulations, and

b) Ethical and environmental responsibilities

Diversity Policy

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

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

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

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

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

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

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

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

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

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

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

Measurable Objectives

The Gender Diversity Policy provides for the board to set measurable objectives with a view to progressing towards a balanced representation of women at board, executive management and senior management[4] levels and for performance against these objectives to be reviewed annually. For the year ended 31 March 2015, the board set the following measurable objectives for achieving gender diversity:

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

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

As at 31 March 2015 the workforce gender profile was as follows:

- 45% of the total workforce was women (2014: 47%)
- 40% of women make up the senior management team (2014: 44%)
- 22% of women make up the executive management team (2014: 22%)
- 0% of women have been appointed to the board (2014: 0%)

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

Objective	Measurement	Review Date
Identify talented women in the workforce with leadership capability and develop specific strategies to develop skills and experience of these women to prepare them for senior/executive management roles.	Increase the percentage of women in senior/executive management roles as vacancies arise, subject to identification of candidates and appropriate skills.	31 March 16
Implement an internal mentoring programme to encourage and increase opportunities for female employees to have access to senior and executive management roles.	Increase the number of women in the group workforce applying for vacant management positions at all levels.	31 March 16
The board to develop a succession plan with an aim of increasing the representation of women on the board.	Increase the percentage of women on the board, subject to identification of candidates with appropriate skills.	31 March 16

Trading Policy

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PRINCIPLE 4 – SAFEGUARD INTEGRITY OF FINANCIAL REPORTING

Audit committee

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

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

The members of the Audit Committee during the year were:
Russell Clarke
Michael Gaylard

Due to the limited size, lack of complexity and relatively small number of directors the board had adopted the position that the Audit Committee comprising one non-executive director, the Company Secretary (non-executive), and one executive director is acceptable for the Group’s present needs. This position remains the same after Russell Clarke’s movement to a non-executive role.

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

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

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

PRINCIPLE 6 – RESPECT THE RIGHTS OF SHAREHOLDERS

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

Medtech Global Limited is committed to:

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

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

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

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

- Through the release of information to the market via the ASX.
- Through the distribution of the annual financial report and notices of annual general meeting.
- Through shareholder meetings and investor relations presentations.
- Through letters and other forms of communications directly to shareholders.
- By posting relevant information on Medtech Global Limited's website: www.medtechglobal.com.

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

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

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

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

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

Goals

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

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

Duties and Responsibilities

The board has the following duties and responsibilities:

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

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

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

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

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

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

Retain Advisers

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

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

Due to the limited size and lack of complexity of the Group, the remuneration committee functions are overseen by the Board of Directors and thus the Group does not fully comply with this recommendation.

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

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

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

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

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

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

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

Shareholder Information

The issued capital of the company as at 31 March 2015 is 100,248,061 ordinary shares. There are no outstanding options.

Distribution of Shareholdings as at 31 March 2015

NUMBER OF SHARES	NUMBER OF SHAREHOLDERS
1-1,000	1,014
1,001-5,000	373
5,001-10,000	76
10,001-100,000	195
100,001 or above	47
Total Shareholders *	1,705
Percentage of total shares on issue held by top 20 largest shareholders	**90.0%**
Percentage of shareholders holding less than a marketable parcel	**77.8%**

* All shares have equal voting rights

Top 20 Shareholders as at 31 March 2015

SHAREHOLDER	NUMBER	PERCENTAGE
Cereus Holdings Limited	70,809,262	70.6%
Forsyth Barr Custodians Ltd	4,581,216	4.6%
Mr Ravindan Govindan	3,339,085	3.3%
Mr Deepak Mamtani	3,000,000	3.0%
Khoo Siew Ngoh	776,250	0.8%
Custodial Services Limited	755,743	0.8%
Darryl Stuart	750,000	0.7%
Copabella Pty Ltd	750,000	0.7%
Dr Hamish Arthur Jamieson	712,768	0.7%
Leandro Pacheco	660,000	0.7%
Mrs Emma Jane Gracey	600,000	0.6%
Pushpa Bose	480,500	0.5%
Mr James Huggett	459,818	0.5%
Citicorp Nominees Pty Limited	454,609	0.5%
Mr Kevin Noel Reynolds	404,563	0.4%
Mr Mark Daniel Filipovic	394,912	0.4%
Daly Sf Pty Ltd	369,309	0.4%
HSBC Custody Nominees	358,691	0.4%
Mrs Susanne May Burke	300,000	0.3%
Durgapratapsinh Sisodia	291,572	0.3%
Total Shares On Issue Held By 20 Largest Shareholders	**90,248,298**	**90.0%**

Substantial Shareholders as at 31 March 2015

Cereus Holdings Limited

Restricted Securities

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

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