ONEVUE HOLDINGS PTY LIMITED

ABN 15 108 221 870

ANNUAL REPORT

30 JUNE 2011

Contents

DIRECTORS' REPORT

The Directors submit the consolidated financial report for OneVue Holdings Pty Limited (the Company) and the entities it controlled (the Group) for the year ended 30 June 2011, together with the independent audit report thereon, as follows:

DIRECTORS

The names of each person who held the position of Director of the Company at any time during or since the end of the year are:

Ms G M Pemberton	Non-Executive Director (Chair)
Ms C B McKeage	Non-Executive Director
Mr N C Stokes	Non-Executive Director
Mr S Fuller	Non-Executive Director

INFORMATION ON DIRECTORS

Director	Special Responsibilities	Experience
G M Pemberton	Non-Executive Director (Chair)	20 years experience in funds management administration and information & communication systems of financial institutions.
C B McKeage	Non-Executive Director	20 years experience in funds management administration and investment service businesses.
N C Stokes BEc	Non-Executive Director	15 years experience in corporate finance & 30 years in public finance with the NSW & Commonwealth Governments.
S Fuller BEc LLB LLM MBA	Non-Executive Director	25 years experience of commercial law.

COMPANY SECRETARY

Steven Fuller (BEc, LLB, LLM, MBA) has held the role of Company Secretary since May 2008. Steven is a member of the Law Society of NSW.

ATTENDANCE AT MEETINGS

Board of Directors	Meetings Eligible to Attend	Meetings Attended
G M Pemberton	9	9
C B McKeage	9	9
N C Stokes	9	9
S Fuller	9	9

DIRECTORS' REPORT (cont'd)

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were the provision of the Unified Managed Account Service delivering a single view to clients and their advisers. These services are provided for the OneVue brand and other white label brands providing administration services to financial advisers, accountants, solicitors and institutions.

DIVIDENDS

No interim dividend was paid during the 2011 financial year (2010: $Nil) and no final dividend has been recommended for the year ended 30 June 2011 (2010: $Nil).

REVIEW OF OPERATIONS

The loss of the Group for the year after providing for income tax amounted to $2,829,080 (2010: loss $5,519,998). The current year loss included a $1,073,550 gain on exchange of the investment in WealthCraft for the WealthCraft CRM software.

The Group continues to establish new strategic partnerships with financial planning groups and institutions.

EMPLOYEE SHARE OPTION PLAN

On 31 August 2010, the options held by staff in the OneVue Limited ESOP were replaced by options on shares in OneVue Holdings Pty Ltd. This followed OneVue Holdings Pty Limited acquisition of all of the shares in OneVue Limited on 1 December 2009.

No further options on shares in the Company were issued during the 2011 financial year.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than the matters disclosed in principal activities above, the only significant change in the state of affairs of the Group during the year was:

- On 20 December 2010, OneVue Limited exchanged its 50 per cent interest in WealthCraft Systems Pty Limited of Hong Kong. In return OneVue Limited gained full title and ownership of a copy of the CRM software with all proprietary and intellectual property rights.

MATTERS SUBSEQUENT TO BALANCE DATE

The Company prepares for a right issue to be announced in October 2012 following the sign off of this annual report.

No other matter or circumstance has arisen since 30 June 2011 that has significantly affected, or may significantly affect:

(a) the Company's operations in future financial years; or
(b) the results of those operations in future financial years; or
(c) the Company's state of affairs in future financial years;

which has not been disclosed within the financial statements.

DIRECTORS' REPORT (cont'd)

LIKELY DEVELOPMENTS

The Group is likely to experience significant growth over the next two years, particularly from OneVue (and other white label) UMA and is likely to receive increased support from accounting and financial planning groups; fee income from clients is likely to increase.

ENVIRONMENTAL REGULATION

The Group is not subject to any particular or significant environmental regulation under a Commonwealth, State or Territory law.

DIRECTORS' AND OFFICERS' INDEMNIFICATION

The Company has indemnified directors and officers of the Company, including members of the Compliance Committee, for a period up to seven years after they cease to be an officer, for any actions that may arise as a result of acting in their capacity as directors and officers of the Company in respect of:

a) liability to third parties when acting in good faith; and
b) costs and expenses of defending legal proceedings and ancillary matters.

Directors & officers' insurance and professional indemnity insurance premiums paid during the financial year were $91,780 (2010: $78,804).

On behalf of the directors

Connie McLeage
Director

Director

17 October 2011
Sydney

DIRECTORS' DECLARATION

In the directors' opinion,

- the attached financial statements and notes thereto comply with the accounting policies as described in note 1;
- the attached financial statements and notes thereto give a true and fair view of the Group's financial position as at 30 June 2011 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

On behalf of the directors

Connie Mckeage
....
Director

....
Director

17 October 2011
Sydney

30 JUNE 2011

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Consolidated 2011	Consolidated 2010
	$	$
Revenue from continuing operations	4,753,714	5,133,866
Gain on disposal of investment in WealthCraft	1,073,550	-
Other Income	53,803	98,258
Accounting, audit and compliance expenses	(235,717)	(135,974)
Advertising expenses	(143,106)	(90,334)
Consulting expenses	(816,358)	(1,109,318)
Depreciation and amortisation expenses	(923,348)	(965,759)
Employee benefits expenses	(4,758,909)	(4,885,598)
Finance costs	-	(21,930)
Funds management expenses	(540,910)	(349,986)
Insurance expenses	(37,889)	(46,151)
IT expenses	(550,138)	(520,644)
Legal expenses	(69,250)	(19,076)
Loss on impairment of assets	-	(1,113,366)
Business asset acquisition expenses	-	(27,833)
Rent expenses	(469,167)	(402,545)
Other expenses	(476,814)	(1,079,820)
Share of net profits/(losses) of associates	-	16,212
Total expenses from continuing operations	(9,021,606)	(10,752,122)
Loss before income tax expense	(3,140,539)	(5,519,998)
Research and development income tax received	311,459	-
Loss for the year	(2,829,080)	(5,519,998)
Other comprehensive income	-	-
Total comprehensive income for the year	(2,829,080)	(5,519,998)

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

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES
ABN 15 108 221 870

30 JUNE 2011
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Note	Consolidated 2011 $	2010 $
CURRENT ASSETS			
Cash and cash equivalents	8 (a)	792,221	1,319,248
Trade and other receivables		497,405	732,627
Other assets		62,897	76,160
Financial assets at fair value through profit or loss		230,104	271,065
TOTAL CURRENT ASSETS		1,582,627	2,399,100
NON-CURRENT ASSETS			
Property, plant and equipment		105,442	152,392
Intangible assets		2,185,261	1,561,384
Investments accounted for using the equity method		1,000	402,785
Deferred tax assets		-	-
TOTAL NON-CURRENT ASSETS		2,291,703	2,116,561
TOTAL ASSETS		3,874,330	4,515,661
CURRENT LIABILITIES			
Trade and other payables	2	1,443,992	1,235,429
Employee benefits		289,693	296,115
TOTAL CURRENT LIABILITIES		1,733,685	1,531,544
NON-CURRENT LIABILITES			
Other payables	3	-	532,500
Employee benefits		55,196	79,588
TOTAL NON-CURRENT LIABILITIES		55,196	612,088
TOTAL LIABILITES		1,788,881	2,143,632
NET ASSETS		2,085,449	2,372,029
EQUITY			
Contributed equity	4	16,152,646	13,610,146
Reserves		492,085	492,085
Accumulated losses	5	(14,559,282)	(11,730,202)
TOTAL EQUITY		2,085,449	2,372,029

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

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES
ABN 15 108 221 870

30 JUNE 2011
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

	Note	Consolidated 2011 $	Consolidated 2010 $
Total equity at the beginning of the financial year		2,372,029	2,532,402
Total comprehensive income for the year		(2,829,080)	(5,519,998)
Transactions with equity holders in their capacity as equity holders:			
Issue of Ordinary shares	4	2,542,500	5,359,625
		2,542,500	5,359,625
Total equity at the end of the financial year		**2,085,449**	**2,372,029**

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

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES
ABN 15 108 221 870

30 JUNE 2011
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

		Consolidated	
		2011	2010
		$	$
Cash flows from operating activities			
Receipts from customers		5,371,831	5,782,712
GST rebates recovered from Schemes		252,712	247,907
Interest received		41,995	69,207
Dividends received		-	2,965
Payments to suppliers and employees		(8,626,105)	(9,387,231)
Income tax refund/(paid)		2,640	(2,640)
Research and development income tax received		311,460	-
Net cash used in operating activities	8 (b)	(2,645,467)	(3,287,080)
Cash flows from investing activities			
Payments for acquisition of subsidiaries and investment in associates		-	(1,728,337)
Payments for property, plant and equipment		(41,420)	(21,689)
Receipt from financial assets redemption		117,360	160,000
Net cash used in investing activities		75,940	(1,590,026)
Cash flows from financing activities			
Proceeds from subordinated debt		-	300,000
Proceeds from external debt		-	1,032,500
Proceeds from share issue		2,542,500	4,863,750
Repayment of loans		(500,000)	-
Net cash provided by financing activities		2,042,500	6,196,250
Net increase/(decrease) in cash and cash equivalents		(527,027)	1,319,144
Cash and cash equivalents at the beginning of the year		1,319,248	104
Cash and cash equivalents at the end of the year	8 (a)	792,221	1,319,248

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

In the directors' opinion, the Company and Group are not reporting entities because there are no users dependent on general purpose financial statements. These are special purpose financial statements. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

(b) Cash and cash equivalents

For purposes of the cash flow statement, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts. Movements of investments in OneVue Managed Account are reported on a net basis in the cash flow statement.

