Victor Group Holdings Limited

ANNUAL REPORT

For the year ended 30 June 2015

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Directors' Report

The directors of Victor Group Holdings Limited ('Victor Group') present their Report together with the financial statements of the consolidated entity, being Victor Group ('the Company') and its controlled entities ('the Group') for the year ended 30 June 2015.

Director details

The following persons were directors of Victor Group during or since the end of the financial year.

Mr. David P Batten

Independent Chairman since 27 July 2015

Independent Non-Executive Director

Member of Nomination and Remuneration Committee and Audit Committee

Director since December 2013

Mr. Batten has over 25 years of experience in the financial markets with more than half of that managing and leading his peers. His specialty has been in the complex world of derivatives where he has experienced bullion, equity, commodities, foreign exchange and interest rate markets.

Other current directorships:

None

Previous directorships (last 3 years):

Invest Nexus Limited

Interests in shares:

None

Interest in options:

None

Mr. Bin, Zhang

Deputy Chairman

Chief Executive Officer

Director since December 2013

Mr. Zhang is an entrepreneur with over 10 year experience in the enterprise management consulting industry. He is responsible for the day to day operations of the Business and regularly gives lectures to clients who attend the Company's courses.

Other current directorships:

None

Previous directorships (last 3 years):

None

Interests in shares:

400,000,000 ordinary shares held by related entity Daybreak Corporation Limited

Interest in options

None

Mr. Liu, XinJie

Non-Executive Director

Member of Audit Committee

Director since September 2013

Mr. Liu, Xinjie is currently the Finance Manager of Achieva Capital (Shanghai) Ltd. He holds a bachelor of Science in management from Shanxi University of Science & Technology, Xi'an, the PRC. Mr. Liu possesses extensive practical experience in corporation financial management, internal controls and capital operations.

Other current directorships:

None

Previous directorships (last 3 years):

None

Interests in shares:

80,000,000 ordinary shares held by related entity Achieva Capital Holdings Ltd

Interest in options:

None

Mr. Greg C Forrester

Independent Non-Executive Director

Appointed 27 July 2015

Mr. Greg C Forrester is an experienced company Director. Starting out as Floor Manager of the Sydney Futures Exchange, he has been responsible for trading activities and surveillance. Since then, he has moved on to recruitment, funds management and financial markets.

Other current directorships:

None

Previous directorships (last 3 years):

None

Interests in shares:

None

Interest in options:

None

Mr. Wayne V Reid

OBE

Independent Chairman

Independent Non-Executive Director

Member of Nomination and Remuneration

Director since September 2013

Resigned 27 July 2015

Mr. Reid has served on a Federal Government advisory board, was president of Tennis Australia and the Melbourne Football Club and is a Member of the Australian Sporting Hall of Fame. He has been a Director on over 30 company boards of various companies across several continents in diverse and wide ranging industries, including insurance, pharmaceutical, retail, mining, stock-broking, construction, property development and hospitality.

Other current directorships:

Sunbridge Group Limited

Previous directorships (last 3 years):

None

Interests in shares:

None

Interest in options:

None

Mr. Frederick C Kempson

Independent Non-Executive Director

Member of Nomination and Remuneration Committee and Audit Committee

Director since January 2014

Resigned 27 July 2015

Mr. Kempson is Managing Director of Kempson Capital Pty Limited (corporate consulting for domestic and international corporations and high net worth individuals) since 2001

Chairman – Simple Trade Pty Ltd – since 2007

Chairman Advisory Board – Forte Wealth Limited since 2013

Director – Ocean Spray Group Inc since 2008

Mr. Kempson is an active entrepreneur and has broad experience in corporate advisory.

Other current directorships:

Alternate director Hot Rock Limited.

Previous directorships (last 3 years):

None

Interests in shares:

None

Interest in options:

None

Company secretary

Mr. Richard Hill has resigned as company secretary on 27 July 2015. Mr. David Paul Batten has been appointed as the new company secretary on 27 July 2015 and he will utilize his expertise and experience to fulfill the responsibility of this role.

Change of officeholders

As of 27 July 2015, Mr. Wayne V Reid (Independent Chairman) and Mr. Fred C Kempson (Non-Executive Director) have resigned to pursue other activities. The Company would like to sincerely thank Wayne and Fred for their service and contributions to the Company.

Committee Membership

	Audit Committee	Remuneration and nomination committee
Greg C Forrester	Chair	Chair
David P Batten	Secretary	Secretary
Xinjie Liu	Member	
Xiqiang Jiang		Member

As of 27 July 2015, the following changes have been made to the membership of Audit and risk Committee:

a. Wayne V Reid resigned from the Audit and Risk Committee and Remuneration and Nomination Committee

b. Fred C Kempson resigned from Audit and Risk Committee and Remuneration and Nomination Committee

c. Fred C Forrester was appointed to the Audit and Risk Committee and serves as Chairman of the Committee

d. David P Batten stepped down as the Chairman of the Audit and Risk Committee and takes the role of Secretary of the Audit and Risk Committee and Remuneration and Nomination Committee

e. Xinjie Liu was appointed as the member of the Audit and Risk Committee

As of 25 September 2015, Xiqiang Jiang was appointed as the member of Remuneration and Nomination Committee.

Principal activities

During the year, the principal activities of entities within the Group were to conduct Enterprise Management Training Program. Its consultation and advisory services are offered to entrepreneurs to help them improve the management and strategic planning of their companies.

No significant change in the nature of these activities occurred during the financial year.

Review of operations and financial results

Commentary on Full Year Results

Through this report, the Board seeks to provide an update to its Shareholders and the market on the results achieved for the financial year ended 30 June 2015. It should be noted that the Group's financial reporting period is from 1 July 2014 through 30 June 2015.

The Victor Group realised an after tax profit of $3.1 million for the reporting financial year. The Company's cash and cash equivalents reserves remain strong at $4.24 million.

Financial Position

For the year ended 30 June 2015 sales revenue has increased by $1,330,173, which is mainly due to AUD depreciation against Chinese RMB and Increased in sales volume of main operation. The net profit after tax has decreased by $908,158, which is attributed to the overall increase in venue and lecturer cost and administrative expenses incurred by the Australian parent.

The net assets of the consolidated group have increased by $1,914,339 from $7,782,212 on 30 June 2014 to $9,696,551 on 30 June 2015. This increase has largely resulted from the following factors:

- $3,095,791 profits after tax attributable to members;
- $1,312,436 increase in foreign exchange loss reserve.

Significant Changes in the State of Affairs

During the year ended 30 June 2015, Qisheng Investment Management Consulting (Shanghai) Co., Ltd (a wholly owned subsidiary) has been established for assets an acquisition purpose which has been consolidated into the Group.

No other changes in the state of affairs

Dividends

The company declared and paid an unfranked 2014 final dividend of 0.48 cent per share on 8 December 2014.

No other dividends have been paid or provided by the group during or subsequent to the financial year.

Events arising since the end of the reporting period

There are no other matters or circumstances that have arisen since the end of the year that have significantly affected or may significantly affect either,

- The entity's operations in future financial years;
- The results of those operations in future financial years; or
- The entity's state of affairs in future financial years.

Likely developments, business strategies and prospects

The Group aims to position itself as one of the leading enterprise management consulting businesses in the People's Republic of China. For these purposes, the Group intends to pursue the following strategies:

Focus on the market in second and third tier cities

The Group's sales and distribution network is mainly focused on regional business development within the PRC. The group sees that in first tier cities, such as Beijing, Shanghai, Guangzhou, Xi'an, Chongqing, Chengdu and Wuhan, the entrepreneurial management training industry is already competitive and mature with high market concentration ratio. Hence, while maintaining its existing distribution network in first tier cities, the group will focus more on the market penetration and expansions in second and third-tier cities such as Zhengzhou, Changchun, Jilin, and Guiyang etc.

