

AMBITION GROUP LIMITED

**Appendix 4E Preliminary Final Report
For the year ended 31 December 2014**

ABN 31 089 183 362

Contents

Results for announcement to the market	3
Consolidated Statement of Profit or Loss	4
Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Consolidated Statement of Financial Position	6
Consolidated Statement of Changes in Equity	7
Consolidated Statement of Cash Flows	8
Notes to the Financial Statements	9
Corporate Directory	47

Results for announcement to the market

Preliminary Final Report

For the year ended 31 December 2014 (all comparisons to year ended 31 December 2013).

	% Change		\$'000
Revenue from ordinary activities	Up	79%	to 89,487
Profit from ordinary activities before tax	Up	102%	to 34
Profit (Loss) from ordinary activities after tax	Up	90%	to (144)
Net Profit (Loss) attributable to members	Up	87%	to (180)

	Current Period	Previous Period
Basic earnings per share (cents per share)	(0.27)	(2.14)
Net tangible assets per share (cents per share)	17.4	16.8
Net assets per share (cents per share)	17.9	17.4

Dividends

The Directors have declared that there will be no dividend for 2014.

This Report is based on and should be read in conjunction with the attached 31 December 2014 financial statements and accompanying notes. Refer to the accompanying market release for the period ended 31 December 2014 for management commentary on the results. The accounts are in the process of being audited.

All figures relate to the full year ended 31 December 2014 and comparative information to the full year ended 31 December 2013 unless stated otherwise.

Consolidated Statement of Profit or Loss

for the year ended 31 December 2014

		Consolidated Group	
		2014	2013
Continuing Operations	Note	\$'000	\$'000
Revenue	2	89,487	82,930
On-hired labour costs		(49,574)	(45,490)
Gross profit		39,913	37,440
Investment Income		20	73
Employee benefits expense	3	(27,437)	(26,787)
Indirect employment costs		(1,311)	(1,142)
Payroll tax		(828)	(901)
Restructuring Costs		(884)	(741)
Depreciation and amortisation expense	3	(795)	(916)
Advertising & marketing expense		(1,384)	(1,353)
Computer expenses		(833)	(826)
Rental expense on operating leases	3	(2,343)	(2,674)
Other expenses	3	(4,084)	(3,630)
Profit / (loss) before tax		34	(1,457)
Income tax (expense) / benefit	5	(178)	23
Loss for the year from continuing activities		(144)	(1,434)
Attributable to:			
Owners of the parent		(180)	(1,413)
Non-controlling interests		36	(21)
		(144)	(1,434)
Loss per share			
Basic (cents per share)	8	(0.27)	(2.14)
Diluted (cents per share)	8	(0.27)	(2.14)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2014

	Consolidated Group	
	2014	2013
Continuing Activities	\$'000	\$'000
(Loss) for the year	(144)	(1,434)
Other comprehensive income:		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange difference on translation of foreign operations	270	740
Total comprehensive income for the year	126	(694)
Total comprehensive income attributable to:		
Owners of the Parent	83	(673)
Non-controlling interests	43	(21)
Total comprehensive income for the year	126	(694)

These financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

for the year ended 31 December 2014

		Consolidated Group	
		2014	2013
	Note	\$'000	\$'000
Current assets			
Cash and cash equivalents	9	5,222	5,225
Trade and other receivables	11	13,216	11,350
Other current assets	10	633	357
Current tax assets	14	57	31
Total current assets		19,128	16,963
Non-current assets			
Property, plant and equipment	12	1,118	1,153
Intangible assets	13	289	390
Deferred tax assets	14	903	912
Total non-current assets		2,310	2,455
Total assets		21,438	19,418
Current liabilities			
Trade and other payables	15	7,395	5,910
Current tax liabilities	14	162	-
Provisions	16	1,028	1,057
Total current liabilities		8,585	6,967
Non-current liabilities			
Provisions	16	1,125	948
Total non-current liabilities		1,125	948
Total liabilities		9,710	7,915
Net assets		11,728	11,503
Equity			
Issued capital	18	47,726	47,657
Retained losses	19	(32,922)	(32,742)
Reserves	20	(3,181)	(3,474)
Non controlling interest	21	105	62
Total equity		11,728	11,503

These financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2014

	Issued capital	Accum. losses	Foreign currency translation reserve	Equity settled emp. benefits reserve	Attrib. to owners of the parent	Non controlling Interest	Total
Consolidated Group	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2013	47,564	(31,329)	(4,282)	177	12,130	-	12,130
Profit for the year	-	(1,413)	-	-	(1,413)	(21)	(1,434)
Other comprehensive income for the year	-	-	740	-	740	-	740
Total comprehensive income for the year	-	(1,413)	740	-	(673)	(21)	(694)
Additional Non controlling interest	-	-	-	-	-	83	83
Recognition of share based payments	-	-	-	(21)	(21)	-	(21)
Shares issued under employee share plans	-	-	-	5	5	-	5
Vesting of employee share scheme	93	-	-	(93)	-	-	-
Balance as at 31 December 2013	47,657	(32,742)	(3,542)	68	11,441	62	11,503
Balance as at 1 January 2014	47,657	(32,742)	(3,542)	68	11,441	62	11,503
Loss for the year	-	(180)	-	-	(180)	36	(144)
Other comprehensive income for the year	-	-	263	-	263	7	270
Total comprehensive income for the year	-	(180)	263	-	83	43	126
Additional Non controlling interest	-	-	-	-	-	-	-
Recognition of share based payments	-	-	-	99	99	-	99
Shares issued under employee share plans	-	-	-	-	-	-	-
Vesting of employee share scheme	69	-	-	(69)	-	-	-
Balance as at 31 December 2014	47,726	(32,922)	(3,279)	98	11,623	105	11,728

These financial statements should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

for the year ended 31 December 2014

		Consolidated Group	
		2014	2013
	Note	\$'000	\$'000
Cash flows from operating activities			
Receipts from customers		96,763	91,670
Payments to suppliers and employees		(96,577)	(93,039)
Cash generated from / (used in) operations		186	(1,369)
Income tax (paid) / refunded		(30)	318
Interest and other costs of finance paid		-	-
Net cash generated from / (used in) operating activities	22	156	(1,051)
Cash flows from investing activities			
Payments to acquire property, plant and equipment		(246)	(578)
Payments to acquire intangible assets		(158)	(301)
Interest received		20	73
Net cash (used in) investing activities		(384)	(806)
Cash flows from financing activities			
Payment for share issue costs		-	-
Proceeds from issue of equity securities		-	-
Dividends paid		-	-
Net cash (used in) financing activities		-	-
Net (decrease) in cash and cash equivalents		(228)	(1,857)
Cash and cash equivalents at the beginning of the year	9	5,225	6,457
Effect of exchange rates on cash holdings in foreign currencies		225	625
Cash and cash equivalents at the end of the financial year	9	5,222	5,225

These financial statements should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

for the year ended 31 December 2014

1. Significant Accounting Policies

a. Basis of preparation

For the purposes of preparing the Consolidated financial statements, the Company is a for-profit entity.

The financial report is a general purpose financial report that has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards and Interpretations ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The financial report covers the Consolidated Group of Ambition Group Limited and controlled entities. Ambition Group Limited is a listed public Company, incorporated and domiciled in Australia.