(c) Trade and other receivables

All trade receivables are recognised at the amounts receivable, as they are due for settlement no more than 14 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. An allowance for doubtful debts is raised where some doubt as to collection exists.

(d) Financial assets

(i) Fair value through profit or loss

The Group has assessed its investments held in OneVue Managed Account at fair value through profit or loss and classified them as financial assets at fair value through profit or loss. These investments primarily comprise holdings in ASX listed equities.

Financial assets at fair value through profit or loss are financial assets held for trading which are acquired principally for the purpose of selling in the short term with the intention of making a profit. Derivatives are also categorised as held for trading.

Regular purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Subsequent movements in the fair value of financial assets are recognised in the income statement.

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(d) Financial assets (con't)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are included in trade and other receivables and other assets in the balance sheet.

(e) Property, plant and equipment

Property, plant and equipment is initially recognised at cost.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over its expected useful life. Estimates of remaining useful lives are made on a regular basis for all assets.

The expected useful lives are as follows:
Plant, equipment, furniture, fittings, leasehold improvements 3-5 years

(f) Intangible assets

Intangible assets consist of computer software and customer contracts acquired as part of the business combination. The software and customer contracts are initially recognised at cost. Amortisation is calculated on a straight-line basis to write off the net cost over its expected useful life.

Estimated useful life of software has been determined as 2-4 years.
Estimated useful life of customer contracts has been determined as 5 years.

(g) Business combinations and goodwill

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted for by applying the acquisition method.

The acquisition method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and contingent liabilities to be determined as at acquisition date, being the date that control is obtained. Cost is determined as the aggregate of fair values of assets given, equity issued and liabilities assumed in exchange for control. Acquisition related costs are expensed as incurred. Any deferred consideration payable is discounted to present value using the entity's incremental borrowing rate.

Goodwill is recognised initially at the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in the profit and loss.

Goodwill is not amortised but is tested for impairment annually and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(g) Business combinations and goodwill (con't)

Customer contracts acquired as part of a business combination are recognised separately from goodwill. The customer contracts are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the contracts over their estimated useful lives, which is considered to be 5 years.

(h) Impairment

Property, plant and equipment, intangibles and financial assets are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. These assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(j) Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages and salaries and annual leave are recognised, and are measured as at the amounts expected to be paid when the liabilities are settled including on-costs.

(ii) Long service leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. In assessing expected future payments the Group based the provision on remuneration rates current as at balance date for all employees with five or more years of service. The Directors believe that this provides an estimate of the liability that is not materially different from the estimate that would be obtained by using the present value basis of measurement. Related on-costs have also been included in the liability.

(k) Other financial liabilities

Liabilities are recognised based on principal amounts borrowed. Interest is expensed as incurred.

Interest bearing liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(l) Lease liabilities

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

Finance leases are capitalised. A lease asset and liability are established at the present value of the minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense.

The lease asset is amortised on a straight-line basis over the term of the lease, or where it is likely that the Group will obtain ownership of the asset. There were no assets held under finance leases at the reporting date.

Other operating lease payments are charged to the income statement in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

(m) Revenue recognition

The Group derives its principal income from its role as responsible entity of the OneVue Managed Account schemes. Scheme related revenue includes application fees, management fees, commission rebates, brokerage and expense reimbursements and is recognised on an accrual basis. The Group derives management service and consulting fees and recognises those on an accrual basis.

Interest, dividend and other revenue including revenue from installed software and service fees generated from the supply of administrative services are recognised as they become receivable.

(n) Principles of consolidation

A controlled entity is any entity over which OneVue Holdings Pty Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in note 10 to the financial statements.

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/left the consolidated group during the year, their operating results have been included/excluded from the date control was obtained/ceased.

The acquisition method of accounting is used to account for business combinations by the Group.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(o) Investment in associates

Investments in associates are accounted for using the equity method, after initially being recognised at cost. An associate is an entity that the parent entity or consolidated entity has significant influence over, but not control (usually accompanied by shareholdings between 20 and 50%).

As the Group's share of it associates post acquisition profits is not material for FY 2010 -2011, therefore all investments in Associates are kept at cost.

(p) Income tax

Current tax for the period is calculated on profit from ordinary activities adjusted for non-assessable and non-deductible items and is based on tax rates and tax laws that have been enacted or substantively enacted, at the reporting date.

Deferred tax is accounted for using the comprehensive balance sheet liability method whereby deferred tax assets and liabilities are recognised on all temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax base.

Deferred tax relates to the movement in the net deferred tax asset/liability for the period and is recognised as an expense or revenue in profit from ordinary activities, unless the deferred tax relates to an amount that is credited or debited directly to equity, in which case the deferred tax is also recognised in equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset or liability is recovered or settled.

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unused tax credits only if it is probable that future taxable amounts will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

OneVue Holdings Pty Ltd and its controlled entities have formed a tax consolidated group. As a consequence, OneVue Holdings Pty Ltd, as head entity of the tax consolidated group, is responsible for the payment of all income tax that relates to taxable profits earned by the members of the tax consolidation group. Under arrangements made with each of the companies in the tax consolidation group, each company in the Group will provide OneVue Holdings Pty Ltd with funds to satisfy that obligation in proportion to the taxable profits earned by each of those companies. The head entity and each company in the Group account for all assets, liabilities, income and expense relating to the profits earned by that company in their own financial statements.

In addition to its own current and deferred tax amounts, OneVue Holdings Pty Ltd also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group if they satisfy the criteria for recognising deferred tax assets.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group.

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

2. TRADE AND OTHER PAYABLES

	Consolidated 2011 $	Consolidated 2010 $
Trade payables	221,561	298,878
Payables for shares in OneVue Ltd	532,500 *)	500,000
Unearned income	22,222	31,543
Other	667,709	405,008
	1,443,992	1,235,429

3. OTHER PAYABLES

	Consolidated 2011 $	Consolidated 2010 $
Non Current		
Payables for shares in OneVue Ltd	-	532,500 *)

*) This is the final payment for shares in OneVue Limited.

4. CONTRIBUTED EQUITY

	Consolidated 2011 $	Consolidated 2010 $
64,139,565 (2010: 53,969,565) fully paid shares	16,152,646	13,610,146

Reconciliation of share capital

		Number of shares	Share issue price	$
1 July 2008 Opening balance Ordinary Shares		29,190,051		7,525,521
1 January 2009 3,341,014 Ordinary Shares issued	a)	3,341,014	$0.217	725,000
31 December 2009 1,883,500 Ordinary Shares issued	b)	1,883,500	$0.25	470,875
21 June 2010 19,555,000 Ordinary Shares issued	c)	19,555,000	$0.25	4,888,750
30 June 2011 10,170,000 Ordinary Shares issued	d)	10,170,000	$0.25	2,542,500
		34,949,514		8,627,125
Total of Ordinary Shares at 30 June 2011	e)	64,139,565		16,152,646

4. CONTRIBUTED EQUITY (con't)

a) On 1 January 2009 3,341,014 Ordinary Shares were issued to existing shareholders for a total consideration of $725,000.

b) On 31 December 2009, OneVue Holdings Pty Ltd issued 1,883,500 shares ($470,875) to APA Financial Services Ltd for OneVue Ltd to acquire 90% of the shares of APA Pty Ltd. In return, OneVue Ltd issued 156,958 Ordinary Shares to OneVue Holdings Pty Ltd.

c) On 21 June 2010 19,555,000 Ordinary Shares were issued to existing shareholders for a total consideration of $4,888,750.

d) On 30 June 2011 10,170,000 Ordinary Shares were issued to existing shareholders for a total consideration of $2,542,500.

e) There were 64,139,565 ordinary shares on issue on 30 June 2011.
Ordinary shares entitle holders to receive dividends payable to ordinary shareholders and the right to vote on matters of corporate policy and the composition of the members of the board of directors.

f) Options

On 31 August 2010, the options held by staff in the OneVue Limited ESOP were replaced by options on shares in OneVue Holdings Pty Limited. This followed the Company acquisition of all of the shares in OneVue Limited on 1 December 2009. ESOP participant received options on shares in OneVue Holdings Pty Limited to replace on 73,662 shares in OneVue Limited. These options expire on 31 August 2012. No further options one shares in OneVue Holdings Pty Limited were issued in the financial year.