Target youth leadership training market

The group is to expand its market further by successfully recognising the demand of youth leadership training. The large size and high density of youth population in first and second tier cites as well as the parents' willingness to invest in their children are believed to give the huge potential and prospects to this market. The training, in the form of onshore and offshore summer and winter camps, aims to build a solid basis for them to become the future leaders by enhancing their abilities to lead, to manage, to give speech, and to teamwork. The group expects this strategic move will reduce and diversify the business risk and provide additional stream of income.

Flexible and versatile channel of training
In addition to the form of seminar, short course, and training camp, the group also plans to improve the learning experiences by publishing readings and books national wide and making the online video stream available on the most popular Chinese mobile apps, which not only makes the learning more flexible but also increases group's public presence and improves company's image.

The material business risk
The material business risks faced by the group that are likely to have effects on the financial prospects of the group, and how the group manages these risks include:

Rapid expansion that might cause liquidity issue
Strategic plan that the group is to expand its network in second and third tier cities in China, if expanded too fast, would have a significant impact on liquidity and group's financial result. The group manages this risk by controlling the expansion speed and scale while maintaining strong and sufficient cash reserve on hand.

Customer concentration risk
Given 100% of operating revenue is derived from 3 customers for the current financial year, the high concentration on several particular customers would have significant impact on group's financial result should the Group lose any of them. Group tries to reduce and diversify the risk by searching for new customers and agents.

Directors' meetings

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

	Board meeting		**Audit Committee**		**Remuneration and Nomination Committee**	
	A	**B**	**A**	**B**	**A**	**B**
Wayne V Reid	5	5	2	2	2	2
Bin, Zhang	5	4	-	-	-	-
David P Batten	5	5	2	2	2	2
Liu, XinJie	5	4	-	-	-	-
Frederick C Kempson	5	4	2	2	2	2

Where:

Column A is the number of meetings the Director was entitled to attend

Column B is the number of meetings the Director attended

As of 27 July 2015, the following changes have been made to of Audit and risk Committee:

a. Audit Committee is renamed to Audit and Risk Committee

b. Wayne V Reid resigned from the Audit and Risk Committee and Remuneration and Nomination Committee.

c. Fred C Kempson resigned from Audit and Risk Committee and Remuneration and Nomination Committee

d. Fred C Forrester was appointed to the Audit and Risk Committee and serves as Chairman of the Committee

e. David P Batten stepped down as the Chairman of the Audit and risk Committee and takes the role of Secretary of the Audit and Risk Committee and Remuneration and Nomination Committee

f. Xinjie Liu was appointed as the member of the Audit and Risk Committee

As of 25 September 2015, Xiqiang Jiang is appointed as the member of Remuneration and Nomination Committee

Share options

There are no options issued by Victor Group.

Remuneration Report (audited)

The Directors of Victor Group Holdings Limited ('Victor Group' or 'the Company') and controlled entities (together 'the Group') present the Remuneration Report for non-executive directors, executive directors and other key management personnel prepared in accordance with the *Corporations Act 2001* and the *Corporations Regulations 2001*.

The Remuneration Report is set out as follows:

a) Principles used to determine the nature and amount of remuneration

b) Details of remuneration

c) Service agreements

d) Share-based remuneration

e) Other information

a. Principles used to determine the nature and amount of remuneration

The principles of the Group's executive strategy and supporting incentive programs and frameworks are:

• To align rewards to business outcomes that deliver value to shareholders;

• To drive a high performance culture by setting challenging objectives and rewarding high performing individuals; and

• To ensure remuneration is competitive in the relevant employment market place to support the attraction, motivation and retention of executive talent.

Victor Group has structured a remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The Board has established a Remuneration and Nomination Committee which operates in accordance with its charter as approved by the Board and is responsible for determining and reviewing compensation arrangements for the directors and the executive team.

The remuneration structure that has been adopted by the Group consists in fixed remuneration being annual salary.

The Remuneration and Nomination Committee assess the appropriateness of the nature and amount of remuneration on a periodic basis by reference to recent employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

The payment of bonuses, share options and other incentive payments are reviewed by the Remuneration and Nomination Committee annually as part of the review of executive remuneration and a recommendation is put to the Board for approval. All bonuses, options and incentives must be linked to pre-determined performance criteria.

Use of remuneration consultants

No remuneration consultant has been engaged by the Company.

Short term incentive (STI)

Victor Group performance measures involve the use of annual performance objectives, metrics, performance appraisals and continuing emphasis on living the company values.

The performance measures are set annually after consultation with the directors and executives and are specifically tailored to the areas where each executive has a level of control. The measures target areas the Board believes hold the greatest potential for expansion and profit and cover financial and non-financial measures.

The Board may, at its discretion, award bonuses for exceptional performance in relation to each person's pre-agreed KPIs.

b. Details of remuneration

Details of the nature and amount of each element of the remuneration of each key management personnel ('KMP') of Victor Group are shown in the table below

Director and other Key Management Personnel Remuneration for the year ended at 30 June 2015

	Short term employee benefits						**Post-employment benefits**		**Long-term benefits**		**Termination benefits**		**Share-based payments**		**Total ($)**		**% of remuneration that is performance based**	
	Cash salary and fees ($)		Cash bonus ($)		Non-monetary benefits ($)		Superannuation ($)		Long-term bonus ($)		Termination payments ($)		Options ($)					
Directors																		
	2015	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Wayne V Reid - Chairman and Independent Non-executive Director (Appointed 4 December 2013)	68,750	32,083	-	-	-	-	5,156	2,968	-	-	-	-	-	-	73,906	35,051	0%	0%
Bin, Zhang - Deputy Chairman and CEO (Appointed 11 September 2013)	203,080	105,319	979	-	124,573	-	-	2,064	-	-	-	-	-	-	328,632	107,383	0%	0%
David P Batten - Independent Non-Executive Director (Appointed 4 December 2013)	17,500	7,000	-	-	-	-	1,648	648	-	-	-	-	-	-	19,148	7,648	0%	0%
Liu, Xin Jie - Non-Executive Director (Appointed 11 September 2013)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	0%
Frederick C Kempson - Independent Non-Executive Director (Appointed 6 January 2014)	56,250	18,750	-	-	-	-	4,219	1,734	-	-	-	-	-	-	60,469	20,484	0%	0%

	Short term employee benefits						Post-employment benefits		Long-term benefits		Termination benefits		Share-based payments		Total ($)		% of remuneration that is performance based	
	Cash salary and fees ($)		Cash bonus ($)		Non-monetary benefits ($)		Superannuation ($)		Long-term bonus ($)		Termination payments ($)		Options ($)					
Other key management personnel																		
	2015	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Richard L S Hill - Company Secretary and CFO (Appointed 4 December 2013)	73,048	30,000	-	-	-	-	5,058	1,604	-	-	-	-	-	-	78,106	31,604	0%	0%
Xia, Yuedong - Chief Operating Officer of Shanghai Kesheng (Appointed 1 August 2013)	41,546	12,994	1,957	-	-	-	-	-	-	-	-	-	-	-	43,503	12,994	0%	0%
Wang, Shuai - Director of Business Development of Shanghai Kesheng (Appointed 1 August 2013)	31,677	12,200	1,370	-	-	-	-	-	-	-	-	-	-	-	33,047	12,200	0%	0%
Dong, Lei – Department Manager of Shanghai Kesheng (Appointed 1 October 2013)	14,767	6,472	391	-	-	-	-	-	-	-	-	-	-	-	15,158	6,472	0%	0%
Liu, Jinping – Financial Manager of Shanghai Kesheng (Appointed 1 November 2014)	16,265	-	1,370	-	-	-	-	-	-	-	-	-	-	-	17,635		0%	0%
Dong, Xiaoli – Financial Manager of Shanghai Kesheng (Appointed 1 August 2013)	7,270	7,811													7,270	7,811	0%	0%
Total	**530,153**	**232,629**	**6,067**	**-**	**124,573**	**-**	**16,081**	**9,018**	**-**	**-**	**-**	**-**	**-**	**-**	**676,874**	**241,647**		