The parent entity is a Company of a kind referred to in Australian Securities and Investments Commission Class Order 98/0100 dated 10 July 1998 and in accordance with that Class Order, amounts in this financial report are rounded to the nearest thousand dollars unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified, by the revaluation of selected non-current assets, financial assets and liabilities for which the fair value basis of accounting has been applied.

The following is a summary of the material accounting policies adopted by the Consolidated Group in the preparation of the financial report. The accounting policies have been consistently applied to all years stated, unless otherwise stated.

b. Principles of consolidation

A controlled entity is any entity controlled by Ambition Group Limited. Ambition Group Limited controls an investee when Ambition Group Limited is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee operating policies of the entity so as to obtain benefits from its activities.

All intercompany 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 consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the Consolidated Group during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

All controlled entities have a December financial year end.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Consolidated Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant Standards. Changes in the fair value of contingent consideration classified as equity are not recognised.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

1. Significant Accounting Policies (cont.)

c. Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Consolidated Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Consolidated Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

d. Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Consolidated Group and by reference to the stage of completion of the contract. Revenue is recognised at the fair value of the consideration received or receivable.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

1. Significant Accounting Policies (cont.)

Retained permanent recruitment revenue is recognised in three stages – upon commencement of an assignment where a job description is given by the client to Ambition, at the short-list stage where a list of appropriate candidates is given by Ambition to the client and upon the completion of the recruitment process where a candidate has accepted the proposed job offer.

Contingent permanent recruitment revenue is recognised upon candidate's acceptance of a permanent position.

Contracting revenue is recognised when the services are provided.

Interest revenue is recognised using the effective interest rate method.

Dividend revenue is recognised when dividends are declared.

e. Plant and equipment

Plant and equipment are measured on a cost basis less accumulated depreciation and impairment losses.

f. Depreciation

The depreciable amount of all property, plant and equipment is depreciated on a straight-line basis over their useful lives to the Consolidated Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

■ Leasehold improvements	Lifetime of lease
■ Office equipment	20%-25%
■ Furniture and fittings	20%
■ Computer hardware	33%

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the consolidated statement of profit or loss.

g. Leases

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

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

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

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are expensed on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

1. Significant Accounting Policies (cont.)

h. Financial instruments

All financial assets are recognised and derecognised on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

i. *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

ii. *Held-to-maturity investments*

Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates that the Consolidated Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

iii. *Loans and receivables*

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

iv. *Impairment of financial assets*

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Consolidated Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables. For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

v. *Derecognition of financial assets*

The Consolidated Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

1. Significant Accounting Policies (cont.)

of the asset to another entity. If the Consolidated Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Consolidated Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Consolidated Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Consolidated Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

vi. *Financial liabilities and equity instruments issued by the Group*

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Consolidated Group derecognises financial liabilities when, and only when, the Consolidated Group's obligations are discharged, cancelled or they expire.

i. Impairment of Assets

At each reporting date, the Consolidated Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

j. Intangibles

i. *Goodwill*

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Consolidated Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Consolidated Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

1. Significant Accounting Policies (cont.)

for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

ii. *Web development costs*

The website is considered to be a revenue generating asset and as such, all expenses incurred in the development of the website are capitalised as an intangible asset. The asset has a definite life and is carried at cost less accumulated amortisation and any impairment losses. Website development costs are amortised over their useful life of no more than three years.

k. Foreign currency transactions and balances

i. *Functional and presentation currency*

The functional currency of each of the Consolidated Group's entities is measured using the currency of the primary economic environment in which it operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

ii. *Transactions and balances*

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

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

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

iii. *Consolidated Group companies*

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

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

Exchange differences arising on translation of foreign operations are transferred directly to the Consolidated Group's foreign currency translation reserve in the consolidated statement of financial position. These differences are recognised in the consolidated statement of profit or loss in the period in which the operation is disposed.

l. Employee benefits

Provision is made for the Consolidated Group's liability for employee benefits arising from services rendered by employees to reporting date. Short-term employee benefits have been measured at the amounts expected to be settled wholly within twelve months after the end of the period. Long-term employee benefits have been measured at the present value of the estimated future cash outflows to be made for those benefits. These cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

1. Significant Accounting Policies (cont.)

m. Provisions

Provisions are recognised when the Consolidated Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Onerous leases are recognised when the economic benefits derived from the lease are lower than the related unavoidable lease expense.

n. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

o. Goods and Services Tax (GST)

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

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

p. Share based payments

The Consolidated Group provides benefits to selected employees (including Directors) in the form of share based payment transactions, whereby eligible employees render services in exchange for shares or rights over shares ("equity-settled transactions"). The cost of these equity-settled transactions is measured by reference to their fair value at the date at which they were granted. This cost is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the benefit ("vesting date").

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (a) the extent to which the vesting period has expired, and (b) the number of benefits that, in the opinion of the Directors of the Consolidated Group, will ultimately vest. This opinion is formed based on the best available information at reporting date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for benefits that do not ultimately vest, except for benefits where vesting is conditional upon market conditions.

Where the terms of an equity-based benefit are modified, as a minimum, an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled benefit is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the benefit is recognised immediately. However, if a new benefit is substituted for a cancelled benefit, and designated as a replacement benefit on the date that it is granted, the cancelled and new benefit are treated as if they were a modification of the original benefit, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

1. Significant Accounting Policies (cont.)

q. Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred, unless they relate to qualifying assets, in which case they are capitalised.

r. Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained externally and within the Consolidated Group. Further detail is given below of the main areas of accounting estimates and judgements.

i. *Share based payments*

The value and corresponding expense in relation to share based payments is based on the probability, in the opinion of the Directors, of service and performance criteria being met.

ii. *Impairment*

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

iii. *Provisions for impairment of receivables*

The carrying amount of trade receivables is reviewed for indicators of impairment on a regular basis. Where there is an indication of impairment a provision for doubtful debt is made.

iv. *Provision for Make Good*

A provision is made for the expected cost to restore the leased property to its original condition. The provision is based on a best estimate advised by the external property advisor or a pre agreed contracted amount.

v. *Control*

Note 17 describes that Ambition Group Malaysia Sdn Bhd is a subsidiary of the Consolidated Group although the Consolidated Group only owns a 49% ownership interest in Ambition Group Malaysia Sdn Bhd. Based on the contractual arrangements between the Consolidated Group and other investors, the Consolidated Group has the power to appoint and remove the majority of the board of directors of Ambition Group Malaysia Sdn Bhd that has the power to direct the relevant activities of Ambition Group Malaysia Sdn Bhd. Therefore, the directors of the Company concluded that the Consolidated Group has the practical ability to direct the relevant activities of Ambition Group Malaysia Sdn Bhd unilaterally and hence the Consolidated Group has control over Ambition Group Malaysia Sdn Bhd.

s. Adoption of new Accounting Standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the operations and effective for the current reporting period.

Where necessary, information for the previous period has been represented to conform to changes in presentation in the current financial year. New and revised Standards and amendments thereof and Interpretations effective for the current reporting period that are relevant to the Group include:

- AASB 1031 Materiality
- AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements'

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

1. Significant Accounting Policies (cont.)

- AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (Amendments to AASB 132)'
- AASB CF 2013-1 Amendments to the Australian Conceptual Framework
- AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'
- AASB 2013-7 Amendments to AASB 1038 arising from AASB 10 in relation to consolidation and interests of policy holders
- AASB 2013-9 (Part C) Amendments to Australian Accounting Standards – Financial Instruments
- AASB 2014-1 (Part C) Amendments to Australian Accounting Standards – Materiality

There are no new and revised Standards and Interpretations adopted in these financial statements affecting the reporting results or financial position.