5. RESERVES

	Consolidated 2011 $	Consolidated 2010 $
Gain on OneVue Limited acquisition	492,085	492,085

6. ACCUMULATED LOSSES

	Consolidated 2011 $	Consolidated 2010 $
Retained profits at 1 July	(11,730,202)	(6,210,204)
Net loss for the year	(2,829,080)	(5,519,998)
Accumulated losses at 30 June	(14,559,282)	(11,730,202)

7. AUDITOR'S REMUNERATION

	Consolidated 2011 $	Consolidated 2010 $
Received or due and receivable by the auditors for services to the Group in respect of:		
Audit of the financial statements of the Group (including under accrual of prior years)	73,711	39,000
Audit of the financial statements of the registered MISs (including under accrual of prior years)	50,000	50,000
Audit of compliance plans	18,100	13,815
Taxation and other non-assurance services	88,891	16,536
	230,702	119,351

8. RECONCILIATION OF NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES TO PROFIT (LOSS) AFTER INCOME TAX

(a) Reconciliation of cash and cash equivalents

	Consolidated 2011 $	Consolidated 2010 $
Cash on hand	792,221	1,319,248

8. RECONCILIATION OF NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES TO PROFIT (LOSS AFTER INCOME TAX (cont'd)

(b) Reconciliation of operating profit (loss) to cash flows from operating activities

	Consolidated 2011 $	Consolidated 2010 $
Profit/(Loss) after income tax	(2,829,080)	(5,519,998)
Non-cash items – income and expense		
Depreciation of Property, plant and equipment	61,555	118,861
Amortisation of intangibles	861,793	846,898
Gain on disposal of investment in WealthCraft	(1,073,550)	-
Impairment of assets	-	1,113,366
Financial assets mark to market	(76,399)	(57,274)
Share of net (profits)/losses of associates		(16,212)
Loss on disposal of property, plant and equipment	26,815	9,689
	(199,786)	2,015,328
Non-cash items – operating assets and liabilities		
(Increase)/decrease in receivables	235,221	(735,813)
Increase/(decrease) in trade and other payables	137,556	1,026,922
(Increase)/decrease in prepayments	10,622	(73,520)
	383,399	217,590
Net cash used in operating activities	(2,645,467)	(3,287,080)

9. COMPANY INFORMATION

OneVue Holdings Pty Limited is a Company incorporated in VIC. The Registered Office of the Company is Level 2, 1 Castlereagh Street Sydney, NSW.

This financial report was authorised for issue by the directors on 17 October 2011. The Group has the power to amend and reissue the financial report.

10. CONTROLLED ENTITIES

		Percentage Owned (%)*	
Entity	**Country of Incorporation**	**2011**	**2010**
Subsidiaries of OneVue Holdings Pty Limited:			
OneVue Limited	Australia	100	100
OneVue UMA Pty Limited	Australia	100	100
OneVue Services Pty Limited (formerly as Pentafin Services Pty Limited)	Australia	100	100
OneVue Unit Registry Pty Limited (formerly as Pentafin Pty Limited)	Australia	100	100
OneVue Private Clients Pty Limited (formerly as SMAS Pty Limited)	Australia	100	100

* Percentage of voting power is proportion to ownership.

11. EVENTS AFTER BALANCE DATE

OneVue Limited settled a claim relating to events in 2005 and 2006 at cost to the Group (net of insurance) of $110,000.

PKF

Chartered Accountants
& Business Advisers

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ONEVUE HOLDINGS PTY LIMITED

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of OneVue Holdings Pty Limited, which comprises the statements of financial position as at 30 June 2011, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information, and the directors' declaration of OneVue Holdings Pty Limited and the consolidated entity (the company). The consolidated entity comprises the company and the entities it controlled at the year 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the needs of the members.

The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal 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 Australian professional ethical pronouncements.

Tel: 61 2 9251 4100 | Fax: 61 2 9240 9821 | www.pkf.com.au
PKF | ABN 83 236 985 726
Level 10, 1 Margaret Street | Sydney | New South Wales 2000 | Australia

Opinion

In our opinion, the financial report presents fairly, in all material aspects, the financial position of OneVue Holdings Pty Limited and the consolidated entity as at 30 June 2011 and of their performance for the year ended on that date in accordance with the basis of preparation described in Note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting requirements. As a result, the financial report may not be suitable for another purpose.

PKF

PKF

Arthur Milner

Partner

Sydney, 17 October 2011

ONEVUE HOLDINGS PTY LIMITED

ABN 15 108 221 870

ANNUAL REPORT

30 JUNE 2012

Contents

DIRECTORS' REPORT

The Directors submit the consolidated financial report for OneVue Holdings Pty Limited (the company) and the entities it controlled (the consolidated entity) for the year ended 30 June 2012, together with the independent audit report thereon, as follows:

DIRECTORS

The names of each person who held the position of Director of the company at any time during or since the end of the year are:

Ms G M Pemberton	Non-Executive Director (Chair)
Ms C B McKeage	Non-Executive Director
Mr N C Stokes	Non-Executive Director
Mr S Fuller	Non-Executive Director

INFORMATION ON DIRECTORS

Name:	Gail M Pemberton
Title:	Non-Executive Director (Chair)
Qualifications:	FAICD
Experience and expertise:	Gail has over 20 years experience in funds management administration and information & communication systems of financial institutions. Previously, Chief Operating Officer of BNP Paribas Securities Service (UK), CEO BNP Paribas.
Other current directorships:	Director of the Securities Industry Research of Centre (SIRCA) and Director of Paypal Australia, Director of UXC

Name:	Connie B McKeage
Title:	Non-Executive Director
Qualifications:	Bachelor Arts & Science (Canada)
Experience and expertise:	Connie has over 20 years experience in funds management administration and investment service businesses. Previously a senior executive with Bankers Trust Australia, Rothschild Australia Asset Management and Perpetual Funds management and Acting CEO of E*TRADE.

Name:	Nigel C Stokes
Title:	Non-Executive Director
Qualifications:	BEc
Experience and expertise:	Nigel has over 15 years experience in corporate finance and over 30 years in public finance with the NSW & Commonwealth Governments. Previously worked in the Commonwealth & NSW Treasuries, Bankers Trust Australia

Name:	Steven Fuller
Title:	Non-Executive Director
Qualifications:	BEc, LLB, LLM, MBA
Experience and expertise:	Solicitor of the Supreme Court of NSW, over 25 years experience in commercial law

DIRECTORS' REPORT (cont'd)

COMPANY SECRETARY

Steven Fuller (BEc, LLB, LLM, MBA) has held the role of Company Secretary since May 2008. Steven is a member of the Law Society of NSW.

ATTENDANCE AT MEETINGS

Board of Directors	Meetings Eligible to Attend	Meetings Attended
G M Pemberton	4	4
C B McKeage	4	4
N C Stokes	4	4
S Fuller	4	4

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the financial year were the provision of the Unified Managed Account Service delivering a single view to clients and their advisers. These services are provided for the OneVue brand and other white label brands providing administration services to financial advisers, accountants, solicitors and institutions.

DIVIDENDS

No interim dividend was paid during the 2012 financial year (2011: $Nil) and no final dividend has been recommended for the year ended 30 June 2012 (2011: $Nil).

REVIEW OF OPERATIONS

The loss of the consolidated entity for the year after providing for income tax amounted to $1,049,352 (2011: loss $2,829,080).

The consolidated entity continues to establish new strategic partnerships with financial planning groups and institutions.

No further options on shares in the company were issued during the 2012 financial year.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than the matters disclosed in principal activities above, there was no significant change in the state of affairs of the consolidated entity during the year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Except for the internal corporate restructure disclosed in note 10 to the financial statements, no other matter or circumstance has arisen since 30 June 2012 that has significantly affected, or may significantly affect:

(a) the company's operations in future financial years; or
(b) the results of those operations in future financial years; or
(c) the company's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The consolidated entity is likely to experience significant growth over the next two years, particularly from OneVue (and other white label) UMA and is likely to receive increased support from accounting and financial planning groups; fee income from clients is likely to increase.

DIRECTORS' REPORT (cont'd)

ENVIRONMENTAL REGULATION

The consolidated entity is not subject to any particular or significant environmental regulation under a Commonwealth, State or Territory law.