Service agreements

Remuneration and other terms of employment for the Executive Directors and other key management personnel are formalized in a service agreement. The major provisions of the agreements relating to remuneration are set out below,

Name	Base salary	Term of agreement	Notice period
Executive directors			
Bin, Zhang	203,080[3]	3 years	1 month
Other key management personnel			
Richard L S Hill [1]	60,000	-	1 month
Xiqiang Jiang [2]	24,000	-	1 month
Xia, Yuedong	41,546	2 years	1 month
Wang, Shuai	31,667	2 years	1 month
Dong, Lei	14,767	2 years	1 month
Liu, Jinping	16,265	2 years	1 month
Dong, Xiaoli	7,270	2 years	1 month

(1) The term of agreement with Richard L S Hill was not fixed. He was entitled to $30,000 per annum for his CFO role in the Group and $30,000 per annum for his Company Secretary duties. Richard L S Hill, the company's chief financial officer and company secretary, resigned as of 27 July 2015.

(2) The term of agreement Xiqiang Jiang is not fixed. He is entitled to $24,000 per annum for his CFO role in the Group. He was appointed as CFO on 27 July 2015.

(3) fixed salary for Bin Zhang has been adjusted during the year which consists of PRC salary (153,080) and director fee (50,000)

c. Share-based remuneration

Options

There are no options issued by Victor Group to Directors and Key Management Personnel.

d. Shareholdings

Number of Shares held by Key Management Personnel

30-Jun-15	Opening Balance	Received as Compensation	Options Exercised	Net Change Other	Closing Balance
Directors					
Bin, Zhang[(1)]	400,000,000	-	-	-	400,000,000
David P Batten[(5)]	-	-	-	-	-
Liu, Xin Jie[(2)]	80,000,000	-	-	-	80,000,000
Wayne V Reid[(3)]	-	-	-	-	-
Frederick C Kempson[(3)]	-	-	-	-	-
Greg C Forrester[(4)]	-	-	-	-	-
Total	**480,000,000**	**-**	**-**	**-**	**480,000,000**
Executives					
Richard L S Hill[(3)]	-	-	-	-	-
Xiqiang Jiang[(4)]	-	-	-	-	-
Xia, Yuedong	-	-	-	-	-
Wang, Shuai	-	-	-	-	-
Dong, Lei	-	-	-	-	-
Liu, Jinping	-	-	-	-	-
Dong, Xiaoli[(6)]	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

(1) Share held through related entity, Daybreak Corporation Limited
(2) Share held through related entity, Achieva Capital Holdings Limited
(3) Resigned on 27 July 2015
(4) Appointed on 27 July 2015
(5) Appointed as the Chairman on 27 July 2015
(6) Resigned on 31 January 2015

e. Transactions/Balance at end of year for directors related party information

Consolidated Group	2015 $	2014 $
Expenses paid on behalf of the Group by Director Simon Zhang Bin	62,129	265,580
Repayment of amount due to Director Simon Zhang Bin	99,948	207,262
Expenses paid on behalf of the Group by Achieva Capital Holdings (Hong Kong) Limited –Shareholder an entity related to Director Liu, Xinjie	-	405,036
Advances received from Achieva Capital Holdings(Hong Kong) Limited, a shareholder an entity related to Director Liu, Xinjie	-	402,367
Repayment of amount due to Achieva Capital Holdings(Hong Kong) Limited, shareholder an entity related to Director Liu, Xinjie	136,877	670,526
Provision of financial consulting services by Achieva Capital Management (Shanghai) Limited, an entity related to Director Liu, Xinjie	4,261	11,352
Provision of financial consulting services by Achieva Fund Management (Shanghai) Limited, an entity related to Director Liu, Xinjie	25,441	-
Provision of financial consulting services by Achieva High-tech Investment Management(Shanghai) Limited, an entity related to Director Liu, Xinjie	3,523	-

There is no receivable from or payable to related party in the financial year ended 30 June 2015.

	Receivable from related party		Payable to related party	
	2015	2014	2015	2014
	$		$	$
Related party payable-Achieva Capital (Shareholder and entity related to Director Liu, Xinjie)	-	-	-	136,877
Related party payable-Simon Zhang	-	-	-	58,318

Other information

Hedging of securities

In accordance with the Group's general share trading policy and employee share plan rules, participants are prohibited from engaging in hedging arrangements over unvested securities issued pursuant to any employee or Director Share plan.

End of audited remuneration report

Environmental legislation

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

Indemnities given and insurance premiums paid to auditors and officers

During the year, Victor Group paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all directors. The new directors appointed after the end of financial year are also covered by the policy.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of the insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

Non-audit services

During the year, Grant Thornton, the Company's auditors, performed certain other services in addition to their statutory audit duties.

The Board has considered the non-audit services provided during the year by the auditor and, in accordance with written advice provided by resolution of the Audit and Risk Committee, is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Audit and Risk Committee to ensure they do not impact upon the impartiality and objectivity of the auditor; and

- The non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Company, Grant Thornton, and its related practices for audit and non-audit services provided during the year are set out in Note 5 to the Financial Statements.

A copy of the auditor's independence declaration as required under s307C of the *Corporations Act 2001* is included on page 19 of this financial report and forms part of this Director's report.

Proceedings of behalf of the Company

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

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

David Batten

David P Batten

Independent Chairman
Dated the 30th day of September 2015

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67 Greenhill Rd
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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF VICTOR GROUP HOLDINGS LIMITED

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Victor Group Holdings Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

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

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 30 September 2015

Corporate Governance Statement

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such, Victor Group Holdings Limited and its Controlled Entities ('the Group') have adopted the third edition of the Corporate Governance Principles and Recommendations which was released by the ASX Corporate Governance Council on 27 March 2014 and became effective for financial years beginning on or after 1 July 2014.

The Group's Corporate Governance Statement for the financial year ending 30 June 2015 is dated as at 29 September 2015 and was approved by the Board on 29 September 2015. The Corporate Governance Statement is available on Victor Group's website at http://www.sinovictor.com/corporate03.html.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2015

	Note	Jun-15	Jun-14
Operating Revenue	2	10,480,201	9,150,028
Cost of sales		(4,263,280)	(2,678,377)
Gross profit		**6,216,921**	**6,471,651**
Non-operating Revenue	2	257,450	46,391
Administrative expenses	3	(1,884,501)	(1,080,176)
Finance (costs) / gains	3	27,576	(11,876)
Profit/ (Loss) before income tax		**4,617,446**	**5,425,990**
Income tax expense	4	(1,521,655)	(1,422,041)
Profit for the Year		**3,095,791**	**4,003,949**
Other Comprehensive Income for the Year, Net of Tax			
Items that may be reclassified subsequently to profit or loss;			
Foreign currency gain / (loss) on translation of foreign operations		1,312,436	(136,183)
Total Comprehensive Income for the Year Attributable to Members		**4,408,227**	**3,867,766**
Earnings per share (on profit attributable to ordinary equity holders)		**Cents**	**Cents**
Basic earnings per share (cents per share)	14	0.60	1.83
Diluted earnings per share (cents per share)	14	0.60	1.83