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but only effective for annual reporting periods beginning on the 1st January 2015, and therefore expected to be initially applied in the financial year ending 31 December 2015.

- AASB 2014-1 (Part A) Amendments to Australian Accounting Standards [Part A - Annual Improvements 2010 – 2012 and 2011 – 2013 Cycles
- AASB 2014-1 (Part E) Amendments to Australian Accounting Standards – Financial Instruments

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but only effective for annual reporting periods beginning on the 1st January 2016, and therefore expected to be initially applied in the financial year ending 31 December 2016.

- Annual Improvements to IFRSs 2012 – 2014 Cycle
- AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation
- AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 cycle'
- AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'
- AASB 2015-3 'Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but only effective for annual reporting periods beginning on the 1st January 2017, and therefore expected to be initially applied in the financial year ending 31 December 2017.

- AASB 9 'Financial Instruments' (December 2010), AASB 2010-7 'Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)', AASB 2012-6 'Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures' and AASB 2013-9
- IFRS 15 – Revenue from Contracts with Customers

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but only effective for annual reporting periods beginning on the 1st January 2018, and therefore expected to be initially applied in the financial year ending 31 December 2018.

- IFRS 9 – Financial Instruments

The potential impact of the initial application of the above Standards has not yet been determined.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

2. Revenue

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Recruitment services revenue	89,487	82,930
Total revenue	89,487	82,930

3. Profit from ordinary activities

Profit from ordinary activities before income tax has been determined after:

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Employee benefits expense		
▪ Equity settled share based payments	99	(21)
▪ Other employee benefits	27,338	26,808
	27,437	26,787
Depreciation and amortisation expense		
Depreciation of plant and equipment	533	631
Amortisation of software and web development	262	285
	795	916
Rental expense on operating leases		
▪ minimum lease payments	2,343	2,674
Other expenses		
▪ bad and doubtful debt provision	15	(132)

4. Dividends

The Directors have not declared a final dividend.

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Adjusted franking account balance	2,110	2,110

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

5. Income tax expense

	Consolidated Group	
	2014	2013
	\$'000	\$'000
a. The components of tax expense comprise:		
Current tax	366	(41)
Deferred tax	(85)	11
(Over) / under provision in respect of prior years	(103)	7
Income tax expense / (benefit)	178	(23)
b. The prima facie tax on the profit before income tax is reconciled to income tax expense as follows:		
Profit / (loss) before tax from continuing activities	34	(1,457)
Income tax calculated at 30% (2013: 30%)	10	(437)
Add / (less) tax effect of:		
▪ other non deductible expenses	49	59
▪ tax assets not brought to account	270	268
▪ overseas tax differential	(37)	80
▪ utilisation of brought forward tax losses	(11)	-
▪ (over) / under provision in prior period	(103)	7
Income tax expense / (benefit) recognised in profit or loss	178	(23)
Applicable weighted average effective tax rates	523%	2%

Tax consolidation

a) Relevance of tax consolidation to the Group

The Company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 1 July 2003 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Ambition Group Limited. The members of the tax-consolidated group are identified in Note 17. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group).

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or receivable by the Company and each member of the Consolidated Group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

5. Income tax expense (cont.)

b) Nature of tax funding arrangements and tax sharing agreements

Entities within the tax-consolidated group have entered into a tax funding arrangement and a tax sharing agreement with the head entity. Under the terms of the tax funding arrangement, Ambition Group Limited and each of the entities in the tax-consolidated group has agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity.

The tax sharing agreement entered into between members of the tax-consolidated group provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations or if an entity should leave the tax-consolidated group. The effect of the tax sharing agreement is that each member's liability for tax payable by the tax-consolidated group is limited to the amount payable to the head entity under the tax funding arrangement.

6. Employee share plans

The Consolidated Group has an ownership-based compensation scheme for executives and senior employees. As approved by shareholders at a previous annual general meeting, executives and senior employees of the Consolidated Group may be granted an interest to purchase ordinary shares at an exercise price of nil per ordinary share. Each employee share interest converts into one ordinary share of Ambition Group Limited on exercise. No amounts are paid or payable by the recipient. The interests carry neither rights to dividends nor voting rights and may be exercised at any time from the date of vesting to the date of their expiry. The number of interests granted is calculated in accordance with the performance-based formula approved by shareholders at a previous annual general meeting and is subject to approval by the Human Resources and Nominations Committee. The formula rewards executives and senior employees to the extent of the Consolidated Group's and the individual's achievement judged against both length of service and EPS performance.

The following table shows the share-based payment arrangements which were in existence during the current and prior years:

Shares / Options	No. granted	Grant date	Fair value at grant date	Vesting date	Expiry date	Vesting criteria ¹
Ordinary Shares ²	212,770	29-Jun-09	\$0.20	31-Mar-14	N/A	Service & performance hurdles
Zero-priced Options ³	900,000	29-Jun-09	\$0.20	31-Mar-14	30-Jun-14	Service & performance hurdles
Zero-priced Options	250,000	31-Mar-10	\$0.37	1-Apr-14	30-Jun-14	Service & performance hurdles
Ordinary Shares ⁴	1,500,000	30-Jun-10	\$0.30	31-Mar-14	N/A	Performance hurdles
Zero-priced Options	375,000	11-Apr-11	\$0.29	31-Mar-14	30-Jun-14	Service & performance hurdles
Zero-priced Options	100,000	28-Nov-11	\$0.17	31-Mar-14	30-Jun-14	Service & performance hurdles
Performance Rights ⁵	500,000	9-Dec-13	\$0.18	31-Mar-18	30-Apr-18	Service & performance hurdles
Performance Rights ⁶	3,613,080	3-Jul-14	\$0.14	31-Mar-18	30-Apr-18	Service & performance hurdles
Performance Rights ⁶	500,000	3-Jul-14	\$0.14	31-Mar-18	30-Apr-18	Service hurdles
Performance Rights ⁶	200,000	28-Jul-14	\$0.13	31-Mar-18	30-Apr-18	Service hurdles

¹ Performance and service hurdles are approved by the Human Resources and Nominations Committee.

² Shares were issued to former Key Management Personnel (137,770 to Rick Taylor and 75,000 to Guy Day).

³ 275,000 of these zero-priced options were issued to former Key Management Personnel (Guy Day).

⁴ All of these shares were issued to former and current Key Management Personnel (750,000 each to Paul Lyons and Nick Waterworth).

⁵ 500,000 performance rights were granted during the previous financial year (Note 6d).

⁶ A total of 4,313,080 performance rights were issued to senior management during the year.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

6. Employee share plans (cont.)

During the year the Consolidated Group established the Ambition Employee Incentive Plan and related Ambition Employee Share Trust to manage and hold both vested and unvested shares and performance rights on behalf of current employees. This resulted in the closure of the existing Long Term Incentive Plan, Deferred and Exempt Sharesave Plan, Loan Share Plan, and Employee Share Option Plan.