DIRECTORS' AND OFFICERS' INDEMNIFICATION

The company has indemnified directors and officers of the company, including members of the Compliance Committee, for a period up to seven years after they cease to be an officer, for any actions that may arise as a result of acting in their capacity as directors and officers of the company in respect of:

a) liability to third parties when acting in good faith; and
b) costs and expenses of defending legal proceedings and ancillary matters.

Directors & officers' insurance and professional indemnity insurance premiums paid during the financial year were $95,824 (2011: $91,780).

On behalf of the directors

N Stokes
....
Director

....
Director STEVEN FULLER

28 September 2012
Sydney

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES

ABN 15 108 221 870

30 JUNE 2012

DIRECTORS' DECLARATION

In the directors' opinion,

- the attached financial statements and notes thereto comply with the accounting policies as described in note 1;
- the attached financial statements and notes thereto give a true and fair view of the Consolidated Entity's financial position as at 30 June 2012 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the directors

N Stokes
....
Director

....
Director STEVEN PULLEN

28 September 2012
Sydney

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES

ABN 15 108 221 870

30 JUNE 2012

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	Consolidated	
	2012	**2011**
	$	**$**
Revenue from continuing operations	4,458,844	4,753,714
Gain on disposal of investment in WealthCraft	-	1,073,550
Share of net profits of associates accounted for using the equity method	28,599	-
Other Income	7,824	53,803
Accounting, audit and compliance expenses	(254,066)	(235,717)
Advertising expenses	(108,166)	(143,106)
Consulting expenses	(902,198)	(816,358)
Depreciation and amortisation expenses	(352,788)	(923,348)
Employee benefits expenses	(2,632,481)	(4,758,909)
Funds management expenses	(450,159)	(540,910)
Insurance expenses	(37,593)	(37,889)
IT expenses	(444,144)	(550,138)
Legal expenses	(33,124)	(69,250)
Rent expenses	(404,091)	(469,167)
Other expenses	(430,959)	(476,814)
Total expenses from continuing operations	(6,049,769)	(9,021,606)
Loss before income tax expense	(1,554,502)	(3,140,539)
Research and development income tax received	505,150	311,459
Loss for the year	(1,049,352)	(2,829,080)
Other comprehensive income	-	-
Total comprehensive income for the year	(1,049,352)	(2,829,080)

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

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES
ABN 15 108 221 870

30 JUNE 2012

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Note	Consolidated 2012 $	Consolidated 2011 $
CURRENT ASSETS			
Cash and cash equivalents	7 (a)	1,324,314	792,221
Trade and other receivables		496,727	497,405
Other assets		82,864	62,897
Financial assets at fair value through profit or loss		168,276	230,104
TOTAL CURRENT ASSETS		2,072,181	1,582,627
NON-CURRENT ASSETS			
Property, plant and equipment		102,407	105,442
Intangible assets		3,112,381	2,185,261
Investments accounted for using the equity method		29,599	1,000
Deferred tax assets		-	-
TOTAL NON-CURRENT ASSETS		3,224,387	2,291,703
TOTAL ASSETS		5,316,568	3,874,330
CURRENT LIABILITIES			
Trade and other payables	2	564,361	1,443,992
Employee benefits		318,290	289,693
TOTAL CURRENT LIABILITIES		882,651	1,733,685
NON-CURRENT LIABILITES			
Employee benefits		112,479	55,196
TOTAL NON-CURRENT LIABILITIES		112,479	55,196
TOTAL LIABILITES		995,130	1,788,881
NET ASSETS		4,321,438	2,085,449
EQUITY			
Contributed equity	3	19,437,987	16,152,646
Reserves	4	492,085	492,085
Accumulated losses	5	(15,608,634)	(14,559,282)
TOTAL EQUITY		4,321,438	2,085,449

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

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES
ABN 15 108 221 870

30 JUNE 2012

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

	Note	Consolidated 2012 $	Consolidated 2011 $
Equity at the beginning of the financial year			
Issued capital		16,152,646	13,610,146
Reserves		492,085	492,085
Accumulated losses		(14,559,282)	(11,730,202)
Total equity at the beginning of the financial year		2,085,449	2,372,029
Total comprehensive income for the year		(1,049,352)	(2,829,080)
Transactions with equity holders in their capacity as equity holders:			
Issue of ordinary shares	3	3,285,341	2,542,500
		3,285,341	2,542,500
Total equity at the end of the financial year		**4,321,438**	**2,085,449**

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

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES
ABN 15 108 221 870

30 JUNE 2012

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012

		Consolidated	
		2012	2011
		$	$
Cash flows from operating activities			
Receipts from customers		4,926,480	5,371,831
GST rebates recovered from Schemes		278,327	252,712
Interest received		30,969	41,995
Payments to suppliers and employees		(6,795,802)	(8,626,105)
Income tax refund		-	2,640
Research and development income tax received		505,150	311,460
Net cash used in operating activities	7 (b)	(1,054,876)	(2,645,467)
Cash flows from investing activities			
Payments for property, plant and equipment		(46,244)	(41,420)
Payments for intangible assets		(1,217,147)	-
Receipt from financial assets redemption		100,000	117,360
Net cash used in investing activities		(1,163,391)	75,940
Cash flows from financing activities			
Loan to associates accounted for using equity method repayment received		11,000	-
Proceeds from share issue		3,271,860	2,542,500
Repayment of loans		(532,500)	(500,000)
Net cash provided by financing activities		2,750,360	2,042,500
Net increase/(decrease) in cash and cash equivalents		532,093	(527,027)
Cash and cash equivalents at the beginning of the year		792,221	1,319,248
Cash and cash equivalents at the end of the year	7 (a)	1,324,314	792,221

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

In the directors' opinion, the company and the consolidated entity are not reporting entities because there are no users dependent on general purpose financial statements. These are special purpose financial statements. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

(b) Cash and cash equivalents

For purposes of the cash flow statement, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts. Movements of investments in OneVue Managed Account are reported on a net basis in the cash flow statement.

(c) Trade and other receivables

All trade receivables are recognised at the amounts receivable, as they are due for settlement no more than 14 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. An allowance for doubtful debts is raised where some doubt as to collection exists.

(d) Financial assets

(i) Fair value through profit or loss

The consolidated entity has assessed its investments held in OneVue Managed Account at fair value through profit or loss and these investments are held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit. Fair Value measurements are recognised in profit or loss. These investments primarily comprise holdings in ASX listed equities.

Financial assets at fair value through profit or loss are financial assets held for trading which are acquired principally for the purpose of selling in the short term with the intention of making a profit. Derivatives are also categorised as held for trading.

Regular purchases and sales of investments are recognised on trade-date – the date on which the consolidated entity commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Subsequent movements in the fair value of financial assets are recognised in the income statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(d) Financial assets (cont'd)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are included in trade and other receivables and other assets in the balance sheet.

(e) Property, plant and equipment

Property, plant and equipment is initially recognised at cost.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over its expected useful life. Estimates of remaining useful lives are made on a regular basis for all assets.

The expected useful lives are as follows:
Plant, equipment, furniture, fittings, leasehold improvements 3-5 years

(f) Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangibles are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Customer contracts

Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(g) Business combinations and goodwill

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted for by applying the acquisition method.

The acquisition method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and contingent liabilities to be determined as at acquisition date, being the date that control is obtained. Cost is determined as the aggregate of fair values of assets given, equity issued and liabilities assumed in exchange for control. Acquisition related costs are expensed as incurred. Any deferred consideration payable is discounted to present value using the entity's incremental borrowing rate.

Goodwill is recognised initially at the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in the profit and loss.

Goodwill is not amortised but is tested for impairment annually and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Customer contracts acquired as part of a business combination are recognised separately from goodwill. The customer contracts are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the contracts over their estimated useful lives, which is considered to be 5 years.

(h) Impairment

Property, plant and equipment, intangibles and financial assets are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. These assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(j) Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages and salaries and annual leave are recognised, and are measured as at the amounts expected to be paid when the liabilities are settled including on-costs.

(ii) Long service leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. In assessing expected future payments the consolidated entity based the provision on remuneration rates current as at balance date for all employees with five or more years of service.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(j) Employee benefits (cont'd)

The Directors believe that this provides an estimate of the liability that is not materially different from the estimate that would be obtained by using the present value basis of measurement. Related on-costs have also been included in the liability.

(k) Other financial liabilities

Liabilities are recognised based on principal amounts borrowed. Interest is expensed as incurred.

Interest bearing liabilities are classified as current liabilities unless the consolidated entity has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(l) Lease liabilities

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

Finance leases are capitalised. A lease asset and liability are established at the present value of the minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense.