These financial statements should be read in conjunction with accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITON

AS AT 30 JUNE 2015

ASSETS	Note	Jun-15	Jun-14
CURRENT ASSETS			
Cash and cash equivalents	7	4,242,023	7,138,333
Trade and other receivables	8	2,377,755	1,369,660
Other assets	9	727,814	45,749
TOTAL CURRENT ASSETS		**7,347,592**	**8,553,742**
NON-CURRENT ASSETS			
Property, plant and equipment	10	2,874,550	234,779
Intangible assets	11	21,261	8,075
TOTAL NON-CURRENT ASSETS		**2,895,811**	**242,854**
TOTAL ASSETS		**10,243,403**	**8,796,596**
CURRENT LIABILITIES			
Trade and other payables	12	266,789	432,275
Income tax payable		280,063	582,109
TOTAL CURRENT LIABILITIES		**546,852**	**1,014,384**
TOTAL LIABILITIES		**546,852**	**1,014,384**
NET ASSETS		**9,696,551**	**7,782,212**
EQUITY			
Issued capital	13	3,914,446	3,914,446
Foreign exchange translation reserve	16	1,176,253	(136,183)
Statutory reserve	16	132,081	-
Retained earnings		4,473,771	4,003,949
TOTAL EQUITY		**9,696,551**	**7,782,212**

These financial statements should be read in conjunction with accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2015

	Issued Capital	Retained Earnings	Foreign Exchange Translation Reserve	Statutory Reserve	Total
	$	$	$		$
Balance at 1 July 2013	**1,446**	**-**	**-**	**-**	**1,446**
Profit after income tax expense for the year	-	4,003,949	-	-	4,003,949
Other comprehensive income	-	-	(136,183)	-	(136,183)
Total comprehensive income for the year	**-**	**4,003,949**	**(136,183)**	**-**	**3,867,766**
Transactions with owners in their capacity as owners					
Shares issued during the year	3,913,000	-	-	-	3,913,000
Balance at 30 June 2014	**3,914,446**	**4,003,949**	**(136,183)**	**-**	**7,782,212**
Balance at 1 July 2014	**3,914,446**	**4,003,949**	**(136,183)**	**-**	**7,782,212**
Profit after income tax expense for the year	-	3,095,791	-	-	3,095,791
Other comprehensive income	-	-	1,312,436	-	1,312,436
Total comprehensive income for the year	**-**	**3,095,791**	**1,312,436**	**-**	**4,408,227**
Transactions with owners in their capacity as owners					
Recognition of PRC statutory reserve	-	(132,081)	-	132,081	-
Dividends paid	-	(2,493,888)	-	-	(2,493,888)
Balance at 30 June 2015	**3,914,446**	**4,473,771**	**1,176,253**	**132,081**	**9,696,551**

These financial statements should be read in conjunction with accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOW
FOR YEAR ENDED 30 JUNE 2015

	Note	Jun-15	Jun-14
CASH FLOWS FROM OPERATING ACTIVITIES		**$**	**$**
Receipts from customers		9,993,664	7,814,984
Payments to suppliers and employees		(6,790,351)	(3,112,791)
Interest received		61,666	17,475
Finance costs		(1,946)	(2,266)
Income tax paid		(2,014,809)	(839,932)
Total operating cash flow	**20**	**1,248,224**	**3,877,470**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(87,738)	(264,572)
Purchase of intangible assets		(12,030)	(8,789)
Deposit paid for land and building acquisition		(2,290,800)	-
Total investing cash flow		**(2,390,568)**	**(273,361)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Australian company initial capital injection		-	1,000
Proceeds from initial public offering		-	3,912,000
Repayment of related party loans		(170,141)	(670,526)
Loan from related party		-	427,446
Dividend payment		(2,492,107)	-
Total financing cash flow		**(2,662,248)**	**3,669,920**
Net increase (decrease)in cash held		(3,804,592)	7,274,029
Cash at beginning of financial year		7,138,333	1,446
Effect of exchange rates on cash Holdings in foreign currencies		908,282	(137,142)
Cash at end of financial year	**7**	**4,242,023**	**7,138,333**

These financial statements should be read in conjunction with accompanying notes

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the consolidated financial statements and notes of the group, and the separate financial statements and notes of Victor Group Holdings Limited as an individual parent entity ("Parent Entity" and "Company").

Victor Group Holdings Limited was incorporated on 11 September 2013 and listed on the Australian Securities Exchange ("ASX") on 9 May 2014 and is a company limited by shares, incorporated and domiciled in Australia. The Company is a for-profit entity for the purpose of preparing the financial statements. The consolidated financial statements for the year ended 30 June 2015 were approved and authorised for issue by the Board of Directors on 30 September 2015.

Nature of operations

Victor Group Holdings Limited and subsidiaries' ('the Group') principal activities include business advisory and enterprise management consulting.

The Group believes that the design of its course is essential to its success. The course integrates marketing management training, brand planning, market strategic planning and introduces advanced management model, which aims to enhance the ability of Chinese organizational leadership and personal leadership skills with quality consulting services. Through emphasis on customised consulting services, the Group believes that its products are well-positioned to cater to small and medium entrepreneurs' demands.

The course is mainly conducted in the form of seminar, short course, and training camp. Meanwhile, the group also offers the learning via paper publications and online video stream available on the most popular Chinese mobile app, which makes the learning and training more versatile and effective.

Basis of Preparation

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

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

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. There are new accounting standards and IFRIC interpretations that have been published that are not mandatory for current reporting periods. The Group's assessment of the impact of these new standards and interpretations is that there would be no material impact on the historical or reported pro-forma financial information.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a. Principles of Consolidation

The Group financial statements consolidate those of the parent company and all of its subsidiaries as of 30 June 2015. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. Subsidiaries are fully consolidated from the date on which control is transferred to the parent. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealized gains and losses on transactions between Group companies. Where unrealized losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The controlled entities are listed in Note 21 to the financial statements. All controlled entities have a June financial year end.

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

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

a. Income Tax

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

Current tax

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Property, Plant and Equipment

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

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

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

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

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

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalized lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

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

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Leases

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

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

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

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

d. Financial Instruments

Recognition and Initial Measurement

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

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

Effective interest rate method

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

De-recognition

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Classification and Subsequent Measurement

1) Financial assets at fair value through profit or loss

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

2) Loans and receivables

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

3) Held to maturity investments

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

4) Available-for-sale financial assets

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

5) Financial Liabilities

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

6) Fair value

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

7) Impairment of financial assets

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

e. Impairment of Non-Financial Assets

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

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

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

f. Employee benefits

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

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

g. Provisions

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h. Cash and Cash Equivalents

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

i. Revenue and Other Income

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

j. Revenue and Other Income (continued)

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

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

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

k. Borrowing Costs

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

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

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m. Earnings per share

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

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

n. Comparative Figures

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

o. Critical Accounting Estimates and Judgments

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

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

Key Estimates — Impairment

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

p. Intangibles assets

Trademarks, software and copyrights are recognised at cost of acquisition. Trademarks, software and copyrights have a finite life and are carried at cost less any accumulated amortization and any impairment losses, and amortised over their useful life of 10 years.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

q. Foreign Currency Transactions and Balances

Functional and presentation currency

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

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

Transaction and balances

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

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

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

Group companies

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

r. New and amended standards adopted by the Group

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period as shown below:

AASB 2012-3 *Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities*
AASB 2012-3 adds application guidance to AASB 132 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.

AASB 2012-3 is applicable to annual reporting periods beginning on or after 1 January 2014.

The adoption of these amendments has not had a material impact on the Group as the amendments merely clarify the existing requirements in AASB 132.