At 31 December 2014, the Ambition Employee Incentive Plan held 4,813,080 unvested performance rights. Some current employees chose to retain their vested shares in the trust and the Ambition Employee Share Trust held 375,125 vested shares relating to employees and 1,484,623 treasury shares.

a) Sharesave Plans

There were nil (2013: nil) partially vested shares held by the trust relating to the Exempt Sharesave Plan at 31 December 2014 as the plan was wound up during the prior year. In the prior year, all vested shares were transferred from the Trust to the Share Register under each employee's name.

b) Long Term Incentive Plan

The employee Long Term Incentive ("LTI") Plan was a component of the Deferred Sharesave Plan and was offered to senior employees on a selective basis at the discretion of the Board. The LTI comprises a periodic offer of shares which vest over periods of up to five years, subject to the meeting of, service and/or performance criteria.

At 31 December 2014, there were no vested or unvested shares held within the Long Term Incentive Plan as the plan was wound up during the year. Any unvested shares at that time were transferred to the AMB Employee Share Trust which was established during the year.

	Consolidated Group	
	2014	2013
	No. '000	No. '000
LTI shares held by the trust at the start of the year	1,302	1,727
Issued during the year	-	-
Transferred during the year	(1,302)	(425)
Sold during the year	-	-
LTI shares held by the trust at the end of the year	-	1,302
LTI shares held by the trust that are fully vested and already included in share capital	-	987
LTI shares held by the trust that are unvested and included in the Equity Settled Employee Benefits Reserve	-	315
LTI shares held by the trust at the end of the year	-	1,302

c) Loan Share Plan

The Loan Share Plan ("LSP") was similar to the LTI Plan and was offered to Directors at the discretion of the Remuneration Committee. The LSP comprises a periodic offer of shares which vest over periods of up to four years, subject to the meeting of service and performance criteria.

At 31 December 2014, there were no vested or unvested shares held within the Loan Share Plan as the plan was wound up during the year. Any unvested shares at that time were transferred to the AMB Employee Share Trust which was established during the year.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

6. Employee share plans (cont.)

	Consolidated Group	
	2014	2013
	No. '000	No. '000
LSP shares held by the trust at the start of the year	2,020	2,072
Issued during the year	-	-
Transferred during the year	(2,020)	(52)
Forfeited during the year	-	-
LSP shares held by the trust at the end of the year	-	2,020
LSP shares held by the trust that are fully vested and already included in share capital	-	520
LSP shares held by the trust that are unvested and included in the Equity Settled Employee Benefits Reserve	-	1,500
LSP shares held by the trust at the end of the year	-	2,020

d) Share Option Plan

The Employee Share Option Plan ("ESOP") offered shares to selected employees at the discretion of the Board. The objectives of the plan were to assist in the recruitment, reward, retention, and motivation of employees.

The options granted under ESOP, which are not listed on the ASX, do not give any right to participate in dividend or rights issues until shares are allotted pursuant to the exercise of the relevant options. The number of shares issued on exercise of options will be adjusted for bonus issues made prior to the exercise of the options. The exercise price is fixed by the Board prior to the grant of options, and the options may be subject to other restrictions on exercise as may be determined by the Board prior to the grant of the options.

Movements in share options during the year

Details of employee shares options granted under ESOP are as follows:

	Consolidated Group	
	2014	2013
	No. '000	No. '000
Balance at the beginning of the year	1,320	1,625
Granted during the year	-	500
Cancelled during the year (Note 6e)	(500)	-
Exercised during the year	(308)	(325)
Forfeited during the year	(512)	(480)
Balance at the end of the year	-	1,320
Total number issued to employees since start	6,115	6,115
Total number cancelled or exercised by employees since start	6,115	4,795
Net options	-	1,320

Share options outstanding at the end of the year

There were no new issues under the plan during the year and following the cancellation of the remaining outstanding performance rights, the Share Option Plan was closed.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

6. Employee share plans (cont.)

e) Ambition Employee Share Incentive Plan

Details of employee performance rights granted under the Ambition Share Incentive Plan are as follows:

	Consolidated Group	
	2014	2013
	No. '000	No. '000
Balance at the beginning of the year	-	-
Granted during the year	4,813	-
Exercised during the year	-	-
Forfeited during the year	-	-
Balance at the end of the year	4,813	-
Total number issued to employees since start	4,813	-
Total number cancelled or exercised by employees since start	-	-
Performance rights	4,813	-

Performance rights outstanding at the end of the year

The performance rights outstanding at the end of the year had an exercise price of zero (2013: zero) and a weighted average remaining contractual life of 1,186 days (2013: nil days).

Of the 4,813,080 performance rights granted under the Ambition Employee Share Incentive Plan during the year to Senior Management, 500,000 were granted on the condition that previously issued performance rights under ESOP were cancelled. This new grant was a modification as the new performance rights were granted as replacement for the cancelled performance rights and all 500,000 are outstanding as at 31 December 2014.

Fair value of performance rights granted during the year

The fair value of the performance rights granted during the year was calculated using a Binomial pricing model and applying the following inputs:

	3rd July 2014	28th July 2014
Exercise price	\$0.00	\$0.00
Underlying share price	\$0.13	\$0.13

Historical volatility has been the basis for determining expected share price volatility as it is assumed this is indicative of future tender which may not eventuate.

As some of the new performance rights were issued in respect of cancelled performance rights these new performance rights were treated as a modification to the cancelled performance rights. The fair value was determined by reference to the difference in the fair value of the new performance rights granted on 3rd July 2014 (\$0.13) and the fair value of the cancelled performance rights valued as at the original grant date (\$0.18). As there was no incremental fair value granted with the new performance rights, the original fair value of the equity instruments granted has been expensed as if the modification never occurred.

The fair value of the cancelled performance rights on the grant date of the replaced performance rights was determined based on the following factors and assumptions:

Exercise price	\$0.00
Underlying share price	\$0.18

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

6. Employee share plans (cont.)

f) Summary

A summary of the various unvested shares and incentive plans that may become fully paid ordinary shares in the future is as follows:

	Consolidated Group	
	2014	2013
	No. '000	No. '000
Long Term Incentive Plan shares	-	315
Loan Share Plan shares	-	1,500
Share Option Plan	-	1,320
AMB Employee Share Trust	1,485	-
AMB Employee Share Incentive Plan	4,813	-

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

7. Auditor's remuneration

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Remuneration of the auditor of the Consolidated Group for:		
Auditor of the parent entity		
▪ Audit or review of the financial statements	135,000	173,891
▪ Taxation services	25,000	28,105
	160,000	201,996
Network firm of the parent entity		
▪ Audit or review of the financial statements	131,657	122,317
▪ Taxation services	33,665	25,032
	165,322	147,349

The auditor of Ambition Group Limited is Deloitte Touche Tohmatsu

8. Earnings per share ('EPS')

	Consolidated Group	
	2014	2013
Basic (loss) / earnings per share (cents per share)	(0.27)	(2.14)
Diluted earnings per share (cents per share)	(0.27)	(2.14)
(Loss) / Profit used in calculation of basic EPS (\$)	(180,018)	(1,412,973)
(Loss) / Profit used in calculation of dilutive EPS (\$)	(180,018)	(1,412,973)
Net tangible asset backing per ordinary share (\$)	0.17	0.17
	Number	Number
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	65,686,691	66,121,331
Weighted average number of share interests outstanding	2,938,455	737,555
Weighted average number of ordinary shares outstanding during the period used in the calculation of dilutive EPS	68,625,146	66,858,886