The lease asset is amortised on a straight-line basis over the term of the lease, or where it is likely that the consolidated entity will obtain ownership of the asset. There were no assets held under finance leases at the reporting date.

Other operating lease payments are charged to the income statement in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

(m) Revenue recognition

The consolidated entity derives its principal income from its role as responsible entity of the OneVue Managed Account scheme. Scheme related revenue includes application fees, management fees, commission rebates, brokerage and expense reimbursements and is recognised on an accrual basis. The consolidated entity derives management service and consulting fees and recognises those on an accrual basis.

Interest, dividend and other revenue including revenue from installed software and service fees generated from the supply of administrative services are recognised as they become receivable.

(n) Principles of consolidation

A controlled entity is any entity over which OneVue Holdings Pty Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in note 9 to the financial statements.

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/left the consolidated group during the year, their operating results have been included/excluded from the date control was obtained/ceased.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(n) Principles of consolidation (cont'd)

The acquisition method of accounting is used to account for business combinations by the consolidated entity.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

(o) Investment in associates

Investments in associates are accounted for using the equity method, after initially being recognised at cost. An associate is an entity that the parent entity or consolidated entity has significant influence over, but not control (usually accompanied by shareholdings between 20 and 50%).

(p) Income tax

Current tax for the period is calculated on profit from ordinary activities adjusted for non-assessable and non-deductible items and is based on tax rates and tax laws that have been enacted or substantively enacted, at the reporting date.

Deferred tax is accounted for using the comprehensive balance sheet liability method whereby deferred tax assets and liabilities are recognised on all temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax base.

Deferred tax relates to the movement in the net deferred tax asset/liability for the period and is recognised as an expense or revenue in profit from ordinary activities, unless the deferred tax relates to an amount that is credited or debited directly to equity, in which case the deferred tax is also recognised in equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset or liability is recovered or settled.

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unused tax credits only if it is probable that future taxable amounts will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

OneVue Holdings Pty Ltd and its controlled entities have formed a tax consolidated group. As a consequence, OneVue Holdings Pty Ltd, as head entity of the tax consolidated group, is responsible for the payment of all income tax that relates to taxable profits earned by the members of the tax consolidation group. Under arrangements made with each of the companies in the tax consolidation group, each company in the consolidated entity will provide OneVue Holdings Pty Ltd with funds to satisfy that obligation in proportion to the taxable profits earned by each of those companies. The head entity and each company in the consolidated entity account for all assets, liabilities, income and expense relating to the profits earned by that company in their own financial statements.

In addition to its own current and deferred tax amounts, OneVue Holdings Pty Ltd also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group if they satisfy the criteria for recognising deferred tax assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Income tax (cont'd)

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the consolidated entity.

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

(q) Foreign currency translation

The financial report is presented in Australian dollars, which is OneVue Limited's functional and presentation currency.

Foreign currency transactions

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

Foreign operations

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

2. TRADE AND OTHER PAYABLES

	Consolidated	
	2012	2011
	$	$
Trade payables	137,573	221,561
Payables for shares in OneVue Limited *)	-	532,500
Unearned income	-	22,222
Other	426,788	667,709
	564,361	1,443,992

*) This was final payment for shares in OneVue Limited on 1 December 2011.

3. CONTRIBUTED EQUITY

	Consolidated	
	2012	2011
	$	$
75,124,038 (2011: 64,139,565) fully paid shares	19,437,987	16,152,646

3. CONTRIBUTED EQUITIES (cont'd)

Reconciliation of share capital

		Number of shares	Share issue price	$
1 July 2008 Opening balance Ordinary Shares		29,190,051		7,525,521
1 January 2009 3,341,014 Ordinary Shares issued	a)	3,341,014	$0.217	725,000
31 December 2009 1,883,500 Ordinary Shares issued	b)	1,883,500	$0.25	470,875
21 June 2010 19,555,000 Ordinary Shares issued	c)	19,555,000	$0.25	4,888,750
30 June 2011 10,170,000 Ordinary Shares issued	d)	10,170,000	$0.25	2,542,500
		200,000	$0.25	50,000
		10,784,473	$0.30	3,235,341
30 June 2012 10,984,473 Ordinary Shares issued	e)	10,984,473		3,285,341
		45,933,987		11,912,466
Total of Ordinary Shares at 30 June 2012	f)	75,124,038		19,437,987

a) On 1 January 2009 3,341,014 Ordinary Shares were issued to existing shareholders for a total consideration of $725,000.

b) On 31 December 2009, OneVue Holdings Pty Ltd issued 1,883,500 shares ($470,875) to APA Financial Services Ltd for OneVue Ltd to acquire 90% of the shares of APA Pty Ltd. In return, OneVue Ltd issued 156,958 Ordinary Shares to OneVue Holdings Pty Ltd.

c) On 21 June 2010, 19,555,000 Ordinary Shares were issued to existing shareholders for a total consideration of $4,888,750.

d) On 30 June 2011, 10,170,000 Ordinary Shares were issued to existing shareholders for a total consideration of $2,542,500.

e) On 30 June 2012, 10,984,473 Ordinary Shares were issued to existing shareholders for a total consideration of $3,285,341.

f) There were 75,124,038 ordinary shares on issue on 30 June 2012. Ordinary shares entitle holders to receive dividends payable to ordinary shareholders and the right to vote on matters of corporate policy and the composition of the members of the board of directors.

g) Options

On 31 August 2010, the options held by staff in the OneVue Limited ESOP were replaced by options on shares in OneVue Holdings Pty Limited. This followed the company acquisition of all of the shares in OneVue Limited on 1 December 2009. ESOP participant received options on shares in OneVue Holdings Pty Limited to replace the options on 73,662 shares in OneVue Limited. These options expire on 31 December 2012. No further options on shares in OneVue Holdings Pty Limited were issued in the financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

4. RESERVES

	Consolidated 2012 $	Consolidated 2011 $
Gain on OneVue Limited acquisition	492,085	492,085

5. ACCUMULATED LOSSES

	Consolidated 2012 $	Consolidated 2011 $
Retained profits at 1 July	(14,559,282)	(11,730,202)
Net loss for the year	(1,049,352)	(2,829,080)
Accumulated losses at 30 June	(15,608,634)	(14,559,282)

6. AUDITOR'S REMUNERATION

	Consolidated 2012 $	Consolidated 2011 $
BDO East Coast Partnership		
Fees paid or payable to the auditors for services to the consolidated entity in respect of:		
Audit of the financial statements of the consolidated entity (including under accrual of prior years)	94,168	73,711
Audit of the financial statements of the registered MISs (including under accrual of prior years)	33,000	50,000
Audit of compliance plans	8,000	18,100
Taxation and other non-assurance services	81,099	88,891
	216,267	230,702

7. RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES TO LOSS AFTER INCOME TAX

(a) Reconciliation of cash and cash equivalents

	Consolidated 2012 $	Consolidated 2011 $
Cash on hand	1,324,314	792,221

7. RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES TO LOSS AFTER INCOME TAX (cont'd)

(b) Reconciliation of operating loss to cash flows used in operating activities

	Consolidated 2012 $	2011 $
Profit/(Loss) after income tax	(1,049,352)	(2,829,080)
Non-cash items – income and expense		
Depreciation of Property, plant and equipment	49,280	61,555
Amortisation of intangibles	303,508	861,793
Gain on disposal of investment in WealthCraft	-	(1,073,550)
Financial assets mark to market	(38,172)	(76,399)
Share of net profits of associates accounted for using the equity method	(28,599)	-
Loss on disposal of property, plant and equipment	-	26,815
	286,017	(199,786)
Non-cash items – operating assets and liabilities		
(Increase)/decrease in receivables	(10,322)	235,221
Increase/(decrease) in trade and other payables	(261,251)	137,556
(Increase)/decrease in prepayments	(19,968)	10,622
	(291,541)	383,399
Net cash used in operating activities	(1,054,876)	(2,645,467)

8. COMPANY INFORMATION

OneVue Holdings Pty Limited is a company incorporated in VIC. The Registered Office of the company is Level 2, 1 Castlereagh Street Sydney, NSW.

This financial report was authorised for issue by the directors on 28 September 2012. The consolidated entity has the power to amend and reissue the financial report.

9. CONTROLLED ENTITIES

		Percentage Owned (%)*	
Entity	**Country of Incorporation**	**2012**	**2011**
Subsidiaries of OneVue Holdings Pty Limited:			
OneVue Limited	Australia	100	100
OneVue UMA Pty Limited	Australia	100	100
OneVue Services Pty Limited (formerly as Pentafin Services Pty Limited)	Australia	100	100
OneVue Unit Registry Pty Limited (formerly as Pentafin Pty Limited)	Australia	100	100
OneVue Private Clients Pty Limited (formerly as SMAS Pty Limited)	Australia	100	100
OneVue Licences Pty Limited	Australia	100	-
OneVue Financial Software Development (Shenzhen) Co., Limited	China	100	-

* Percentage of voting power is in proportion to ownership.