AASB 2013-3 *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets*
These narrow-scope amendments address disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

When developing IFRS 13 *Fair Value Measurement*, the IASB decided to amend IAS 36 *Impairment of Assets* to require disclosures about the recoverable amount of impaired assets. The IASB noticed however that some of the amendments made in introducing those requirements resulted in the requirement being more broadly applicable than the IASB had intended. These amendments to
IAS 36 therefore clarify the IASB's original intention that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal.

AASB 2013-3 makes the equivalent amendments to AASB 136 *Impairment of Assets* and is applicable to annual reporting periods beginning on or after 1 January 2014.

The adoption of these amendments has not had a material impact on the Group as they are largely of the nature of clarification of existing requirements.

AASB 2014-1 *Amendments to Australian Accounting Standards* (Part A: Annual Improvements
2010-2012 and 2011-2013 Cycles)
Part A of AASB 2014-1 makes amendments to various Australian Accounting Standards arising from the issuance by the IASB of International Financial Reporting Standards *Annual Improvements to IFRSs 2010-2012 Cycle* and *Annual Improvements to IFRSs 2011-2013 Cycle*.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

r. New and amended standards adopted by the Group (continued)

Among other improvements, the amendments arising from *Annual Improvements to IFRSs 2010-2012 Cycle*:

- clarify that the definition of a 'related party' includes a management entity that provides key management personnel services to the reporting entity (either directly or through a group entity)
- amend AASB 8 *Operating Segments* to explicitly require the disclosure of judgements made by management in applying the aggregation criteria

Among other improvements, the amendments arising from *Annual Improvements to IFRSs 2011-2013 Cycle* clarify that an entity should assess whether an acquired property is an investment property under AASB 140 *Investment Property* and perform a separate assessment under AASB 3 *Business Combinations* to determine whether the acquisition of the investment property constitutes a business combination.

Part A of AASB 2014-1 is applicable to annual reporting periods beginning on or after 1 July 2014.

The adoption of these amendments has not had a material impact on the Group as they are largely of the nature of clarification of existing requirements.

s. Accounting Standards issued but not yet effective and not being adopted early by the Group

The accounting standards that have not been early adopted for the year ended 30 June 2015 but will be applicable to the Group in future reporting periods are detailed below.

Apart from these standards, we have considered other accounting standards that will be applicable in future periods but are considered insignificant to the Group.

(a) Financial Instruments

In December 2014, AASB issued the final version of AASB 9: "Financial Instruments" (AASB 9 (2014)), AASB 2014-7: "Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)" and AASB 2014-8: "Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) - Application of AASB 9 (December 2009) and AASB 9 (December 2010)''.

AASB 9 (2014) is the final version of a new principal standard that consolidates requirements on the classification and measurement of financial assets and liabilities: hedge accounting and an expected credit losses model for impairment of financial assets that replaces the incurred loss impairment model used today. It supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 issued in December 2010.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

s. Accounting Standards issued but not yet effective and not being adopted early by the Group (continued)

AASB 9 (2014) and AASB 2014-7 apply to the Group from 1 July 2018, with early adoption permitted.

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. We have early adopted the previous version of the standard, AASB 9 (2013), from 1 July 2014. This version excludes the impairment section.

We are currently assessing the impact of the new impairment model on our financial results.

(b) Revenue from Contracts with Customers

In December 2014, the AASB issued AASB 15: "Revenue from Contracts with Customers" and AASB 2014-5: "Amendments to Australian Accounting Standards arising from AASB 15".

AASB 15 establishes principles for reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. AASB 15 and AASB 2014-5 apply to the Group from 1 July 2017, with early application permitted. The International Accounting Standards Board (lASB) has confirmed a one-year deferral of the effective date of IFRS 15. As a result, we anticipate that AASB will follow and AASB 15 will only apply to the Group from 1 July 2018. We are currently assessing the impact of AASB 15 on our financial results.

(c) Other

In addition to the above recently issued accounting standards that are applicable in future years, we note the following new accounting standards that are applicable in future years:

- AASB 2014-3: "Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]''
- AASB 2014-4: "Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & AASB 138]''
- AASB 2014-9: "Amendments to Australian Accounting Standards - Equity Method in Separate Financial Statements [AASB 127]''
- AASB 2014-10: "Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & AASB 1 28]''
- AASB 2015-1: "Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle"

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

s. Accounting Standards issued but not yet effective and not being adopted early by the Group (continued)

- AASB 2015-2: "Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101"

- AASB 2015-3: "Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality".

We do not expect these accounting standards will have any material impact on our financial results upon adoption

NOTE 2: REVENUES

	Consolidated Group	
	Jun-15	Jun-14
	$	$
Operating activities		
Provision of training and consulting services	10,480,201	9,150,028
Non-operating revenue		
Government grant	195,784	-
Interest revenue	61,666	17,475
Other non-operating revenue	-	28,916
Total	**257,405**	**46,391**

The Group's exposure to customer concentration risk relates to its dependence on major customers. 100% of operating revenue is derived from 3 customers for the current financial year. (June 2014: 86%)

NOTE 3: FINANCE AND ADMINISTRATIVE EXPENSES

	Consolidated Group	
	Jun-15	Jun-14
	$	$
Finance and administrative expenses:		
Salary expenses	744,949	332,813
Consulting expense	128,553	53,978
Travelling expense	87,811	24,918
Rental expense	25,340	42,576
Depreciation and amortisation expense	73,828	31,466
Capital raising costs	-	474,952
Other operating expenses	824,020	119,464
Finance costs:		
Bank charges	1,946	2,266
Foreign exchange loss (gain)	(29,522)	9,610
Total Finance and administrative expenses	**1,856,925**	**1,092,052**

NOTE 4: INCOME TAX EXPENSE

	Consolidated Group	
	Jun-15	Jun-14
	$	$
The components of tax expense comprise:		
Current tax	1,521,655	1,422,041
Deferred tax	-	-
Current tax expense	**1,521,655**	**1,422,041**
Reconciliation of tax expense		
Profit before income tax	4,617,446	5,425,990
Prima facie tax payable on profit before income tax at rate of 30%	1,385,234	1,627,797
Adjustments for entities not taxed at 30%	(230,872)	(271,299)
Tax effect on non-deductible expenses	367,293	65,543
Total income tax expense	**1,521,655**	**1,422,041**
The applicable weighted average effective tax rate	**33%**	**26%**

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

NOTE 5: AUDITORS' REMUNERATION

During the financial year the following fees were paid or payable for service provided by Grant Thornton, the auditor of the Company, its network firms and unrelated firms:

	Consolidated Group	
	Jun-15	Jun-14
	$	$
Audit services:		
-Auditing or reviewing the financial report	115,000	100,000
-Investigating accounts report	-	45,000
Other services:		
-Tax report	-	5,000
-Australian tax return	2,800	-
Total auditors' remuneration	**117,800**	**150,000**

NOTE 6: DIVIDEND DECLARED

Since the year end and the Directors have not declared final dividend

NOTE 7: CASH AND CASH EQUIVALENTS

	Consolidated Group	
	Jun-15	**Jun-14**
	$	$
Cash on hand	1,197	5
Cash at bank	4,240,826	4,638,328
Short term deposits	-	2,500,000
Total Cash and cash equivalents	**4,242,023**	**7,138,333**

NOTE 8: TRADE AND OTHER RECEIVABLES

	Consolidated Group	
	Jun-15	**Jun-14**
	$	$
Current		
Trade receivables	2,377,755	1,363,960
Related party receivables	-	5,700
Total current trade and other receivables	**2,377,755**	**1,369,660**

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

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

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

	Consolidated Group	
	Jun-15	**Jun-14**
	$	$
7-30 days	297,182	1,363,960
31-60 days	239,950	-
61-90 days	290,028	-
>90 days but <180 days	1,550,595	-
Total trade receivables	**2,377,755**	**1,363,960**

All trade receivable balances have been subsequently collected as at 30 September 2015.