1,484,263 (2013: 1,814,623) Treasury shares relating to long term incentive plans for senior management have not been included in the above Earnings per share calculations in accordance with AASB 133 'Earnings per Share'.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

9. Cash

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Cash at bank	5,222	5,225

10. Other assets

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Current		
Prepayments	633	357

11. Receivables

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Current		
Trade debtors	9,871	9,197
Provision for impairment	(312)	(297)
Other debtors	3,657	2,450
	13,216	11,350

All amounts receivable are short term. The carrying amount of trade debtors is considered a reasonable approximation of fair value. All of the Consolidated Group's trade and other receivables have been reviewed for indicators of impairment. As a result of this review there were doubts over the recoverability of certain trade receivables and a provision of \$312,000 (2013: \$297,000) has been recorded. Allowances for doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

The trade receivables provided for are mostly due to customers experiencing financial difficulties and problems associated with the current economic climate. Before accepting any new customer, the Consolidated Group uses an external credit analysis to assess the potential customer's credit quality. If the Group have not dealt with a customer for a period of 12 months or more a further analysis will be performed to confirm the customer's credit worthiness.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

11. Receivables (cont.)

The age of financial assets including those provided for are as follows:

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Trade debtors - amounts within terms		
Current or not more than 3 months	9,135	8,391
Trade debtors - past due		
More than 3 months but not more than 6 months	674	806
More than 6 months but not more than 1 year	13	-
More than 1 year	49	-
	9,871	9,197
Average Days Sales Outstanding (Days)	36.6	37.2
Movement in the allowance for doubtful debts:		
Balance at beginning of the year	297	429
Increase / (Decrease) in allowance	33	(26)
Impairment losses recognised	71	89
Amounts written off during the year as uncollectible	(6)	(53)
Impairment losses reversed	(83)	(142)
Balance at end of the year	312	297
Age of impaired trade receivables:		
30-60 days	-	69
60-90 days	6	6
90-120 days	16	-
120+ days	49	-
Total	71	75

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

12. Property, plant and equipment

Consolidated Group

2014 2013

\$'000 \$'000

Carrying amounts of:

Leasehold improvements	862	956
Office equipment	48	23
Furniture and fittings	30	20
Computer hardware	178	154
	1,118	1,153

Cost	Leasehold improvements	Office equipment	Furniture and fittings	Computer hardware	Total
Consolidated Group	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 Jan 2013	3,947	443	448	1,330	6,168
Additions	675	13	8	91	787
Disposals	(70)	(19)	(26)	(4)	(119)
Effect of foreign currency exchange differences	285	23	31	211	550
Balance at 31 Dec 2013	4,837	460	461	1,628	7,386
Additions	270	50	16	121	457
Disposals	(246)	-	-	-	(246)
Effect of foreign currency exchange differences	175	7	8	29	219
Balance at 31 Dec 2014	5,036	517	485	1,778	7,816

Accumulated depreciation and impairment	Leasehold improvements	Office equipment	Furniture and fittings	Computer hardware	Total
Consolidated Group	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 Jan 2013	(3,137)	(388)	(423)	(1,294)	(5,242)
Eliminated on disposals of assets	70	4	12	3	89
Depreciation expense	(485)	(33)	(15)	(98)	(631)
Effect of foreign currency exchange differences	(329)	(20)	(15)	(85)	(449)
Balance at 31 Dec 2013	(3,881)	(437)	(441)	(1,474)	(6,233)
Eliminated on disposals of assets	246	-	-	-	246
Depreciation expense	(404)	(25)	(9)	(95)	(533)
Effect of foreign currency exchange differences	(135)	(7)	(5)	(31)	(178)
Balance at 31 Dec 2014	(4,174)	(469)	(455)	(1,600)	(6,698)

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

13. Intangible assets

	Consolidated Group	
	2014	2013
	\$'000	\$'000

Carrying amounts of:

Computer software	53	259
Web development	236	131
	289	390

Cost	Software	Web Development	Total
Consolidated Group	\$'000	\$'000	\$'000
Balance at 1 Jan 2013	1,662	810	2,472
Additions	218	83	301
Disposals	(32)	-	(32)
Effect of foreign currency exchange differences	95	(27)	68
Balance at 31 Dec 2013	1,943	866	2,809
Additions	6	152	158
Disposals	-	-	-
Effect of foreign currency exchange differences	8	16	24
Balance at 31 Dec 2014	1,957	1,034	2,991

Accumulated amortisation and impairment	Software	Web Development	Total
Consolidated Group	\$'000	\$'000	\$'000
Balance at 1 Jan 2013	(1,425)	(681)	(2,106)
Eliminated on disposals of assets	24	-	24
Amortisation expense	(238)	(47)	(285)
Effect of foreign currency exchange differences	(45)	(7)	(52)
Balance at 31 Dec 2013	(1,684)	(735)	(2,419)
Eliminated on disposals of assets	-	-	-
Amortisation expense	(205)	(57)	(262)
Effect of foreign currency exchange differences	(15)	(6)	(21)
Balance at 31 Dec 2014	(1,904)	(798)	(2,702)

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

14. Tax

	Consolidated Group	
	2014	2013
	\$'000	\$'000
a. Liabilities		
Current		
Income tax payable	162	-
b. Assets		
Current		
Income tax receivable	57	31
Non-current		
Deferred tax assets comprise:		
▪ Provisions	903	812
▪ Share based payments	-	9
▪ Current year tax losses	-	91
	903	912
c. Reconciliations of deferred tax		
i. Gross movements		
Opening balance	912	882
Reclassified to current tax liabilities	(197)	-
Prior year tax under provision	103	30
Current year tax losses	-	91
Released / (Charged) to income statement	85	(91)
Closing balance	903	912
ii. Deferred tax asset		
The movements in deferred tax asset for each temporary difference during the year are as follows:		
Opening balance	912	882
Reclassified to current tax liabilities	(197)	-
Prior year tax under provision	103	30
Released / (Charged) to the income statement	85	(91)
Offset against Deferred tax liability in the same tax jurisdiction	-	-
Recognition of current year tax loss	-	91
Closing balance	903	912
d. Unrecognised deferred tax assets		
Deferred tax assets not recognised at the reporting date:		
▪ Tax losses (gross)	4,230	3,819
The unrecognised tax losses will not expire.		

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

15. Trade and other payables

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Current		
Trade and other payables	7,395	5,910
	7,395	5,910

16. Provisions

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Employee benefits (a)	860	769
Provisions for Onerous contracts (b)	233	300
Make Good Provision (c)	743	587
Lease Incentive (d)	290	310
Other (e)	27	39
	2,153	2,005

Current		
Employee benefits	656	625
Provisions for Onerous contracts	145	109
Make Good Provision	44	109
Lease Incentive	156	175
Other	27	39
	1,028	1,057

Non-current		
Employee benefits	204	144
Provisions for Onerous contracts	88	191
Make Good Provision	699	478
Lease Incentive	134	135
	1,125	948

	Employee benefits	Onerous contracts	Make good provision	Lease Incentive	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated Group	(a)	(b)	(c)	(d)	(e)	
Balance at 1 January 2014	769	300	587	310	39	2,005
Additional provisions recognised	91	98	211	96	27	523
Reductions arising from payments / other sacrifices of future economic benefits	-	(165)	(21)	(116)	(39)	(341)
Reductions arising from re-measurement or settlement without cost	-	-	(87)	-	-	(87)
Unwinding of discount and effect of changes in the discount rate	-	-	53	-	-	53
Balance at 31 December 2014	860	233	743	290	27	2,153