10. EVENTS AFTER THE REPORTING PERIOD

Effective from 1 July 2012, the consolidated entity is currently going through an internal corporate restructuring to align its four main business lines, namely installed software, portfolio administration, financial products and financial advice, with its corporate structure. OneVue UMA Pty Limited, OneVue Financial Software Development (Shenzhen) Co., Ltd. and WealthPortal Pty Limited which were subsidiaries and associate of OneVue Limited become subsidiaries and associate of OneVue Services Pty Limited. Both OneVue Limited and OneVue Services Pty Limited are wholly owned subsidiaries of the holding company OneVue Holdings Pty Limited. These changes will affect the accounts of OneVue Limited, but it will not affect the consolidated result of the holding company.

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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of OneVue Holdings Pty Limited

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of OneVue Holdings Pty Limited, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and 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 and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the directors and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 Australian professional accounting bodies.

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of OneVue Holdings Pty Limited and its subsidiaries (the consolidated entity) as at 30 June 2012, and its financial performance and its cash flows for the year then ended in accordance with the basis of preparation described in Note 1.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the requirements of the directors. As a result, the financial report may not be suitable for another purpose.

BDO East Coast Partnership

BDO

Arthur Milner

Partner

Sydney, 28 September 2012

ONEVUE HOLDINGS PTY LIMITED

ABN 15 108 221 870

ANNUAL REPORT

30 JUNE 2013

Contents

DIRECTORS' REPORT

The Directors submit the consolidated financial report for OneVue Holdings Pty Limited (the company) and the entities it controlled (the consolidated entity) for the year ended 30 June 2013, together with the independent audit report thereon, as follows:

DIRECTORS

The names of each person who held the position of Director of the company at any time during or since the end of the year are:

Ms G M Pemberton	Non-Executive Director (Chair)
Ms C B McKeage	Non-Executive Director
Mr N C Stokes	Non-Executive Director
Mr P G Kennedy	Non-Executive Director
Mr S Fuller	Non-Executive Director

INFORMATION ON DIRECTORS

Name:	Gail M Pemberton
Title:	Non-Executive Director (Chair)
Qualifications:	FAICD
Experience and expertise:	Gail has over 20 years experience in funds management administration and information & communication systems of financial institutions. Previously, Chief Operating Officer of BNP Paribas Securities Service (UK), CEO BNP Paribas.
Other current directorships:	Director of the Securities Industry Research of Centre (SIRCA) and Director of Paypal Australia, Director of UXC

Name:	Connie B McKeage
Title:	Non-Executive Director
Qualifications:	Bachelor Arts & Science (Canada)
Experience and expertise:	Connie has over 20 years experience in funds management administration and investment service businesses. Previously a senior executive with Bankers Trust Australia, Rothschild Australia Asset Management and Perpetual Funds management and Acting CEO of E*TRADE.

Name:	Nigel C Stokes
Title:	Non-Executive Director
Qualifications:	BEc
Experience and expertise:	Nigel has over 15 years experience in corporate finance and over 30 years in public finance with the NSW & Commonwealth Governments. Previously worked in the Commonwealth & NSW Treasuries, Bankers Trust Australia.

Name:	Steven Fuller
Title:	Non-Executive Director
Qualifications:	BEc, LLB, LLM, MBA
Experience and expertise:	Solicitor of the Supreme Court of NSW, over 25 years experience in commercial law

DIRECTORS' REPORT (cont'd)

Name:	Peter G Kennedy
Title:	Non-Executive Director
Qualifications:	BComm
Experience and expertise:	Peter has over 33 years experience in investment banking, funds management and product development of financial institutions. Previously worked at Macquarie Bank, Deutsche Bank and owner of Next Financial.

COMPANY SECRETARY

Steven Fuller (BEc, LLB, LLM, MBA) has held the role of Company Secretary since May 2008. Steven is a member of the Law Society of NSW.

ATTENDANCE AT MEETINGS

Board of Directors	Meetings Eligible to Attend	Meetings Attended
G M Pemberton	4	4
C B McKeage	4	4
N C Stokes	4	4
PG Kennedy	4	4
S Fuller	4	2

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the financial year were the provision of the Unified Managed Account Service delivering a single view to clients and their advisers. These services are provided for the OneVue brand and other white label brands providing administration services to financial advisers, accountants, solicitors and institutions.

DIVIDENDS

No interim dividend was paid during the 2013 financial year (2012: $Nil) and no final dividend has been recommended for the year ended 30 June 2013 (2012: $Nil).

REVIEW OF OPERATIONS

The loss of the consolidated entity for the year after providing for income tax amounted to $1,714,380 (2012: loss $1,049,352).

The consolidated entity continues to establish new strategic partnerships with financial planning groups and institutions.

No further options on shares in the company were issued during the 2013 financial year.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than the matters disclosed in principal activities above, there was no significant change in the state of affairs of the consolidated entity during the year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Except for the acquisition disclosed in Note 13 no other matter or circumstance has arisen since 30 June 2013 that has significantly affected, or may significantly affect:

DIRECTORS' REPORT (cont'd)

(a) the company's operations in future financial years; or
(b) the results of those operations in future financial years; or
(c) the company's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The consolidated entity is likely to experience significant growth over the next two years, particularly from OneVue (and other white label) UMA and is likely to receive increased support from accounting and financial planning groups; fee income from clients is likely to increase. On 2 September 2013 OneVue Holdings Pty Limited acquired the Computershare Fund Services business, this acquisition will significantly increase revenue for the group and once the initial transition of the business is completed in January 2014 it will likely grow the business from both existing and new Fund Managers.

ENVIRONMENTAL REGULATION

The consolidated entity is not subject to any particular or significant environmental regulation under a Commonwealth, State or Territory law.

DIRECTORS' AND OFFICERS' INDEMNIFICATION

The company has indemnified directors and officers of the company, including members of the Compliance Committee, for a period up to seven years after they cease to be an officer, for any actions that may arise as a result of acting in their capacity as directors and officers of the company in respect of:

a) liability to third parties when acting in good faith; and
b) costs and expenses of defending legal proceedings and ancillary matters.

Directors & officers' insurance and professional indemnity insurance premiums paid during the financial year were $98,363 (2012: $95,824).

On behalf of the directors

Connie McKeage
Director

N Stokes
Director

14 October 2013
Sydney

DIRECTORS' DECLARATION

As described in the basis of preparation accounting policy included in Note 1 to the financial statements, the company is not a reporting entity and these are special purpose financial statements.

The directors of the company declare that the financial statements and notes:

- comply with the accounting policies as described in note 1 to the financial statements;
- give a true and fair view of the Consolidated Entity's financial position as at 30 June 2013 and of its performance for the financial year ended on that date; and
- 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.

On behalf of the directors

....
Director

....
Director

14 October 2013
Sydney

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES
ABN 15 108 221 870

30 JUNE 2013

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	Consolidated	
	2013	2012
	$	$
Revenue from continuing operations	4,901,338	4,420,672
Share of net profits of associates accounted for using the equity method	-	28,599
Gain/(loss) on disposal of investments	(9,323)	-
Other Income	65,011	45.996
Accounting, audit and compliance expenses	(263,751)	(254,066)
Advertising expenses	(95,295)	(108,166)
Consulting expenses	(777,425)	(902,198)
Depreciation and amortisation expenses	(457,320)	(352,788)
Impairment	(1,476,336)	-
Employee benefits expenses	(2,454,790)	(2,632,481)
Funds management expenses	(544,650)	(450,159)
Insurance expenses	(107,513)	(37,593)
IT expenses	(410,174)	(444,144)
Legal expenses	(40,443)	(33,124)
Rent expenses	(429,120)	(404,091)
Other expenses	(345,916)	(430,959)
Total expenses from continuing operations	(7,402,733)	(6,049,769)
Loss before income tax expense	(2,445,707)	(1,554,502)
Research and development income tax received	731,327	505,150
Loss after income tax benefit for the year	(1,714,380)	(1,049,352)
Other comprehensive income	-	-
Total comprehensive income for the year attributable to the owners of OneVue Holdings Pty Limited	(1,714,380)	(1,049,352)