NOTE 9: OTHER ASSETS

	Consolidated Group	
	Jun-15	Jun-14
	$	$
Current		
Prepayment for training costs and venue hire	716,564	45,749
Prepaid director salary	11,250	-
Total other assets	**727,814**	**45,749**

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	Consolidated Group	
	Jun-15	Jun-14
	$	$
Office equipment		
At cost	133,864	58,483
Accumulated depreciation	(34,535)	(7,572)
Total office equipment	**99,329**	**50,911**
Motor vehicles		
At cost	290,858	206,089
Accumulated depreciation	(81,237)	(22,221)
Total motor vehicles	**209,621**	**183,868**
Deposit paid for property acquisition		
At cost[(a)]	2,565,600	-
Total deposit paid for property acquisition	**2,565,600**	**-**
Total	**2,874,550**	**234,779**

(a) The deposit paid for the property acquisition represents 80% of the purchase price. The remaining amount will be paid when title passes.

NOTE 10: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Movements in Carrying Amounts

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

	Consolidated Group			
	Office equipment	Motor vehicles	Deposit paid for property acquisition	Consolidated Total
	$	$	$	$
Balance at 1 July 2014	**50,911**	**183,868**	**-**	**234,779**
Addition	55,991	31,748	2,565,600	2,653,339
Depreciation charges	(22,995)	(49,077)	-	(72,072)
Net exchange differences	15,422	43,082	-	58,504
Balance at 30 June 2015	**99,329**	**209,621**	**2,565,600**	**2,874,550**

	Consolidated Group		
	Office equipment	Motor vehicles	Consolidated Total
	$	$	$
Balance at 1 July 2013	**-**	**-**	**-**
Addition	58,483	206,089	264,572
Depreciation charges	(7,572)	(22,221)	(29,793)
Balance at 30 June 2014	**50,911**	**183,868**	**234,779**

NOTE 11: INTANGIBLE ASSETS

	Software	Trade Mark	Copyrights	Total
Gross carrying amount				
Balance at 1 July 2014	**-**	**8,789**	**-**	**8,789**
Addition, separately acquired	9,095	979	1,956	12,030
Net exchange differences	841	2,226	182	3,249
Balance at 30 June 2015	**9,936**	**11,994**	**2,138**	**24,068**
Amortisation and impairment				
Balance at 1 July 2014	**-**	**(714)**	**-**	**(714)**
Amortisation	(749)	(958)	(49)	(1,756)
Net exchange differences	(69)	(263)	(5)	(337)
Balance at 30 June 2015	**(818)**	**(1,935)**	**(54)**	**(2,807)**
Carrying amount 30 June 2015	**9,118**	**10,059**	**2,084**	**21,261**

	Software	Trade Mark	Copyrights	Total
Gross carrying amount				
Balance at 1 July 2013	**-**	**-**	**-**	**-**
Addition, separately acquired	-	8,789	-	**8,789**
Net exchange differences	-	-	-	**-**
Balance at 30 June 2014	**-**	**8,789**	**-**	**8,789**
Amortisation and impairment				
Balance at 1 July 2013	**-**	**-**	**-**	**-**
Amortisation	-	(714)	-	(714)
Net exchange differences	-	-	-	-
Balance at 30 June 2014	**-**	**(714)**	**-**	**(714)**
Carrying amount 30 June 2014		**8,075**	**-**	**8,075**

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

NOTE 12: TRADE AND OTHER PAYABLES

	Consolidated Group	
	Jun-15	Jun-14
	$	$
Current		
Trade payables	190,760	114,943
Accrued expenses	34,557	26,616
Related party payable-Achieva Capital	-	136,877
Related party payable-Simon Zhang	-	58,318
Other payables (employee)	1,212	-
Dividend Payable	1,781	-
Other tax payable	38,479	95,521
Total trade and other payables	**266,789**	**432,275**

NOTE 13: ISSUED CAPITAL

The share capital of the Group consists only of fully paid ordinary shares; the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of the Group.

	Jun-15 Shares	Jun-14 Shares	Jun-15 $	Jun-14 $
Shares issued and fully paid:				
beginning of the year	519,560,000	1,000	3,914,446	1,000
share issue	-	519,559,000	-	3,913,446
Total contributed equity at 30 June	**519,560,000**	**519,560,000**	**3,914,446**	**3,914,446**

NOTE 14: EARNINGS PER SHARE

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

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

NOTE 14: EARNINGS PER SHARE (CONTINUED)

	Consolidated Group	
	Jun-15	Jun-14
	$	$
Net profit attributable to ordinary equity holders of the parent	3,095,791	4,003,949
Weighted average number of ordinary shares for basic earnings per share	519,560,000	218,561,297
Adjustments for calculation for diluted earnings per share	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	519,560,000	-
Basic earnings per share	**0.60cents**	**1.83cents**
Diluted earnings per share	**0.60cents**	**1.83cents**

NOTE 15: CAPITAL MANAGEMENT

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

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

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

The amounts managed as capital by the Group for the reporting periods under review are summarised as follows:

	2015	2014
	$	**$**
Total equity	9,696,551	7,782,212
Cash and cash equivalents	4,242,023	7,138,333
Capital	**13,938,574**	**14,920,545**
Total equity	9,696,551	7,782,212
Overall financing	**9,696,551**	**7,782,212**
Capital-to-overall financing ratio	**144%**	**192%**

NOTE 16: FOREIGN EXCHANGE TRANSLATION RESERVE

	Consolidated Group	
	Jun-15	Jun-14
	$	$
Statutory reserve[1]	132,081	-
Foreign translation reserve[2]	1,176,253	(136,183)
	1,308,334	(136,183)

1. Pursuant to the current People's Republic of China Company Law, the Company is required to transfer 10% of its profit after taxation to a statutory reserve until the surplus reserve balance reaches minimal 50% of the registered capital. For the purposes of calculating the transfer to this reserve, the profit after taxation shall be the amount determined under the People's Republic of China accounting standards. The transfer to this reserve must be made before the distribution of dividends to the shareholders.

2. The foreign currency translation reserve represents exchange differences arising from translation of the parent entity's wholly owned subsidiaries functional currencies (HKD and RMB) into the presentation currency of the Group (AUD).

NOTE 17: COMMITMENTS

During the year ended 30 June 2015, Qisheng Investment Management Consulting (Shanghai) Co., Ltd (subsidiary of Victor Group Holdings Limited) entered in a purchase agreement for the purchase of land and buildings amounting to RMB 15 million ($3.2 million). Total outstanding commitments as at 30 June 2015 are RMB 3 million ($641,400).

In addition, there are other commitments including lecture fees ($38,484), software development costs ($36,774), office renovation ($3,260), as well as consulting fee ($13,683).

NOTE 18: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The consolidated group has no contingent liabilities or contingent assets at 30 June 2015.