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

16. Provisions (cont.)

- a. The provision for employee benefits represents annual leave and vested long service leave entitlements accrued and compensation claims made by employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.
- b. The provision for onerous lease contracts represents the present value of the future lease payments that the Consolidated Group is presently obligated to make under non-cancellable onerous operating lease contracts for office premises, less revenue expected to be earned on the lease, including estimated future sub-lease revenue, where applicable. The estimate may vary as a result of changes in the utilisation of the leased premises and sub-lease arrangements where applicable. The economic outflow will occur over the next 3 years. The office premises will not be used by the Consolidated Group and therefore the economic outflow exceeds the economic benefit of the lease contracts.
- c. A Make Good provision is made for the expected cost to restore leased property to its original condition. The provision is based on a best estimate advised by an external property advisor or a pre-agreed contract amount.
- d. During the financial year the Consolidated Group successfully negotiated a number of new leases where the requirement to make good on the previous lease was waived by the lessor. The removal of Make Good requirements that resulted has been treated as a lease incentive in each case and will be treated as a reduction of the rental expense over the lease term, on a straight-line basis.

17. Controlled entities

		Parent Entity Interest %	
	Country of Incorporation	2014	2013
		%	%
Parent Entity			
Ambition Group Limited ¹	Australia	—	—
Controlled Entity			
Ambition Corporate Services Pty Limited ²	Australia	100	100
Ambition Recruit Pty Limited ²	Australia	100	100
Contracting Employment Services Pty Limited ²	Australia	100	100
McGinty Recruitment Pty Limited ²	Australia	100	100
People with Ability Pty Limited ²	Australia	100	100
Watermark Search International Pty Limited ²	Australia	100	100
Ambition Employee Share Managers Pty Limited ³	Australia	50	50
Ambition Employee Share Managers Pty Limited as trustee for ³			
▪ Ambition Group Deferred Employee Share Plan	Australia	50	50
▪ Ambition Group Exempt Employee Share Plan	Australia	50	50
▪ Ambition Loan Plan	Australia	50	50
▪ Ambition Overseas Employees Share Plan	Australia	50	50
Ambition Europe Limited	UK	100	100
The Ambition Group Limited	UK	100	100
The Ambition Group Limited	Hong Kong	100	100
Ambition Group Singapore PTE Limited	Singapore	100	100
Ambition Group Malaysia Sdn Bhd ⁴	Malaysia	49	49
Ambition Group Japan K.K. ⁵	Japan	100	100

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

17. Controlled entities (cont.)

¹ Ambition Group Limited is the head entity within the tax-consolidated group.

² These companies are members of the tax-consolidated group.

³ The Consolidated Group has considered the concept of control in AASB 10 and have assessed that they have control over its subsidiaries.

⁴ Ambition Group Malaysia Sdn Bhd was incorporated on 20 September 2013. The Consolidated Group owns 49% equity shares of Ambition Group Malaysia Sdn Bhd.

⁵ Ambition Group Japan K.K was incorporated on 12 September 2013 and is 100% owned by the Parent Entity.

18. Contributed equity

a. Ordinary shares

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Issued capital		
67,170,954 fully paid ordinary shares (2013: 67,170,954)	47,726	47,657

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. The shares have no par value. At the shareholders meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

During the year \$69,170 of treasury shares fulfilled their vesting requirements and were transferred to share capital (2013: \$93,005).

Approval for the issue of securities under the Deferred Employee Share Plan ("DESP") was obtained under ASX Listing Rule 10.1.4.

b. Share Interests

At 31 December 2014, Senior Management held share interests over 4,813,080 ordinary shares of the Company (2013: 1,320,000). Share interests granted under the Company's employee share incentive plan carry no rights to dividends and no voting rights. Further details of the employee share incentive plan are provided in Note 6.

	Consolidated Group	
	2014	2013
	No. '000	No. '000
Balance at the beginning of the year	1,320	1,625
Share interests issued during the year	4,313	500
Share interests exercised during the year	(308)	(325)
Share interests forfeited during the year	(512)	(480)
Balance at reporting date	4,813	1,320

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

18. Contributed equity (cont.)

c. Treasury shares

	Consolidated Group	
	2014	2013
	No. '000	No. '000
Balance at the beginning of the year	1,815	2,182
Issued during the year	-	-
Vested during the year	(330)	(367)
Balance at reporting date	1,485	1,815

d. Capital management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. During 2014, no interim dividend was paid and the Directors have not declared a final dividend.

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Total borrowings	-	-
Total equity	11,728	11,503
Total capital	11,728	11,503
Gearing ratio	0%	0%

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

19. Retained losses

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Balance at 1 January	(32,742)	(31,329)
Profit attributable to Parent	(180)	(1,413)
Balance at 31 December	(32,922)	(32,742)

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

20. Reserves

	Consolidated Group	
	2014	2013
	\$'000	\$'000
a) Foreign Currency reserve	(3,279)	(3,542)
b) Employee Benefits reserve	98	68
Balance at 31 December	(3,181)	(3,474)
a) Foreign Currency reserve		
Balance at 1 January	(3,542)	(4,282)
Revaluation of foreign subsidiary assets and liabilities	263	740
Balance at 31 December	(3,279)	(3,542)
b) Employee Benefits reserve		
Balance at 1 January	68	177
Recognition of share based payments	99	(21)
Shares issued under employee share plans	-	5
Vesting of employee share scheme	(69)	(93)
Balance at 31 December	98	68

Equity settled employee benefits reserve is used to record share plan benefit expenses for unvested employee share schemes.

21. Non controlling interests

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Balance at 1 January	62	-
Non-controlling interest arising on Ambition Group Malaysia Sdn Bhd (Note 17)	-	83
Share of Profit / (loss) for the year	36	(21)
Effect of Foreign Currency	7	-
Balance at 31 December	105	62

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

22. Cash flow information

a. Reconciliation of profit for the year to net cash flows from operating activities

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Cash flows from operating activities		
(Loss) for the year	(144)	(1,434)
▪ Investment income recognised in profit or loss	(20)	(73)
▪ Income tax expense / (benefit)	178	(23)
Non-cash flows in profit from ordinary activities		
▪ Amortisation of intangible assets	262	285
▪ Depreciation	533	631
▪ Employee share plan incentive schemes	99	(21)
▪ Impairment of non-current assets	-	38
▪ Non cash property movements	-	92
▪ Other non cash items	-	14
	908	(491)
Movements in working capital		
▪ Decrease in trade debtors	(659)	(80)
▪ (Increase) in prepayments	(276)	(7)
▪ (Increase) in other debtors	(1,207)	(654)
▪ Increase / (Decrease) in trade creditors and accruals	1,485	(60)
▪ (Decrease) in provisions	(65)	(77)
Cash (used in) operations	(722)	(878)
Tax (Paid) / Refund	(30)	318
Net cash generated from / (used in) operating activities	156	(1,051)

b. Credit standby arrangements

The Consolidated Group has a loan facility of \$2 million in Australia and £0.2 million in the United Kingdom. Interest rates are variable and subject to market rates at the time funds are drawn. Both facilities were undrawn at 31 December 2014, at the date of this report and rarely used during the year. The facilities are secured by floating charges over the assets of a number of the Consolidated Group's controlled entities.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

23. Financial risks

a. Financial risk management

The Consolidated Group's financial instruments consist mainly of deposits with banks, short-term investments and accounts receivable and payable.