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

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES
ABN 15 108 221 870

30 JUNE 2013

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Note	Consolidated 2013 $	Consolidated 2012 $
CURRENT ASSETS			
Cash and cash equivalents	2 (a)	521,135	1,324,314
Trade and other receivables	4	505,234	496,727
Other assets		53,639	82,864
Financial assets at fair value through profit or loss		233,287	168,276
TOTAL CURRENT ASSETS		1,313,295	2,072,181
NON-CURRENT ASSETS			
Property, plant and equipment		49,251	102,407
Intangible assets	5	2,642,024	3,112,381
Investments accounted for using the equity method		20,276	29,599
Investments		1,000	-
TOTAL NON-CURRENT ASSETS		2,712,551	3,224,387
TOTAL ASSETS		4,025,846	5,316,568
CURRENT LIABILITIES			
Trade and other payables	6	576,979	564,361
Employee benefits		369,066	318,290
TOTAL CURRENT LIABILITIES		946,045	882,651
NON-CURRENT LIABILITES			
Employee benefits		85,971	112,479
TOTAL NON-CURRENT LIABILITIES		85,971	112,479
TOTAL LIABILITES		1,032,016	995,130
NET ASSETS		2,993,830	4,321,438
EQUITY			
Contributed equity	8	19,824,759	19,437,987
Reserves	9	492,085	492,085
Accumulated losses	10	(17,323,014)	(15,608,634)
TOTAL EQUITY		2,993,830	4,321,438

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

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES
ABN 15 108 221 870

30 JUNE 2013

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Issued Capital $	Reserves $	Accumulated Losses $	Total Equity $
Balance at 1 July 2011	16,152,646	492,085	(14,559,282)	2,085,449
Profit after income tax	-	-	(1,049,352)	(1,049,352)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(1,049,352)	(1,049,352)
Transactions with owners in their capacity as owners:				
Issue of ordinary shares	3,285,341	-	-	3,285,341
Balance at 30 June 2012	19,437,987	492,085	(15,608,634)	4,321,438

	Issued Capital $	Reserves $	Accumulated Losses $	Total Equity $
Balance at 1 July 2012	19,437,987	492,085	(15,608,634)	4,321,438
Profit after income tax	-	-	(1,714,380)	(1,714,380)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year		-	(1,714,380)	(1,714,380)
Transactions with owners in their capacity as owners:				
Issue of ordinary shares	386,772	-	-	386,772
Balance at 30 June 2013	19,824,759	492,085	(17,323,014)	2,993,830

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

ONEVUE HOLDINGS PTY LIMITED AND ITS CONTROLLED ENTITIES
ABN 15 108 221 870

30 JUNE 2013

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

		Consolidated 2013 $	Consolidated 2012 $
Cash flows from operating activities			
Receipts from customers		4,483,383	4,926,480
GST rebates recovered from Schemes		347,160	278,327
Interest received		31,137	30,969
Payments to suppliers and employees		(5,371,814)	(6,795,802)
Research and development income tax received		731,327	505,150
Net cash provided by /(used) in operating activities	2 (b)	221,193	(1,054,876)
Cash flows from investing activities			
Payments for property, plant and equipment		(16,550)	(46,244)
Payments for intangible assets		(1,393,594)	(1,217,147)
Receipt from financial assets redemption		-	100,000
Payment for investments		(1,000)	-
Net cash used in investing activities		(1,411,144)	(1,163,391)
Cash flows from financing activities			
Loan to associates accounted for using equity method repayment received		-	11,000
Proceeds from share issue		386,772	3,271,860
Repayment of loans		-	(532,500)
Net cash provided by financing activities		386,772	2,750,360
Net increase/(decrease) in cash and cash equivalents		(803,179)	532,093
Cash and cash equivalents at the beginning of the year		1,324,314	792,221
Cash and cash equivalents at the end of the year	2 (a)	521,135	1,324,314

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

In the directors' opinion, the company and the consolidated entity are not reporting entities because there are no users dependent on general purpose financial statements. These are special purpose financial statements. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

(b) Cash and cash equivalents

For purposes of the cash flow statement, cash includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts. Movements of investments in OneVue Managed Account are reported on a net basis in the cash flow statement.

(c) Trade and other receivables

All trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are due for settlement no more than 14 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off. An allowance for doubtful debts is raised where some doubt as to collection exists.

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

(d) Financial assets

(i) Fair value through profit or loss

The consolidated entity has assessed its investments held in OneVue Managed Account at fair value through profit or loss and these investments are held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit. Fair Value measurements are recognised in profit or loss. These investments primarily comprise holdings in ASX listed equities.

Financial assets at fair value through profit or loss are financial assets held for trading which are acquired principally for the purpose of selling in the short term with the intention of making a profit. Derivatives are also categorised as held for trading.

Regular purchases and sales of investments are recognised on trade-date – the date on which the consolidated entity commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Subsequent movements in the fair value of financial assets are recognised in the income statement.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(d) Financial assets (cont'd)

(ii) Loans and receivables (cont'd)

They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are included in trade and other receivables and other assets in the balance sheet.

(e) Property, plant and equipment

Property, plant and equipment is initially recognised at cost.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over its expected useful life. Estimates of remaining useful lives are made on a regular basis for all assets.

The expected useful lives are as follows:
Plant, equipment, furniture, fittings, leasehold improvements 3-5 years

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits

(f) Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangibles are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of between 5 to 7 years.

Customer contracts

Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(g) Business combinations and goodwill

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted for by applying the acquisition method.

The acquisition method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and contingent liabilities to be determined as at acquisition date, being the date that control is obtained. Cost is determined as the aggregate of fair values of assets given, equity issued and liabilities assumed in exchange for control. Acquisition related costs are expensed as incurred. Any deferred consideration payable is discounted to present value using the entity's incremental borrowing rate.

Goodwill is recognised initially at the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in the profit and loss.

Goodwill is not amortised but is tested for impairment annually and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Customer contracts acquired as part of a business combination are recognised separately from goodwill. The customer contracts are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the contracts over their estimated useful lives, which is considered to be 5 years.

(h) Impairment

Property, plant and equipment, intangibles and financial assets are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. These assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(j) Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages and salaries and annual leave are recognised, and are measured as at the amounts expected to be paid when the liabilities are settled including on-costs.

(ii) Long service leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. In assessing expected future payments the consolidated entity based the provision on remuneration rates current as at balance date for all employees with five or more years of service. The Directors believe that this provides an estimate of the liability that is not materially different from the estimate that would be obtained by using the present value basis of measurement.

Related on-costs have also been included in the liability.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(k) Other financial liabilities

Liabilities are recognised based on principal amounts borrowed. Interest is expensed as incurred.

Interest bearing liabilities are classified as current liabilities unless the consolidated entity has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(l) Lease liabilities

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

Finance leases are capitalised. A lease asset and liability are established at the present value of the minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the interest expense.

The lease asset is amortised on a straight-line basis over the term of the lease, or where it is likely that the consolidated entity will obtain ownership of the asset. There were no assets held under finance leases at the reporting date.

Other operating lease payments are charged to the income statement in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

(m) Revenue recognition

The consolidated entity derives its principal income from its role as responsible entity of the OneVue Managed Account scheme. Scheme related revenue includes application fees, management fees, commission rebates, brokerage and expense reimbursements and is recognised on an accrual basis. The consolidated entity derives management service and consulting fees and recognises those on an accrual basis.

Interest, dividend and other revenue including revenue from installed software and service fees generated from the supply of administrative services are recognised as they become receivable.

(n) Principles of consolidation

A controlled entity is any entity over which OneVue Holdings Pty Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in note 12 to the financial statements.

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/left the consolidated group during the year, their operating results have been included/excluded from the date control was obtained/ceased.

The acquisition method of accounting is used to account for business combinations by the consolidated entity.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(n) Principles of consolidation (cont'd)

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

(o) Investment in associates

Investments in associates are accounted for using the equity method, after initially being recognised at cost. An associate is an entity that the parent entity or consolidated entity has significant influence over, but not control (usually accompanied by shareholdings between 20 and 50%).

Under the equity method, the share of profits or losses of the associate is recognised in profit or loss and share of movements in equities is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity.

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

(p) Income tax

Current tax for the period is calculated on profit from ordinary activities adjusted for non-assessable and non-deductible items and is based on tax rates and tax laws that have been enacted or substantively enacted, at the reporting date.

Deferred tax is accounted for using the comprehensive balance sheet liability method whereby deferred tax assets and liabilities are recognised on all temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax base.

Deferred tax relates to the movement in the net deferred tax asset/liability for the period and is recognised as an expense or revenue in profit from ordinary activities, unless the deferred tax relates to an amount that is credited or debited directly to equity, in which case the deferred tax is also recognised in equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset or liability is recovered or settled.

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unused tax credits only if it is probable that future taxable amounts will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

OneVue Holdings Pty Ltd and its controlled entities have formed a tax consolidated group.