NOTE 19: SEGMENT REPORTING

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

External customers with revenue greater than 10% of the total revenue

Customer	Revenue	%
Customer A	3,414,482	33%
Customer B	2,004,338	19%
Customer C	5,061,381	48%
Total	**10,480,201**	**100%**

NOTE 20: CASH FLOW INFORMATION

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

	Consolidated Group	
	Jun-15	Jun-14
	$	$
Profit after income tax	3,095,791	4,003,949
Depreciation/amortisation	73,828	31,466
Foreign exchange	101,201	-
Payment made by related party (Achieva) on behalf the company	-	405,036
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade receivables	(1,013,795)	(1,363,960)
(Increase)/decrease in prepayments	(685,995)	(41,819)
(Increase)/decrease in other receivables	9,630	(9,630)
Increase/ (decrease) in trade and other payables	(30,390)	270,319
Increase/ (decrease) in income taxes payable	(302,046)	582,109
Cash flows from operations	**1,248,224**	**3,877,470**

NOTE 21: CONTROLLED ENTITIES

Controlled entities consolidated	Country of Incorporation	Percentage owned (%) [1]	
Subsidiary of Victor Group Holdings Limited		**Jun-15**	**Jun-14**
Hong Kong Victor International Enterprise Management Co., Limited [2]	Hong Kong	100%	100%
Kesheng Management Consulting (Shanghai) Co., Ltd[3]	China	100%	100%
Qisheng Management Consulting (Shanghai) Co., Ltd[4]	China	100%	-

1) Percentage of voting power is in proportion to ownership

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

3) Kesheng Management Consulting (Shanghai) Co., Ltd is the intermediate parent entity of Qisheng Management Consulting (Shanghai) Co., Ltd.

4) Qisheng Investment Management Consulting (Shanghai) Co., Ltd was incorporated on 14 August 2014 for the purposes of owning of land and buildings.

NOTE 22: KEY MANAGEMENT PERSONNEL COMPENSATION

Names and positions held of consolidated and parent entity key management personnel in office at any time during the financial year are:

Directors	Position	Date appointed	Resignation date
Wayne V Reid	Chairman and Independent Non-executive Director	4-Dec-13	27-Jul-15
Bin, Zhang	Deputy Chairman and CEO	11-Sep-13	
David P Batten	Independent Non-Executive Director	4-Dec-13	
Liu, Xin Jie	Non-Executive Director	11-Sep-13	
Frederick C Kempson	Independent Non-Executive Director	6-Jan-14	27-Jul-15
Executives			
Richard L S Hill	Company Secretary and CFO	4-Dec-13	27-Jul-15
Xia, Yuedong	Chief Operating Officer of Shanghai Kesheng	1-Aug-13	
Wang, Shuai	Director of Business Development of Shanghai Kesheng	1-Aug-13	
Dong, Lei	Department Manager of Shanghai Kesheng	1-Oct-13	
Liu, Jinping	Financial Manager of Shanghai Kesheng	1-Nov-14	
Dong, Xiaoli	Financial Manager of Shanghai Kesheng	1-Aug-13	31-Jan-15

Key management personnel remuneration

The totals of remuneration paid to the key management personnel of the Group during the year are as follows:

	2015 $	2014 $
Short term benefits	660,793	232,629
Post-employment benefit	16,081	9,018
	676,874	**241,647**

The Remuneration Report contained in the Directors' Report contains details of the remuneration paid or payable to each member of the Group key management personnel for the year ended 30 June 2015 and their interest in shares and options at reporting date.

Other key management personnel transactions

For details of other transactions with key management personnel, refer to Note 24: Related Party Transactions.

NOTE 23: SUBSEQUENT EVENTS

There were no significant events have occurred subsequent to year end to the date of this report being issued.

NOTE 24: RELATED PARTY TRANSACTIONS

The following comprises transactions with related parties:

Consolidated Group	2015 $	2014 $
Expenses paid on behalf of the Group by Director Simon Zhang Bin	62,129	265,580
Repayment of amount due to Director Simon Zhang Bin	99,948	207,262
Expenses paid on behalf of the Group by Achieva Capital Holdings (Hong Kong) Limited –Shareholder an entity related to Director Liu, Xinjie	-	405,036
Advances received from Achieva Capital Holdings(Hong Kong) Limited, a shareholder an entity related to Director Liu, Xinjie	-	402,367
Repayment of amount due to Achieva Capital Holdings(Hong Kong) Limited, shareholder an entity related to Director Liu, Xinjie	136,877	670,526
Provision of financial consulting services by Achieva Capital Management (Shanghai) Limited, an entity related to Director Liu, Xinjie	4,261	11,352
Provision of financial consulting services by Achieva Fund Management (Shanghai) Limited, an entity related to Director Liu, Xinjie	25,441	-
Provision of financial consulting services by Achieva High-tech Investment Management(Shanghai) Limited, an entity related to Director Liu, Xinjie	3,523	-

The above relate to transaction between the Group and the Group's Directors and their related entities. Transactions between related parties are on normal commercial terms and conditions no more favorable than those available to other parties unless otherwise stated.

NOTE 24: RELATED PARTY TRANSACTIONS (CONTINUED)

Amounts receivable from and payable to related parties and the Group at balance date comprise the following,

None of related party transactions occurred in the year ended 30 June 2015.

	Receivable from related party		Payable to related party	
	2015	2014	2015	2014
	$		$	$
Related party payable-Achieva Capital (Shareholder and entity related to Director Liu, Xinjie)	-	-	-	136,877
Related party payable-Simon Zhang	-	-	-	58,318

None of the above receivable balances are impaired and related party transactions have been determined to be conducted on an arm's length basis. Related party balances comprise of related party loans and no specific terms and conditions have been attached to the transactions above.

Key management personnel

A list of key management personnel and their shareholdings and remuneration is disclosed in the Directors Report. No other person had the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, during the financial year.

NOTE 25: OPERATING LEASES

The Group leases an office and production building under an operating lease. The future minimum lease payments are as follows:

	Minimum lease payments due			
	Within 1 year	1-5 years	After 5 years	Total
	$	$	$	$
30 June 2015	76,968	-	-	76,968
30 June 2014	41,280	123,840	-	165,120

Lease expense during the period amounted to $76,968 (2014: $41,280) representing the minimum lease payments.

NOTE 26: FINANCIAL ASSETS AND LIABILITIES

a. Categories of financial assets and liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

	Financial assets at amortised cost $	Total $
30 June 2015		
Financial assets		
Trade and other receivables	2,377,755	2,377,755
Cash and cash equivalents	4,242,023	4,242,023
Totals	**6,619,778**	**6,619,778**

	Other liabilities carried at amortised cost $	Total $
30 June 2015		
Financial liabilities		
Trade and other payables	266,789	266,789
Totals	**266,789**	**266,789**

	Financial assets at amortised cost $	Total $
30 June 2014		
Financial assets		
Trade and other receivables	1,369,660	1,369,660
Cash and cash equivalents	7,138,333	7,138,333
Totals	**8,507,993**	**8,507,993**

	Other liabilities carried at amortised cost $	Total $
30 June 2014		
Financial liabilities		
Trade and other payables	432,275	432,275
Totals	**432,275**	**432,275**

The carrying amount of the financial assets and liabilities is considered a reasonable approximation of fair value.

NOTE 27: FINANCIAL INSTRUMENT RISKS

The company is exposed to a variety of financial risks through its use of financial instruments.

This note discloses the Company's objectives, policies for managing and measuring these risks.

The Company's overall risk management plan seeks to minimize potential adverse effects due to the unpredictability of financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to are described below,

Specific risks

- Market risk
- Credit risk
- Liquidity risk

Financial instruments used

The principal categories of financial instrument used by the Company,

- Trade receivables
- Cash at bank
- Trade and other payables

Objectives, policies and processes

Risk managements are carried out by the Company's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies.

The Board receives monthly reports which provide details of the effectiveness of the processes and policies in place. Specific information regarding the mitigation of each financial risk to which the Company is exposed is provided below.

a. Foreign currency risk

The Group does not have significant balances denominated in currency other than the functional currency of the respective companies within the Group.

b. Credit risk analysis

Credit risk is managed on a group basis and reviewed regularly by the finance committee. It arises from exposures to customers as well as through deposits with financial institutions.