Financial risks

The main risks the Consolidated Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk.

i. Interest rate risk

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

	Consolidated Group		Effective Interest Rate	
	2014	2013	2014	2013
	\$'000	\$'000	%	%

Financial assets

Cash (floating interest)	5,222	5,225	1.5%	1.75%
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Other financial assets and liabilities are non-interest bearing. The Consolidated Group currently has no bank borrowings and changes in market interest rates are not considered material to the Consolidated Group's cash balance. Therefore a sensitivity analysis has not been performed.

ii. Foreign currency sensitivity

Although the majority of the Consolidated Group's transactions are carried out in Australian Dollars, the Consolidated Group is exposed to fluctuations in foreign currencies to the extent that some of its subsidiaries operate outside of Australia and trade is carried on in the local currency.

To mitigate against the exposure to foreign currency risk, the Consolidated Group's foreign subsidiaries transactions are carried out in local currency and cash inflows and outflows are largely offset to minimise impact of foreign currency translation. As the exposure to foreign currency is minimised no sensitivity analysis has been disclosed. The Consolidated Group does not undertake any hedging activities with regard to day-to-day foreign exchange exposures.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

23. Financial risks (cont.)

iii. Liquidity risk

The Consolidated Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate overdraft and borrowing facilities are maintained. Cash flow forecasts are prepared and actual cash balances and projections are monitored on a weekly basis by management. The Consolidated Group maintains cash and cash equivalents to meet its liquidity requirements and also raises equity when required. Funding for long-term liquidity needs is secured by having an adequate amount of credit facilities in place.

At 31 December 2014, the Consolidated Group's liabilities have contractual maturities which are summarised below:

	Current 2014	1 to 2 yrs 2014	2 to 5 yrs 2014	> than 5 yrs 2014
	\$'000	\$'000	\$'000	\$'000
Trade payables	(7,395)	-	-	-
Provision for employee entitlements	(656)	(130)	(65)	(9)
Provision for make good	(44)	-	(451)	(248)
Provision for onerous leases	(145)	(88)	-	-
Lease Incentive	(156)	(62)	(72)	-
Other Provision	(27)	-	-	-
Other (Tax)	(162)	-	-	-
	(8,585)	(280)	(588)	(257)

The above maturities reflect gross cash flows and may differ to carrying values of liabilities at balance date.

iv. Credit risk

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

The Consolidated Group manages its credit risk by carrying out credit reviews on potential customers and monitoring the risk associated with long standing customers on an annual basis through the use of credit risk reports from external parties. The Consolidated Group continuously manages defaults of customers and reviews latest available market information to identify potential risks of default. It is the Consolidated Group's policy to deal only with creditworthy counterparties.

In respect of trade and other receivables, the Consolidated Group is not exposed to any significant credit risk exposure to any single counterparty or group of counterparties. The credit risk for cash and short term financial assets is considered negligible since counterparties are reputable banks with high quality credit ratings.

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Classes of financial assets-carrying amounts		
Cash and cash equivalents	5,222	5,225
Trade and other receivables	13,216	11,350
Current tax assets	57	31
	18,495	16,606

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

23. Financial risks (cont.)

The Consolidated Group does not have any material credit risk exposure to any single receivable or group of receivables at balance date.

v. Price risk sensitivity

The Consolidated Group is exposed to price risk in respect of its holdings of financial assets. However, only a small number of such assets are held and any price movement would be immaterial to the Consolidated Group. Therefore no price sensitivity analysis has been disclosed.

b. Fair values

The fair values of financial assets and liabilities disclosed in the consolidated statement of financial position have been determined as the carrying amounts in accordance with Note 1 to the Financial Statements. No financial assets and financial liabilities are readily traded on organised markets in standardised form. There are no financial assets which have a carrying amount which exceeds fair values.

24. Operating lease arrangements

Operating leases relate to leases of property. Property leases are non-cancellable and have lease terms of between 1 and 5 years, with options to renew at the lessee's discretion in some instances. Provisions have been made for onerous contracts related to the rental lease of office premises (Note 24 c). These have not been adjusted for in the disclosure of lease commitments.

a. Payments recognised as an expense.

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Minimum lease payments	2,604	2,794
Contingent rentals	-	-
Sub-lease payments received	(261)	(120)
	2,343	2,674

b. Non-cancellable operating lease commitments contracted for but not capitalised in the accounts.

	Consolidated Group	
	2014	2013
	\$'000	\$'000
■ not later than 1 year	2,947	2,206
■ later than 2 years but not later than 5 years	9,132	3,145
■ later than 5 years	579	-
	12,658	5,351

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

24. Operating lease arrangements (cont.)

c. Liabilities recognised in respect of non-cancellable operating leases

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Onerous lease contracts (Note 16)		
▪ Current	145	109
▪ Non-current	88	191
Lease incentives		
▪ Current	156	175
▪ Non-current	134	135
	523	610

25. Capital expenditure commitments

The Consolidated Group has no capital expenditure commitments at the balance sheet date (2013: Nil).

26. Contingent liabilities

	Consolidated Group	
	2014	2013
	\$'000	\$'000
Bank guarantees in relation to property leases	1,013	694

There is a floating charge over the assets of several group companies in relation to a \$2 million bank facility.

The Company has granted a debenture through its UK subsidiary to the UK bank as part of the overdraft facility. The debenture promises to pay back on demand all monies owing to the bank plus interest and charges. The debenture holds a fixed charge over the plant and fixed assets of the UK subsidiary and a floating charge over its other assets.

Litigation

The Consolidated Group has been involved from time to time in various claims and lawsuits incidental to the ordinary course of business. Based on legal advice obtained, other than amounts already provided for in the accounts, the Directors do not expect any material liability to eventuate.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

27. Segment reporting

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Information reported to the Consolidated Group's Executive Chairman for the purposes of resource allocation and assessment of performance is focused on the geographic segments the business operates in.

The Group's reportable segments under AASB 8 are as follows:

- Australia
- Asia
- UK
- Group

There have been no changes in the basis of segmentation or basis of segmental profit or loss since the previous financial report. Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Consolidated Group's accounting policies described in Note 1.

Segment revenue and results	Revenue ¹		Segment profit / (loss)	
	Year ended		Year ended	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Continuing operations				
Australia	66,096	59,203	1,756	(325)
Asia	12,704	10,905	(290)	776
UK	10,687	12,822	55	(210)
	89,487	82,930	1,521	241
Investment income			20	73
Corporate overheads unallocated			(1,507)	(1,771)
Profit / (loss) before tax			34	(1,457)

¹ The revenue reported above represents revenue generated from external customers. There were no intergroup sales during the year. The policies of the reportable segments are the same as the Consolidated Group's accounting policies described in Note 1.

Other segment information	Depreciation and amortisation		Additions to non-current assets	
	Year ended		Year ended	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Continuing operations				
Australia	323	416	500	293
Asia	214	257	109	669
UK	258	243	6	126
Total	795	916	615	1,088

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

27. Segment reporting (cont.)

Segment assets and liabilities	Consolidated Group	
	2014	2013
	\$'000	\$'000
Segment assets		
Australia	12,770	11,350
Asia	6,414	5,633
UK	2,254	2,435
Total segment assets	21,438	19,418
Group	-	-
Consolidated total assets	21,438	19,418
Segment liabilities		
Australia	6,438	5,343
Asia	1,624	1,383
UK	1,648	1,189
Total segment liabilities	9,710	7,915
Group	-	-
Consolidated total liabilities	9,710	7,915

All assets are allocated to reportable segments.

28. Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Balances owing are unsecured.

	2014	2013
	\$'000	\$'000
Group Management Fees owed by subsidiaries to the parent entity	79	617

Remuneration paid to Directors has been included in Note 29.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

29. Key Management Personnel compensation

The aggregate compensation made to Key Management Personnel of the Group is set out below:

	2014 \$'000	2013 \$'000
Short-term employee benefits	411	1,289
Non Cash Benefits	14	32
Post-employment benefits	43	66
Share-based payment	21	(20)
Termination Benefits	464	574
	953	1,941

Details of Key Management Personnel

The directors and other members of key management personnel of the group during the year were:

- Nick Waterworth (Executive Director), appointed Executive Chairman 20 January 2014
- Cathy Doyle (Non - Executive Director)
- Paul Young (Non - Executive Director)
- Richard Petty (Non -Executive Director), appointed 14 August 2014
- Eric Dodd (Non -Executive Chairman), resigned 20 January 2014
- Guy Day (Director, Chief Executive Officer), resigned 20 January 2014
- Peter O'Donovan (Chief Financial Officer, company secretary), resigned 17 January 2014
- Ash Fenton (Interim Chief Financial Officer, company secretary), appointed 12 May 2014

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

29. Key Management Personnel compensation (cont.)

The remuneration of Key Management Personnel is determined by the remuneration committee having regard to the performance of individuals and market trends. The compensation of each member of Key Management Personnel of the Group is set out in the table below:

	Short-term benefits			Post-employment benefits	Long Term Benefits	Other benefits	Total
	Salary and fees	Non-cash benefits	Bonuses ⁸	Super	Share based payment	Termination payment	
2014	\$	\$	\$	\$	\$	\$	\$
Directors							
Nick Waterworth	170,012	13,732	-	16,745	-	-	200,489
Cathy Doyle	58,290	-	-	5,460	-	-	63,750
Paul Young	58,290	-	-	5,460	-	-	63,750
Richard Petty ¹	22,857	-	-	-	-	-	22,857
Eric Dodd ²	5,572	-	-	847	-	22,813	29,232
Guy Day ³	16,308	-	-	6,996	20,927	353,087	397,318
	331,329	13,732	-	35,508	20,927	375,900	777,396
Other Key Management Personnel⁹							
Ash Fenton ⁴	67,827	-	-	6,444	-	-	74,271
Peter O'Donovan ⁵	11,939	-	-	1,104	-	88,129	101,172
	411,095	13,732	-	43,056	20,927	464,029	952,839

¹ Richard Petty was appointed a Director on 14 August 2014.

² Eric Dodd was appointed as Chairman of the Board on 18 March 2013 and resigned on 20 January 2014.

³ Guy Day resigned on 20 January 2014.

⁴ Ash Fenton was appointed as Company Secretary on 12 May 2014.

⁵ Peter O'Donovan was appointed as Company Secretary on 12 June 2013 and resigned on 17 January 2014.

⁶ Paul Lyons resigned from the Board on 14 May 2013.

⁷ Rick Taylor resigned as Company Secretary on 12 June 2013.

⁸ This is the annual short term incentive based on criteria set on the 1 January each year and vesting on the results for the year to 31 December each year.

⁹ Amounts included in the above table reflect the remuneration whilst a KMP as defined.

No KMP appointed during the period received a payment as part of his or her consideration for agreeing to hold the position. No KMP received any remuneration outside of the amounts disclosed in the table above.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

29. Key Management Personnel compensation (cont.)

	Short-term benefits			Post-employment benefits	Share based payment	Other benefits	Total
	Salary and fees	Non-cash benefits	Bonuses ⁸	Super	Options and shares	Termination payment	
2013	\$	\$	\$	\$	\$	\$	\$
Directors							
Eric Dodd ²	79,812	-	-	7,303	-	-	87,115
Cathy Doyle	51,550	-	-	4,700	-	-	56,250
Paul Young	51,550	-	-	4,700	-	-	56,250
Guy Day ³	425,004	15,664	-	-	(8,635)	-	432,033
Nick Waterworth	160,341	-	17,580	17,807	-	-	195,728
Paul Lyons ⁶	321,257	16,321	-	15,098	-	481,445	834,121
	1,089,514	31,985	17,580	49,608	(8,635)	481,445	1,661,497
Other Key Management Personnel⁹							
Rick Taylor ⁷	121,534	-	-	10,980	(11,209)	92,609	213,914
Peter O'Donovan ⁵	60,553	-	-	-	5,601	-	66,154
	1,271,601	31,985	17,580	574,054	66,189	(19,844)	1,941,565

¹ Richard Petty was appointed a Director on 14 August 2014.

² Eric Dodd was appointed as Chairman of the Board on 18 March 2013 and resigned on 20 January 2014.

³ Guy Day resigned on 20 January 2014.

⁴ Ash Fenton was appointed as Company Secretary on 12 May 2014.

⁵ Peter O'Donovan was appointed as Company Secretary on 12 June 2013 and resigned on 17 January 2014.

⁶ Paul Lyons resigned from the Board on 14 May 2013.

⁷ Rick Taylor resigned as Company Secretary on 12 June 2013.

⁸ This is the annual short term incentive based on criteria set on the 1 January each year and vesting on the results for the year to 31 December each year.

⁹ Amounts included in the above table reflect the remuneration whilst a KMP as defined.

No KMP appointed during the period received a payment as part of his or her consideration for agreeing to hold the position. No KMP received any remuneration outside of the amounts disclosed in the table above.

30. Subsequent events

None.

Notes to the Financial Statements (cont.)

for the year ended 31 December 2014

31. Parent Entity Financial Statements

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements. Refer to Note 1 for a summary of the significant accounting policies relating to the Consolidated Group.

Financial Position

as at 31 December 2014

	Parent Entity	
	2014	2013
	\$'000	\$'000
Assets		
Current assets	267	267
Non-current assets	16,071	15,927
Total assets	16,338	16,194
Liabilities		
Current liabilities	-	-
Non-current liabilities	-	-
Total liabilities	-	-
Equity		
Issued Capital	49,571	49,501
Reserves	27	32
Retained losses	(33,260)	(33,339)
Total equity	16,338	16,194

	Year ended	
	2014	2013
	\$'000	\$'000
Financial performance		
Profit for the year	79	617
Other comprehensive income	-	-
Total comprehensive income	79	617

The parent entity is the named company on the bank guarantees disclosed in Note 26. ANZ Bank holds a cross guarantee for the parent and all subsidiaries as security for the bank guarantees and other bank facilities.

Corporate Directory

Websites

www.ambition.com.au
www.ambition.com.hk
www.ambition.com.sg
www.ambition.co.uk
www.ambition.com.my
www.ambitiongroup.co.jp
www.accountability.com.au
www.watermarksearch.com.au
www.buildingbetterfutures.com

Share Registry

Computershare Investor Services Pty Ltd
Level 5
115 Grenfell Street
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Stock Exchange Listing

Ambition Group Limited is listed on the
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ASX code: AMB

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ABN 31 089 183 362



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