As a consequence, OneVue Holdings Pty Ltd, as head entity of the tax consolidated group, is responsible for the payment of all income tax that relates to taxable profits earned by the members of the tax consolidation group. Under arrangements made with each of the companies in the tax consolidation group, each company in the consolidated entity will provide OneVue Holdings Pty Ltd with funds to satisfy that obligation in proportion to the taxable profits earned by each of those companies. The head entity and each company in the consolidated entity account for all assets, liabilities, income and expense relating to the profits earned by that company in their own financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Income tax (cont'd)

In addition to its own current and deferred tax amounts, OneVue Holdings Pty Ltd also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group if they satisfy the criteria for recognising deferred tax assets.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the consolidated entity.

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

(q) Foreign currency translation

The financial report is presented in Australian dollars, which is OneVue Limited's functional and presentation currency.

Foreign currency transactions

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

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period.

(r) Goods & Services Tax

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

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

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

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

(s) Going Concern

On 30 June 2013 the consolidated entity had a net asset surplus of $2,993,830. The financial statements have been prepared on a going concern basis.

2. RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES TO LOSS AFTER INCOME TAX

	Consolidated 2013 $	Consolidated 2012 $
(a) Reconciliation of cash and cash equivalents		
Cash on hand	521,135	1,324,314

(b) Reconciliation of operating loss to cash flows provided by/(used in) operating activities	Consolidated 2013 $	Consolidated 2012 $
Loss after income tax	(1,714,380)	(1,049,352)
Adjustments for:		
Depreciation of Property, plant and equipment	69,705	49,280
Amortisation of intangibles	387,615	303,508
Impairment	1,476,336	
Loss on disposal of investment in WealthPortal Pty Limited	9,323	-
Financial assets mark to market	(65,011)	(38,172)
Share of net profits of associates accounted for using the equity method	-	(28,599)
	1,877,968	286,017
Movements in operating assets and liabilities		
(Increase)/decrease in receivables	20,718	(10,322)
Increase/(decrease) in trade and other payables	36,887	(261,251)
(Increase)/decrease in prepayments	-	(19,968)
	57,605	(291,541)
Net cash provided by/(used in) operating activities	221,193	(1,054,876)

3. AUDITOR'S REMUNERATION

	Consolidated 2013 $	Consolidated 2012 $
BDO East Coast Partnership		
Fees paid or payable to the auditors for services to the consolidated entity in respect of:		
Audit of the financial statements of the consolidated entity	67,000	94,168
Audit of the financial statements of the registered MISs	23,700	33,000
Audit of compliance plans	8,250	8,000
Taxation and other non-assurance services	59,671	81,099
Other compliance audits	29,900	-
	188,521	216,267

4. TRADE AND OTHER RECEIVABLES

	Consolidated 2013 $	Consolidated 2012 $
Current		
Trade receivables	196,039	138,029
Other receivables	309,195	358,697
	505,234	496,727

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

5. INTANGIBLE ASSETS

	2013 $	2012 $
Computer software		
At cost	4,177,747	4,152,235
Accumulated amortisation	(2,594,840)	(2,564,865)
Impairment	(1,476,336)	
	106,571	1,587,370

Impairment has been made due to an intangible asset not generating any revenue.

	2013 $	2012 $
Reconciliation of carrying amount		
Carrying amount at 1 July	1,587,370	1,749,884
Additions	25,513	16,601
Impairment	(1,476,336)	-
Amortisation	(29,976)	(179,115)
Carrying amount at 30 June	106,571	1,587,370
Project Development		
At cost	2,582,109	1,214,027
Accumulated amortisation	(233,247)	-
	2,348,862	1,214,027
Reconciliation of carrying amount		
Carrying amount at 1 July	1,214,027	-
Additions	1,368,082	1,214,027
Amortisation	(233,247)	-
Carrying amount at 30 June	2,348,862	1,214,027
Customer Contracts		
At cost	621,967	621,967
Accumulated amortisation	(435,376)	(310,983)
	186,591	310,984
Reconciliation of carrying amount		
Carrying amount at 1 July	310,984	435,377
Additions	-	-
Amortisation	(124,393)	(124,393)
Carrying amount at 30 June	186,591	310,984
Total Intangible Assets	2,642,024	3,112,381

	Consolidated 2013 $	2012 $
6. TRADE AND OTHER PAYABLES		
Trade payables	92,640	137,573
Other	484,340	426,788
	576,980	564,361

7. CONTINGENT LIABILITIES

The consolidated entity has no contingent liabilities.

8. CONTRIBUTED EQUITY

	2013 $	2012 $
76,413,279 (2012: 75,124,038) fully paid shares	19,824,759	19,437,987

Reconciliation of share capital

		Number of shares	$
Opening balance as at 30 June 2011 53,969,565 Ordinary Shares issued		64,139,565	16,152,646
30 June 2012 10,984,473 Ordinary Shares issued	a)	10,984,473	3,285,341
30 June 2012 75,124,038 Ordinary Shares Outstanding		75,124,038	19,437,987
30 June 2013 1,289,241 Ordinary Shares issued	b)	1,289,241	386,772
Total of Ordinary Shares at 30 June 2013	c)	76,413,279	19,824,759

a) On 30 June 2012, 10,984,473 Ordinary Shares were issued to existing shareholders for a total consideration of $3,285,341.

b) On 30 June 2013, 1,289,241 Ordinary Shares were issued to existing shareholders for a total consideration of $386,772.

c) There were 76,413,279 ordinary shares on issue on 30 June 2013. Ordinary shares entitle holders to receive dividends payable to ordinary shareholders and the right to vote on matters of corporate policy and the composition of the members of the board of directors. The fully paid ordinary shares have no par value and the company does not have a limited amount of share capital.

d) Options

On 31 August 2010, the options held by staff in the OneVue Limited ESOP were replaced by options on shares in OneVue Holdings Pty Limited. This followed the company acquisition of all of the shares in OneVue Limited on 1 December 2009. ESOP participant received options on shares in OneVue Holdings Pty Limited to replace the options on 73,662 shares in OneVue Limited. These options expire on 31 December 2012. No further options on shares in OneVue Holdings Pty Limited were issued in the financial year.

e) As at 30 June 2013, the OneVue Employee Share Ownership Scheme had issued 4,745,151 options exercisable at 25c with an expiry date of 31 December 2014. No new options were issued in 2012/2013.

9. RESERVES

	Consolidated 2013 $	Consolidated 2012 $
Gain on OneVue Limited acquisition	492,085	492,085

10. ACCUMULATED LOSSES

	Consolidated 2013 $	Consolidated 2012 $
Accumulated losses at 1 July	(15,608,634)	(14,559,282)
Net loss for the year	(1,714,380)	(1,049,352)
Accumulated losses at 30 June	(17,323,014)	(15,608,634)

11. COMPANY INFORMATION

OneVue Holdings Pty Limited is a company incorporated in VIC. The Registered Office of the company is Level 2, 1 Castlereagh Street Sydney, NSW.

This financial report was authorised for issue by the directors on 14 October 2013. The consolidated entity has the power to amend and reissue the financial report.

12. CONTROLLED ENTITIES

Entity	Country of Incorporation	Percentage Owned (%)* 2013	2012
Subsidiaries of OneVue Holdings Pty Limited:			
OneVue Limited	Australia	100	100
OneVue UMA Pty Limited	Australia	100	100
OneVue Services Pty Limited (formerly as Pentafin Services Pty Limited)	Australia	100	100
OneVue Unit Registry Pty Limited (formerly as Pentafin Pty Limited)	Australia	100	100
OneVue Private Clients Pty Limited (formerly as SMAS Pty Limited)	Australia	100	100
OneVue Licences Pty Limited	Australia	100	100

* Percentage of voting power is in proportion to ownership.

13. EVENTS OCCURRING AFTER THE BALANCE DATE

On 2 September 2013 OneVue Holdings Pty Limited acquired Computershare Fund Services Pty Limited; this acquisition will catapult OneVue into an outsourced provider of unit registry services with significant market share in the Australian market. The Computershare Fund Services business will have its name changed to OneVue's *Willow Fund Services Pty Limited* in the coming months. The acquisition of Willow Fund Services will materially increase the revenue for the OneVue group and once the initial transition of the business is completed in January 201, the business should continue to grow revenues by a combination of further revenues from existing clients and acquiring new clients.

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INDEPENDENT AUDITOR'S REPORT

To the members of OneVue Holdings Pty Limited

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of OneVue Holdings Pty Limited, which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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 and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the directors and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 Australian professional accounting bodies.

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of OneVue Holdings Pty Limited and its controlled entities (the consolidated entity) as at 30 June 2013, and its financial performance and its cash flows for the year then ended in accordance with the basis of preparation described in Note 1.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the requirements of the directors. As a result, the financial report may not be suitable for another purpose.

BDO East Coast Partnership

BDO

Arthur Milner

Partner

Sydney, 14 October 2013