The finance committee monitors credit risk on a regular basis.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognized financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The Company performs ongoing credit evaluation of its customers' financial condition and requires no collateral from its customers. The allowance for doubtful debts is based upon a review of the expected collectability of all trade and other receivables.

There are no other material amounts of collateral held as security at 30 June 2015 and 30 June 2014.

c. Liquidity risk analysis

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

At the balance sheet date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need any further external funding.

d. Interest rate risk

The Group's exposure to interest rate risk relates principally to its short term deposits placed with financial institutions. For further details on interest rate risk, please refer to Note 27 (g).

e. Customer concentration risk

The Group's exposure to customer concentration risk relates to its dependence on major customers. 100% of operating revenue is derived from 3 customers for the current financial year. (June 2014: 86%)

NOTE 27: FINANCIAL INSTRUMENT RISKS (CONTINUED)

f. Financial instrument composition and maturity analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments.

	Weighted Average Effective Interest Rate		Interest Bearing Maturing within 1 Year		Non-interest Bearing Maturing within 1 Year		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	%	%	$	$	$	$	$	$
Financial Assets:								
- Cash and Cash equivalents	0.35%	0.39%	4,240,826	4,638,333	-	-	4,240,826	4,638,333
- Short term deposit	-	3.34%	-	2,500,000	-	-	-	2,500,000
- Trade and other receivables	-	-	-	-	2,377,755	1,369,660	2,377,755	1,369,660
Total Financial Assets	-	-	**4,240,826**	**7,138,333**	**2,377,755**	**1,369,660**	**6,618,581**	**8,507,993**
Financial Liabilities:								
- Trade and other payables	-	-	-	-	266,789	432,275	266,789	432,275
Total Financial Liabilities	-	-	**-**	**-**	**266,789**	**432,275**	**266,789**	**432,275**
Net Financial Assets	-	-	**4,240,826**	**7,138,333**	**2,110,966**	**937,385**	**6,351,792**	**8,075,718**

NOTE 27: FINANCIAL INSTRUMENT RISKS (CONTINUED)

g. Interest rate sensitivity analysis

The Group has performed sensitivity analysis relating to its financial instrument's exposure to interest rate at reporting date. The Group's financial instruments do not have significant exposure to price risk and foreign exchange risk.

Interest rate sensitivity

The Group's exposure to interest rate risks relates principally to short term deposits placed with financial institutions, short term borrowings and notes payable.

At 30 June 2015, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings are at fixed interest rates.

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 5%. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Profit for the year $		Equity $	
	5%	-5%	5%	-5%
30-Jun-14	5,079	(5,079)	5,079	(5,079)
30-Jun-15	742	(742)	742	(742)

NOTE 28: FAIR VALUE MEASUREMENT

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 30 June 2015 and 30 June 2014:

The group does not hold any financial assets or liabilities carried at fair value as at 30 June 2015. All financial assets and liabilities are carried at amortised cost. The carrying amounts of current receivables and payables are assumed to approximate their fair value due to their short-term nature. The fair value of financial liabilities approximates the carrying amount as the impact of discounting is net significant.

NOTE 29: PARENT ENTITY INFORMATION

	2015	2014
	$	**$**
ASSETS		
CURRENT ASSETS	**224,538**	**3,783,836**
NON-CURRENT ASSETS	**560,327**	**1,446**
TOTAL ASSETS	**784,865**	**3,785,282**
CURRENT LIABILITIES	**101,942**	**-**
TOTAL LIABILITIES	**101,942**	**-**
NET ASSETS	**682,923**	**3,785,282**
EQUITY		
Issued capital	3,914,446	3,914,446
Retained earnings	(3,231,523)	(129,164)
TOTAL EQUITY	**682,923**	**3,785,282**
FINANCIAL PERFORMANCE		
Loss for the year	(608,471)	(129,164)
Total Comprehensive Income for the year	(608,471)	(129,164)

The Parent entity has no contingent liabilities or contingent assets at 30 June 2015.

Victor Group Holdings Limited (Parent entity) was incorporated on the 11 September 2013.

Company details

Registered Office

c/- BlueMount Capital

Level 10, 8-10 Loftus Street

Sydney, New South Wales 2000

Principal Place of Business

Building 19, 1525 Minqiang Road,

Songjiang District, Shanghai, 201612

People's Republic of China

Website

www.sinovictor.com

Telephone:

+61 2 9006 1799

Directors' declaration

In accordance with a resolution of the directors of Victor Group Holdings Limited, the directors of the company declare that,

1. the financial statements and notes, as set out on pages 21 to 58, are in accordance with the *Corporations Act 2001* and

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

   (2) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the consolidated group;

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

3. the directors have been given the declarations required by s 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer.

Signed in accordance with a resolution of the directors:

____

Managing Director

Bin, Zhang

Dated the 30th day of September 2015

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VICTOR GROUP HOLDINGS LIMITED

Report on the financial report

We have audited the accompanying financial report of Victor Group Holdings Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, 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 us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

a the financial report of Victor Group Holdings Limited is in accordance with the Corporations Act 2001, including:

   i giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

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

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 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.

Auditor’s opinion on the remuneration report

In our opinion, the remuneration report of Victor Group Holdings Limited for the year ended 30 June 2015, complies with section 300A of the Corporations Act 2001.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J L Humphrey
Partner – Audit & Assurance

Adelaide, 30 September 2015

ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. The information is effective as at 31 August 2015.

Substantial Shareholders

The number of substantial shareholders and their associates are set out below,

Shareholder	Number of Shares
DAYBREAK CORPORATION LIMITED	400,000,000
ACHIEVA CAPITAL HOLDINGS LTD	80,000,000

Voting Rights

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

Distribution of equity security holders

	Ordinary shares	
Holdings	**Shares**	**Options**
1 - 1,000	1,668	-
1,001 - 5,000	12,280	-
5,001 - 10,000	3,030,000	-
10,001 - 100,000	807,637	-
100,001 and over	515,708,415	-
	519,560,000	-

Twenty largest shareholders	Ordinary Shares Number Held	% of issued shares
DAYBREAK CORPORATION LIMITED	400,000,000	76.988
ACHIEVA CAPITAL HOLDINGS LTD	80,000,000	15.398
A3 INTERNATIONAL INVESTMENTS LTD	20,000,000	3.849
TOP PROSPER INVESTMENT LIMITED	8,957,250	1.724
VANTAGE PATH HOLDINGS LIMITED	3,749,764	0.722
MAIN GAIN DEVELOPMENTS LIMITED	2,517,000	0.484
JILCY PTY LTD <JILCY SUPER FUND A/C>	200,000	0.038
PERSHING AUSTRALIA NOMINEES PTY LTD <PHILLIP SECURITIES (HK) A/C>	169,400	0.033
ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	150,001	0.029
MS SUFAN DONG	100,000	0.019
MR XIANG WANG	75,000	0.014
MS SHUANGXIN LI	60,000	0.012
MR BO SHEN	55,000	0.011
CX & J PTY LTD <CXJ SUPERANNUATION FUND A/C>	51,183	0.010
MR RUIJUN MIAO	35,000	0.007
MS JINGLI WANG	30,000	0.006
MIN ZHANG	25,000	0.005
MR JIM BUTCHER	24,000	0.005
MS JIHONG CUI	20,000	0.004
MR ZHIGUO HUANG	20,000	0.004
MR CANWEI ZHOU	20,000	0.004
Totals for Top 20	516,258,598	99.366
Total Issued Capital	519,560,000	100

Unissued equity securities

There are no Options issued by the Company.

Securities exchange

The Company is listed on the Australian Securities Exchange